HOUSE OF ASSEMBLY

Wednesday 13 February 1991

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

DEATHS OF THE HONS Dr V.G. SPRINGETT AND G. O'HALLORAN GILES

The Hon. LYNN ARNOLD (Minister of Industry, Trade and Technology): I move:

That this House expresses its regret at the recent deaths of the Hon. Dr V.G. Springett and Mr G. O'Halloran Giles, former members of the Legislative Council, and places on record its appreciation of their long and meritorious service.

In moving this motion I wish to advise that it is with regret that the House on this occasion is noting the passing of Dr Springett when in fact he died on 8 September last year—an unfortunate oversight resulted in his death not being recognised at an earlier time. Dr Springett was a member of the Legislative Council from 1967-75 and was known for being studious, considerate and conscientious. He had a record of professional and community service outside politics. He was born in London and migrated to Australia in 1950 and resided at Murray Bridge where he was the surgeon in a group medical practice.

Dr Springett was medical adviser to the Anti-Cancer Federation at the University of Adelaide—as it then was. He was on the State Executive of the Good Neighbour Council and he was involved with Red Cross. In 1973 he was elected as the Anti-Cancer Foundation's Chairman. As a member of a number of Red Cross teams, he provided medical aid and assistance in Nigeria, Ethiopia and East Timor. He received Red Cross awards for his work in Nigeria and again for his assistance during the Ethiopian famine in 1974.

Mr O'Halloran Giles died on 18 December 1990. Although he was a member of the Legislative Council from 1959 to 1964 he went on to serve with distinction as the member for Angas and later Wakefield in the Federal Parliament for 19 years until 1983. The present member for Wakefield described the work of Geoffrey O'Halloran Giles, as follows:

He had a particular sensitivity for rural Australia. The wine industry in particular in South Australia must recognise the indebtedness that it has to him because he managed to discourage the Federal Government while in power from imposing a sales tax on wine. He was a very affable member and people felt very much at their ease with him. He was generous and gregarious.

I did not have the pleasure or opportunity of knowing Dr Springett, but I appreciated from afar his contribution to the State. However, I did know, from passing contacts, Geoffrey O'Halloran Giles and always found him to be a most amiable and interesting person who was dedicated in the service of the State and with whom one could have very interesting discussions on all sorts of matters. I know that people from all sides of politics shared that feeling about Geoffrey O'Halloran Giles. Likewise, the Hon. Dr Springett's work in so many good causes resulted in his being appreciated by members from all walks of life and from all sides of politics. The State will feel the loss of both these gentlemen and, on behalf of the Government, I offer condolences to their families.

Mr D.S. BAKER (Leader of the Opposition): I support the Minister of Industry, Trade and Technology. I will begin with Dr David—or, as he was known, Victor—Springett. While I did not know Dr David Springett well, those of my colleagues who did, to a person, have remarked that he was truly a gentleman in every sense. He was a member of another place from 1967 until 1975—a period during which the Council was under constant public spotlight as it dealt with issues of great importance to the State and to its own position in our democratic process. David Springett was very articulate and a clear thinker. He was a friend to those on both sides of Parliament.

In the wider community he devoted a great deal of his time and medical skills to charity. For example, during the Ethiopian famine he went with the Red Cross to that region to give his assistance in that tragedy. In his later years he bore his own tragedy of a serious disability with the type of quiet fortitude which honourable members who knew him would have expected.

In his 40 years in his adopted country of Australia David Springett made a distinguished contribution in a range of public and private ways. I join the Minister in marking his passing and publicly offer the condolences that I have already expressed privately at his funeral to his wife, Violet, a son, Michael, and a daughter, Ruth.

Geoffrey O'Halloran Giles was elected to another place in 1959, at the same time as my father-in-law, Allan Hookings. Regrettably, both passed on at a relatively early age. Geoff's life was active from the start. He distinguished himself in sport as well as study at Geelong Grammar. He saw service in New Guinea in the Second World War as a member of the RAAF fighter squadron. Just before entering this Parliament he was awarded a Nuffield Scholarship in agriculture to the United Kingdom in 1957 and it is interesting to note that in 1951 Allan Hookings, who entered this Parliament with Geoffrey O'Halloran Giles, was also awarded a Nuffield Scholarship.

Geoff maintained his strong rural ties throughout his five years in this Parliament and his 20 years as a member of the House of Representatives. He is fondly remembered by those in my electorate who shared his interest in and commitment to the development of a strong cattle industry. On behalf of the Liberal Party, I attended Geoff's funeral to express our condolences to his wife, Lynette, and their son.

The Hon. B.C. EASTICK (Light): I add my voice to the recognition which was moved initially by the Minister. Victor Springett was a very sensitive person, who was revered not only in this place, but particularly in the wider community, and specifically Murray Bridge. He was recognised always by the rosebud in the lapel—something which was particularly characteristic of him—and his glasses, over the top of which he often looked when giving one his views on a series of matters. I was privileged to work on a number of committees with him whilst he was still a member of this place. His passing is one of the inevitabilities of life, but nonetheless he will be remembered with a great deal of respect.

I first met Geoffrey O'Halloran Giles at Roseworthy Agricultural College when he came back from service in the Air Force. He was the first of the ex-service people to attend Roseworthy. He undertook training there and subsequently went on and was well known throughout the State, particularly with the jersey stud that he developed in the Mount Compass area—the Lanac Stud. His cattle and his involvement in those days were quite renowned not only in this State, but interstate.

I subsequently came into very close contact with him when he transferred from being the member for Angas to become the member for Wakefield, because the electorate of Light was part of the electorate of Wakefield. I had certainly known him and had dealings with him during his period as the member for Angas, which he took over from Sir Alex Downer, and subsequently took over Wakefield

from the Hon. C.R. Bert Kelly. I regret the passing of these two gentlemen, but respect the work they did on behalf of the communities that they represented.

Mr S.G. EVANS (Davenport): I join others who have expressed their condolences and regrets at the loss of the two gentlemen. Dr Springett was a member of the southern legislative district and was active when I became a member. I think his work for people in third world countries might have been overlooked. When Parliament was in recess, it was not uncommon for Dr Springett to go to Biafra and offer his services free. Perhaps some of the affliction he suffered might have been incurred in such areas—one will never know. However, it is to his credit that he was prepared to make that sacrifice, even though this life can be a busy one. He found time to serve in those third world areas to help those who were sick and disadvantaged.

Geoff O'Halloran Giles was a close friend, as was his wife. Geoff served in my area when he and I were members of the same area. We had to work together, but it was easy with Geoff because he had such an easy-going approach to life. Our community owes him a lot for what he gave to the community inside and outside parliamentary life, whether it was serving in the war or serving in community-based organisations, the cattle industry or other areas. To his wife and family I pass on my regrets, as I do to Dr Springett's family. I am sure that his wife would remember the way in which I became involved in the beginning of their relationship. I wish her and the other members of the family all the best in the future.

The Hon. E.R. GOLDSWORTHY (Kavel): I would like to add my condolences to those of my colleagues. I knew Vic Springett fairly well in the time he was in this place, and I had a great respect for him. He never appeared to be a particularly robust man but, from what he managed to pack into his life in Africa and Australia, he must have been rather more wiry than he appeared. Certainly, it was apparent that he had a robust mind and, as has been pointed out, he was, indeed, a very clear thinker and a man with strong views.

Geoff Giles was well known to me. We shared a lot of common territory, he in the seat of Angas and I in the seat of Kavel, which included the Barossa Valley at that time. I can simply repeat and endorse what has been said by my colleagues: Geoff was full of good cheer and fun, he was universally popular and he was particularly energetic. As I say, I knew him well, and I feel a sense of loss at his passing. I would like to add my condolences to those that have been expressed today to both the families of these two gentlemen.

The Hon. TED CHAPMAN (Alexandra): As was the case with the member for Light, when I came into this place, the Hon. Dr Springett was a member of Parliament. Indeed, I recall and respect that gentleman in the way that he has been very appropriately described first by the Leader and then by subsequent speakers. Indeed, he was of delicate and sensitive style, to say the least.

In this instance I rise particularly to offer condolences to the family of Geoffrey O'Halloran Giles and I do so on my own behalf as a participant in the field of dairying in my district of Alexandra, as has been alluded to, and in the community of Mount Compass, the centre of broad acre dairying in this State. I acknowledge the contribution he made to that industry generally. I offer condolences, as I indicated, on my own behalf and on behalf of the constituents of that region, who I know would desire that I express these views. Accordingly, my condolences go to the families of both the deceased gentlemen.

Mr LEWIS (Murray-Mallee): I endorse the remarks that have already been made by those who have spoken before me about both the late gentlemen. However, Dr David Springett was well known to me, after I first met him 24 years ago. In keeping with and consistent with his help to people in third world countries, and his help to young people in this country, he acted as confidante and adviser to the South Australian Rural Youth State Committee in its attempts to establish a rural youth centre. As the member/convener of that committee, he was a great help to me. However, the centre never came into existence as a consequence of the loss of government shortly after agreement had been reached on that proposal.

I met him in that context, and he then further assisted me and others in conjunction with young people from New Zealand in the establishment of the Overseas Services Bureau, indeed, in aid programs under the aegis of that bureau and the Australasian Volunteers Abroad for people to serve in the south-west Pacific region. To that extent he provided great assistance in the negotiation of the funds that were provided, principally from Massey-Ferguson in Toronto, for the financing of that work. Without his help that would not have been possible. As young people we did not understand as much about the protocol that would be involved in negotiating those arrangements with other national Governments as he understood. He opened doors for us, cut red tape and ensured that what we said was relevant and appropriate to our case.

I have been specifically asked to place on record the respect with which he was held not only as a general practitioner in Murray Bridge but also as a citizen of that town. He is remembered by everybody who knew him as a man of great dignity, foresight, compassion, consideration and equanimity in crisis—without a doubt the kind of person everybody could trust when they needed someone to trust in such situations.

Geoff Giles was a man of other parts and an equally admirable man who also had associations in a direct and personal sense with me early in my life and with the people of the Lower Murray. He represented in the first instance in the Federal Parliament the District of Angas and, afterwards, the District of Wakefield. The people of that region came to respect the way in which he assisted them through a number of difficult community decisions which might have, on occasions, involved him as the Federal member and, on other occasions, might not.

Nonetheless, he was a man who gave wise counsel and was a great help to people seeking information about contentious matters regardless of the view which he had of the argument. On behalf of the people of Murray Bridge, and on my own behalf, I express my condolences to both former members' families and express my regret at the passing of those two gentlemen.

Mr MEIER (Goyder): I endorse the remarks of the previous speakers. I did not know Dr Springett, but I certainly pass on my condolences to his family. I did know Geoffrey O'Halloran Giles, and I express my sympathy to his wife Lyn and his family. As has been said by previous speakers, Geoff had a sense of humour. He certainly was a man of the people. I well remember the first occasion I met him when I was a senior master at the Yorketown Area School. It was a fairly busy day and he came to the office and asked to see me. He identified himself as Geoff Giles, but that did not ring a bell; he was seeking endorsement for the new

seat of Wakefield. I asked the secretary, 'Who is this fellow?', and she asked him. He said, 'I am a book salesman.' I said, 'Tell him to wait a minute and I will be with him shortly.' I had almost a gruff approach when I went out to meet him. He said, 'Hello', and introduced himself as Geoff O'Halloran Giles, the member for Angas and the person seeking endorsement for Wakefield. He already knew how to approach things in a slightly different way at that time.

I went to many Liberal branch meetings with Geoff Giles. In the late 1970s when there were some difficult times with petrol prices rising I well remember Geoff having to fend off questions. I guess I learned a lot at that time about how to fend off questions and, I admit, about how, on occasion, not to fend off questions. Certainly, Geoff helped me in my early days prior to my coming into Parliament. We shared joint electorates, namely, that of the State electorate of Goyder and the Federal electorate of Wakefield for only some five months before Geoff left Federal Parliament.

Prior to coming into the State seat Geoff used to conduct regular whistle stops. On one occasion, he asked me to join him. He made up the itinerary and decided to include Port Julia as a stop. I said to him, 'I haven't been to Port Julia very often; is there much there?' and he replied, 'I must admit that I don't know that I've called in before, either' (in his trips around the electorate). So, on this occasion we did call in. At that stage, 10 years ago, Port Julia was smaller than it is today, and I remember that we drove up and down this dirt road looking for someone who might want to say 'Hello' to the Federal member, and a possible future State member, but we found no-one. We smiled about that later.

There is no doubt that Geoff Giles was a very hard worker. He represented the rural electorate exceptionally well. As the Minister said earlier, and as the present member for Wakefield (Neil Andrews) has said, Geoff Giles had a particular sensitivity for rural Australia. I know that my constituents and all constituents throughout the rural area join with us in expressing our sympathy to his wife, Lyn, and to other members of Geoff O'Halloran Giles's family.

The SPEAKER: I thank all members for the sentiments they have expressed, and I will see that their remarks are conveyed to the families of these two former members. I now ask members to rise in their places to carry the motion in silence.

Motion carried by members standing in their places in silence.

PETITION: TREE PLANTING PROGRAM

A petition signed by 889 residents of South Australia requesting that the House urge the Government to undertake a tree planting program in conjunction with the resurfacing of Cross Road was presented by Mr S.J. Baker.

Petition received.

QUESTION

The SPEAKER: I direct that the following written answer to a question without notice be distributed and printed in *Hansard*.

WORKCOVER

In reply to **Mr INGERSON (Bragg)** 13 November.

The Hon. R.J. GREGORY: Bouvet Pty Ltd is a subsidiary of SGIC which on 28 April 1988 purchased Ansett Gateway, retaining the trading name and continuing trading for the time being. Bouvet Pty Ltd was registered with WorkCover at this location from that time. On 31 December 1988, the trading name for Bouvet Pty Ltd was changed to The Terrace and renovation of the hotel commenced. Renovation of the hotel finished on 18 September 1989 and the location was cancelled. A new location was registered with WorkCover, being Bouvet Pty Ltd trading as The Terrace operating as a hotel from 18 September 1989.

In April 1990 a claims experience was sent to every current location outlining claims and their cost to all locations employers for the purpose of the bonus penalty scheme. A 'no claims for this location' advice was sent out for the first location, which was the former Ansett Gateway, because it had been cancelled (this was the standard wording used to signify the claims at such a cancelled location would not be used for bonus/penalty assessment). A separate claims experience was sent for The Terrace, recorded as location 2.

Bouvet Pty Ltd was advised that it was not eligible to participate in the bonus and penalty scheme on 1 July 1990 as none of its locations was registered with WorkCover from 1 October 1987. Bouvet Pty Ltd contacted WorkCover regarding its eligibility and was advised that, because of the continuing relationship between location No. 1 and the subsequent location No. 2, the experience for these locations could be linked. This would still mean that Bouvet Pty Ltd would still not be eligible for the bonus and penalty scheme for 1 July 1990, but it would be eligible for the bonus and penalty scheme for 1 July 1991.

It is acknowledged that Bouvet Pty Ltd may have been misled by the claims experience advices in May 1990, which showed the standard 'no claims for this location' advice for a cancelled location. One cannot escape the fact, however, that Bouvet Pty Ltd was always the employer and should, from its own records, be aware of all the claims lodged, in particular those where the worker is receiving ongoing income maintenance benefit.

With the imminent implementation of the bonus and penalty scheme from 1 July 1990, WorkCover Corporation sent claims experiences to all employers with locations currently registered with WorkCover for the express purpose of detailing the number and cost of claims to be taken into account for the purpose of the bonus and penalty scheme. Since that time, WorkCover has been sending this type of claims experience quarterly to all employers that incurred claims under WorkCover, and detailing the number and cost of those claims so that employers can assess the impact that they have on any bonuses or penalties. It is considered that WorkCover is providing accurate and timely information to employers on their claims. Such information is also available to employers or organisations seeking to 'take over' particular employers by request from the particular employer being taken over.

NATIONAL CRIME AUTHORITY

The Hon. G.J. CRAFTER (Minister of Education) tabled a statement made in another place by the Attorney-General concerning the results of the National Crime Authority's Operation Hound, together with accompanying documents.

MINISTERIAL STATEMENT: WORKCOVER

The Hon. R.J. GREGORY (Minister of Labour): I seek leave to make a statement.

Leave granted.

The Hon. R.J. GREGORY: The front page of this morning's *Advertiser* featured a grossly misleading headline claiming '$525 million blowout hits WorkCover'. In speaking on this matter today I am keenly aware of matters concerning WorkCover occurring both inside and outside this Chamber. I would prefer not to be addressing this matter at all in this way; however, I feel I have no alternative. This topic is too important for South Australia for me not to comment on it.

In my eight years as a Parliamentarian, I have not seen a more misleading statement than this morning's front page headline on WorkCover. This headline shows a fundamental lack of understanding not only of WorkCover but even of basic business accounting. Quite simply, the $525 million figure refers to WorkCover's total liability without taking into account one cent of its assets. That $525 million figure was contained in the annual report released in December last year, along with many other important figures. In fact, the media had access to these figures in October last year, and there is nothing new in them.

WorkCover has assets worth more than $390 million to cover those liabilities. If we used the *Advertiser's* reckoning, the AMP would have suffered a 'blowout' of $26.7 billion, because that was the size of AMP's total policy liabilities at the end of 1989. The fact that AMP had funds to meet those liabilities of $28.4 billion would apparently not be taken into account.

In the past the *Advertiser* and others have used the term 'blowout' to refer to the WorkCover Corporation's unfunded liability or its deficit. The public should know that WorkCover does not have and has never had an unfunded liability of $525 million. The WorkCover annual report for 1989-90 shows an unfunded liability estimated at $150 million by the corporation's actuaries. However, a preliminary report from those same actuaries indicates that that figure could be reduced by as much as $126 million through the process of reviewing long-term cases that is now underway. These figures were first released to the media last week. They were reported on page three of the *Advertiser* on Wednesday 6 February, exactly one week ago, but not mentioned at all in today's story.

The WorkCover Corporation, its board, industry, unions, this Government and this Parliament are all committed to seeing improvements in WorkCover's performance. The corporation has undertaken important measures to tighten and improve administration, rehabilitation and other areas, and further efforts have been foreshadowed. We are all aware of other steps being taken by this Parliament to introduce further improvements. Workers compensation is a very complex area but it can be understood. I would ask all journalists and indeed all members of this House to check their facts carefully when they talk about WorkCover. WorkCover and the whole issue of workers compensation needs and deserves accurate and informed criticism and debate; it does not need or deserve the sort of reporting we witnessed in the *Advertiser* this morning.

QUESTION TIME

The SPEAKER: Before calling on questions, I advise that questions otherwise directed to the Minister of Health will be taken by the Minister of Transport, and the Minister of Education will take any questions relating to community affairs.

STATE BANK

Mr D.S. BAKER (Leader of the Opposition): Why did the Treasurer tell the House on 4 December 'I am quite satisfied that the bank is conducting its financial affairs in the appropriate way,' and on 13 December 'I have no reason to have a lack of confidence in those who are handling the bank's affairs,' when, by the time these statements were made:

(1) there had been a series of marked variations in the profit projections of the State Bank Group, including a turnaround of almost $90 million in just eight weeks;

(2) the Treasurer was concerned the information he was receiving from the bank was seriously inadequate; and

(3) the Treasury was aware the bank's level of non-accrual loans was growing quickly with insufficient provision being made for bad debts?

Do the conflicts between these facts and the Premier's parliamentary answers I have just quoted not mean that, during the period of sustained questions about the bank's affairs before Christmas, he deliberately concealed—

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! Once again I must ask the Leader—

Members interjecting:

The SPEAKER: Order! The rules laid down for questions are very clear: debate and comment are not allowed in a question. I ask the Leader to comply with the Standing Orders as they relate to questions. The honourable Leader.

Mr D.S. BAKER: Do these conflicts show that the Premier deliberately concealed relevant information from the Parliament?

The Hon. J.C. BANNON: No they do not, and I would have thought that the Leader of the Opposition could at least have kept his ears open yesterday when I gave a full and very considered report to this House.

Members interjecting:

The Hon. J.C. BANNON: The Leader can make ridiculous gestures with his fist in the air, but the fact is that I covered this question, I would have thought, extremely adequately. I made the point that certainly there were problems with the bank, and certainly what I described in that statement was factual, but they were not of such a grave nature at that stage as to see me losing confidence in the management of the bank.

Secondly, if in the light of those questions (and I recall also the question asked directly in relation to confidence in the bank board and its affairs) I had explained to the House in great detail the discussions that were going on and the sort of things that were being put in place, what sort of impact would that have had on the bank and its operations? I certainly have a responsibility to this place which I observe, and observe strictly indeed, but I also have a responsibility as Treasurer of the State to the viability of its financial institutions, in particular the State Bank. Last year I discharged both of those obligations completely within the letter of their requirements.

Members interjecting:

The SPEAKER: Order!

BOLIVAR SEWAGE TREATMENT WORKS

Mr QUIRKE (Playford): Will the Minister for Environment and Planning advise the House of the steps taken during the summer to overcome the continuing problem of

odours associated with the Bolivar Sewage Treatment Works? I have had numerous representations from constituents, particularly on hot days and usually as the wind changes to the north-west. In fact, the smell seems to arrive about six hours ahead of a cool change.

The Hon. S.M. LENEHAN: I thank the honourable member for his question. He has certainly raised the issue with me on a number of occasions, but it would be remiss of me in answering the question not to acknowledge the ongoing concern and cooperation that both my department and I have received from my ministerial colleague, the Minister of Industry, Trade and Technology. It is important that his involvement in the whole issue be acknowledged. I am delighted to inform the House that a new chlorination plant has been installed to help reduce odours, and it will work in conjunction with an oxygen injection facility which is now fully operational. There were some initial problems with that oxygenation injection plant but I believe they have now been overcome. When we have enough data on the effectiveness of the two facilities we intend to have extensive community consultation to ascertain whether any further action should be taken.

I would like to share with the House the fact that these two facilities have cost almost $600 000 to install and in fact will have an annual operating cost of $1 million, so it is obvious that, as a department and a Government, we are treating this problem very seriously. In an attempt to assess the effectiveness of the two facilities, I am reactivating what has been euphemistically called the odour panel, which comprises community and Government representatives.

Some people think that this is on the nose, but I assure members that the people who live in the area regard it as very important. Members of the odour panel had the job of sniffing the air after the oxygen injection facility was installed more than a year ago. We are asking those people again to be part of the panel. My colleague the Minister of Industry, Trade and Technology has some of his constituents on the odour panel. These people have been incredibly cooperative and are able to give us a very objective view of what is happening at a scientific level. That panel will be reactivated. I will be delighted, given the interest of members opposite, to provide Parliament with an update on the success of this new chlorination facility.

STATE GOVERNMENT INSURANCE COMMISSION

Mr S.J. BAKER (Deputy Leader of the Opposition): Did the Treasurer or his officers have any discussions with Becton or the then Victorian Premier (Mr Cain) or his officers before he approved SGIC entering into the $520 million put option on a building development at 333 Collins Street, Melbourne and, if so, what were those discussions?

Following repeated unanswered Liberal Party questions on 25 October 1989, 4 April 1990 and 12 December 1990, the Government informed the member for Bragg in a letter dated 10 January 1991 that the Treasurer had approved SGIC entering into the put option in relation to the property at 333 Collins Street, Melbourne on 27 August 1988. The interstate put option for $520 million is equivalent to a massive one-third of SGIC's total assets.

The Hon. J.C. BANNON: I certainly had no discussions with Mr Cain or anybody else in Victoria, and it was not my place to do so. The approval of the put option was based on the advice I received from SGIC as to the financial nature of the deal and on the advice of my Treasury officers as to their assessment of it. In those circumstances, and on the basis of the information I received, I approved the proposal of SGIC as required under the Act and that is the end of the matter as far as that involvement is concerned.

STAMP DUTY ON SHARE TRANSACTIONS

Mr FERGUSON (Henley Beach): Will the Minister of Finance tell the House what the likely implications are for South Australia of the announcement by the Premier of New South Wales on Tuesday that he has decided to abolish stamp duty on share transactions that take place on the Stock Exchange? The finance advisory industry in South Australia is quite large and the implications of this particular measure by the Premier of New South Wales has very large implications for employment in South Australia, not only in relation to stock brokers but also in relation to a very large number of clerical staff employed in those offices. There will be a flow-on effect in regard to this because, obviously, people will be looking to the New South Wales Stock Exchange—

The SPEAKER: Order! The honourable member has fully explained his question.

The Hon. FRANK BLEVINS: I thank the member for Henley Beach for his question and for his very full explanation. He pointed out some of the implications for South Australia—

An honourable member: And gave the answer.

The SPEAKER: Order!

The Hon. FRANK BLEVINS: No, certainly not—absolutely not. The implications for South Australia are potentially quite serious. I was disappointed when I read the article in the *Financial Review* because there was an understanding amongst all State Treasurers that this was an area worth examining and that, perhaps, this particular stamp duty had outlived its usefulness. However, because of the impact that its removal would have on State budgets, it was decided to have some discussions with the Federal Treasurer to see whether this particular duty could be phased out and some other area of finance put in its place. The New South Wales Government has pre-empted all of that through its decision to abolish this stamp duty, and I think that that is a great pity. The financial implications for this State are—

The Hon. Jennifer Cashmore interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: —something in the order of $4 million—

Mr D.S. Baker interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: There are some quite serious implications for the budget to the tune of $4 million per year. I think it is a great pity that a more orderly exit from this particular levy was not taken. However, the reality is that, if one State does this and this State is not disadvantaged, it is likely that South Australia will follow. It has an air of inevitability about it.

The impact on the current year's budget will not be great, but it will, as I said, in a full year eventually—I think in 1993—cost the State budget about $4 million. I would not have thought in this area people could not afford to pay this levy. Some other sector of our economy will have to pay some different tax or an increase in taxes, or there will have to be a reduction in services. I think that is a great pity, because I believe that the level of services in this State ought to be maintained as far as possible. I know that all members opposite agree with me, because they are constantly writing to me asking for increases in services in their electorates.

The SPEAKER: Order! I ask the Minister to draw his answer to a close.

The Hon. FRANK BLEVINS: This is another example of how—

An honourable member interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: —it will be much more difficult for the State to supply the services that people demand.

STATE BANK

The Hon. D.C. WOTTON (Heysen): When did the Treasurer first inform Mr Keating of serious problems in the State Bank; when did the Reserve Bank first become involved; what role did the Reserve Bank have in the appointment of J.P. Morgan; and what conditions has the Reserve Bank placed on the Government concerning timing and support for the bank's bad debts and possible future recovery action?

The Hon. J.C. BANNON: I spoke to Mr Keating, I think, on 1 February. I outlined the sequence of events in my statement to the House yesterday. In fact, as I described, a meeting took place at which the full position of the bank was disclosed. It became obvious that some urgent action was needed, and we immediately started to put arrangements into effect to ensure that the bank's position could be secured. Within a day of that I went to Canberra. I had some other business to do. I saw the Prime Minister about a couple of matters. I was talking about the motor vehicle industry, but I certainly took the opportunity to outline to the Federal Treasurer the full situation. At the time I told him, because it was happening, that the Reserve Bank was being advised, that bank officers would be meeting the Reserve Bank's Deputy Governor within the next day or so and that there would be further follow-up meetings.

The Reserve Bank had at all times throughout these arrangements been kept fully advised because, as I explained both in my press conference on Sunday and in my statement to the House yesterday, which apparently the honourable member failed to listen to or observe, the Reserve Bank was vital to the validation of the arrangements that the Government had made. Its advice was essential, and the fact that these arrangements would conform with its requirements was an essential part of the market assurance that was given.

I might say that, as I explained to the House yesterday, the State Bank has always, under direction of the board and certainly with my approval, observed the Reserve Bank's requirements, and those requirements have included consultation. I am aware that from time to time the bank was discussed with officers of the Reserve Bank through last year. So, to the extent that information was available, the Reserve Bank had it. I should like to say that, in relation to both the Federal Treasurer in that very difficult immediate situation and the Reserve Bank, the cooperation and assistance was very good indeed.

Members interjecting:

The SPEAKER: Order! The member for Heysen is out of order.

RURAL COUNSELLING SERVICE

Mrs HUTCHISON (Stuart): Will the Minister of Agriculture assure the House and the people involved in the Rural Counselling Service about the security of the present level of funding by the State, which provides for 25 per cent of the cost of maintaining the service? I am informed by my colleague, Hon. Ron Roberts, who attended a meeting in Jamestown recently that was convened to discuss the extension of the service, that concern was expressed to him that the State Government's contribution through SAFA was not going to be provided next year.

The Hon. LYNN ARNOLD: I thank the member for Stuart for her question. The honourable member in another place also spoke to me about this matter in the last day or so and identified the concern that had been expressed at that meeting. The State Government intends to maintain support for the Rural Counselling Service. The manner in which that is done is still being considered at the moment, and we will be advised subsequently. However, we recognise that an important function is being provided by the counsellors, and that, at this particular time more than any other previously, it would be very important that these services continue. Indeed, just before Christmas the Premier and I had the chance to gain perspective of a rural counsellor and the work that a rural counsellor does in the Riverland. We were able to get some good insights into the depth and range of issues that come before them.

All the rural counsellors who are presently in place have reported that they have had an increased demand for their services. Of course, further increase in demand for their services is expected in the remaining part of this calendar year due to the size of the rural downturn. It is anticipated, I guess, that many farming households will be feeling major impacts from about this month onwards as they start to see the decrease in the size of cheques coming in from the sale of commodities due to falling commodity prices or even, in some cases, the absence of sales of commodities.

At present counsellors are based at Kapunda, Berri, Karoonda, Wudinna, Cleve and Ceduna. Last week, the Federal Minister for Primary Industries and Energy John Kerin, advised me that he had approved a rural counsellor for Kangaroo Island, so that position should be commenced in the near future. In the South-East, an application is being prepared for two part-time rural counsellors, and the Mid North and Yorke Peninsula are also considering whether there should be a rural counsellor to service those areas. In addition, the Riverland Rural Counselling Service has been the subject of an investigation as to what extra support can be made available in terms of perhaps another counsellor being added. However, in any event, I am advised that there has been an increase in support made available to the present Riverland rural counsellor.

So, the service is a very important one—the State Government recognises that. We intend to continue to support it. The manner in which that is done is still under investigation, and I will subsequently advise the House when those investigations have been completed.

STATE BANK

Mr INGERSON (Bragg): Will the Treasurer table a copy of the indemnity between the Government and the State Bank and, at the same time, indicate how this indemnity empowers him, first, to be told of specific bad loans and, secondly, to direct the bank on the management of non-performing loans and, on the organisation and policies of the bank for the term of the indemnity?

Yesterday in Question Time the Treasurer indicated to the House that the State Bank Act prohibited him from directing the bank, despite the existence of section 15 (4), which gives the Treasurer the power to make proposals to

the board. The Treasurer has also drawn attention to being barred from knowing the details of bank loans due to commercial confidentiality. Yesterday, the Treasurer told the House that the question of the appropriateness of Mr Paddison's promotion to Chief Executive, and Mr Hamilton's number two position, was a decision for the bank's board, which implied that he has no power to influence those appointments.

The Hon. J.C. BANNON: They were made by the board. In relation to the indemnity, the details of it have been provided. Section 15 (4) of the State Bank Act refers to making proposals and does not refer to directions. In terms of that Act, I am not empowered to make directions. Because the indemnity is a special arrangement entered into by the State Bank in relation to its viability, certain conditions can be attached to that indemnity, and have been so attached.

I find it very strange that so far four questions have been directed to me all around this issue of the State Bank, with one exception. I would have thought that the Opposition, having proposed, and in fact the Government being in the process of setting up, the commission of inquiry into the State Bank would suggest that the time for questions in this place is well and truly over. I would have thought—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: In that case, why are we wasting our time on that exercise? I was prepared to stand here yesterday and put quite clearly and frankly on the record the situation—where we had got to and why we had got there. I also made what, for a politician, I guess, was a surprisingly generous acknowledgment of the questions asked by the Opposition: I put the best possible interpretation on them. If it was the desire of the Opposition that I should humble myself a bit and say, 'Well, you are on the right track,' I did that. Now, I would have thought, that having been done, the time has come for all of us—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON:—to stop playing petty politics in this matter—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON:—to stop fooling around with the issue and making a political stunt out of it, and to decide to do something serious in the interests of this State. We are dealing—

Members interjecting:

The SPEAKER: Order! The member for Bragg is out of order. The member for Light is out of order.

The Hon. J.C. BANNON: Listen to them shout.

The SPEAKER: I ask the Premier not to provoke them.

The Hon. J.C. BANNON: They do not like it, and we are hearing mealy-mouthed announcements from members opposite that it is not their intention to play politics, that they are being bipartisan and are prepared to work with the Government in the interests of the community. Yet, at the first opportunity, Opposition members put on their stunts and play their politics. Then, when attention is legitimately drawn to it, members opposite yell, shout and interject so that I am drowned out. Mr Speaker, that is not good enough. I challenge the Leader of the Opposition to show some sort of leadership among his troops by putting some control over them and by matching his actions to his rhetoric. While it is all very well for the Leader of the Opposition to talk about dealing with a common problem, we have been through all that.

This kind of little political warfare that is being carried out here is totally out of order, I would suggest, in the situation we are in. So that, I would hope, is the end of the matter as far as the Opposition is concerned, but, I suspect that my hope is in vain.

Members interjecting:

The SPEAKER: Order! The member for Bragg is out of order. The member for Morphett is out of order. The member for Kavel is out of order. The member for Alexandra is out of order. The member for Walsh.

ADELAIDE CROWS

The Hon. J.P. TRAINER (Walsh): On a lighter note, I direct a question to the Minister of Recreation and Sport. In view of the fact that parliamentary duties prevent members from being present other than in spirit, will the Minister advise the House whether he has wished the Adelaide Crows the best of fortune in its inaugural match against Geelong at Football Park this evening?

Members interjecting:

The SPEAKER: Order!

The Hon. M.K. MAYES: As much as members opposite might not think this is an important issue—

Members interjecting:

The Hon. M.K. MAYES: Isn't it? The Deputy Leader's interest in the community is well known. In the community a great deal of attention is being drawn to what will happen tonight at Football Park. I assure—

Members interjecting:

The Hon. M.K. MAYES: I would love to be there but, unfortunately, parliamentary duties prevent my attending.

An honourable member interjecting:

The Hon. M.K. MAYES: Well, maybe you should speak to the Whip. I would be happy to go.

Members interjecting:

The SPEAKER: Order!

The Hon. M.K. MAYES: It is important that I record for the member for Walsh, our Whip, that in fact I have communicated by a lettergram the best wishes of the Government. I hope that the Crows do have a successful night. Those of us who were privileged to attend the trial match against Essendon I am sure—

The Hon. J.P. Trainer: I couldn't get in; it was packed out.

The Hon. M.K. MAYES: Yes: I am sure that we would all acknowledge the magnificent performance put on by the players who were so ably led by their coach and supported by the board of management and all the other people involved. Certainly, tonight's game will be terrific. We have one advantage—it will be telecast. However, it would be much better to be there to be part of the action and the enjoyment. I am sure that a huge crowd is expected and those people who are privileged and fortunate enough to be there I am sure will enjoy every minute of it. The sporting community's interests are focused on this evening's events at Football Park, and I hope that we see a win by the Crows over the Cats.

STATE BANK

Mr VENNING (Custance): My question is directed to the Treasurer. Recognising that this matter was first questioned in this House by the Opposition on 13 November last year and as Mr Marcus Clark had publicly promised to provide answers before Christmas, will the Treasurer now provide information, which was sought again yesterday,

about Mr Marcus Clark's total remuneration package over the past three years and now of his severance package?

The SPEAKER: Order! This question was asked yesterday and therefore it is repetitive.

Mr Venning: There was no answer.

The SPEAKER: Order! The Chair is not responsible for answers, but it is responsible for the Standing Orders of this Chamber. The question was asked yesterday, it is a repetitive question and, therefore, it is disallowed.

Mr Venning: When do we get the answer?

The SPEAKER: Order!

ROAD SAFETY PROGRAM

Mr HAMILTON (Albert Park): My question is directed to the Minister of Transport.

Members interjecting:

The SPEAKER: Order!

The Hon. T.H. Hemmings interjecting:

The SPEAKER: The member for Napier is out of order.

The Hon. Jennifer Cashmore interjecting:

The SPEAKER: The member for Coles is out of order. The member for Albert Park will resume his seat. We are very close to the stage where someone in this Chamber will have to pay the price. Members are well aware of Standing Orders, or they should be as this Parliament has been sitting for 12 months. Members have served their apprenticeship, they know what is going on and they know what Standing Orders are. The member for Albert Park.

Mr HAMILTON: Will the Minister of Transport explain to the House the current status of the Federal Government's 10-point black spot road safety program? I have received correspondence in my electorate office inquiring when this program is likely to commence. In particular, I have been asked by my constituents to inquire when funds will be provided for the Frederick Road-Brebner Drive intersection at West Lakes, which is a black spot, and also to ascertain the situation in relation to the compulsory wearing of bicycle helmets and the .05 per cent blood alcohol level.

The Hon. FRANK BLEVINS: I thank the member for Albert Park for his question, particularly as the issue of the Prime Minister's black spot program has had something of a very long genesis in this State. We officially accepted the Commonwealth package in early December last year. Members would know that legislation to give effect to certain measures contained in the Prime Minister's black spot package has been introduced in the House and will be debated early next month.

We have put forward to the Commonwealth a suggested program for using the money it has provided, and I expect that within the next couple of weeks or so we will get agreement from the Commonwealth for this program. I would be happy to make the details of that program available to the member for Albert Park. I cannot remember offhand whether that package includes the particular intersection mentioned by the honourable member, but I would be very surprised indeed if there was not something in the package for the electorate of Albert Park. Somehow, most things that I do as Minister of Transport seem to finish up assisting the member for Albert Park—he is very persuasive. His particular electorate is a killing field.

I would expect the full cooperation of every member of the House to enable legislation in relation to the .05 per cent blood alcohol level, the uniform 100 km/h speed limit for heavy vehicles and the compulsory wearing of bicycle helmets to go through this House very quickly next month. I know that the member for Adelaide, in particular, will be very persuasive on this matter within his Caucus, as will the member for Hanson. I have no doubt that the measures will go through very quickly and that as soon as the legislation is in place they will be implemented as soon as possible.

As regards the national licensing of heavy truck and bus drivers, the details are currently being worked out by a group of officers from the various States. It is hoped that the mechanics of that will be completed in the very near future, and whatever legislation is required will be introduced into Parliament.

What was pleasing when the Prime Minister announced this package was that several parts of it were already complied with in this State and, in some cases, our legislation went beyond the requirements. I refer in particular to the zero blood alcohol level for probationary drivers, the one in four drivers being randomly breath-tested each year, graduated licences for young drivers and the enforcement of the use of seat belts and child restraints. These are all areas in which South Australia is well ahead of the other States and well ahead of any requirements imposed by the Commonwealth Government.

There was just one area of the Prime Minister's package about which I had some very strong objections, that is, the daylight running lights for motor bikes. I thought that was unnecessary. I understood why the Prime Minister felt that that should be included, but I opposed it very vigorously and I was very pleased to be able to get agreement from the Commonwealth that existing vehicles will not have to be modified. There will be an Australian design rule so that all vehicles imported into the country will comply with that rule. It is a problem that is solving itself; it did not require any heavy-handed legislation.

I am very pleased with the progress we have made. Perhaps the progress in relation to the .05 blood alcohol provision was not as quick as some of us would have hoped but, nevertheless, with the cooperation of the Opposition I am sure that we can have the .05 blood alcohol provision and the other parts of the package implemented well before the middle of the year.

REMM-MYER DEVELOPMENT

The Hon. B.C. EASTICK (Light): Did the Treasurer or any other member of the Government intervene to ensure that the $550 million Remm-Myer project was financed by giving any specific Government assurances or underwritings to the State Bank or to the other participating banks in that project?

The Hon. J.C. BANNON: There are no Government underwriting assurances to that project.

NORTHFIELD DEVELOPMENT

Mr McKEE (Gilles): Will the Minister of Housing and Construction report whether an invitation has been issued to a private developer to participate with the South Australian Urban Land Trust and the South Australian Housing Trust in the joint development of Northfield Stage 1?

The Hon. M.K. MAYES: I thank the honourable member for raising this, because I think it is a very relevant issue. Of course, it is of particular interest to him in his electorate and also as part of our urban consolidation program. At this stage of the Northfield project private sector companies are being canvassed for registrations of interest in a joint

development. In fact, a registration of interest has been put to the community for discussion and comment. A good deal of comment has come from the private sector at this stage. Consultation with the private sector in regard to a joint development is almost complete and comments will be consolidated and we are into the next stage.

I will outline the background of what is happening with regard to Northfield. The proposal is that the Northfield lands be developed in four separate stages. The philosophy that has been followed with regard to the joint venture will, obviously, parallel similar but not identical processes that were entertained with respect to Seaford. I should point out that Northfield is, again, a strategic element of part of the Government's urban consolidation program. I think it is important that, in seeking active involvement from the public sector, we look at both the establishment and the ongoing environment that is created. We have drawn together some interesting aspects in terms of development of the Northfield area—the old Department of Agriculture research facility.

There will be a new development area as everyone expects and it will be a joint venture between the Urban Land Trust, the Housing Trust and a private developer. About 20 per cent of the housing will be taken up and constructed by the Housing Trust as part of public housing. There will be a renewal area, which is currently owned and being redeveloped by the Housing Trust. I am sure that the honourable member is aware of that, as it is in part of his electorate. The area is proposed to be renamed and vacant land will be marketed by the joint venturer, so aspects of the joint development come into that. There is also an urban improvement area—a cooperative project between the Urban Land Trust, the Housing Trust and the Enfield council—with the objective of upgrading the physical environment, improving community programs and facilities and reinforcing our Government's policy of urban consolidation.

It is important to note the various costs involved, in particular the comparative costs. There has been a degree of debate within the community (and rightly so) in relation to the comparative cost of developing Northfield compared with going further south to Willunga or north to Burton, for example. Our figures show that, if we were to consider and continue development further north or south, the cost per development or per unit would be around $17 500 for those outer areas. The costs in comparison with Northfield for pipes, wires and roads is around $2 500. The benefits to the community as a whole are real and apparent in terms of the costs associated with putting together such a development for the benefit of the community. We can also see certain social benefits of that consolidation.

It is important to look at the overall impact in terms of what is happening. The situation is that we will be consolidating those comments in relation to registration that have been put forward and will move shortly to the next step of the process of bringing in the joint venturer. The honourable member will see activity shortly in his electorate on stage 1 of the Northfield development project.

REMM-MYER DEVELOPMENT

The Hon. E.R. GOLDSWORTHY (Kavel): How does the Treasurer explain his last answer to the member for Light in view of information that the Government provided a specific assurance to the Bank of Tokyo before it would participate in the Remm-Myer syndicate? The Liberal Party has been informed that in late 1989 the Bank of Tokyo was concerned at the size and commercial prudence of the proposed $550 million loan facility to finance the Remm-Myer project and therefore sent Mr K. Yoshiaki to Adelaide in the first week of December 1989 to seek an assurance that the Bannon Government would underpin the loan. We have been informed that that Government assurance was given.

The $550 million syndicated construction and medium-term debt facility was subsequently signed with Bank of Tokyo participation in the first quarter of 1990. On 14 May 1990 a member of the State Bank Board told the Liberal Party that there was no cap to the bank's liability on Remm, that the Treasurer had placed pressure on the bank to finance the Remm project and that if the project went sour the bank may have to say so and implicate the Treasurer.

The Hon. J.C. BANNON: I will have those circumstances more closely investigated, but the Government made no secret of the fact that, once announced and under construction, the Remm project was to be a very important project for this city. If anybody asked me whether or not that was the case, I would certainly say so. It is also the case—and I have said so in this House before—that, if a financial institution such as the State Bank did not find it appropriate to be involved in a project of the size, importance and nature of the Remm development, it would be a great pity, as it is something that is happening in South Australia. All of those comments are on record. If anyone asked me, I would refer them to the record or certainly I would tell them directly. There is a long way between that and a guarantee or underpinning by the Government, which is what the honourable member suggests there was. That is just not the case.

MANNUM SEWAGE EFFLUENT

Mr ATKINSON (Spence): Can the Minister of Water Resources advise the House of plans to reuse sewage effluent at Mannum as part of the Government's program to remove effluent from the Murray River?

The Hon. S.M. LENEHAN: I am sure that the member for Murray-Mallee will be interested in the answer I am going to give the House in relation to this commitment that the Government made to look at the way in which we might be able to reuse some of the sewage effluent that is produced at Mannum.

I am delighted to announce that the Mannum Golf Course will be irrigated with chlorinated effluent from the local sewage treatment works as part of this Government's commitment to improve water quality in the Murry River. Work has already commenced on the $450 000 scheme. The project is one of the first to be funded under the environmental levy which, as members would know, we introduced a short while ago and, of course, the levy is to be used predominantly to improve the quality of water in both our riverine and marine environments. I think it is appropriate that the Murray River should be one of the first beneficiaries of the environmental levy and I believe that this program has already commenced and work is under way.

Several land disposal schemes were considered, and the preferred option at Mannum was to use the effluent to water the golf course. I am also informed that the management of the Mannum Golf Club is delighted with this proposal because, for some time, there have been problems getting enough water to ensure that the golf course was kept in an appropriate condition. The management has therefore welcomed this suggestion, and I certainly hope that the local member will also welcome it.

STATE BANK

Mr BECKER (Hanson): Is the Treasurer satisfied that there are no conflicts of interest between Mr Simmons and his role as Chairman of the State Bank; if not, when did he become aware of a potential conflict; and what action has he taken?

We have established that the numerous off balance sheet companies of Beneficial Finance and the State Bank Group were created by Mr Simmons and/or his legal firm, Thomson Simmons, and that a very large share of the bank's legal work is done by Thomson Simmons. According to the *7.30 Report* last night, Thomson Simmons' new building at 101 Pirie Street is also partly owned by Beneficial Finance through the off balance sheet company Leipa Proprietary Limited. I understand that Mr Simmons was a Director of Leipa until 30 August 1990.

The Hon. J.C. BANNON: I am not aware of any specific conflicts of interest and I would hope that, if there were any, they would have been disclosed but, surely, this is an appropriate question or issue, if there is any substance in it, to be explored by a royal commission.

COMMERCIAL TENANCY LAWS

Mr GROOM (Hartley): My question is directed to the Minister of Education, representing the Minister of Consumer Affairs in another place. Will the Minister give appropriate instructions to ensure that the coming into effect of the new commercial tenancies laws is proceeded with without undue delay.

The amendments to the Landlord and Tenant Act dealing with commercial tenancies were passed by both Houses of Parliament in late 1990 and gave significant protection to commercial tenants. The Act has not yet been proclaimed.

Several situations have been referred to me which really amount to exploitation of small businesses as a consequence of the new laws not being proclaimed. In one situation the lessor refused to grant a new lease to a lessee unless the lessee paid about $50 000 for renovations. Another situation concerned an assignment of lease where the lessee wished to sell the business to a new purchaser. The rent on the premises was $62 000 per annum, which is outside the scope of existing laws. The lessor has demanded a substantial sum of money to grant a new lease to a new purchaser, which the lessor can do if rental exceeds $60 000 per annum. These are not the only examples that have been referred to me, but both situations clearly reflect—

An honourable member interjecting:

The SPEAKER: Order!

Mr GROOM: Consequently, I am asking the Minister to ensure that the new laws are proclaimed without undue delay.

The Hon. G.J. CRAFTER: I will refer the honourable member's question to my colleague in another place, but I can assure him and all members that this legislation will be proclaimed as expeditiously as possible. There may be some delays associated with the drafting of regulations and other administrative matters relating to its introduction into law, but I am sure that will be done as quickly as possible.

STATE BANK

Mrs KOTZ (Newland): Can the Treasurer inform the House of the likely loss sustained by the State Bank Group because of its involvement in Pegasus and whether the Treasurer and the board have investigated fully and are satisfied that the links between Pegasus and Beneficial executives are appropriate?

The Hon. J.C. BANNON: Just because the honourable member has been given a question to ask by the Leader, or whoever, surely does not mean that she just blithely gets up and mouths it off. I would have thought that, in the light of what has been said in this Question Time, instead of just sitting tamely waiting for her turn and standing up, she would be prepared to accept the fact—

Members interjecting:

The SPEAKER: Order! Point of order.

Mrs KOTZ: Mr Speaker, I consider that the Premier has reflected—

The SPEAKER: Order! What is the point of order?

Mrs KOTZ: The point of order is that I consider that the Premier has reflected against the character of my person in this House.

Members interjecting:

The SPEAKER: Order! The Chair does not uphold the point of order.

The Hon. J.C. BANNON: Thank you, Mr Speaker. I am certainly not reflecting on the honourable member's character. What an extraordinary assertion for the honourable member to make! I suggest that that suggests some kind of extreme sensitivity or inability to understand what I am saying. Instead of wasting the time of this House with those questions, they should be referred to the appropriate body.

Members interjecting:

The SPEAKER: I warn the member for Heysen.

The Hon. J.C. BANNON: What has happened is very interesting. Yesterday the Leader of the Opposition decided that he would have a little set-up—he would organise a bit of a stunt. He would ask me whether or not we would have a royal commission, and, when I said, 'No, we would not have a royal commission', he would then move a motion to that effect. He got his colleague upstairs to do it anyway. Then, for the next however many weeks, he would get his colleagues to ask a whole series of questions day after day—questions on this and questions on that—all aimed, at the end of two or three weeks, at forcing the Government to concede that there had to be a royal commission. That was the tactic: that was the nice little strategy to create maximum political havoc. That is all they are on about.

Members interjecting:

The SPEAKER: Order!

Mr LEWIS: Point of order.

The SPEAKER: Order! If the member for Murray-Mallee shows disrespect to the Chair—he was recognised—and if he repeats that action, he may find himself in serious trouble. The member for Murray-Mallee.

Members interjecting:

The SPEAKER: Order!

Mr LEWIS: Mr Speaker, I draw your attention to Standing Order 98 and the relevance of the remarks now being made by the Premier to the question asked.

The Hon. E.R. Goldsworthy interjecting:

The SPEAKER: Order! I warn the member for Kavel. I do not uphold the point of order, but I will ask the Premier to be specific. I have warned several Opposition members now. These issues are important to the future of the State and I believe that they should be treated with more respect than is being shown. The House should remember that Standing Orders are meant to protect all members.

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: The point I am making is extremely relevant, and I will finish very briefly. The fact

is that we have agreed that there will be a royal commission. Discussions are taking place on that very matter at the moment and on the subject of questions, such as that asked by the member for Newland. Therefore, I should have thought that any of those matters were appropriately the domain of that inquiry. If they are not, why are we wasting our time having it? You cannot have your cake and eat it too. Much to your amazement no doubt, and against the tactics that you have decided to run, we have agreed to the commission. Let it do the job that it has been asked to do and forget about this time-wasting nonsense in this place.

SCABBY MOUTH

Mr De LAINE (Price): In view of the alleged problems being experienced with scabby mouth in sheep involved in the Middle East live sheep export trade, will the Minister of Agriculture investigate the possibility of introducing legislation to ensure the compulsory immunisation of all sheep in South Australia against this disease?

Members interjecting:

The SPEAKER: Order! The Chair cannot hear the question or the answer. The honourable Minister of Agriculture.

The Hon. LYNN ARNOLD: I thank the honourable member for his question. I understand the concern behind the question that he has asked, but I advise the House that it is not my intention to bring legislation into this place for the compulsory vaccination of sheep against scabby mouth. I understand that in years gone by it had been the practice for farmers—maybe it was a compulsory practice; I am not sure—to carry out this exercise.

Two points need to be noted with respect to that issue. The first is that there is no guarantee that it will be an effective means of dealing with the issue at hand, and it has some consequences for the management of sheep that some farmers would be very concerned about. As I understand the situation, the vaccine that is used for scabby mouth, (or more properly contagious pustular dermatitis), is a live virus vaccine. Therefore, it means that there are two ways of doing it. Either one quarantines sheep which are due for export after they have left the property and subjects them to the vaccination, in which case they would have to wait in these preparation properties for six to eight weeks for a determination as to whether there were any reactions to the vaccination, and that would significantly add cost to the whole operation or, alternatively, that it be applied at the farmer's property.

The reality is that there are many properties where there is no evidence of the virus existing at this time. By introducing the vaccination to those properties, one would be posing the risk that those properties would become permanently infected as a result of the vaccine. Admittedly, the vaccine would then kill it, but the property would have the potential to have been infected. Many farmers would be concerned about that situation, and I do not believe that we want to see that take place.

There is another point which is equally important. We have contended, and have continued to contend, that scabby mouth is not a serious problem. It is not a problem unique to Australian sheep. It is a viral condition which appears in sheep in any country in the world and it has no impact on the quality of the sheep.

What is really happening is that this is being used, in my view, as an excuse, not a real reason, for not allowing sheep to land in the Middle East. I think that we should continue to push the point that scabby mouth is not the *bete noire* that has been put to us by certain Middle East authorities and that they should be allowing those sheep to land and be sold. As I said, it is not a dangerous disease; it goes away after some time and it causes no—

The Hon. Ted Chapman interjecting:

The Hon. LYNN ARNOLD: The member for Alexander is quite correct. It is as bad in sheep as a cold is in a human being. Human beings will continue to get colds and sheep will continue to get scabby mouth.

Members interjecting:

The Hon. LYNN ARNOLD: It is perhaps important not to kiss the sheep to avoid getting it. More seriously, a proposition to legislate would be the wrong way to go. Let us deal with why unreasonable excuses are being used not to allow our sheep to land and deal with that trade issue in a non-tariff measure rather than in a viral measure.

STATE BANK

Mr GUNN (Eyre): I direct my question to the Premier in his capacity as Treasurer. Was Mr Tim Marcus Clark the only member of the State Bank's executive to provide the Treasurer, the Reserve Bank and the bank's board with inaccurate and deficient information and to authorise imprudent loans? I seek your leave, Mr Speaker, and that of the House—

Members interjecting:

Mr GUNN:—to explain my question briefly if the members of the Government front bench will allow me to do so over their interjections.

The SPEAKER: Order!

Mr GUNN: Yesterday in Question Time—

Members interjecting:

The SPEAKER: Order!

Mr GUNN: I am complying with Standing Orders.

The SPEAKER: Order! The member for Eyre will ask his question.

Mr GUNN: Yesterday in Question Time the Treasurer stated that he, the bank's board and the Reserve Bank had been provided with inaccurate and deficient information by the bank. The Treasurer gave only qualified support to Mr Stephen Paddison, the bank's new Chief Executive Officer, and chose not to express a view on his confidence in Mr Michael Hamilton, the Managing Director, Financial Services, but stated that the General Manager, Group Finance and Administration (Mr Kevin Copley) had obviously not provided the accuracy of information claimed in a *Business Review Weekly* article. Unless the Treasurer and the board will state that they are confident that these and other key executives are competent and were not responsible for providing inaccurate and deficient information or contributing to the current crisis, the taxpayers of South Australia must continue to be concerned.

The Hon. J.C. BANNON: That sounded more like a speech to me. If the honourable member wants to elaborate on these matters, he has the opportunity in other forms of this House to do so. The question is very much to the nub of what the royal commission is being established to look at.

HEALTH SCIENCES EDUCATION

Mrs HUTCHISON (Stuart): Can the Minister of Employment and Further Education explain what is being done about the review of health sciences education now that the university amalgamations are in place? Last year, there was a controversy about the Pharmacy School wanting

to move from the South Australian Institute of Technology, which is now part of the University of South Australia, to the Adelaide University. An agreement was reached in this place to resolve the issue by setting up a review into health sciences education in South Australia.

The Hon. M.D. RANN: I am surprised that the member for Bragg is not more interested in this pharmacy matter. The wide-ranging review into health sciences education in South Australian universities began this week. It will be conducted by Professor Malcolm White and Dr Jean Blackburn. I understand the review team met with the Vice-Chancellors of the universities both yesterday and continuing today. Professor White and Dr Blackburn bring to the review vast experience in tertiary education and health sciences. Professor White is an emeritus professor of the Australian National University, with experience in a range of health science areas, including Foundation Professor and head of the Department of Clinical Science at the ANU. Dr Blackburn is the Chancellor of the University of Canberra, and is well known in Adelaide as a consultant to the South Australian Committee of Inquiry into Education.

Following the university amalgamations last year, it is important to take a wide-ranging look at the health sciences area. I believe this review will enhance South Australia's excellent reputation in this field by focusing on better coordination and cooperation. There was considerable debate in the House about this matter, indeed, about the terms of reference and the need for such an inquiry. Certainly, this was triggered by debates in the community and in the university sector about where the School of Pharmacy of the former South Australian Institute of Technology should be located, but that is not the only issue. The inquiry will look into areas such as the health offerings in the health science field, including medicine, nursing, physiotherapy, occupational therapy, laboratory sciences, as well as pharmacy. The review will examine whether health science education can be better coordinated. It will be looking at the whole area of health sciences. It will also examine whether there can be better cooperation between universities and faculties to better serve the interests of teaching and research in the health sciences area.

As to whether or not they should hurry up, I want them to do a good job and, as was discussed in this House during the debate, they will report jointly to myself as the Minister of Further Education and to the chief executives of the universities concerned, because they preferred this approach to the star chamber situation that the Liberal Opposition wanted which would directly have infringed on university autonomy and independence in this State.

NATIVE VEGETATION BILL

The Hon. S.M. LENEHAN (Minister for Environment and Planning) obtained leave and introduced a Bill for an Act to provide incentives and assistance to landowners in relation to the preservation and enhancement of native vegetation; to control the clearance of native vegetation; to repeal the Native Vegetation Management Act 1985; to make consequential amendments to the South Australian Heritage Act 1978; and for other purposes. Read a first time.

The Hon. S.M. LENEHAN: 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

The introduction of the Native Vegetation Retention scheme in 1983 and the subsequent Native Vegetation Management program in 1985 heralded the introduction of conservation of wildlife habitat for its biological diversity on land outside the National Parks and Reserves system. While I acknowledge that the introduction of the program in 1983 caused a number of problems in the rural community, it brought community attention to focus on the extent of loss of biological diversity and wildlife habitat throughout the agricultural areas of our State.

The Bannon Labor Government was quick to recognise some of the difficulties created for the farming community when the program was being administered through the provisions of the Planning Act and Regulations.

In a review of the program in conjunction with the United Farmers and Stockowners Incorporated, the Native Vegetation Management Act was enacted. This Act recognised the need for payment of a level of financial assistance to landholders for what in effect was a partial loss of property rights and access to land which otherwise may have been available for development purposes.

During the debate on the Bill to enact the Native Vegetation Management Act, the responsible Minister and my colleague Don Hopgood said that the Act was unlike anything seen in this country before. It follows that what we do from here will be pioneering legislation involving a bold and innovative approach.

The program has now been in operation for seven years, with financial assistance being available to landholders for the last five years. For some time, consideration has been given to how the vegetation retained under the system would be managed in perpetuity and who should take responsibility for that management. Also, much thought has been given to the open ended nature of the program and how far broadscale clearance in South Australia should be allowed to proceed.

Since 1985 the rate of refusal of broadscale clearance applications by the Native Vegetation Authority formed under the provisions of the Act has been consistently high with around 95 per cent of the area applied to clear being refused consent.

Over the past 12 to 18 months, negotiations have been ongoing with the United Farmers and Stockowners Incorporated and the Nature Conservation Society of South Australia Incorporated as to the way in which the next stage of the program should be developed.

I believe it important that we make sure that the money invested by the people of this State is protected by having in place a system of management advice and assistance for landholders with native vegetation on their properties. I believe we also need to accept the fact that the limits of broadscale clearance for land development purposes have been reached.

During debate in Parliament on 20 October 1990 the Government indicated that action is being taken to draw the clearance phase of the scheme to an end thereby freeing up resources to move towards the next stage of the program which involves the management of the vegetation.

Officers of the department have been developing the discussions with the UFS and the NCS to the point where a discussion paper on future directions has been in circulation to interested groups for the past four months.

The paper forms the basis of this Bill before the House. Given the importance of this program for natural resources management in this State I am hopeful that at least bipar-

tisan support will be received during the debate stage on this Bill.

I am delighted to advise the House that the UFS and the NCS produced a joint position paper for consideration by Government. This joint position paper is in effect making history—bringing together the farming organisation and the nature conservation organisation in this State has never happened before and indicates the extent of commitment of both these groups to move to the next phase in a positive and constructive manner.

I believe the Commonwealth has a greater role to play in assisting those States and Territories which have in place a legally supported means of protecting wildlife habitat additional to that in the parks and reserves system. The Commonwealth has been experiencing increasing interest in the conservation of Australia's biological diversity. In South Australia, we have received some assistance for native vegetation management through the Save the Bush program. I would like to see the amount of assistance increased to reflect the increased commitment at State level being provided in this Bill for the management phase of the program.

In the discussion and negotiation phase in developing the contents of this Bill, a number of questions have been raised as to why new legislation is needed at all. It has been suggested that the existing Native Vegetation Management Act should be amended to provide for the next phase.

I am of the view that the Native Vegetation Management Act is in effect a land development Act—arguably the last such Act that we will have in this State for the foreseeable future.

This Bill which is before the House is about land management as distinct from land development. This being the case, it has a quite different intent from the existing Act and, as such, should be formulated as a new Act and a logical follow on in the program.

In developing the contents of the Bill, great benefit has been derived from the constructive work undertaken by my colleague, the Minister of Agriculture, in developing the Soil Conservation and Landcare Act 1989.

This Act, which concentrates on the use of land within its capability and establishing a planning framework to support such an approach, has been a very important aspect of this Government's approach to land management. The Bannon Government has also enacted the Pastoral Land Management and Conservation Act 1989, after 11 years of debate and discussion as to what should replace the old Pastoral Act 1936. The provisions of this Bill recognise the contents of both those Acts and makes the necessary connection between them to give a well integrated approach to land resource and natural resource management throughout the whole State.

I believe as time goes on, there will be opportunities for greater involvement and integration between soil conservation boards, the Pastoral Board and the proposed Native Vegetation Council.

The Principles of Vegetation Clearance which were part of the State Development Plan under the old Act have been amended to recognise the differing basis for clearance of native vegetation provided in this Bill. Broadscale clearance for development purposes is not part of the Bill and therefore the clearance principles must recognise this change of emphasis. These revised principles are not to be part of the Development Plan and will be a schedule under the new Act. They recognise the small scale nature of any future clearance, including clearance of scattered trees and single trees and plants.

As with the Native Vegetation Management Act 1985, the new Act will have supporting regulations covering principally exemption provisions for certain types of clearance. These exemptions deal with clearance related to safety, fence building, fire prevention works, etc. The regulations have been subject to detailed discussions with various interested groups, including local government, over the past 12 months.

More recently, the Government has decided to include a provision in the Act which will have the effect of removing payment of financial assistance to landholders applying for clearance after 12 February 1991. All applications received up to and including this date will be dealt with on the same basis as previous applications. The Government has felt obliged to take this action following provocative publicity in the media urging landholders to lodge clearance applications before the existing legislation is repealed by this Act.

South Australia is leading the way in Australia with pioneering legislation on protection of biological diversity. This Bill represents the logical second stage of the Native Vegetation Management program.

It is very much an evolving area and it is likely that emerging issues of importance for protection of the State's biological diversity will require consideration at a later time.

I now wish to refer to the contents of the Bill in detail.

Clauses 1 and 2 are formal.

Clause 3 covers definitions under the Act.

Clause 4 provides that the Act applies to the whole State, unless the Governor by regulation excludes any part of the State from its operation.

Clause 5 provides for the Act to bind the Crown.

Clause 6 sets out objects of the Act and makes the point there is a need to conserve the remaining native vegetation of the State for the preservation of biological diversity and to prevent further degradation of the land and its soil.

Clause 7 establishes the Native Vegetation Council. The council will replace the Native Vegetation Authority and will be viewed by the Government as having equal status to the Soil Conservation Council and the Water Resources Council.

Clause 8 covers membership of the council, which has been expanded by two, to include a member nominated by the Commonwealth Minister for the Environment and a nominee of the Soil Conservation Council. A nominee of the Commonwealth Minister has been included, because of the increasing interest and activity by the Commonwealth in areas of land management and conservation of biological diversity.

Clause 9 is the formal clause covering conditions of office.

Clause 10 provides for the payment of allowances and expenses.

Clause 11 sets out procedures for meetings of the council.

Clause 12 covers the validity of acts of the council and immunity of members in relation to any decision that they may make.

Clause 13 covers personal interest of members.

Clause 14 sets out functions for the council, including keeping the condition of native vegetation of the State under review. There is also provision to provide advice to the Minister in relation to preservation, enhancement and management of vegetation and also to consider revegetation of land which has been cleared.

Clause 15 provides a delegation power.

Clause 16 provides for a small number of staff to assist the council.

Clause 17 provides that the Council must prepare an annual report for consideration by Parliament.

Clause 18 creates the Native Vegetation Fund. So far, the program has been partially funded through the State Heritage Fund and special Treasury allocation. Given the nature

of this Bill and the likely continued involvement of Government in the management of native vegetation on private land, we believe it important that a special purpose fund be established.

Clause 19 provides for accounting and auditing of the fund.

Clause 20 provides for the Minister to enter into a heritage agreement and having entered into such an agreement, the Minister may pay to the owner of land an amount reflecting the decrease in the value of the land resulting from the execution of the heritage agreement.

The Bill also provides a financial incentive for land holders voluntarily to place biologically significant land under heritage agreement.

Clause 21 provides for assistance to be provided to landowners who have a heritage agreement on their property. This assistance can be in the form of advice, machinery on loan, research programs, or money, depending on the nature of the request from the landholder.

Clause 22 provides that the council must prepare draft guidelines for landholders to use for the preparation of applications for assistance to be provided by the council. Such guidelines will be subject to public comment and also involve input from Soil Conservation Boards where such boards exist in the area concerned, and the Pastoral Board in relation to pastoral lands, following consultation with the relevant Soil Conservation Board.

Clause 23 provides the conditions under which clearance of native vegetation can take place. Members will note that principles of vegetation clearance have been removed from the provisions of the State Development Plan and are set out in Schedule 1 to this Act. These principles will provide for small scale clearance for good management of the property or as part of management of native vegetation itself. They will cover those situations where requests for clearance of scattered trees and single trees and plants may be made. Broadscale clearance for land development purposes has been recognised as a thing of the past.

It is important that members understand the distinction between clearance for land development purposes and any small scale clearance that may be required on a property for farm management purposes, such as the straightening of fence lines, improving the shape of a paddock for cultivation purposes, or resolving a weed and vermin problem which cannot be resolved in any other way except by clearance.

Clause 24 provides for the clearance of native vegetation in certain circumstances.

Clause 25 provides the means whereby landowners can make application for consent for clearance. In relation to land held under miscellaneous lease, the clearance application can only be made by the Minister of Lands.

Clause 26 sets out provisions relating to consent and the decision making process that the council must go through in considering applications for clearance. Members will note that provision has been included in the Act for consultation with Soil Conservation Boards and the Pastoral Board in pastoral areas.

Clause 27 covers the jurisdiction of the court where a person contravenes or fails to comply with the provisions of the Act.

Clause 28 covers the appeals mechanism which is similar to that provided in the Native Vegetation Management Act. An appeal lies against a decision of a District Court.

Clause 29 covers the time in which proceedings can be commenced under the Act.

Clause 30 sets out the evidentiary provisions.

Clause 31 relates to proceedings for an offence against the Act, making such an offence a summary offence.

Clause 32 sets out the powers of entry by members of the council or people authorised by the Minister undertaking investigations of suspected breaches against the Act.

Clause 33 contains provisions relating to the hindering of council members and officers of the Minister undertaking investigations of breaches against the Act.

Clause 34 provides regulation-making power for the Governor, with particular emphasis to prescribing principles and the payment of fees and charges.

Schedule 1 sets out the principles of clearance of native vegetation.

Schedule 2 provides for the repeal of the Native Vegetation Management Act 1985 and transitional provisions.

Schedule 3 contains consequential amendments to the South Australian Heritage Act.

The Hon. D.C. WOTTON secured the adjournment of the debate.

FREEDOM OF INFORMATION BILL (No. 2)

Adjourned debate on second reading.

(Continued from 11 December. Page 2596.)

Mr INGERSON (Bragg): As members would know, this Bill has been around in another place for some four to five years. It is a Bill that was promoted successfully in that place by the Hon. Martin Cameron, and supported strongly by the Liberal Party over that period. Freedom of information is all about access to Government departments and bodies by any person in the community wishing to obtain information or documentation, and being able to achieve this as simply as possible, with some obvious constraints in relation to Government protection. Generally, the Bill is geared to enable people to obtain information as freely and easily as possible.

This Bill is a complex measure and principally should be dealt with in Committee. I am sure that my colleagues, who will be supporting me in this debate, will take the opportunity at that stage to look at all the relevant clauses. On behalf of the Liberal Party I need to make a fairly lengthy submission, because we are concerned about some very significant clauses. Whilst supporting the Bill in principle, we do have many areas of concern, and our amendments seek to extend the Bill in line with the excellent proposals that the Hon. Martin Cameron put before the Upper House some 18 months ago.

The Bill seeks to provide a framework for agencies to disclose, upon request, documents and papers. It defines 'agency' as follows:

(a) a Minister of the Crown;
(b) a person who holds an office established by an Act;
(c) a body corporate (other than a council) established for a public purpose by, or in accordance with, an Act;
(d) an unincorporated body established by the Governor or a Minister;
(e) an administrative unit under the Government Management and Employment Act 1985;
(f) the Police Force of South Australia;
or
(g) a person or body declared by the regulations to be an agency,

but does not include an exempt agency:.

As members can see, it is a very broad-based Bill, and it covers all the areas that the Opposition would hope any Freedom of Information Bill would cover. Once implemented, it will enable the public of South Australia to have much more access to information held by the Government. The Bill defines 'exempt agency' as follows:

(a) any council;
(b) an agency referred to in schedule 2;
or
(c) an agency declared by proclamation to be an exempt agency:.

As members would be aware, a special Bill will be introduced in the next few days to deal with freedom of information as it relates to local council. Schedule 2 sets out a number of bodies that are exempt agencies, including the State Bank of South Australia and the State Government Insurance Commission. These two agencies were also exempt under the Liberal Party's Bill. Certain documents that are exempt under this legislation include Cabinet documents, Executive Council documents, documents that are exempt under interstate freedom of information legislation and documents affecting law enforcement and public safety.

Fees are required to be paid for access to the documents, and there is a procedure of review internally, and ultimately by the court, although we question whether it should be the Magistrates Court or the District Court. The matter of whether it should be the Magistrates Court is one involving cost. In some cases there is an exemption regarding documents of the Ombudsman and the Police Complaints Authority, in addition to any decisions given against providing access to documents.

This Bill is an improvement on the previous Bill, but we believe a number of matters still require special attention. Notwithstanding that, if the legislation is passed, even without amendment, the Opposition believes that it is much better to have this legislation available in the South Australian community than not to have any at all.

In my view the following matters need attention. First, the Bill comes into operation on a day to be fixed by proclamation, which gives the Government significant latitude. It is my view that this ought to be an event not later than six months after assent is given to the Bill, and we will move accordingly. Clause 3 concerns information about the operations of Government in its dealings with members of the public. I believe that we ought to extend that to organisations in the private sector. In clause 4 we should ensure that private sector bodies cannot be declared by the regulations to be an agency, and that bodies such as universities are excluded from the operation of the Act. The Office of Chancellor of the new University of South Australia is, for example, an office established by an Act and, unless there is an exemption either in the Bill or by regulation, the Office of Chancellor will be subject to this freedom of information legislation. I have difficulty in accepting that position.

The power to declare by regulation a body to be an agency is so wide as to encompass any organisation—Government or non-government. The definition of 'exempt agency' in clause 4 should be amended to provide that the exemption may be made by regulation, which is subject to parliamentary review, and not by proclamation. On many occasions in this House I have expressed my concern about the use of proclamation. I believe that all changes to Acts and any decisions that affect an Act should be made by regulation if they are not contained in the specific Act. Clause 14 (2) provides:

An application must be dealt with as soon as practicable (and, in any case, within 45 days) after it is received.

There is provision for one agency to refer the matter to another agency, and it appears that in these circumstances the 45 days will run from the date of receipt by the agency to which it is referred. I believe that we need to amend this provision to make 45 days the overall time limit, so that agencies will not prevent access to documents previously agreed to. We need to ensure that the public or any body applying (whether or not it be a private company) is not being delayed purely and simply by this 45 day rule.

Clause 17 allows agencies to require the payment of an advance deposit of such an amount as the agency may determine. Clearly, this will give the agency the right not only to fix the amount of an advanced deposit but also to use that as a basis for delay and discouragement. It is our intention to move to delete that clause. We do not believe it is reasonable for an agency itself to decide what the charge should be for any advance deposit; we believe that that should be done in the overall setting of regulations under this Bill.

Clause 18 allows an agency to refuse to deal with an application if it appears to the agency that there is such work involved in dealing with it that it would, if carried out, substantially and unreasonably divert the agency's resources from their use by the agency and the exercise of its functions. This clause provides yet another opportunity to avoid complying with the application, and it is our intention to move for its deletion.

Many members on this side would know that, in putting questions on notice, on many occasions we are advised that we will not receive the information required because it takes up too much time of the department. It seems to me that this clause would enable the same type of answer to be given when, in fact, a substantive argument exists already for this information to be made available. Under clause 26, an agency must not give access to a document containing information concerning the personal affairs of any person (whether living or dead), unless the agency has taken reasonable steps to obtain the views of the person concerned as to whether or not the document is an exempt document. Obviously, unless the agency has some special power that is currently unknown to us mere mortals, it will not be able to consult with a dead person. Where a document contains information relating to a dead person, it seems reasonable that there should also be an obligation on the agency to consult with legal personal representatives of the deceased and members of his or her family.

Clause 29 deals with the internal review of decisions in relation to access to documents and provides that the application for review must be accompanied 'by such application fee as the agency may determine'. I think that is unreasonable and that the fees ought to be fixed by regulation and not by the agency, as I have said already in relation to another clause.

Clause 40 and subsequent clauses provide for a review of determinations of an agency or appeal to the District Court. Clause 45 allows for an appeal against a decision of the District Court, but only on a question of law. It is my belief that an appeal ought to be allowed on both the facts and the law. At worst, an appeal on a question of law should be unlimited, and an appeal on the facts by leave of the Supreme Court, but I prefer the former position. As I said earlier, there is some question as to whether the District Court is the ideal place for these appeals to be heard because of the significant cost and, of course, because of the delay in bringing cases before that court.

Clause 42 provides that, where the determination of an application for access has been made on grounds of 'public interest', and on appeal the Minister makes known to the court his or her assessment of what the public interest requires in the circumstances of the case subject to the appeal, 'the court must uphold that assessment unless satisfied that there are cogent reasons for not doing so'. This provides that the decision of the Minister will stand for all practical purposes and that it is the judgment of the Minister in general that will prevail. Many of us believe that, if we

give the Minister that type of ultimate control, certainly almost anything of a sensitive nature as far as the Minister is concerned would be withheld, although it would be applicable under the remainder of the Freedom of Information Act. So, the Opposition intends to oppose this clause.

A system has been established in clause 46 for ministerial certificates to be conclusive evidence that a document is a restricted document by virtue of a specified provision of part I of schedule 1, although such a certificate is subject to review but cannot be overturned in the District Court. I draw attention to this because it gives the Minister very wide powers but, because part I of schedule 1 is limited to Cabinet documents, Executive Council documents, exempt documents under interstate freedom of information legislation and documents affecting law enforcement and public safety, probably there is good sense in giving some protection to the ministerial certificate. I believe that we need to make sure that the Minister has this opportunity but that it does not become all pervasive. Whilst we support ministerial certificates in principle, it is necessary to make sure that they are not used by Ministers to prevent the flow of information.

Clause 53 provides for the Minister by notice in the *Gazette* to establish guidelines for the imposition, collection, remittal and waiver of fees and charges under the Act. According to experience interstate and at the Commonwealth level, the charging of fees by Governments has been a major deterrent to freedom of information. To allow the Minister to establish guidelines only in relation to fees is to make the Minister unaccountable and gives tremendous power to deter those seeking access to documents from doing so.

Clause 53 also allows the agency to review a fee which a person seeking access to documents believes is unreasonable. Where action is taken in court to recover a fee, the court may, if it feels the fee is excessive, reduce the amount of the fee or charge. The scheme of the Cameron Bill which is before the Upper House is preferred. It provides for regulations to be made fixing the fees and sets certain criteria by which the fees will be established. I propose that those provisions be incorporated in the Government Bill by amendment during the Committee stage.

During a recent exercise, when looking at freedom of information as it relates to the *Island Seaway*, I had the privilege of applying to the Federal department responsible for marine matters for some plans and documents. One of the first hurdles that I had to cross was the demand for a $200 advance fee. The second hurdle that I had difficulty in getting over was that, when the documentation finally cleared, the cost of presenting that documentation was about $2 000. So, it can be seen quite clearly that, even for members of Parliament, and obviously for the community, significant hurdles are placed in the way of freedom of information in the Federal arena. With the help of a Federal senator involved in this area, those costs were significantly reduced. That is the sort of example thrown up by this Federal department. I do not believe that it was not a legitimate cost, but it was also a barrier to prevent me from obtaining information that ought to be freely available under any freedom of information legislation.

Under clause 54, reports to Parliament are required to be made as soon as practicable after 30 June in each year and, in any event, before 31 December, and such reports must be laid before both Houses of Parliament. The report is to contain such information as the Minister considers appropriate to be included in the report. We believe that two aspects of this provision ought to be tightened: first, the report should be prepared by 30 September to bring it in line with other obligations of other Government agencies that file reports by that date; and, secondly, there should be specific reference to the minimum information required to be disclosed.

Under part I, schedule 1, in relation to restricted documents that are exempt documents, several matters need attention. Under clause 1 (2) *(b)*, a Cabinet document is not exempt until 30 years have passed since the end of the year in which the document came into existence. Documents which came into existence before the commencement of this clause are not available. I think there is merit in supporting the 30-year provision in relation to all documents, whenever they came into existence, notwithstanding that the documents coming into effect before the Bill comes into operation were prepared without freedom of information considerations in mind. In other words, in principle we support the 30-year rule and consequently we will support it in Committee. The same observation applies to Executive Council documents.

In part II of schedule 1, documents requiring consultation with other levels of Government or Governments are referred to. These provisions also require attention as follows. Clauses 5 (1) *(a)* and (2) *(a)* relate to documents the disclosure of which could reasonably be expected to cause damage to relations between the Government of South Australia and the Governments of the Commonwealth or of another State in the first instance and a document that could reasonably be expected to damage relations between councils and between a council and the Government of the Commonwealth or of this State. Both require consultation before access may be given.

Under clause 6 (2), a document is an exempt document if it contains allegations or suggestions of criminal or other improper conduct on the part of a person (living or dead) and if the truth of those allegations or suggestions has not been established by judicial process. It is not clear what is intended. For example, it is not clear whether it relates to a criminal trial in which some but not all of the allegations have been put and the accused found guilty or not guilty. The concept of the establishment of the truth of an allegation is difficult to comprehend and needs to be clarified. I will be asking the Minister to do that.

Clause 7 provides that a document is an exempt document where it contains matter concerning the business, professional, commercial or financial affairs of an agency or any other person. I do not see why the reference to an agency should be there and, thus, I propose that it be deleted. Similarly, where a document contains matter the disclosure of which could reasonably be expected to have an adverse effect on those affairs or to prejudice the future supply of such information to the Government or to an agency I do not think ought to be a reason for exemption, particularly in circumstances where the effect referred to is a reasonable consequence of revealing something such as a cover-up.

I now refer to some of the additions that the Opposition would like to make in relation to amendments put forward by the Hon. Martin Cameron in the Bill that he introduced some 18 months ago. The Cameron Bill, as I will refer to it, requires the publication of information about the sorts of document that an agency may have in its possession. I propose to move that this provision be included in the Government's Bill. The Cameron Bill also provides that a person may serve upon the principal officer of an agency a notice in writing stating that in the opinion of that person a statement published by the principal officer does not specify a document that should have been specified in the statement. Following that, the principal officer must respond

to such a notice. I think that that is of significant value and I will be moving an amendment along those lines.

The Cameron Bill identifies a principle that Ministers and agencies should administer the legislation with a view to making the maximum amount of Government information promptly and inexpensively available to the public. That is a useful statement of principle and should be included in the Government Bill in clause 3, which identifies the objects of the freedom of information legislation.

The costs of proceedings are specifically covered in the Cameron Bill, which provides that in any proceedings before a court the costs incurred by a party should be borne by that party, although the court may order that the costs incurred by an applicant should be borne by the defendant. In other words, we believe that, if one has to go before a court and any proceedings are generated, the individual wanting the information should primarily bear the cost. The Cameron Bill also provides that the court may waive or reduce certain charges. Both provisions have merit and the Opposition proposes to have them included in this Government Bill.

Further, the Cameron Bill provides for disciplinary action where an officer or an agency has been guilty of a breach of duty or a misconduct in the administration of the legislation. Again, the Opposition believes that that is a useful exercise and that it should be included. The Cameron Bill also provides for the Government Management Board to provide to the Minister to table in Parliament a report on any difficulties in the administration of the legislation as far as agencies are concerned. There is no doubt that over the next few years many significant difficulties will occur as a result of the implementation of moves to allow more documentation and more information to become available to the community. The Opposition believes that this sort of information should be available to Parliament so that, if there is any need to simplify, correct or adjust this legislation, Parliament can have that report available to it reasonably frequently so that we can make the relevant amendments. It is my intention to move in Committee that this action be included.

The Cameron Bill provides for unlimited access to records for a person where those records are about himself or herself. That is already covered in the Government Bill in some form, but the other aspect is that an applicant for access to a document other than exempt documents can have access to documents which came into existence not more than 10 years prior to the date of commencement of this particular Bill. It is my belief that, if we are going to be serious about allowing information to be available to the community, that information needs to be available for a reasonable period. The Opposition also believes that the 10-year period and enabling the community to go back that far is fair and reasonable. In principle, the Opposition supports the Bill. We believe that the amendments we intend to move will enhance the Bill and enable it to be made more practical as far as the community is concerned. The Opposition supports the Bill.

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

A quorum having been formed:

Mr LEWIS (Murray-Mallee): Legislation of this kind in this State, in this nation and, indeed, in all our democracies is long overdue. Without this kind of legislation, yet with the increasing levels to which Governments interfere and intervene in our lives—ostensibly in our common interests and for our common welfare—we are not protected against their excesses. Moreover, as information technology has advanced in recent times with increasing rapidity, we find the capacity of Governments to store information about us as individual citizens and aspects of our life without our knowledge is also a cause for alarm. This further underlines the need for legislation.

Without this legislation members of the general public cannot know why the Government takes the decisions it does, and cannot know the truth of the evidence used by the Government and its agencies in coming to a view on matters of particular importance to the citizen and also about the consequences such information may have for them through the decisions based upon it.

It is not appropriate for Big Brother to have it all in a one-sided affray. Yet that is what it has become. In recent times we have seen the introduction of high tech cameras for the purpose of recording the movement of citizens ostensibly so installed to protect us in the way that I said at the outset—in our interest, in our common interest and for our common welfare. There is no guarantee that the equipment so installed is in fact used solely for that purpose, either at this point in time or at some future point in time. I do not reflect on any Government agency or instrumentality, be it State, local or Federal at this point: I simply say that the temptation exists for staff members of Government agencies to use the technology installed at public expense for the purposes stated (that is, the purpose for which it was installed) and then abuse it for their own personal reasons. That is one aspect of freedom of information.

This measure will not only make it possible for information held by Governments and their agencies about individuals and about the reasons why Governments took those decisions affecting individuals to be revealed where relevant to the individual's personal interest, but it also makes it possible for information that is not written to be revealed. The first category of information that we have been contemplating is written information. However, information can also be held by Government agencies in the photographic form or digitised in a computer so that the citizen does not even know that it is there if he or she is merely relying upon normal sensory perception.

Mr Deputy Speaker, you, I and other members in this Chamber would expect to be able to examine information in the printed state, that is, the written word and published photograph, but that is not the form in which Governments are now preferring to hold information. We only have to recall the amendments to the lands title legislation of recent time under which the original certificate of title will be the record in the binary works (to use a mixture of lay and technical terminology) of a computer, and nobody with their eyes, assisted by spectacles of any kind, can see it, read it or be aware of it. For as much as it is possible for Governments to hold information like that in the public interest, it is equally now technologically possible for them to hold it about the citizen and not simply about the records that the Government requires for its own administrative purposes.

It is therefore germane to the survival of the notion of civil liberties that legislation of this kind is introduced at this time and, hopefully, passed with the unanimous support of all members of this Chamber and the other place. It is not sufficient for us to expect that the public servants, the employees of Government agencies, the Ministers and directors who control them and the boards of management that direct them will continue to act in the public interest and respect citizens' rights to privacy as well as citizens' civil liberties given that this explosion of technology to store information in a variety of forms has taken place. The temptation to abuse it is too great, not in any formal sense

alone, but there may be individuals working as servants who use the technology available to them by virtue of their office to acquire information about individuals and then conduct a vendetta against them.

It is important that individuals know what is on the record and can in law compel the Government—local or State—or any of its agencies to reveal what is on the record and in a form that is simply comprehensible to anybody, even the illiterate, and thereby to secure those civil liberties and rights to individual privacy which we have all enjoyed for most of our lives and for the past few generations in our democracy—our type of society.

For those reasons I speak in favour of the measure. I do not see it as necessary for me to go over specific details of the kind to which the member for Bragg has already drawn attention, save for a few of them. Passing the legislation as it stands presently would not be adequate for the purpose for which it has been introduced, as it leaves in the hands of executive Government the prerogative of determining when the legislation shall commence. It is not that I do not trust executive Government so much as I believe that in general it can find other things of importance to deal with. More importantly at this time, this executive Government finds itself preoccupied with an agenda of items of great moment that may result in the legislation not being proclaimed after it has been passed. It is therefore appropriate that we amend the Bill in a fashion that will ensure that in less than six months after being passed by Parliament it is proclaimed.

I will conclude my remarks by saying how proud I am (as I am sure are all other members of this Chamber and indeed the other place) to be South Australian, not for all the reasons relevant to our sporting achievements and so on but because of our historic achievements in placing on the statute books legislation which is the first or amongst the first of its type anywhere in the world. We can rule out all the places that are not democracies as they do not believe in legislation of this kind to protect the rights of citizens. After all, life is pretty cheap in those societies, but in our society there has been a respect for the rights of the individual, subject to the responsibilities they must exercise to respect the rights of others. There has been the development of a framework of clearly stated statutorial provisions that protect them. One of the rights is the right to privacy. All of us now have the right to vote.

Mr Holloway interjecting:

Mr LEWIS: I wish that I understood that.

The DEPUTY SPEAKER: Order! The honourable member can proceed with his contribution without understanding it, I assure him.

Mr LEWIS: Thank you for reminding me of that, Mr Deputy Speaker. We have introduced legislation here that secures for the individual (or body corporate) a record of rights and title to land, being the first place on earth to have done so through an elegant, simple, administratively efficient Government agency without so much litigation being required to determine that in the event of there being some misadventure in the loss of a piece of parchment, as it used to be. We have secured the right for all citizens to vote; and we have provided the right and the opportunity for all children to learn to read, to write and to become literate and numerate as well as being able to find their way around in a world and with all complexities which the rule of law in a sophisticated society provides.

That is the kind of society that I am talking about. We in South Australia have done that regardless of the individual citizen's beliefs, religious or otherwise, racial origins, or sexuality. Measures have secured that in an affirmative fashion in recent times. For all of those reasons I am proud to be here in this institution, participating in a debate, supporting this kind of legislation at this time. It has probably been brought in later than it ought to have been, but at least it is in good time and I wish it a speedy passage to ensure that citizens can rest assured that this Parliament takes their rights and privileges seriously when contemplating the consequences for their futures of the actions that Governments may take and the kinds of records that Governments may keep about them.

Mr OSWALD (Morphett): I am very happy to make a contribution to this debate this afternoon as I happen to believe in this type of legislation. I think it is opportune for us to reflect on the history of this legislation, because it embodies a principle in terms of which the Government has been brought up to the barriers by the nose, screaming.

For many years the Labor Party has resisted freedom of information in this State. In casting my mind back many years ago, I recall that the Hon. Martin Cameron in the Upper House attempted many times to introduce freedom of information legislation, and on each occasion he was headed off by the Government because it was not prepared—for reasons known to itself—to open up the books of Government and the books of the Public Service to the scrutiny of the people.

The Government used many excuses at that time; it said it was too expensive or too time consuming but the fact of the matter is that the Government would not let the Hon. Martin Cameron's Bill see the light of day. Government members eventually succumbed to some public pressure, no doubt due to the fact that the Opposition in the other place was to receive some support from the Independents, and they agreed to a limited access to information. In other words, some information would be provided and there was some hope that the public and the Opposition would be satisfied with that concession. But limited information is not freedom of information and, however it was packaged up and sold to the Parliament and to the people of the day, it was not acceptable, and I was pleased to see the Hon. Martin Cameron proceed down the track in trying to get somewhere with this legislation.

We now have freedom of information legislation before the House, and I am happy to support it. I will not go to the depth that the honourable member for Bragg went to, because those matters will be raised in Committee. However, I would like to put a few points on the record so that people will know my position.

Why do we have freedom of information? It is quite simple: it is so that we, as members of Parliament and, indeed, as members of the public and ordinary citizens, can research issues for which we are either responsible in the community or in which we have an interest. It also allows the ordinary man in the street to have access to a Government document which concerns that person. There is nothing wrong with that, and I have often wondered why, over the past four or five years, the Government has been so paranoid about allowing ordinary citizens access to files and allowing members of Parliament and the media access to Government documents.

I have always accepted that Cabinet documents should be excluded because they concern the business of the State and its future, but where documents refer to matters in the past, in the goodness of time they should be released. I support some limitation on the release of Cabinet and other sensitive documents, and I will elaborate further in that regard in Committee. But, without those sensitive documents, other matters should be revealed to the public.

The Victorian experience is interesting. I guess that there was the same opposition there to bringing in freedom of information, but the Victorians went down the track, as other States have done, unlike the South Australian Labor Party with its paranoia about exposing its books and decision-making processes to public scrutiny. The *Australian Journal of Public Administration* referred in 1988 to the Victorian experience, as follows:

> Public administration has not been handicapped or overloaded in the many ways that the South Australian Labor Government has claimed. The advantages to the public and the public administration have been clear and unequivocal. It has lit the pathway to more participatory government in Victoria.

I do not think anyone would disagree with that if that becomes the long-term objective in South Australia. The article went on:

> Cost did not end up as great as anticipated by those who were opponents to the scheme, and politicians and journalists in fact constituted only a very small percentage of those who made requests.

Indeed, most requests in Victoria were made by individual members of the public on mainly personal files. Freedom of information has become a very powerful tool towards making Governments accountable. There is no doubt that Government officials who write documents which one day will be available for public scrutiny through freedom of information and who know that they will be accountable will make themselves accountable in the drafting of those documents. In the past, we have had to rely on Auditors-General and Public Accounts Committees to use their limited powers and hope that they would keep an eye on public administration. But the ordinary man in the street, many members of this House going about their business and investigative journalists trying to do their job have been headed off by the fact that they cannot have access to documents of public importance.

I am pleased that the Bill is before the House. With a few amendments, which the member for Bragg will move, I support the measure.

Mr S.J. BAKER (Deputy Leader of the Opposition): I support the thrust of this legislation. I suppose, going back to the 1960s or even the 1970s, I would have been adamantly opposed to such a proposition, because those were days when truth and honesty were deemed to be the hallmarks of people's characters. If one was caught stealing, it was a fair cop. There was indeed some honour among thieves. People generally conducted themselves in a fashion which was to the benefit of all in the community. But that does not prevail today. We see it every day in various shapes and forms. The world has changed, technology has changed, and, to a very large and damning extent, people have changed.

When we talk about Governments and the way that they operate, we must assume, at least on the basics, that they are there to serve the people. We know that is not the practice. We know that there are people who run their own agendas and operate their own areas for their own benefit to the detriment of those whom they are paid to serve.

It is interesting that the first legislation on freedom of information was put in place in Sweden in about 1949. The Swedes perhaps foretold that there were going to be difficulties and they needed some checks and balances in the system, or perhaps they felt that, as part of their social lifestyle, it was important for people to have access to information relating to their circumstances. Irrespective of the reasons for the legislation which developed after the Second World War, there is no doubt that more and more people are questioning the rights of Governments to keep files on them to the extent that others may be able to have access to their ultimte detriment.

There was some suggestion, after the Second World War and the files of Nazi Germany, that it was imperative that such files with indicative information would never be kept again. Many of those who went through the Second World War would have been horrified at the prospect of having a unique identifier and a number assigned to every person in the population. There is still that hangover in terms of the capacity of the Government to control people's lives through identification cards and files which can be kept and updated and, indeed, abused.

There have to be checks and balances in the system. Many people in Mitcham would not feel offended if a file were kept on them, but they certainly would feel offended if that file were wrong and if it were abused. I do not believe that the checks and balances are present in the system. There is an instant capacity to do a great deal of damage with the files which are kept today. For that reason, I believe it is important that citizens should have access to the information that is kept on them.

The issue is not clear cut. It is complex because it involves a number of dynamic elements. It is not a simple matter of people being allowed to see what is on their files because they do not want the wrong information to end up in the wrong hands. The fact is that a number of other aspects need to be considered.

Before I canvass those other issues, it is important to look at other parts of the world. Great Britain has gone through a process of trying to determine whether it needs freedom of information legislation. In 1968, the Fulton Committee on the Civil Service reported that the administrative process was surrounded by too much secrecy. It said that the public interest would be better served if there were a greater amount of openness. This conclusion was despite the fact that in 1958 numerous reforms of the Civil Service in this area had been introduced. So, Great Britain considered the aspects of freedom of information.

The processes of reform have been very slow, because they have been founded on a number of principles, which I will go through shortly. Basically, they were what information should be made available, how should it be made available and at what cost. Perhaps the most developed country in terms of freedom of information is the United States of America. In 1966 the United States Congress passed the Freedom of Information Act. It has become more and more complex over the years as people have either added to or subtracted from the information available that can be accessed by the United States citizenry. Also, it has been added to and subtracted from according to the fields of information or the processes of information involving collection and supply. So, the United States situation is very detailed.

In this country, we have had the Whitlam initiatives and, since the early 1970s, there has been a move to provide freedom of information culminating in the Federal Act. It is interesting that the freedom of information proposition was waved before the people in 1984 prior to the State election. There was much to-do about the fact that we wanted open government and that citizens had rights and they should have access to information that was kept on the files. However, progress was very slow. It was another of these unkept promises. It was only with the advent of Martin Cameron's Freedom of Information Bill, which was based on a vast amount of research both nationally and overseas, that the Government was seen to be like the emperor with no clothes. There had been many announcements and much refining, but when we looked at what we

had, we really had nothing. So, the Government has been slow to get its collective act together. I suspect that it is only as a result of the initiative of Martin Cameron that we have seen it ultimately reach the barrier.

Mr Ferguson: You tossed him out!

Mr S.J. BAKER: I suggest that the honourable member actually resigned. Some of the matters to be determined are considered in depth in this Bill and have been written into the legislation, but much detail has to be decided before anyone can proceed with freedom of information legislation. We have to look into the minds of people and find out what information they wish to have access to; what types of documents should be released; to whom and why. Is it important to create a legal right to know? Should greater access to Government information be achieved by creating a legal right to access or by the gradual introduction of administrative measures? In other words, do we need the legal instrument or do we need some means whereby people can have complete access to a file because it is open from the very beginning and people can look at it?

Another issue is what impact freedom of information legislation would have on our system of government and on the relationship between Ministers and the Parliament, Ministers and public servants, and public servants and the community. One of my fears, going back a few years, is if people have total access to information, the capacity of someone reporting on a person shall be somewhat diminished. That person would have some difficulty in telling the truth as he or she knew it because it could be quite damaging to the person on whom the report is being written. This is a very important issue which I do not believe is properly addressed in freedom of information legislation.

It then comes back to what sort of hierarchy information we are prepared to live with. On the one hand, we would say that a person has a right to the information which is kept on that person. On the other hand, we should say if it is necessary to be brutally honest, the nature of the report writing should not be impeded by the processes available to any individual to access that information. That is a great dilemma. Do we stop the truth because we have a Freedom of Information Act? Do we stop people from giving the hard lines because people may react in a negative fashion after reading something that is not to their liking? These are very important issues. Should a department or agency be exempt from the onus to show a document?

What types of documents should be exempt? We must have some exemptions. For example, we know that Cabinet documents must be exempt from freedom of information but, beyond that, what else do we know? How long should those Cabinet documents be exempt from examination? Should people other than those directly affected have access to those documents? Those decisions must be made. Are the suggested categories of exemptions sufficiently comprehensive to cover the types of documents that should not be released, or are they too wide ranging? Is the breadth of exemption too wide or too narrow? Does it impede or assist the flow of information?

What about the procedures for releasing information? How efficient should they be? Should they assist the process or make it harder? What should be the cost to provide the information? We know that nothing in this world is free. What is a reasonable price to charge people who wish to access a document that might vitally affect their lives?

What specific interest should we protect in relation to the availability of information? If someone suspects that a Parliament exemption has some material which may be dishonest or which may damage them, what potential should there be for that person to gain access to that exempt information via some appeal mechanism? Indeed, should we exempt such things as trade secrets? Obviously we should. What about documents that have been supplied confidentiality: should they be included under the exemption? What about internal working documents, for example, scratchings on a piece of paper? Indeed, I know in my office that I have many files on which I scratch comments about reports I have written, reports I have read or problems that constituents have brought to me, all to aid me in providing a better service. However, should people have access to those work documents? That in itself is a serious question. One of my constituents came to my office in a very excited and upset state and said, 'Well, look, you are not doing the right thing. You've obviously got something on that file.' So, I handed him my file and let him look through it. Because he was so aggravated I said, 'Look, you can have the file.' But how often can we do that?

Freedom of information is an expensive mechanism because it means that people have a right to get to documents, whether they be held in paper form or indeed on computer. It means that there almost needs to be a clerk or person responsible for being able to retrieve those documents and making them available within the time specified under the Act or regulations. That means, in many cases, a grave disruption to the workplace, so there is a cost. How much that cost is, and whether it can be recouped in full or whether we regard part of the provision of information as a public service is a matter that has to be debated.

What education training programs should be mounted amongst the community and the Public Service to facilitate the access from the freedom of information legislation? Some of those issues are—and the Minister would recognise a number of other issues—addressed in the Bill: some we approve and others we believe have not quite measured up to the expectation we had when Martin Cameron presented his legislation before the Parliament.

It is important that we do get this legislation right because, once we have created an expectation amongst the people of South Australia, if that expectation is not met because of bureaucratic inefficiency or because of a great deal of cost involved then we have defeated the very purpose that we sought to meet with this legislation in the first place, which was to make people far more comfortable with the information that was being kept on them in files over which they had no control. I still have reservations about freedom of information legislation. I think there are some downsides to the proposition. However, I believe overall in this complex world, a world which is not as necessarily kind and honest as it might have been 20 years ago, that it is the right way to go; it does provide a check and a balance against people collecting information which is inappropriate, or providing information which is damaging on people and could affect their very lives.

Whilst the Government has been a little slow in bringing forth this legislation, I commend it for doing so eventually. I am sure that, with one or two amendments, the legislation will pass through Parliament to the ultimate benefit of South Australians.

The Hon. G.J. CRAFTER (Minister of Education): I thank members of the Opposition for their indications of support for this measure and for foreshadowing some amendments and additional clauses that the Opposition proposes to move, albeit in another place in due course. The Opposition has indicated those areas with which it has concern, which will give the Government an opportunity to consider those matters between the passage of the Bill in this place and its being considered in the other place.

This legislation is important. It is landmark legislation for this State and touches the very basis of the health of our democratic system of Government, of this institution of Parliament and, indeed, of our relationships with the other estates of Government, the Public Service and the judiciary. It will bring a new series of rights to our community to access information to which it is believed it is the right of each citizen to have access.

The Deputy Leader has presented to this House a rather cynical view of the Public Service and of elements of our community. I do not share that pessimism. It is true that some people are malevolent in their intentions, but I suggest that there are very few in that category. Having begun my working life in this State's Public Service, and having been a member of Parliament for almost 12 years now, I have met many fine public servants, many dedicated men and women who have served and continue to serve this State very diligently and honestly.

In a sense, this measure is a vindication of the confidence the Government has in its public servants. It helps, of course, as a check and balance to overcome practices that have developed over years or in particular instances that are contrary to the public interest. Certainly, where there is maladministration, it allows us to detect that and to do something about it. Most importantly, it provides an opportunity for the community to obtain access to information held by the Government, and will ensure that records held by the Government concerning the personal affairs of members of the public are not incomplete, incorrect, out of date or in some way misleading. That is a very important reassurance that we need to give members of our community—that the information held in Government records is accurate and used in a way that truly reflects the circumstances of each of those persons.

In so doing, this legislation ensures that information concerning the operations of the Government, in particular information concerning the rules and practices followed by the Government in its dealings with members of the public, is made available to the public. The community does have a right to know how the Government operates in the practices that it follows in determining matters that it has a responsibility to determine.

The Bill confers on each member of the public:

> . . . a legally enforceable right to be given access to documents held by the Government, subject only to such restrictions as are reasonably necessary for the proper administration of the Government;
>
> and
>
> *(c)* enabling each member of the public to apply for the amendment of such of the Government's records concerning his or her personal affairs as are incomplete, incorrect, out of date or misleading.

(3) It is the intention of Parliament—

> *(a)* that this Act should be interpreted and applied so as to further the objects of this Act;
>
> and
>
> *(b)* that the administrative discretions conferred by this Act should be exercised, as far as possible, so as to facilitate and encourage the prompt disclosure of information of a kind that can be disclosed without infringing the right to privacy of private individuals.

So, the Government's objectives are encapsulated in the measure before us. As was mentioned by the member for Bragg, for some time in this State we have had an administrative arrangement in place to provide for a limited form of freedom of information, and this Bill now brings about the legislative framework and embodies in that the rights to which I have just referred.

The Opposition has commented on a number of aspects of the Bill and I will deal with some of those matters, where appropriate, in Committee, and some of those matters will be dealt with in much more detail in another place when specific amendments are before that Chamber. One of the matters raised was the appropriateness of the structures provided for judicial review of the decisions that are taken. I think it is important to look at the extensive review provisions that are in the legislation. There is a procedure for the internal review of decisions, that is, an internal review procedure within each agency from which information has been requested and has not been provided or has been provided in a way that is not satisfactory to the applicant.

There is also provision for an external review, and additional powers are vested in the Ombudsman who, hitherto, has provided a substantial service in this regard but has not entirely embraced all the dimensions that are provided in the legislation. There is a procedure to vest in the Police Complaints Authority certain powers of review of decisions of agencies in this matter. There is also an external review provided by the District Court. I guess one could argue whether the District Court is the appropriate jurisdiction or whether it should be vested in some other jurisdiction. It is the view of the Government that the appeal process in this area should lie with the District Court. It is a matter of seriousness. It has been a matter, obviously, of previous internal review, and further rights of review are vested in Parliament itself.

So, it is appropriate that this matter is reviewed at judicial level, and the District Court is regarded as the appropriate jurisdiction for that to occur. Of course, prerogative writs that members of the public may take are still vested in the Supreme Court; they have existed always in the common law and they still apply and are available to the citizens of the State.

It is interesting to note that, whilst the member for Murray-Mallee eulogised, to some extent, that this was another example of South Australia embarking on breathtaking new reforms, this legislation has been in existence, albeit in a different form, in a number of other States and certainly in other countries now for some time. So, we have had the benefit of experience, particularly in the other Australian States of Victoria and New South Wales. The Commonwealth legislation has now been in place for a number of years. I understand that the Tasmanian Parliament passed legislation of this type in recent times and that the Queensland Government has indicated that it intends to have this legislation in place as part of the massive reforms that it is embarking upon in the latter part of this year. I also understand that this year the Western Australian Parliament intends to legislate in a similar way to that of the South Australian Parliament. By the passage of this legislation South Australia will come into line with many other jurisdictions across this country in providing these rights to the citizens for whom they are responsible.

Bill read a second time.

In Committee.

Clause 1 passed.

Clause 2—'Commencement.'

Mr INGERSON: The Opposition is concerned that provisions in the Bill be made available to the public as soon as possible in terms of access. The Opposition believes that the clause should include a six month maximum period. As I pointed out to the Minister earlier, and as I indicate now to the Committee, unfortunately our amendments are not yet ready. I signal that our amendments will be moved in another place, but I ask the Minister to at least comment on our belief that a specific time for commencement of the legislation should be included. We are concerned that the operation of the legislation may be delayed even though the

Government has shown some goodwill in bringing it into Parliament at this time.

The Hon. G.J. CRAFTER: It is not possible to give an accurate time. A substantial amount of work is to be done with respect to the preparation and bringing down of regulations, as well as training staff in departments and setting up appropriate procedures and the like. If this legislation is to operate in the way that we intend, that ought to be regarded as an important part of the process. The information flow needs to be in accordance with the provisions of the legislation and, therefore, training is important. If we include a date in this clause and hazard a guess that cannot be met, it means that we have to come back to Parliament and amend the legislation, whereas I would have thought that the Opposition and all members could monitor the situation.

Obviously, the legislation is of considerable interest in the community and people will be preparing to apply for information as a result of it. It is not as if the Government is unaware of that. Once the Bill is passed it is a clear indication of the Government's intention for it to be brought into effect. I do not think that there can be any fear of the Government's sitting on its hands in a matter of this type, but we have to go through those procedures and I would not expect that that would cause undue delay.

Mr INGERSON: Can the Minister give the Committee some idea of the time frame that he would see being involved? 'Without undue delay' could mean anything from six months to two years. Can the Minister provide some idea of what he means?

The Hon. G.J. CRAFTER: I do not have any accurate information concerning predictions or projections. Perhaps that is something that can be dealt with by the responsible Minister in another place. I can say that it has always been our intention that this legislation would come into effect as soon as the Bill was passed and the necessary administrative arrangements put into place.

Clause passed.

Clause 3 passed.

Clause 4—'Interpretation.'

Mr INGERSON: This clause provides a specific definition of 'exempt agency', and that definition includes:

(c) an agency declared by proclamation to be an exempt agency:

The Opposition is concerned that this be done by proclamation. We believe that if an agency is to be exempt the Parliament should at least have the opportunity to debate the issue as to which organisation is to be exempt and for what reason, and that this should be done by regulation. I ask the Minister to comment on why it is not proposed to be done in this way, because this is a very important ingredient of the whole freedom of information argument.

The Hon. G.J. CRAFTER: As I understand the background to this question, this provision does exist in another jurisdiction. As I have said, much of this legislation has been culled from experience in other jurisdictions, but also this process does allow for a greater degree of flexibility for an agency to be brought under the legislation and taken out if circumstances warrant that to occur. Of course, that procedure is subject to parliamentary review and it is always available to members of the public who may be aggrieved by this process or, if it is a matter of concern, to the Opposition.

Mr INGERSON: I raise this point because if one looks at the definition of the word 'agency' it will be noted that that definition may be declared by regulation, yet the definition of an 'exempt agency' must be declared by proclamation. So, in the same group of definitions there is an opposite point of view. It seems illogical to me that if we as a Parliament are prepared to accept that an agent may be considered to be a person from whom information may be obtained by declaring that agency by regulation, the opposite is the case in relation to an exempt agency. The other Acts around the country may also be inconsistent and it seems to me that we ought to make ours consistent by including the definition of 'agency' and 'exempt agency' under the same rule of definition by regulation.

Clause passed.

Clauses 5 to 13 passed.

Clause 14—'Persons by whom applications to be dealt with, etc.'

Mr INGERSON: This clause provides that an application must be dealt with as soon as practicable or, in any case, within 45 days of receipt. As I mentioned in my second reading speech, in relation to the transfer of information, sometimes within departments, the question is from when the period of 45 days applies. So that this information may flow reasonably quickly and not be held up by one or other agencies, not necessarily deliberately, and so that at least a specific timeframe is put on them, this area ought to be clarified so that the information is released within 45 days.

The Hon. G.J. CRAFTER: By way of explanation, I refer the honourable member to clause 16 (6) which provides:

An application that is transferred from one agency to another is to be taken to have been received by the other agency—

(a) on the day on which it is transferred;

or

(b) 14 days after the day on which it was received by an agency to which it was originally made,

whichever is the earlier.

I am not sure whether that clause meets the concerns raised by the honourable member.

Mr INGERSON: I think that clause 16 provides that any application received from another agency will be taken to have been received within 14 days. It does not guarantee that the 45-day limit specified under section 14 will be upheld. All the application notes is that, once it reaches a particular agency, it has arrived there on that day or within 14 days and will at least be looked at. The concern we have is that sometimes this information required from individuals can float around from agency to agency, and unless there is a more specific clause here setting out that it needs to be a total of 45 days, we will get absolutely nowhere.

The Hon. G.J. CRAFTER: The point raised by the honourable member certainly needs to be looked at, if that interpretation can be placed upon the clause. As I read clause 16, however (in conjunction with clause 14), there can be a period of 45 days and, in addition, a maximum of 14 days for the circumstances of the transfer from one agency to another. But if there was an attempt to continue to transfer a matter from agency to agency, then those additional 14-day periods could add up to a substantial period of time. However, one would think that such behaviour would be quite reprehensible if it was simply to delay the provision of information. It would certainly lie within the authority of the Minister, or those to whom responsibility has been delegated under this Act, to ensure that that process does not occur. Obviously it would cause the internal and external reviews to take a dim view of that practice. However, as the honourable member has raised it, I will refer the matter to officers in the department to further examine that clause and the outcome of those circumstances to which the honourable member refers.

Clause passed.

Clauses 15 and 16 passed.

Clause 17—'Agencies may require advance deposits.'

Mr INGERSON: In my second reading speech I spent some time making a comment in relation to advance depos-

its. It seems to me that this is one of the major problem areas for people when getting out information. As I mentioned earlier, I had an experience with the Department of Marine federally in attempting to get some plans for the *Island Seaway*—some three years ago, I think it was. One of the barriers put up was that the advance payment was a sum of $200, and any department or agency that wished to make sure that information was not available to the majority of people in the community could place this advance deposit on any application. In my second reading speech, I did express, at some length, our concern about this area. I said that we would move to have it deleted. So, I will leave it purely and simply at that.

The Hon. G.J. CRAFTER: It must be said that there needs to be some safeguards in this legislation to ensure that there is not a pernicious system operating where officers of agencies go to an enormous amount of work to bring forward information that is then never claimed. Quite substantial costs could be incurred in agencies, from experience in other jurisdictions, on matters which might never be followed through. So, I think that is an irresponsible situation and obviously one which the Government could not tolerate. There needs to be some checks to ensure that that does not occur. The other point made by the honourable member is a matter that needs to be taken into account as well. So, there are two sides to this argument and they have to be balanced out. The Government believes that there needs to be some form of advance deposit to deter the behaviour to which I have just referred.

Clause passed.

Clause 18—'Agencies may refuse to deal with certain applications.'

Mr INGERSON: This clause allows an agency to refuse to deal with an application if it appears that the work involved in dealing with it would substantially and unreasonably divert the agency's resources. It is our belief that this is what freedom of information is all about. If we place a restriction on it or give any agency the ability to say that too much information is required or that too many pieces of paper have to be pushed out of the copying machine, it will defeat the purpose. This is a major concern. Agencies should not be able to refuse to deal with applications and, as a consequence, we oppose this clause.

The Hon. G.J. CRAFTER: As with the previous clause, there must be provision to overcome a situation where an application would substantially and unreasonably divert the agency's resources in meeting the request. The Government simply does not share the concerns raised by the Opposition that this provision would have the effect of defeating the legislation. That has not been the experience in other places where similar legislation exists. Of course, it is subject to internal and external review. Indeed, one can envisage situations where enormous amounts of information are sought which is simply not in the public interest. The provision is clearly an administrative check to ensure that the system is not abused. However, at the same time it is important that there be some external review of the decision, and one can presume that this provision will encourage both the applicant and the agency to discuss these matters and indeed to arrive at a situation where the interests of both the applicant and the agency can be met.

It is interesting to note that the New South Wales legislation contains a provision relating to unreasonable diversion of resources and does not provide for external review. Even so, the provision has been used only sparingly, as I understand it. The Victorian Legal and Constitutional Committee recommended the insertion of the voluminous request provision. This is an area in which we can learn from other States and jurisdictions.

Clause passed.

Clauses 19 to 41 passed.

Clause 42—'Procedure for hearing appeals.'

Mr INGERSON: The Opposition believes that subclause (2) gives the Minister extreme powers and would enable the Minister, in effect, to interfere with the flow of freedom of information if it was at all delicate as far as he or she was concerned. This clause is unacceptable in terms of the general flow of information, and we oppose it.

The Hon. G.J. CRAFTER: The honourable member has mistaken the role of both the Minister and the court in reviewing this appropriate power that is vested in the Minister. Apart from that, there are always other checks and balances available in our system whereby it is believed that a Minister is acting outside his or her powers, is acting perniciously or is attempting to avoid the thrust of this law. Those powers vest in this Parliament and the organs associated with it. I suggest that vested in this appeal procedure and in the court is power to carefully consider these matters. As I said during the debate on the previous clause, there is no such external review power under the legislation.

Clause passed.

Clauses 43 to 52 passed.

Clause 53—'Fees and charges.'

Mr INGERSON: As I said earlier, unfortunately some of the amendments that the Opposition wishes to put before the Committee are not currently available. It is the Opposition's intention to introduce in another place some schedules whereby the fees are fixed by regulation and certain criteria are established covering the fixing of those fees. I simply wish to inform the Committee that this matter will be taken up in another place.

The Hon. G.J. CRAFTER: I note the Opposition's concern about fees. However, I think it should be pointed out that there must be appropriate flexibility in the determination of fees so that there can be a social justice basis for that determination and so that people who are financially disadvantaged are not precluded from obtaining information that is available to people who obviously have the means to obtain it, particularly with respect to personal details that are held about those people within Government agencies. Often it is the people who are dependent upon their relationship with the Government for their very livelihood who are least able to expend a substantial amount of money to obtain the information that is held about them—information that may in fact determine their eligibility, or otherwise, to receive essential benefits for them or members of their family. I think that the Government, in bringing down this measure in this way, is taking into account the flexibility that is required in these circumstances.

Clause passed.

Clause 54—'Reports to Parliament.'

Mr INGERSON: In my second reading contribution I noted that this report does not have to come before Parliament until 31 December. Most other official reports come before Parliament by 30 September. The Government ought at least to consider that this report be brought in at a similar time. I am aware of only one other report that is required to be in by December, that is, the WorkCover Corporation report. It seems to me that for consistency and for the ease of all members of Parliament and members of the community, in particular, that this sort of report should be made available to the public as soon as possible.

The Hon. G.J. CRAFTER: I think that no-one doubts that a report of this type should be made available to the

public as soon as possible after it is presented to Parliament. In addition, there is the question of uniformity in bringing down reports. The Government has done a great deal of work to bring about a greater degree of uniformity in the provision of reports to the Parliament and, hence, to the South Australian community. Therefore, this matter can be referred to the responsible Minister for further consideration.

Clause passed.

Clause 55, schedules and title passed.

Bill read a third time and passed.

WATERWORKS ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 11 December. Page 2600.)

The Hon. D.C. WOTTON (Heysen): The Opposition does not support this legislation, and it will take me a little time to give the reasons why Opposition members have decided to oppose the Bill. The State Government's new water rating system contains what we believe is a backdoor tax, whether it be referred to as a property tax or an asset tax. The plain facts are that many householders will be affected by the charge levied on properties worth more than $111 000, particularly when one takes into account that no more water will be made available, despite that charge.

The new system which the Government intends to adopt is based on recommendations by the Hon. Hugh Hudson in his recent review of water charges. It means that an additional charge will apply for every $1 000 that the property exceeds the valuation threshold of $111 000. Many people have properties valued at over $100 000 and, if one takes into account inflation and the cost of water itself, one realises that many will be caught in an extremely difficult situation. I refer particularly to families, pensioners and superannuants. The Opposition has already received a considerable amount of representation from these people, who have expressed concern about the new rating system.

The Hon. Hugh Hudson presented the review of the E&WS Department's water and sewerage charges to the Minister on 26 June last year. The terms of reference for the inquiry were:

(a) To review the current system of charging for water and sewerage services under the Waterworks and Sewerage Acts.

(b) Recommend to Government any changes that are required in the system in order to achieve the maintenance of social justice and equity within the community, the level of cost recovery consistent with the economic provision of water and sewerage services, long-term conservation of water resources and efficient treatment of trade waste.

Only half the recommendations of that review have been brought forward in the legislation before the House. I have had a lengthy discussion with the Hon. Hugh Hudson regarding this report, and the review that he carried out resulted in some very good recommendations. When the opportunity arises, the Opposition will be anxious to debate some of the matters relating to sewerage charges and to consider some of the issues that the Hon. Mr Hudson raised.

His report also contained a number of recommendations to assist small business, but I am disappointed that they will not be implemented through this legislation. It is not just small business that is concerned about this new rating system, and it is not just householders who have contacted Opposition members. I have received a lot of correspondence, to some of which I will refer a little later. We are also aware of considerable concern expressed by the Building Owners and Managers Association (BOMA), which speaks on behalf of property owners and tenants.

Before going on to that, I want to refer to a number of matters that have been raised in Mr Hudson's review. I have already referred to the terms of reference. In his introduction, Mr Hudson says:

While the terms of reference extend beyond the question of whether or not water should be charged for by a payment for use or by a rating on property values, this issue is central to public concern.

We know how many people feel about that. In fact, not very long ago one member of the Government front bench had quite a bit to say about this system and urged that some significant changes should be made. It will be interesting to see whether that Minister has anything to say in this debate.

Table 8 in the report, for those members who have seen it—I think the report has been made available to all members—illustrates the number and percentage of ratepayers who gain, lose or who are unaffected by the new policy. The 268 445 residential ratepayers, who represent 67.6 per cent and who are unaffected, have property values below $100 000. We are told that another 39 617 ratepayers, or 9.9 per cent, are better off and have property values below $100 000. A further 27 418 ratepayers, or what is referred to as 6.85 per cent, are better off but have property values greater than $100 000. The 64 844 ratepayers, or 16.19 per cent, who are adversely affected, have property values in excess of $100 000. Of the 16.19 per cent of residential ratepayers who are adversely affected, 6.86 per cent of all ratepayers, or 27 470, would experience an increase from nought to 5 per cent (table 7), and 2.8 per cent of all ratepayers would experience an increase in excess of 15 per cent. That is what the honourable Mr Hudson tells us in this review. He then goes on to provide more information.

I indicate to Mr Hudson and to this House that already the Opposition is being made aware of significant increases well and truly above the 15 per cent referred to in this report prepared for the Minister. In fact, in some cases people are experiencing an increase of up to 40 per cent. Therefore, I think that Mr Hudson needs to do his homework on that particular matter. In his report, Mr Hudson says:

It is appropriate to consider whether or not the incidence effects are fair. Each ratepayer who incurs a penalty has an option of reducing consumption in order to eliminate the penalty or any portion thereof.

I will go into that in more detail later. Mr Hudson goes on to say:

Furthermore, the penalties are entirely a consequence of the way in which the current rating system encourages ratepayers to use the allowance dictated by the water rate paid. Diagrams 7 and 8 show dramatically the way in which the current rating system encourages excess water usage. While for low capital values average water usage is well in excess of the level at which excess water is charged, this is not the case at higher property values. There is a painfully apparent correlation between average water usage and property values. Average annual water consumption per household in metropolitan Adelaide is 340 kilolitres and the average water usage for any range of property values does not rise above 340 kilolitres, until a range of $105 000 to $120 000 is reached.

Quite understandably, the report is very technical and, in my opinion and in the opinion of a number of people who have made representation to me, puts forward two or three alternatives that could be adopted, if one looks at the tables that are in that report. I would urge members of this House, if they have not already done so, to take the trouble to read the Hudson review. When they have done that, I am sure they will understand why the Opposition is taking the action that it is with regard to this matter.

I have referred to some of the comments made by organisations such as BOMA, and I will refer to an article that appeared only a week or so ago in the *Advertiser* under the

heading 'BOMA attacks "backdoor" water taxation'. It quotes Mr John O'Grady, and I have considerable respect for him, as I do for the BOMA organisation. The article states:

The BOMA president, Mr John O'Grady, said he believed the system was 'quite unfair' for property owners and tenants to have to bear the charge of services they did not receive or fully use.

Commercial water rates are based on property values, yet most office buildings and shopping centres use only a small proportion of their allowances.

He went on to say:

An Adelaide property consultant said one 14-storey building paid $150 000 a year for an annual allowance of 87 150 kilolitres but had used only 5 000 kilolitres in the first six months 1990-91. He said water was used only to 'flush loos'.

The water charges were usually absorbed by rents and accounted for about $10 a square metre of yearly rent.

Mr O'Grady goes into some detail expressing his concern regarding this new levy. He states that high water rates made it increasingly difficult to lease commercial properties, especially those where tenants were responsible for rates. The article further stated:

It was an issue of increasing concern among property owners and tenants but also affected consumers in the form of more expensive goods and services.

'There is a very strong possibility of water rates going the same way as land tax as far as being an indirect tax . . . although water rates are more insidious' he said.

It is not just a matter of what people such as Mr O'Grady say. There have also been a number of letters to the editor, and they reflect a number of issues that have been raised with members on this side of the House. I was interested to read the editorial in the *Advertiser* of 17 January under the heading, 'Watery socialism'. It is worthwhile reading that editorial into *Hansard*, as follows:

Water Resources Minister Ms Lenehan's new 'social justice' system of fixing water rates is akin to watering the lawn by turning on a hose and letting it squirt randomly about the yard. While it may roughly appear to get the task done, it is mostly a hit-and-miss affair. The Engineering and Water Supply Department has traded one unfair rate system for another which may take the first tentative step down a desirable 'pay for use' path but mainly creates a wider set of injustices.

Until now, water allowances and charges have increased with property value, regardless of how little was used, and consumers were charged extra for excess consumption.

Now higher value property owners are to be penalised twice. The new 138 kilolitre limit will represent a reduction in allowance for many homes, but their owners will still be required to pay an additional 76c for every $1 000 in property value above $111 000.

That is one of the very points about which the Opposition is concerned, and one to which I referred earlier. The editorial continues:

On top of this, they will still have to pay an extra 85c for every kilolitre of excess water used.

The term 'social justice fee' is a watery term for socialism and misguided socialism at that. The $111 000 limit does not even target the wealth belt but strikes at the heart of the average family home.

I know that the Minister, in responding to public criticism of this new system, has said time and time again that those who are concerned about this new system are only trying to protect the wealthy, and I disagree with that very strongly. Our concern is with the average family and, as I said earlier, with the average pensioner and superannuant who is attempting to stay on in the family home. I would have thought that it was one of the major planks of the Government welfare policy to be able to encourage and provide incentives for those people to be able to stay in their own homes. I suggest to the House, and particularly to the Minister, that this new rating policy is anything but a decent incentive to help those people stay on in the family home and to help families who are finding financial matters extremely difficult at this time. The editorial continues:

In addition the most expensive properties are increasingly becoming city and inner suburban townhouses with small gardens or courtyards which require a minimum of watering and maintenance.

Water is a precious resource. A fair charge should apply to cover provision costs and discourage waste. Water is also a basic necessity and it is not equitable that one person should have to pay more than the next simply because of property value.

And I agree with that wholeheartedly.

The Hon. S.M. Lenehan interjecting:

The Hon. D.C. WOTTON: Let the Minister not get too excited, because in the fullness of time I intend to explain fully what we did in Government and what we proposed in our policy at the last election. If we had had a fair election at that time, the Liberal Party would have been in Government and would have been able to bring about and implement many of those policies: the Minister would have been over here trying to have her say. Finally, the editorial states:

Developers pay $1 375 to connect each house to the mains supply, further offsetting costs.

Water rates should be as simple as the phone bill, with a fixed fee to cover equipment and maintenance. Then households could be charged directly and only for the water they consume. There is no valid social justification for linking rates to property values which, in most cases, give no accurate indication of water consumption levels.

That editorial in the *Advertiser* has obviously caused many people to have their say because, if one looks at the number of letters to the Editor in support of that editorial expressing personal concern for the new system introduced, one realises just how much concern there is in the community. I could spend some time—and it is not my intention to do so—going through some of those letters to the editor because they are all very telling. One letter headed 'Claytons Land Tax' states:

The new wealth tax imposed by the Bannon Labor Government and highly praised as 'a fair and equitable system' for all by Water Resources Minister Susan Lenehan leaves a lot to be desired. After perusing readers' comments (the *Advertiser*, 25.1.91) I was surprised to note that not one letter mentioned that the new E&WS wealth tax applies only to owner-occupied residential properties and not to commercial ones.

The reason for this anomaly is that the Government would create a massive reduction in its revenue base because most commercial properties use only a fraction of their annual water allowance.

So if the Government, and particularly Ms Lenehan, are interested in being seen to be 'fair and equitable', as well as conserving our State's scarce water resource, why haven't they assessed all properties on an even scale, that is, on a pay-for-what-you-use system and not the assessed value of our, in most cases, highly mortgaged assets.

The new system is obviously the Government's reintroduction of a 'Claytons' land tax.

Many people feel that way. Another letter reads:

Just how much will South Australians take from the Labor Government before we revolt?

So the Water Resources Minister defends a new tax rip-off to be much fairer and simpler than the existing one of paying our water bill.

If Ms Lenehan and Co. can justify 76c per $1 000 payable for property value in excess of $111 000 as a fairer and simpler water rate, what will the next rip-off be if we don't revolt?

Maybe 76c per $1 000 payable in excess of $111 000 for electricity and gas.

This is the most blatant back-door method of raising taxes and obviously not the last if we sit back and do nothing about it.

To pay any amount of cents per kilolitre for excess use across the board is as fair as one could get but this extra rip-off is just not on.

And so it goes on. I could refer to many similar articles that have been written.

An honourable member interjecting:

The Hon. D.C. WOTTON: I beg your pardon?

The SPEAKER: Order! Interjections are out of order.

The Hon. D.C. WOTTON: I realise that interjections are out of order, Sir, but I said earlier—if the honourable member had been listening—that it is my intention to indicate what was the policy of the Liberal Party at the last election, and I am sure—

The Hon. S.M. Lenehan interjecting:

The Hon. D.C. WOTTON: The Minister can make all those—

The Hon. P.B. Arnold: They never were very good at mathematics.

The Hon. D.C. WOTTON: I concur in the comments of my colleague, the member for Chaffey. I do not think that they have ever been too good.

An honourable member interjecting:

The SPEAKER: Order! If members wish to join in this debate, will they please wait their turn.

The Hon. D.C. WOTTON: A number of other articles have been written about what is usually described as a wealth tax. I refer to it not as a wealth tax but as an assets or property tax, because I can assure members that it is not just the wealthy who will be affected by this new system; many average families, pensioners and superannuants will be disadvantaged as a result of this proposal.

Mr S.G. Evans: It's a tax on mortgages.

The Hon. D.C. WOTTON: As the member for Davenport says, it is a tax on mortgages, and I concur in that statement. Many other articles have appeared in the media. One is attributed to a Mr Roger Hartwell, who has had a considerable amount to say. He is a computer consultant who put all his savings from the past 13 years into a home for his family, but is beginning to wonder why. The article states that he will be charged an additional $67 per year for his water, as his new house will be valued at about $200 000. The article continues:

> Mr Hartwell, 34, married with three children is building a house at Birdwood. Yesterday he said the charge was a 'wealth tax' and that he was being penalised for saving for a home and retirement rather than spending his pay 'on beer and cigarettes' and then taking a pension.

The Hon. S.M. Lenehan interjecting:

The Hon. D.C. WOTTON: The Minister can scoff as much as she likes, but the fact is that many people in the community feel that way, and they deserve to be represented in this place. I have always thought that people in this State should be supported if they have enough pride to have a decent property, to have a property as an investment, to be able to save or to be able to have an attractive property.

It would appear that the Government wants to bring everybody down to a level where they do not have the opportunity to work towards improving their own property. I noticed an interesting letter to the editor from a gentleman at Largs Bay—and this will be the last one I will refer to although, as I said earlier, there are many I could read into *Hansard*. It states:

> Lenehan's levy smacks of a tax conceived by former Minister John Cornwall a few years ago.
>
> It, too, set out to redistribute wealth; however, because of a lot of protest it was laid to rest but with mutterings about its being reintroduced at a later date, and in a different guise, when everyone had forgotten about it.
>
> I for one haven't forgotten it, and take great exception to what little residual so-called wealth I have left after already having paid my share of taxes being redistributed by politicians.
>
> It is high time MPs earned their votes instead of buying them with money extorted from other people.

I took the time to go to the library to remind myself of what the Hon. Dr Cornwall was on about at that time. He was anxious to introduce a property tax—a levy on every property owner in South Australia—which he said would help support the poor. We remember the circumstances: the document was leaked or fell off the back of a truck. At the time it caused considerable embarrassment to the Premier, and eventually the whole scheme was withdrawn.

An enormous amount of concern was expressed about that property tax. A number of organisations and individuals spoke very strongly against what was referred to as the Robin Hood property tax. The Opposition made very strong representations. Finally, the then Minister of Community Welfare withdrew his proposal. In an article entitled 'My plan dead, Cornwall—property tax row' Dr Cornwall explains why he withdrew the proposal—because of the disgust that was made well known by the South Australian public. He is quoted as follows:

> 'In the face of mounting criticism from the Premier and the public, the levy suggestion has died overnight. In fact,' said Dr Cornwall, 'you can say it is as dead as Julius Caesar.'

I believe that a lot of people in the community would like to see this proposal as dead as Julius Caesar as well, because a lot of people still feel the same way. The main concern of the Opposition is that we should encourage people to stay in their home.

The Hon. S.M. Lenehan interjecting:

The Hon. D.C. WOTTON: I am talking about superannuants and pensioners, as I said earlier—

The Hon. S.M. Lenehan: You have no understanding of what we are doing here.

The Hon. D.C. WOTTON: Let us listen to the Minister when she responds. Let her respond to the many pensioners and superannuants who are writing to us. They are not writing to the Minister because they know it is not worth while; and they are not writing to the Government because they know the Government will ignore them. They are writing to members of the Opposition because they are concerned and are trying to stay in their family home.

Many of them have been in the same house for some 40 years and now, with increased taxes and rates, with this particular levy and with the cost of water, gas and everything else, these people are being forced out of their properties. I would have thought that it was appropriate for the Minister and the Government to provide incentives for these sorts of people and for families to be able to stay in their home. It is all very well for Mr Hudson and the Minister to claim that people with larger properties can reduce the tax by not using so much water.

The Hon. E.R. Goldsworthy interjecting:

The Hon. D.C. WOTTON: I cannot help but wonder—

The Hon. S.M. Lenehan interjecting:

The Hon. D.C. WOTTON: In response to the Minister, yes, I do support water conservation, I support that very strongly. But what are people supposed to do when over a period of time they have developed and improved their properties and planted lawns and gardens and everything else? Are they supposed to stop watering? Are they supposed to stop using water and let their properties deteriorate? Are they to move out and go to Europe or wherever?

Mr S.G. Evans: They've got to value the trees they plant now and be taxed for that.

The Hon. D.C. WOTTON: That's right. I suppose it is all part of the same system. In another place concern has been expressed about legislation which would tax trees on properties.

The Hon. S.M. Lenehan interjecting:

The Hon. D.C. WOTTON: The Minister has continued to rebuke any criticism coming from the Opposition or from the public on that issue. Let us see what she is going to do about that. Here we have another situation where I would have thought that the Government and the Minister would encourage people to use water to improve their properties. If they do, they pay for it, but this business of saying that if people want to get rid of the property tax they can

just stop using water and everything will be all right is absolute bunkum, and the Minister should recognise that.

We have a number of concerns about the Bill. As I indicated, we will not be supporting it and we will not be moving amendments to it. However, I note that on page 2 of the Bill the poor old hobby farmer will be hit as well, and I am not too happy about that because many of these people spend a lot of time on and put a lot of effort into improving their properties. It has been made perfectly clear to me that if this legislation were to pass it would be extremely detrimental to hobby farmers as well. There is a wide cross-section of people who would be affected by the introduction of this legislation.

The Minister has challenged me about my feelings towards water conservation. Of course I support the conservation of water, and I believe that all South Australians would recognise the need to conserve water. Late last year I had the opportunity while in the United States to look at what the various States there were doing to conserve water. Just recently I was interested to read of a proposition put forward in New South Wales that they intend to follow the example of a number of States in America where they encourage dual water provisions. In new cities they were working on a principle of providing water for drinking purposes and then spending considerable resources on using recycled water for purposes such as watering gardens, washing cars and everything else. We all know that this is something that we should be encouraging.

I was pleased to see that, in relation to the new satellite city that is proposed in New South Wales, the Government intends to spend a considerable sum of money to set up a plant to ensure that recycled water is used—and that makes a considerable amount of sense to me. I was interested also to read only last month of the $10.2 million plan to recycle stormwater in this State. I commend the Minister on that proposal, and I hope that it will go ahead. Certainly, I would watch such a proposal very closely. The article to which I refer was published in the *Advertiser* of 27 January, under the heading '$10.2 million plan to recycle stormwater' and reads:

> Adelaide may soon be drinking its own stormwater under an ambitious scheme to recycle millions of litres of water which normally run out to sea each year.
>
> The project, involving 14 major stormwater catchment and filtration areas in the form of wetlands in the metropolitan area, is expected to be operating in some suburbs possibly within two years. Some pilot projects to test catchment areas and stormwater cleansing may be operating before then.

I support that concept very strongly, and I commend the Minister and her department on its introduction. I am sure that the majority of people in this State would encourage a move in that direction.

Prior to the last election, the Opposition made it very clear that, on coming to Government, it would undertake a major review of the current methods of assessing water and sewerage rates. At that time, we indicated that the method used currently based on property valuations is archaic, flawed and unfair. We referred to the Minister of Recreation and Sport (Mr Mayes) having called in 1989 for changes to the system of valuing properties to determine water and sewerage rates. At that stage, the Government did nothing about it. We referred to the increase in the price of water at that time and the fact that it compounded the problem caused by massive variations in property valuations.

No-one would argue that the present system is satisfactory and should not be changed. I am disappointed that the alternative adopted by the Government makes the whole system very unfair to some people. I know that the Minister will get up when she has the opportunity to respond and say that a lot of people will be advantaged as a result of this system. I concur with that and I hope that the final system will do just that. If we are to have changes, I hope there will be an improvement in the system. However, our concern is that this amounts to a property tax and an assets tax and that a lot of people will be disadvantaged. I can only continue to make that point. I know that that reflects the concerns expressed in a large amount of correspondence that the Opposition has received in regard to this matter.

I now want to refer to a copy of a letter sent to the Minister by a lady who lives at Torrens Park. I think this sums up the situation pretty well. She states:

> Today, because of my letter to you, two very pleasant gentlemen came out and explained in detail to me the whole position regarding the new rating of water. It was a pleasure to meet two men who really do understand the awful position that many people like myself, who were widowed in the 1950s, are now in.
>
> Do you even know that in those days there was no super, no long service leave, no help for supporting mothers—we just had to pay full price for everything and just had to make it on our own—and we did?
>
> Now we are all in our 70s and our income is pension only—$145 per week. I now pay $8 per week for water and evidently this will remain about the same, but the 76c tax you have brought in will be a 'real killer.'
>
> This house cost £5 000 ($10 000) in 1957. Now your valuation is $140 000, reduced thanks to the valuator—so you can see the 76c is going to cost more and more each year. Where does the money come from to pay it?
>
> Looking at my records today, both men remarked how I use almost the same amount of water each year, regularly, no excess, so why tax me a social tax?
>
> It is not only you who wants to force us out of our homes, everyone is on the bandwagon. Take this week, $145 to spend and two fillings for teeth, $80 plus special medicine not available for $2.50, another $20—total $100—the week's money gone.
>
> As my husband died at the age of 42 we did not have money to invest—he changed the house to joint ownership and as he only lived 18 months, I had to pay gift tax of £750 ($1 500) plus death duties—that took all my cash. It had been a constant struggle and worry to bring up my son on my own, keep the house and not run up debts. I have done it so far—but it looks as though bankcard will be the only way I can pay you and that means the end, doesn't it? Do you care at all? Please try and realise just what you are doing to the elderly and also the young ones just starting out with this absolute slug.

I think that spells out the views of a lot of people. I hope that the Minister, who will now have received that letter, takes that into account, because that is not an isolated case—a number of people are in that same position.

In the few minutes available to me I want to make one other point: there is concern in my electorate and those of some of my colleagues in the Hills. The situation there is even more unfair because in many cases the water that is provided by the E&WS has reached the stage where it is almost undrinkable. I am receiving continual complaints—in fact, I have received three this very day—from people in my electorate who state that they are not able to use mains water, even to make coffee. In a number of instances the rain water supply has run out and people cannot drink the water supplied to them through the mains. As a matter of fact, a number of questions are being asked about whether or not this water is potable. Obviously, we know that the Hills is one area—

The Hon. B.C. Eastick: Do you know the answer you get back?

The Hon. D.C. WOTTON: I think I probably do: we are being ignored in most cases. However, I leave the Minister with that thought as well. People will be forced to pay this new levy but they cannot drink the water because it is not filtered. I believe that this legislation is totally inappropriate and the Opposition opposes it.

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

The Hon. E.R. GOLDSWORTHY (Kavel): This Bill is, no doubt, very dear to the heart of the left wing Minister who is in charge of it. The left wing members of the Labor Party probably do not know quite what their credo is now that all the socialist republics in Europe are tumbling and their economies have failed. I guess they do not quite know what they believe in; so this Bill is probably dear to their hearts because it is one of those bits of social legislation or social engineering which, heretofore, have appealed to them. It is a long time since we have seen a left wing leader of the pack in charge of a razor gang cutting back on public employment, so I guess they are thrashing around, not knowing quite what they believe in. Anyway, they are alive and well in terms of the Hudson Bill.

Mr Groom: This is vintage Roger.

The Hon. E.R. GOLDSWORTHY: Yes.

An honourable member interjecting:

The Hon. E.R. GOLDSWORTHY: Keep going and I might warm up a bit. When I heard that the Hon. Hugh Hudson had been commissioned to do a job for the Government I thought that, if he lives up to what I have observed has been his tendency over the years, it will be to prove that he is pretty smart. Most of the jobs that he did in the Labor Party of the 1970s have, in the fullness of time, come adrift. He built up the Education Department. Money was pouring out of Canberra as quickly as one could spend it and Hugh Hudson was in his element. He loved it. He could not spend the money quickly enough. Now, poor Mr Crafter is in complete reverse; he is sacking teachers.

In its wisdom, the Government hired Hugh Hudson to write a report. Members will recall that he fixed up the gas contracts. He was so smart with the gas contracts that everybody reckoned they owned—

Mr Hamilton interjecting:

The Hon. E.R. GOLDSWORTHY: The honourable member opposite had better brush up on his history. It was under the terms of those gas contracts and the Hudson formula that we got lumbered with an 80 per cent rise in one hit. We inherited those contracts—

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Kavel will resume his seat. The debate at the moment is on the Bill before the Chair. It is not about gas contracts or any other subject of that nature. I invite the member for Kavel to return to the subject and I invite members to my right to cease encouraging him to deviate from it.

The Hon. E.R. GOLDSWORTHY: I was speaking about the Hon. Hugh Hudson, who wrote the report on which this legislation is based. I am giving the background to the report. The Hon. Hugh Hudson was a graduate of the London School of Economics which, in the early days, was a hotbed of socialist philosophy, as I understand it.

I have observed, from a close study of the Hon. Hugh Hudson over the years, that if he could make it complicated that was the way to go. He also prided himself on a certain native political cunning. He reckoned that he was a numbers man. He could always manage to rig the gerrymander for the Labor Party when putting its submissions before the Boundaries Commission. That is background.

When I heard that the Left wing Minister had hired the Hon. Hugh Hudson for a great big fat fee—the armchair socialists love the fat fee; they like to get their hands on other people's money—I thought that this report would be tricky. Sure enough, there it was. We got the big social justice thing: Fancy the E&WS writing on its Bills, 'Social justice levy'. What next! It is concerned with the business of supplying water, but it is dishing out social justice along with the water supply. Where are we at—paying for social justice? Let us look at the scheme.

Mr S.G. Evans: Minister Cornwall talked about social justice.

The Hon. E.R. GOLDSWORTHY: Yes, and he got laughed out of court. This one snuck up on them. Here is Hugh Hudson dishing out social justice via the E&WS Department. So I read the report.

Members interjecting:

The Hon. E.R. GOLDSWORTHY: The honourable shadow Minister asks how would we handle it. Peter Arnold will be on later and he will tell you. He was a very good Minister and a damn sight smarter than any people you have come up with.

Anyway, where were we? The social justice levy, of course. Here is the E&WS dishing out great dollops not of water but of social justice, so I read the report. I thought, 'Here we are with the Hon. Hugh Hudson, so what is the scheme?' As usual, it is the taxman's dream; it is a moveable feast. There are two variables and one can muck about with either of them. If someone owns a house—it probably started off a bit lower than it is now—worth $111 000, he will pay a tax on it.

Mr S.G. Evans: Even if they owe $60 000 on it.

The Hon. E.R. GOLDSWORTHY: It does not matter what they owe on it. This is the social justice levy. We know what inflation has done to house values in places like Glenelg—although most of them are not Labor seats. I heard today that the average price of a house in one of the suburbs near Elizabeth is $34 000. I asked whether that was for the land and I was told that it was for the house and the land. So it will let out the hard core Labor seats. The old Hudson brain was ticking over—the numbers man. It let out all the hard core Labor seats, but what about the people? I suppose that as the population ages we shall shove them all into granny flats or something. All the houses in the suburbs where the population is ageing would be valued at a fair bit above this, so the social justice will go down well there.

I had a look at the report. Hugh Hudson had done the arithmetic. He worked out the number of people who would be better off and the number who would be worse off. He worked out that more people would be better off than worse off, so that was social justice. I bet that he also looked at the seats where he thought they would be better off and worse off. The Hon. Hugh Hudson always liked to show off. He reckoned that he was a wizard with figures. He could tell whether there were 2½ kids at the Port Neill school. He would come in here and show that he had done his work on the figures and we had a chapter or two on the figures.

The Hon. B.C. Eastick: He had been to the London School of Economics.

The Hon. E.R. GOLDSWORTHY: That's right. I just talked about that; and it was a hot bed of socialism in his time. There is the report. It mentions a few other extraneous things such as bore holes which I did not understand. I rang a gentleman at the E&WS and he understood, so that was not too bad. One or two were not too sure about the social justice bit initially, but now they have cottoned on. We are paying not for water but for social justice.

As I was saying, this is a taxman's delight. It is a moveable feast. For instance, if you want $1 billion to prop up a State Bank which has gone broke—or possibly $2.5 billion—what do you do? You have to look for taxes, particularly those which I have described as moveable. There are two moveable bits here, including the price of the house, which they

claim is the median; so, if they stick with that, the price of the house will go up. The other is the levy, but what will that be? That is anyone's guess! Pluck a figure out of the air! The Hon. Hugh Hudson plucked a figure out of the air to make sure that a few people would be better off and that the political fallout for the Labor Party would be okay. There is no ground rule as to what that levy will be.

We got rid of land tax on the principal place of residence as we reckoned that, because people took pride in their house and liked to improve their property, we should not put a disincentive on that. We ought to be encouraging people to try to improve their lot. You know, the great Australian dream: home ownership. Why should we not encourage people to buy a home as best they can afford and improve it? It is about the only asset that they buy in life which appreciates. But no, that does not suit the Labor Party. If you have a house which is a little better than the neighbour's, you will pay through the nose for it. We will not give people any incentive to improve their house. We will make them pay a tax, so here it is, the Labor Party's dream: not water, but social justice.

This scheme is not designed to push further this idea that the user pays. The principal change in this legislation is in the attitude: let's get stuck into the property owners; let's introduce a new tax where we will charge them a tax for no return, because they have a property valued above some arbitrary figure. That sort of thinking is dear to the hearts of the Labor Party and even dearer to the hearts of the Left Wing of the Labor Party. So, here we are considering a Bill for the E&WS to dish out social justice. I think it is garbage! I think it is nonsense! I think it is a dying idea.

We have the Left Wing, the leader of the pack, in charge of the razor gang, sacking public servants. What next? This is the last throw. Let them look at their comrades in Eastern Europe. Let them look at what has happened at all the socialist republics around the world. They have all failed, just as this sort of thinking will fail. If people are not given an incentive to improve themselves and their lot, to save their money or put it into property or somewhere, but not to blow it at the Casino or in the dozens of gambling outlets that have been introduced under the Labor Government as a way to increase taxation—

Mrs Hutchison interjecting:

The Hon. E.R. GOLDSWORTHY: The Labor Party loves gambling because it is back door taxation, just like this one. Instead of encouraging people to improve their properties and get some decent assets, Labor wants to tax them out of their homes.

Mr S.G. Evans: This one is compulsory; the other is voluntary.

The Hon. E.R. GOLDSWORTHY: Of course it is, but the Labor Party loves it and likes to encourage it. It involves a pot of gold at the end of the rainbow—all that sort of stuff. If people want to do that, well and good. However, in this case, the Government is positively providing a disincentive for people to improve their homes.

Mr S.G. Evans interjecting:

The Hon. E.R. GOLDSWORTHY: Well, it has been described as a wealth tax. I am not keen to describe it as a wealth tax. You do not have to be wealthy, you must be average to pay this tax. We have had many complaints from people who have been taxed out of their homes by this Government. We used to hear a lot from former Premier Dunstan. I am talking about tax, Mr Speaker, because this Bill is a taxing measure. Premier Dunstan came in and was going to tax the tall poppies. That was his catchcry. If you do the sums and want to raise any revenue by any taxing effort, you must aim it at middle Australia.

It is no good aiming it at the poor people because they do not have much. It is no good aiming it at the wealthy because, if you take all their money, you do not raise the sort of cash that you need for the Medicares of this world. If you think that the E&WS Department is dishing out social justice by a new taxing measure, you are merely making the average Australian poorer, and that is not what it ought to be about. I think this Bill is lousy, and I would not vote for it in a fit!

The Hon. B.C. EASTICK (Light): This is an immoral piece of legislation—immoral because it hides behind a catch phrase of 'social justice' when in fact it completely reverses that thrust on the State's populace. Let us go back a little way to about 1973-74 when the thought or ideal of payment for water used was introduced in this House by way of a debate initiated by a former colleague of mine, Dean Brown.

The debate, which was taken up by David Tonkin and others, occurred at a time when there was a massive increase in property valuation, and when it became very apparent that some areas of South Australia, particularly certain suburbs, were being grossly affected by those valuation rises. So, there were major meetings—there was one in the Burnside Town Hall which was addressed by both former colleagues I have mentioned—and a great deal of bantering went on at that time by the then Minister, Hugh Hudson, about the problems that existed, how it was only right that that was the way it ought to be, and that we could not possibly have a user-pay form of water costings. He pointed out clearly, as others did, that if we went over to a water use charging basis everybody who had a private home would pay very dearly for the privilege of having a user-pay scheme because at that stage $7 million or so in water rates was coming out from Rundle Mall (or Rundle Street as it was at that time) operators would disappear, as those businesses—and, indeed, the whole of the central business district—were not using anything like the amount of water which would return the expected amount of tax to the Government.

Great play was made of the importance of this large sum of money from the central business district being a subsidy for the provision of water into the country areas, of the fact that this was a case of the country being subsidised by the city, and that if we were to switch over to the idea that my colleagues were propounding at the time—and the member for Flinders will remember some of this debate—we would find that, whether it be at Port Adelaide, Brompton, Glenelg, Edwardstown or anywhere else, there would be a massive increase in the amount that people would pay to make things break even.

We were also able to learn from the Government at that stage that a massive subsidisation was occurring in relation to the Whyalla water supply. It was subsidised at that stage and is still being subsidised today. I do not know whether the Minister is able to provide the figure, but I suspect that it is something well in excess of $2 a kilolitre to provide water to Whyalla. I am not denying the people at Whyalla and all the other people along the Morgan-Whyalla pipeline the use of water. Let us just put things into perspective: there is a cross-subsidy to the benefit of the whole of the community, and that cross-subsidy is by no means—

The Hon. S.M. Lenehan interjecting:

The Hon. B.C. EASTICK: I am glad that the Minister still wants to keep the country benefiting as it does.

The Hon. S.M. Lenehan interjecting:

The Hon. B.C. EASTICK: The Minister will be able to tell us all about it when she replies to the debate which will go on for some time and which will involve a number of

other speakers. This idea of everyone benefiting with only a very small percentage losing out is hiding behind the truth of the facts, as was explained as far back as 1973 and 1974 when this other idea of a user-pays scheme was revealed. The other point in relation to the present, forgetting about the past, is that we have currently several grades of citizen, yet they will all be lumbered with the provisions of this Bill.

What are those several grades of citizen? It was pointed out that we have people living in homes with a very high mortgage that may not provide them with the equity that people living in homes of lesser value have, yet they are going to pay another 78 cents or so for every $1 000 above a value of $110 000. That is one area in which there will be inequality. The other area of inequality at the moment relates to those people who are being provided with water that is not filtered. Everyone not on filtered water will be subsidising the water of those whom the Minister claims will be benefiting under this great social justice program originally introduced by the Hon. John Cornwall. When I spoke to him in Sydney two and a half weeks ago, he wanted to know how things were going. When I told him about this advent of social justice with water, he gave a very wry smile.

Mr Ferguson: What do you mean by that? Was it a happy smile, a sad smile or what sort of smile?

The Hon. B.C. EASTICK: I will not go into the private conversation that took place; I leave it for members opposite to determine what would be behind his wry smile in association with a social justice package which was denied him but which is now suddenly being picked up. It is like the argument that we have had about privatisation: call it 'commercialisation' and then it is clean.

The next group I want to identify is the very large number of people who are sports lovers—that very large number of people who play bowls, golf, football or cricket, come what may. One has only to pick up the *Messenger* at the moment circulating in the area north of Adelaide servicing the City of Salisbury to learn of the very grave problems which are likely to exist there and which are causing great concern to the sporting clubs. They will not be able to pay the cost of the servicing fee that has been demanded of them by local government. So, there is another group of people being told that they will benefit but who will not benefit, because of the very significant costs that will flow on.

The unfiltered water question was raised earlier in the afternoon when the Minister was interjecting on my colleague, and I asked the honourable member what kind of report he had obtained from the Minister in relation to the very poor quality of water. I do not hold the Minister personally responsible for the fact that some people turn on a tap and get mud, but it is a fact of life. In Templers, Freeling and in the Barossa Valley, for months now people have turned on a tap and got mud. Water poured into a bottle or jug remains suspended days later. I am not saying anything about which the Minister is not aware. I delivered to her a bottle of this water, and it may still be down on the desk in her office.

Mr Ferguson: It might have settled a bit to the bottom.

The Hon. B.C. EASTICK: No, it does not all settle; some of it remains suspended for a very long time. When this information is passed on to the Minister she replies, by way of letter, that it has no coliform in it, that it has been tested and that it is okay for drinking. But how can you expect anyone to drink something which they cannot see through? How can anyone be expected to wash their or their baby's clothes in that water? Yet that is what is expected of them. The reply that comes from the Minister does not deny that there is a lot of colloidal suspension in the water. If you happen to have water supplied from the Warren Reservoir sometimes the colloidal suspension that is in the water comes from the Murray River, coming down from Stockwell; at other times it is rubbish in the pipes, because of the constant turmoil that occurs in this two-way pipe, with water swishing backwards and forwards, depending on demand for it at the time. That is a fact of life.

These people, under this scheme, will be called upon to pay exactly the same price for a commodity that they cannot use as those people who live in the Adelaide area and who currently have the benefit of filtered water, and I do not deny them the right to filtered water. However, I take the Minister back to the promise made to this House by her former colleague and the former Premier of this State, then the Minister of Works, the Hon. Des Corcoran, when he first announced the filtration program. He said that the program would not stop until everybody had filtered water and that it would follow through as a promise of the Government in quick succession so that no person was disadvantaged over any longer time than was absolutely necessary.

The Hon. S.M. Lenehan: That's what we are doing.

The Hon. B.C. EASTICK: But what are we doing to the priorities?

The Hon. S.M. Lenehan interjecting:

The Hon. B.C. EASTICK: My word I want it. It was promised to the people of my electorate before those in the south were to get it. But, suddenly, in about 1984-85, Myponga came on-stream—long before it was originally programmed—and the Stockwell supply missed out. Currently there is a question on notice asking the Minister what is the priority for Stockwell. Is it still where it was after it was shifted? I hope the Minister will provide, without undue delay, a reply to that question, and I will be quite pleased to put it abroad in the Barossa papers.

This system is quite immoral. It will not deliver, or seek to deliver, the same product to all the people for an equivalent price. There is a disturbance in the price by way of this wealth tax. The member for Kavel said that he did not want to call it a wealth tax precisely. There are degrees of a wealth tax. The point I am making is that it is a wealth tax because if you happen to have a high value property, regardless of the fact that you might have a very high mortgage, you are being called upon to make the payment. This system will not deliver to the people who are not on filtered water and who are not on a decent supply a quality of water for a price. It will not be of any advantage to the vast number of sports people, who we all represent, who will be seriously affected in the conduct of their sport as a result of the increased costs that will flow to those bodies.

More can be said about the matter. However, I just want to lay down the fact that, so far as the people I represent are concerned—and this has been expressed to me over the telephone, in my office, at functions and by way of letters to the editor in local newspapers—they are not satisfied that this legislation will give equality to the people of this State.

The Hon. P.B. ARNOLD (Chaffey): I totally support the remarks made earlier this afternoon by the member for Heysen and his claim that this move is a property tax. It is a property tax on a very small section of the community. Over the years the Government has prided itself that it treats everyone equally and has been working toward the user pays principle. Back in the 1970s, the Dunstan and Corcoran Governments were progressively working towards a user pays principle in respect of water supplies in South Australia.

When the Tonkin Government came into power in 1979, having had that system clearly explained to us by E&WS Department officers, we agreed that that was the best way to go. At the same time in about 1980 we also instigated a thorough investigation into rating and charging systems for water around Australia. Most of the States and the major capital cities were identified and looked at. After examining the situation for about 12 months the department's conclusion confirmed the principle adopted some years earlier that, by increasing the cost of water at a higher level than the increase in the rate, would thus move slowly but surely to a situation of user pays, whereby the number of kilolitres that people received was progressively dropping in relation to the rate that people paid. Consequently, more and more people were moving into a position of using additional water.

It is often described as penalty rate water when people use more than the amount of water provided for in the rate. We must remember that all of the water consumed is at the base rate per kilolitre. It does not change: additional water is involved. Therefore, if the Government is serious about the user pays principle, it should stick to that principle that has been in place for about 15 years and ultimately we would reach a total user pays system in respect of homes and households.

The rating system was retained because massive pipes and mains had to be provided for industry and commerce, even if they did not use a great deal of water, because of the value of the properties concerned and the need to have large quantities of water available, particularly for fire fighting. Consequently, without adequate fire fighting supplies of water being readily available on the premises, insurance rates would have been astronomical for buildings owned by the companies concerned.

The Minister talks a great deal about the dire shortage of water, but Adelaide would have to be one of the best supplied cities in Australia in respect of water, because most of Adelaide's water supplies come from the Murray River. Under the Murray-Darling Basin agreement South Australia receives 1.85 million megalitres annually. The average flow into South Australia is between 5 million and 6 million megalitres annually. On average, about 4 million megalitres of good quality water flows through to the sea. Development in South Australia has been based on the 1.85 million megalitres that we are guaranteed under the Murray-Darling Basin agreement.

We are able to use effectively approximately one million megalitres, and .85 of a million megalitres is allowed for in evaporation and general losses in the system but, as I said, approximately four million megalitres of good water flows to the sea annually. If it looks like—and I have advocated this on many occasions—Adelaide's water supplies are getting near the limit, the State will need to look at water harvesting. By this I mean that specific storage facilities will have to be built in the Hills where there is little virgin runoff so that the water will not be contaminated, and the water will be pumped into these storage facilities from the Murray at times of high flow each year when the water quality is at its best. There is no doubt in my mind that, because of that average of four million megalitres of water that flows to the sea, metropolitan Adelaide has the potential to be by far the best served city in Australia with the safest water supply.

It is no good the Minister's arguing that we have to implement this scheme because of the dire shortage of water in metropolitan Adelaide. That is a lot of rubbish. We have the water and the infrastructure to distribute the water to the ratepayers, and the more water that is put through that system at the going rate per kilolitre, the more economic the scheme becomes.

I turn now to the various rating systems around Australia. When we looked at the situation in Perth we found that the Western Australian Government had just introduced a total pay-for-use system that did away with the rating system. As I recall, the following year or two were extremely wet, so water consumption dropped dramatically in Perth and put the water supply authority into dire straits financially. That is a good argument for retaining the base water rating system, and it covers also the aspect that I referred to earlier in relation to companies, businesses and so forth which have extremely valuable properties but consume little water and provide a fire fighting service that is adequate to meet insurance needs.

This move is partly a change for the sake of change, on the one hand, and on the other it is a change to apply a property tax on a certain section of the community. Once that tax is in place, the Government may extend it to any length that it likes. I believe that the Government was very nearly there in relation to a user-pays system, and to break away from it at this stage after about 15 years is absolute madness because of what I have said earlier. I oppose this Bill totally along with the rest of the Opposition. If the Minister really studied the background of what has occurred in the past 15 or 20 years, she would realise that there is a hidden agenda as to why this proposal is being put forward.

Mrs HUTCHISON (Stuart): Unlike members opposite, I rise to support the Bill. In doing so, I would like to refer to the terms of reference mentioned previously by one of the other speakers. The terms of reference in the Hudson report, which was a review of E&WS water and sewerage charges, were, first, to review the current system of charging for water and sewerage services under the Waterworks and Sewerage Acts; and, secondly, to recommend to the Government any changes that are required in the system in order to achieve—and these are the main points—the maintenance of social justice and equity within the community. Unlike members opposite, I believe that that is actually what this new proposal will do.

The second recommendation related to the level of cost recovery consistent with the economic provision of water and sewerage services, which means an access charge in order to cover the fixed costs of the department—in other words, the maintenance costs, pipe costs and so forth. The third recommendation, very importantly, related to the long-term conservation of water resources and, finally, the efficient treatment of trade waste. In the interests of conservation generally in all areas, and not only in this particular area, we need to be very aware of this and to make the maximum use of any trade waste in respect of its re-use.

I now refer to a section of the report that deals with the Wright report. Mention was made previously of the American experience. Mr Wright apparently looked at the American fixed-charge system and recommended a two-part tariff, which was to be a rate on property value, and a variable or consumption charge for all water used. He based this on the belief that there should be a charge for availability (which is actually what we are looking at) as well as more emphasis on payment according to usage—this is what we are proposing in this Bill—and that any annual charge should bear some relation to the value of the property directly benefiting from the supply and receiving the added benefit of fire protection.

Mr Lewis: A wealth tax.

Mrs HUTCHISON: Unlike the honourable member opposite, Mr Wright argued that it was not a wealth tax, he

said that it was a practice followed generally in the United States of charging for actual use only, plus a meter service charge. However, that did not spread the cost of operating the undertaking with the desired degree of equity. So, what we have looked at is something that will spread it with equity. In discussing the proposal, Wright made a number of important general observations on water pricing. He stated:

> The 'existing' system led to waste and disregarded the value of water. In a number of cases people set out to make sure that the allowance permitted by the rates levied was fully utilised.

That applied whether in fact they needed to utilise it or not. He also stated:

> The annual charge on properties of high value should be greater than the charge of properties of lower value, but the system adopted should encourage economies in the use of water at all levels.

So, he was very much concerned about the economies of usage of water. That is one of the things about which we must be careful. I realise, and it has been stated, that we do have a reasonably good supply of water. That may not always occur, so we have to be very careful in this very dry State.

The main changes suggested in the Hudson report include the introduction of an access charge, and this will allow for the fact that minimal connection must be supplied to all properties. I do not think that members opposite would disagree with that, regardless of anticipated consumption. Another suggested change is a much lower property component. Unlike members opposite, I believe we are getting more towards a user-pays principle. The previous figure of $1.68 per $1 000 of valuation reduces to 76c for each $1 000 of valuation above the base of $110 000. The property component is retained in view of the greater cost of servicing and the greater value of the service to higher value properties. There will be a standard water allowance, regardless of property value, and a pay-for-use component, which will apply at a much lower consumption level than previously, thus urging conservation, which is a vital part of it.

Main advantages of the new system include the fact that it is designed to be revenue neutral; and less reliance will be placed on property value as a rating medium. Larger water allowances for properties of higher value are reduced, as they should be; there should be some equity in the provision of water. A realistic pay for use component is introduced at the same rate in real terms as for the old system. The greater pay for use component will encourage conservation, and that is what we are about. For high value properties, on which members opposite have placed a lot of emphasis, the potential exists for lower charges if water consumption is reduced, and I do not think that enough investigation has been undertaken by members opposite to see exactly how it will affect the majority of people with more expensive properties.

Mr Lewis: It's like saying you can reduce the cost of living by using less toothpaste!

The SPEAKER: Order!

Mrs HUTCHISON: This is a fairer system. For the first time it will provide most residential customers with a significant degree of influence over the size of their bills. They will be able to conserve water, and thereby reduce their bill. A lot of it is left in the hands of the consumers, and that aspect has not been considered sufficiently.

I turn now to comments which were made by the writer of the report and to some of the reasons which were given for his decisions. Mr Hudson commented that the movement towards a water rating system which reflects more closely water usage has been developed for two principal reasons. The first is that the present property rating system imposes a severe penalty on expensive residential properties and, for example, home units, where water usage is minimal. What I must make clear is that we are talking about residential properties. Some members have made mention of properties other than residential properties, but this Bill deals with residential properties.

Mr Lewis: And more.

Mrs HUTCHISON: It refers to residential properties; I correct the member for Murray-Mallee. Secondly, according to Mr Hudson, the existence of water allowances which rise with the value of the property promotes water wastage. In other words, under the current system, the water allowance is much higher for people in higher priced properties and there is a tendency for them to say, 'Well, we have paid for it; let's use it.' That creates wastage because, in reality, they may not need to use all that water.

It is true, as has been mentioned, that, in a quantitative sense, we have a plentiful supply of water and we have some excess capacity, but that may not always be the case. An honourable member opposite mentioned the quality of water and the inequality of charging. I must say that for a lot of the time in the country we had to drink Murray River water and wash clothes in it. The water was three quarters mud and a little bit of—

Mr Lewis: We still do. Yours is filtered.

Mrs HUTCHISON: Yes, it is filtered, but the honourable member will have his turn in a moment. Now that the water is filtered, we get better quality water, but country people paid the same as people in the city, who received water of better quality. With respect to water quality, there will always be inequality because of the need to filter water. Unfortunately, because of the heavy costs involved in filtration, that can only be done by way of a staged program, so not everyone can have the same quality at the same time. It is a bit like saying that, in terms of television coverage, country people should be happy with what they get, with their two channels as opposed to four channels in the city.

Mr Lewis: We only get one.

Mrs HUTCHISON: It uses the same analogy. It knocks on the head the immorality mentioned by one member opposite. Mr Hudson's report states that the economies required are not large and will not have an effect on the greening of Adelaide each summer, which can continue. It will not have a marked effect on bowling greens and the like as mentioned by the member for Light. Mr Hudson says:

> The average water consumption in Adelaide in 1989-90 was some 340 kilolitres per household. When water usage is classified by property value average water use does not exceed the metropolitan average until property values exceed $110 000.

Hence the $110 000 figure. He continues:

> Below that value average use exceeds the water allowances provided under the current rating system. For more expensive properties—

this is interesting—

> average water usage rises rapidly. For example, in 1989-90 average water use for residential properties in the range from $195 000 to $210 000 was almost 60 per cent higher than for properties valued at $100 000.

That is a 60 per cent higher usage of water for properties in that value range. He goes on:

> Properties valued in the $390 000 to $420 000 range, on average, used more than 2½ times the water used by properties valued at $100 000, while properties in the $550 000 to $600 000 range used, on average, four times more than those valued at $100 000.

The facts are quite clear and are set out in detail in the Hudson report. Residential wastage of water is greater for higher valued properties and is a direct consequence of the present rating system which members opposite are advo-

cating that we stay with, because they are not supporting the Bill. The report continues:

A greater property value means a higher water allowance to be paid for whether or not it is used! Why not use it? To remove any capital component from water charging would be wrong, not only because costs would be incorrectly reflected, but also because the very large gains to owners of valuable home units would be met, in large part, through a higher price of water of about $1 a kilolitre. This would need to be paid by 75 per cent of properties below $110 000, which are relatively economical in water use.

This is where the equity comes in with regard to the proposal. It continues:

The burden would fall on those who, on average, do not waste water.

As I said before, the biggest part of this legislation is that we do not waste water; that we look to conserve water. The report says:

The service provided by the E&WS Department not only caters for the annual demand for water; it also provides the capital capacity to enable water to be used, in the quantity and at the pressure required, at any time of day or in any season.

That is very important. The report continues:

As well as being used for basic domestic purposes, water is required for firefighting purposes and, in summer, for swimming pools and gardens.

Most of the higher priced properties would have large gardens and swimming pools and would need a very large amount of water for firefighting purposes. The report goes on:

In residential areas, the reticulation system is designed to have a capacity five times the average use and in commercial and industrial areas a capacity eight times the average use. These design characteristics are necessary for firefighting requirements in all areas, and for swimming pool and garden requirements in residential areas. Without the extra capacity, fire insurance premiums would be much higher and restrictions would be imposed on non-domestic users.

It would be particularly important for people with houses in the higher value range if their insurance premiums went through the roof because of not having the correct provision of water to fight fires. The report continues:

The case for the retention of a property value rating system in commercial and industrial areas is unanswerable. Almost 50 per cent of costs arise from the need to provide the extra capacity to cope with fire fighting.

The same principle applies, to a lesser degree, to the more expensive residential areas because of the greater use of water for gardens and pools and the firefighting needs of the more expensive properties.

The arguments being promoted with regard to this legislation in the interests of equity and of putting through legislation which goes more towards the user pays principle are important. I must say that I am very disappointed that members opposite are not supporting it.

Mr Ferguson interjecting:

Mrs HUTCHISON: As my colleague says, they are opportunists. I do not think they have researched as thoroughly as they could have what the current system means to the majority of users as opposed to what this proposed new system will mean to the majority of users. I suggest that perhaps there needs to be more attention paid to that by subsequent speakers in this debate. For myself, I totally support the legislation and look forward to its passage through both Houses.

Mr LEWIS (Murray-Mallee): I rise to oppose the legislation. Let me at the outset point out to the member for Stuart, from whom we have just heard a dissertation of the reasons why she says, 'Me too, the Minister.' I can understand the loyalty—

The ACTING SPEAKER (Mr Gunn): Order! I would suggest to the honourable member that he refers to members by their district, not in any other manner.

Mr LEWIS: I am not sure whether or not you are admonishing me.

The ACTING SPEAKER: No, I am just pointing out what the Standing Orders prescribe. I am sure that the honourable member would not want to contravene those Standing Orders in any way. I ask him to proceed.

Mr LEWIS: I would not, Sir, and I do not believe that I have been guilty of doing so. Notwithstanding that, to the subject before the House. The legislation we are considering is to change the basis upon which we collect the revenue necessary to provide properties which are, in the main, residential in South Australia with a service to remove their sewage and sullage, and to reticulate to them a supply of water, to measure that supply of water and to charge for it. That is what this Bill is about. Of course, members may choose to frame their thinking within the constraints of the existing system, but I invite them to take off the blinkers and think laterally. I heard the member for Stuart say that we opposed the Bill because we supported the existing legislation. That is wrong.

Mr Ferguson: We have not heard an alternative.

Mr LEWIS: Just because we oppose the Bill does not mean that we support the existing system. We just know that the existing system is better than the proposed alterations.

Mr Ferguson: Your shadow Minister has not given us an alternative.

Mr LEWIS: There is a better way.

The Hon. D.C. Wotton: It is not really the responsibility of the shadow Minister to provide an alternative.

Mr LEWIS: I agree with what the shadow Minister has to say, Mr Acting Speaker.

Members interjecting:

The ACTING SPEAKER: Order! The member for Murray-Mallee has the floor.

Mr LEWIS: If the member for Stuart took seriously her research into what happens in the USA, she would have looked at more than just the Wright report. I have had the good fortune to examine more than 70 public utilities providing this kind of service in communities throughout the USA during the past four years. By and large, the successful ones which attract most rapid development (and there are other factors in that) are the ones that do not rely on property valuations at all. They attract development according to the way in which potable water is reticulated and sewage and sullage is removed. The property valuations system is a waste of time and money. All that needs to be done is to determine what the service charge should be to meet the contribution to a sinking fund for the puposes of depreciation of the existing infrastructure and the cost of interest on the capital invested in that existing structure, and the cost in terms of capital which is inherent in that existing structure to new subdivisions, whether they be for commercial or any kind of industrial or residential purpose whatsoever.

Mr Ferguson: Are you suggesting a full user-pays system?

Mr LEWIS: Of course, and it does not have to be on a fee for volume use basis, because that is not full user-pays in the most sensible fashion. We simply provide the averaged cost of extending the capital works—

Mr Holloway: Do you want the country areas to have a full user-pays system?

Mr LEWIS: And if the city would accept a full user-pays system for its transport, my word, I would be in it like a flash; with $130 million for the STA, we would be way in front. We would not be paying taxes from rural electorates to support utilities of the kind the STA represents, run at an awful loss. So, that cannot be considered in isolation;

one must go for a whole alternative infrastructure if one wants to have a better way of doing things. It is more appropriate, more realistic, more accountable and fairer to average the cost of the connections according to the zoning in which the property falls, whether that property be in Murray Bridge or, for that matter, in some western suburb of the kind which may be represented by members opposite who are helping me elucidate my point. It is simply not reasonable to do other than average those connections according to the zoning involved—those connection costs, those capital costs and those contributions to the sinking fund which are an essential part of it.

In addition to that, we do need to provide a welfare subsidy for those who are less fortunate. The way to do that is not on consumption of water but on that component which represents a fixed fee for the provision of the service to hook up toilets, sinks and taps to provide people with the effluent disposal and sullage disposal as well as the fresh water that they require for that and other purposes in relation to their respective reasons for occupying the site, be they domestic, commercial, light industrial, industrial or whatever. That component, where the person is in less fortunate circumstances—the welfare component of the subsidy—needs to be applied to the fee that is determined to provide the service, not to consumption, because we are trying to save every litre we can regardless. Pretty soon, if we continue to subsidise consumption for those people who are in those less fortunate circumstances, we will find that in a neighbourhood there will be a swimming pool, and it will be not in the backyard of the person who is not on welfare but in the backyard of the person who is, or at least the water to fill the swimming pool will come from that meter, because it will be cheaper. People will cheat the system for the sake of children in that locality, and the rest of us pay.

If we start to do things in this crude and socialist fashion that the Government seems to be hung up on, pretty soon we will face the same problem that people in the USSR and eastern Europe face after 70-odd years: the way in which the resource is used is abused. It does not work if there is no direct relationship between use and cost. One will find ways to get around the system if it is cheaper one way than another. The mind does not have to spend much time thinking about it to discover that, if one neighbour can buy the water at a subsidised rate per kilolitre, other neighbours will happily pay that rate to the person who has the subsidy and will hook up their hoses to that tap rather than pay for the water through their own meters. So, there will be a network of hoses across back fences. That will not be too far down the track if we continue with this crazy, socialist concept of subsidising the rate per kilolitre consumption. As the cost goes up, that is exactly what people will do to avoid it.

Valuation for the purpose of determining how much someone should pay for the volume of water they use on their property is a daft concept, and the sooner we get away from it the better. A fee must be paid according to the private interest which is protected from fire and so on by ensuring the supply of adequately pressurised water for the purposes of firefighting; there is no doubt about that.

If the member for Stuart had done only a little more research about what happens in South Australia, she would have discovered that the pressure in many country towns is not all that it is cracked up to be. In many instances, indeed, there is none. Were it not for the fact that there were farmers nearby with fire fighting equipment and a CFS unit, you could forget about relying on the reticulated water supply in most country towns to provide you with the water necessary to fight a fire on a hot day. It would not happen: you would burn. Earlier we heard the remarks of the member for Light about the filtration program for South Australia, the budget for which has been slashed, and about the people who are left in the country areas—not the constituents of the member for Whyalla, the Minister at the bench or the member for Stuart. They have filtered water now, but the people who live along the Stockport pipeline along the Lower Murray do not have filtered water, and mud is the order of the day when the Darling is in full flight.

Unless you drain your hot water service at least four times a year if you live in Tailem Bend, you will have to replace the heating element in it every year. That is the extent to which flocculation of the colloids in the water occurs. When those colloids flocculate in such volume, they put a blanket across the heating element on the bottom of the tank. That blanket holds the heat, the chlorine in the water cooks the copper, the heating element gives out, and water goes all over the ceiling of the house.

Apart from the distress this causes to the housewife or husband and children in the house at the time it happens, it is an enormous cost burden that is quite unfairly imposed on them while they pay the same rates as the constituents of the members for Henley Beach, Whyalla, Stuart and indeed anyone else in the metropolitan area. That is not fair: to slash that filtration program just because there is no longer any risk to any Government seat. That is the reason why it has been slashed. The promise has been broken, and the rest of us and the people we represent can simply go to wherever we have been sent.

The one class of people who have not been properly dealt with by this legislation, even if we are to accept that it is legitimate, is the hobby farmer, many of whom are friends of mine—but hobby farmers of a particular type. Some of us may know no-one who lives this way, but I know several such people. They do not seek social welfare handouts, the dole or anything like that. They simply take a small parcel of land outside the localities in which the yuppies live—that is, further afield than the Hills in the main, out around places such as Elwomple, Tailem Bend, extending down to Murray Bridge, Ponde, Pompoota and places such as that, or somewhere near Hartley—where they nonetheless must pay E&WS Department rates because a supply of water passes their properties. They use it, but they also use it scrupulously and with an attitude in relation to conservation.

Notwithstanding that, unless their principal income is derived from primary production, I understand, after looking at all these amendments we now have before us and the Bill, they will have to pay this changed scale of rates. That is not fair because most of them live in a subsistence fashion; they do not have any substantial principal source of income, only casual seasonal work two or three times a year picking peas, grapes or flowers, when they will travel 200 or 300 kilometres to do four or five weeks work.

I have said, and I will say again: they do not apply for and do not take the dole. Some of them are very proud of that fact and they do not mind saying so. Others do not say it, but it is the truth: they have never sought anything from the welfare system. They live frugally, and they live on less than a double figure income. They live very happily and have a very healthy lifestyle. They barter between themselves the things that they produce and they are very comfortable. I find them very admirable people.

The ACTING SPEAKER (Mr Gunn): Order! The honourable member will bring his remarks back to the Bill.

Mr LEWIS: I am. Those people are disadvantaged by this measure because their principal source of income is not

primary production. They will have to pay full rates, yet they are not as dependent on the water as some of the yuppies who have hobby farms and who, one way or another, will be able to show that they derive their principal source of income from the primary production that is carried out on that property. The legislation is ambiguous, but at least that is my understanding of it. I would be delighted for the Minister to explain to me otherwise. I do not think those people should be disadvantaged in that way.

I now turn to another subject, that of the necessity to finance underground stormwater storage, if, as and when that becomes necessary. Technologically and pathologically it is a desirable option. There is no reason why that water will not be healthier than a good deal of the water that we presently get from some of the reservoirs when their levels are low and the run-off comes directly down the surface from septic tanks and the like, or from the perched water tables which are fed by water that has come straight out of the horseyards, cowsheds and the like in the Hills and which are already spewing water in surface springs further downstream from them.

Stormwater, put properly through the system that has been described in the papers that we have had in this place over the past couple of years, that will be a very good source of water. But, to say that it is necessary to finance it by this change in the system is nonsense. It is piffle. The Minister herself has said that it is revenue neutral. If this kind of infrastructure is to be established, it is best done the way Sir Thomas Playford did it, that is, to allocate it from public works capital funds rather than to attempt to argue that it is being done by changing the way in which rates are levied, as suggested in this legislation. It is nonsense.

The sooner we have a system in which you pay for the service according to the kind of service you need and the way in which your land is zoned, and pay for what you use on top of that, with the needy's subsidy being upon not the use of the water but the service fee only, the sooner the system will really work for us. We live in the driest State on the driest continent on earth that is inhabited by homo sapiens. Actually, the driest continent is the Antarctic, not Australia. In South Australia we live in the least fortunate circumstances of any place on earth in which humans live. Our scheme is somewhat similar to most of the schemes which I examined in southern California and which have identical, if not very similar, schemes to the one that I have described to the House tonight. It is used elsewhere in other dry parts of the United States, and I see no reason why it cannot be equally applicable to our circumstances here. It would certainly be a more honest and transparent way of raising the revenue to provide the service and the commodity.

Mr FERGUSON (Henley Beach): At the outset, I seek leave to have inserted in *Hansard* without my reading it a table of a strictly statistical nature explaining the proposed new system.

Leave granted.

A Guide to the New Residential Water Rating System

Component	Current System	New System
Access Charge	Not included	$110 p.a.
Property value component	$1.68 per $1 000	$0.76 per $1 000 over $111 000
Water allowance	2.1 kL/$1 000 of property valuation	136 kL
Pay for use charge (Price of water per kL above allowance)	$0.80	$0.80
Minimum charge	$110 p.a.	Equal to access charge above

Mr FERGUSON: I—and I think the Parliament—would appreciate it if Liberal members would read the Bill before them and frame their remarks around the measure that we are debating. The new system applies to residential customers only: commercial and other non-residential rate structures are unchanged. I emphasise that, so all this nonsense that we have heard already in the debate about hobby farmers, people from BOMA and sports people who will suffer as a result of the passage of this Bill is absolute nonsense. There will be no change. I would have thought that the member for Heysen, as the shadow Minister, would at least have read the Bill. If he had, he would know—

The Hon. D.C. Wotton: I have read the report.

Mr FERGUSON: We are discussing the Bill tonight: this is the legislation that we are trying to pass. If the shadow Minister looked at the Bill, he would see that it has nothing whatsoever to do with commercial development. I have heard every Opposition speaker talk about the proposal as a wealth tax. Every one of them has mentioned somewhere that we are dealing with a wealth tax. What absolute nonsense. Certainly, if the member for Heysen wanted to protect his constituents in the dress circle suburbs of Adelaide, he would get rid of the present system, which is a wealth tax, and take up the new system, because his constituents will be far better off under the new system than they are now. Let me examine the facts. For a start, everyone will pay $110 per annum as an excess charge. That means that the worker in Brompton/Bowden or in Findon, in my electorate, will pay $110 per annum, the same as people in the dress circle suburbs whom members opposite are trying to protect.

Right from the start we have a levy that goes across the board. It does not matter where one lives, whether it is in the Speaker's electorate at Semaphore or in the dress circle suburbs that the member for Heysen represents: from the start everyone will pay the same levy. At present the people the shadow Minister talks about, the people he wants to save, start paying $1.68 per $1 000 of value right from the first $1 000 of valuation. Under the new system they do not start paying on valuation until they have reached $111 000 and, after that, they pay only 76c per $1000.

I cannot understand some members of the Opposition who have spoken here tonight—people who tell us that they have come from higher schools of learning, people who have received a tertiary education, mathematical geniuses and former bank managers who have been dealing with figures all their lives. No-one can tell me that they do not understand that the system being proposed is better financially for their constituents than the present system.

They are trying to pull the wool over the eyes of their constituents because, on any test, the new system is much better. What about the type of constituent represented by the member for Hanson, the constituent whose home is valued at $400 000? That would not be out of court because he represents people who are reasonably well off. Under the present system they pay water rates of $1.68 per $1 000 of valuation, right from dollar one. On top of that, they are given an allocation of water which it is impossible for them to use. They cannot use the amount of water allocated to them, so they will be in the position of starting at a lower base rate, being allowed 136 kilolitres, and from then on like everyone else they will pay 80c per kilolitre. If they just took a smidgin of trouble to conserve water they would be in front.

I cannot see how these constituents represented by the Liberal Party, people who reside in Burnside and similar areas where higher valuations occur, can be anything but better off than they are now. Why do not members opposite

tell this to their constituents instead of trying to convince us that this is some sort of communist plot? The argument put to the House earlier today by the member for Kavel was absolutely ridiculous. He tried to tie up this measure as some sort of pinkie-type legislation.

An honourable member interjecting:

Mr FERGUSON: That is right—that there was going to be a small communist takeover of the water rates in South Australia. I believe that he used to be a schoolteacher and taught maths at Adelaide High. I do not believe that a maths teacher with those qualifications could look at this proposition and say that his constituents would not be better off than they are now.

The Hon. T.H. Hemmings interjecting:

Mr FERGUSON: That is most unkind; I must not use that interjection. No-one can tell me that he would not know, after looking properly at this formula—because he is a genius with formulae; I know he is because he has told me—that his constituents would be better off under the new system than under the old.

Let us look at the effort by the shadow Minister. I have never seen such a pathetic effort in all the time I have been a member of this establishment. When he comes in to make a policy speech he gets hold of all the newspaper cuttings, editorials and letters to the editor and he stands in this House and reads them out, but he never utters an original word.

Not once did he tell us what were his alternative proposals. He told us that he did not like the present system; he told us that he did not like the new system; but he did not tell us his proposals. He did promise something. He promised that the member for Chaffey would explain how we could solve all our problems in relation to water charges. I listened very carefully to the speech of the member for Chaffey, who made a reasoned contribution that would solve all our problems. The only problem is that he did not tell us how he would pay for it. He was going to put up a great superstructure in the Adelaide Hills, take off four million kilolitres when the water was its sweetest from the Murray River, and store it in the Hills. There would not be any water restrictions; people would be encouraged to use more water.

Members interjecting:

Mr FERGUSON: The honourable member should look at *Hansard*. That is the proposition the member for Chaffey put to us. The only problem with that is that he did not tell us how he would pay for the infrastructure; where will we get the millions of dollars that would be necessary to implement that proposition? I have an engineering proposition of my own that will solve our water problems in South Australia forever. I suggest that we build a very large water desalinisation plant at Henley and Grange so that we will not have to worry about water restrictions for the next 400 years. The only small problem is how we pay for it. If that is the alternative that the Opposition is proposing tonight then all I can say is God help us! The member for Murray-Mallee made another of his brilliant second reading contributions.

Members interjecting:

Mr FERGUSON: I am sorry, Sir, I am having trouble getting the message over. In answer to an interjection from me about whether he was suggesting a full user-pays proposition, the member for Murray-Mallee said, 'Yes, that is what I want—a full user-pays proposition. That will overcome our problems.' He mentioned what was happening in the USA and the basis of the charges that he would impose for a full user-pays proposition.

I anticipated that someone on the other side would be foolish enough to suggest that we have a full user-pays proposition, so I requested some information. Just to give the lie to the suggestion that we can have a full user-pays system, I will read into *Hansard*—

An honourable member: Who prepared it?

Mr FERGUSON: My preparation was 400 per cent better than yours. My information suggests that, if there were only a charge for water used—the ultimate user-pays principle—the price of water would have to rise approximately one dollar per kilolitre in order to raise the same revenue. All legitimate industrial users of water would pay more, as would also 75 per cent of residential users—even those people in the dress circle suburbs.

Secondly, the user-pays principle implies that a user pays not just for usage, but also for having water available in sufficient quantities at the relevant times to enable water to be used for firefighting, gardens and swimming pools. All modern reticulation systems are designed with very significant excess capacity, and the Minister is required under the Act to ensure that the pipes are suitably charged with water at all times so that the appropriate firefighting response can occur. Without this characteristic, fire insurance premiums would be much higher. Who would pay other than the potential user of that excess capacity? The greater the property value, the greater the benefit from protection.

Furthermore, in residential suburbs, the cost of providing a reticulation system is affected additionally by the length of frontages, height above sea level and the nature of the terrain. On average, capital costs per household are higher in those suburbs of Adelaide with higher property values. This fact should also be reflected in user pays. What a stupid suggestion that the answer to our problems so far as water charges are concerned is a full user-pays system. Members of the Opposition should sit down and really contemplate what they are talking about.

I will now mention briefly one of the things suggested by the member for Heysen in his long speech. Among other things, he suggested that the answer to our problems in Adelaide is to have water for drinking and recycled water for other purposes. If we want to water the garden, he clearly suggested that we should use recycled water. That presents a problem. If we have water for drinking, we must have a water tap. If we have recycled water, we must have another tap because we cannot put recycled water through the drinking water tap. We must have one pipe for drinking water and another pipe for recycled water. Outside, we must have one main for drinking water and another main for recycled water.

Who will pay? Where will the money come from? These people are living in fantasy land. They are already talking about the costs for the dress circle suburbs. What do they think the cost would be if we had to double up on our infrastructure? What a stupid suggestion. I really think that the member for Heysen, who is the shadow Minister, ought to throw away his paper cuttings and his letters to the editor and sit down in his office and take half an hour to put down his own thoughts on this subject as dot points.

The Bill being debated provides for the introduction of an access charge so that a minimal connection must be supplied to all residential properties regardless of anticipated consumption. I point out once again that this charge applies to everyone: to the working class people in Elizabeth, to the people who live in Burnside and to the people who live in the dress circle suburbs. They will all be charged the same access fee. This is bringing down the cost to those whom the members for Heysen, Murray-Mallee and Light want to protect. We have been told that we are trying to

get people out of their houses. That is absolute nonsense. This system will help to maintain home owners.

Members interjecting:

Mr FERGUSON: In fact, it is not the reverse. There is a much lower property component. The previous figure of $1.68 per $1 000 will go.

Mr BECKER (Hanson): I have heard some idiotic speeches in my day, but those 20 minutes were a waste of time and a filibuster by the Government. It was about as idiotic as the Hudson policy review. There is no doubt that the $20 000 paid to Hudson—the former Labour Minister and Deputy Premier—was a pay off for services to the Party.

Every type of Government has looked at some system of water rating that is fair and equitable, and it is a very difficult task. The moment property values are used, we bring in a scheme that is unfair. I do not care what the Government says. In a few weeks, when the excess water bills start to go out in the metropolitan area—as the member for Henley Beach knows, our area will be one of the first, and I will gladly hold a public meeting there if he wants me to—the people will scream, and they will scream even louder next year when they find that the price of water has increased to 85 cents per kilolitre and their basic water allowance is only 136 kilolitres. According to an advertisement in the *Advertiser* today—'Water charges for 1991-92':

> The price of water for the 1991-92 financial year will be 85 cents per kilolitre. For residential properties, this price will apply to water used over the basic annual allowance of 136 kilolitres.

The Hudson review came out with this magic formula. As the member for Henley Beach waffled on, he said that there is a minimum charge of $102, and that gives an allowance of 136 kilolitres. At 75 cents per kilolitre, when the Hudson review little green pamphlet was prepared, $102 gives one 136 kilolitres.

The member for Henley Beach said that this is not a true user-pays system. He was very critical of the Opposition and of my colleague the member for Heysen who spoke so well and put the argument on behalf of the Opposition so clearly to the House, and who was supported by the member for Chaffey. I remind the member for Henley Beach, who is not in the House at the moment, which is a shame, but his colleague is there and he is just as cynical and has the same venomous tongue, that on 23 August 1990 at page 556 of *Hansard*—

The Hon. T.H. HEMMINGS: I rise on a point of order, Mr Deputy Speaker. I do not have the relevant Standing Order that I could quote, but I am sure that you are aware of it. I was sitting quietly listening to the speech, and the member made unkind comments about me.

The DEPUTY SPEAKER: Order! The Chair does not uphold the point of order.

Mr BECKER: The member for Fisher asked the Minister of Water Resources a question about property tax. In part of the answer, referring to Mr Hudson, the Minister said:

> First, he was asked to look at a fundamental user-pays system which at the same time preserved a social equity or social justice component and also incorporated in that water rating system a conservation ethic and philosophy. I believe that Mr Hudson has come up with what, on any sensible analysis, could be seen as a true user-pays system.

The Minister said it was a true user-pays system, and that is exactly what it is. When one looks at the whole system, it is to be a user-pays system. The member for Henley Beach wasted 20 minutes while he waffled on in an attempt to destroy the Opposition's argument.

We do not support the legislation. Enough concern has already been expressed in the metropolitan area, let alone in certain country townships, about the impact of this scheme. It has been very cleverly handled. If one is paying $20 000 to somebody and bringing them backwards and forwards from Canberra to do a job at $550 a day—

Mr Lewis: How much?

Mr BECKER: Hudson was paid $550 a day—the equivalent of $143 000 per annum.

Mr Lewis: It is nearly as bad as Marcus Clark.

Mr BECKER: It is more than the Minister earns. I do not care what anyone says, these people who go out and offer their services as consultants are after that. They would use their contacts within the established political Parties.

The Hon. D.C. Wotton: Do you think it was a job for the boys?

Mr BECKER: It was more than a job for the boys. It was a pay-off for services rendered to the Party in this State. He was commissioned to undertake this task. There is no reason why Hudson should have done it. There are plenty of capable people within the department who could have done this. On numerous occasions, the department has looked at various water rating systems and it has had officers travelling all over the world looking at alternative methods. The E&WS Department has been subject to two very long, detailed and critical analyses by the parliamentary Public Accounts Committee.

The E&WS Department has been forced to reduce its costs over the years. It has been forced to become an efficient organisation. It was not too many years ago that, for every $1 that was paid in water rates, 51c went on interest payments. Interest payments in the E&WS Department are running at $137 million a year; and rates and charges were $299 million for the financial year ending 30 June 1990. The department suffers from the problem of typical Government accounting where it is liable to pay its own interest. Most other Government departments are not charged interest on their capital expansion programs. We know that the E&WS Department has always had a problem in that respect. Ratepayers must be advised of the large proportion, almost 50c in the dollar, which goes on interest payments.

It is very difficult for us to expect the E&WS Department to be an efficient organisation and at the same time provide water and sewerage in a very large extended metropolitan area. Now, with the creep up the foothills, it will be even more expensive. I have not had time to look up the Public Accounts Committee report, but when we investigated the E&WS Department last time, we came up with some horrific figures relating to the cost of supplying water to outlying country towns. It is a cost shared right across the State. It is a cost that people in the metropolitan area are prepared to meet so that those living in outback country towns can have access to reticulated water.

There has always been a debate that the pipelines which service those country towns, running through many paddocks, etc., are too large. The big problem facing the E&WS Department in the next 10 to 15 years is the replacement of its infrastructure, including pipelines and sewers. The City of Adelaide is a classic example which was highlighted by the Public Accounts Committee in its asset evaluation and assessment report. The mains in the city should have been replaced. Some of them are over 80 years old. When there is a burst water main, it is a repair by crisis situation. Instead of the department having the resources to replace the pipes, it has to wait until there is a major break-out which can cost tens, if not hundreds, of thousands of dollars to repair.

The poor E&WS Department has had to live with a fairly tight budget. I can understand why it is looking to come up with a better system to collect rates from the ratepayers.

The only commodity it has to sell is water, and it also discharges sewage, and that is expensive enough. With reference to the price of water, I seek leave to have incorporated in *Hansard* a statistical table headed, 'Water Prices: cents per kilolitre charged for water supplied to land and premises rated under the Waterworks Act'.

The DEPUTY SPEAKER: Is the table purely statistical?

Mr BECKER: Yes, Sir.

Leave granted.

Water Prices: cents per kilolitre charged for water supplied to land and premises rated under the Waterworks Act

1972-73	8.8	*(a)*
1973-74	10	
1974-75	n.a.	*(b)*
1975-76	14	
1976-77	16	
1977-78	19	
1978-79	22	
1979-80	24	
1980-81	27	
1981-82	32	
1982-83	37	
1983-84	45	
1984-85	45	
1985-86	56	
1986-87	62	
1987-88	68	
1988-89	71	
1989-90	75	
1990-91	80	
1991-92	85	

(a) converting the Annual Report figure of 40 cents per 1 000 gallons, to litres, using 1 gallon = 4.54596 litres.

(b) no Annual Report for that year was bound as a parliamentary paper.

Source: Annual Reports of the Engineering and Water Supply Department.

Mr BECKER: No matter what system one comes up with in relation to water rating, when property valuations are used there is a problem. I have mentioned this previously in debate (*Hansard* of 21 August 1990). Ever since I have been in the House I have been saying that property valuation assessment for water rating or council rates is unfair, because if a person improves their property, by erecting additional rooms on the property or landscaping, or just by looking after it by way of general maintenance to keep it in perfect order, that person is taxed through the rating system because they have improved that property. That takes away all incentive or all initiative for some people to use their skills or their desire to improve their property.

I think any system that does that is totally false. The concept is wrong. The Government should withdraw this legislation and again consult within its own department and see whether it can come up with an alternative system. Certainly, I believe any system that uses property valuations is grossly unfair, and for that reason, and for the reasons that have been outlined by the shadow Minister, I support him in opposing the legislation.

Mr BLACKER (Flinders): I have some concern in relation to this Bill. I do not wish to reiterate all the comments that have already been made: rather, I wish to raise my concerns, in the hope that the Minister may be able to respond to them in her second reading reply. First, I refer to part of the definition of 'residential land' and ratable land:

> ... used by one or more of the persons who reside in the residential building for primary production but is not of sufficient area, in the opinion of the Valuer-General having regard to the kind of primary production being practised, to be capable of providing a reasonable living for the person using it for that purpose and his or her dependants.

I was immediately concerned with that. I know I am not allowed to refer to an amendment which might be pending, but I do believe that the matter is being addressed, and I look forward to the proposed amendments. However, as the Bill stands, I have very grave concerns in relation to that clause. I trust that the information that I have picked up along the track is correct and that the Minister will be taking action to remove or redefine that definition so as to preclude that part which makes reference to the ability of primary production undertaken to earn a reasonable living. If that were applied—and I know this Bill does not apply to the wider rural areas—we could look at Eyre Peninsula at present and say that there is not one farmer that could quite justifiably, under that definition, claim to be a primary producer, because he would not be earning a reasonable living from land that would be ratable for water rate purposes.

That relates to rural land but, in the broader sense, this Bill does not relate to rural land. It is there as a compromise because reference has been made to rural living. On further clarification and seeking information on that, 'rural living', I understand, is as defined under the Planning Act and the various development plans that apply in each of the council areas. Those areas that are designated as city areas will obviously all be considered under this Act. Those areas within a proclaimed township in a district council area or in an area zoned as rural living could well come under this Act and, therefore, the definition to which I just referred would take effect.

Quite obviously, most people in rural living areas are not living in an area which, for primary production purposes, would be providing a reasonable living for the persons or their dependants on that property, so that is a problem. Another problem to which I refer relates to proposed section 65b (3), which provides:

> The access rate is payable in respect of land notwithstanding that the land is not connected to the waterworks or that the Minister has lessened, discontinued or cut off the supply of water to the land under this Act.

It has been drawn to my attention on a number of occasions that, when people are looking for a water extension, that extension can only be feasible financially if the owners of all properties adjoining the road upon which the water extension would be made are willing to make a capital contribution to that land. My interpretation of this (and I trust that the Minister will give an explanation of this and advise whether I am correct in my interpretation) is that this provision would empower the Minister or the E&WS Department to rate those persons whether or not they connect to the extension.

I would be pleased if the Minister would respond to that, because that sort of query has come up on a number of occasions: that, where a water extension is being made, the person at the farther end desperately wants the water but the people along the way will not contribute, yet as soon as the line gets there, they want to join on. Obviously, there needs to be some change to the law to ensure that those people who will ultimately receive the benefit of a supply past their property, which will improve the capital value of that property, contribute to it.

The other thing I have some difficulty coming to terms with is that it is not so long ago—12 months or two years at the outside—that we had a very heated debate in this House about minimum rates for council rates. There was a very hot debate with the Government arguing against the principle of minimum rates. I see a very strong parallel in this Bill to a minimum rate, even though in this instance it is called an access rate. Basically, it is a minimum rate where the minimum charge relating to a property value of $110 000 will be applied.

On the calculation of present water prices, I believe that we are looking at a fee of $103 for that minimum rate. I question the logic of the Government's argument, when members of that Government stood here and hotly debated the principle of minimum rates in local government and argued very strongly against that principle, claiming that it prejudiced certain sections of the community, yet in this Bill we have the reverse argument put before us. I find some inconsistency in the logic of that argument and do not believe that Government members can stand here and justifiably claim all innocence, as they seem to want to do, when in the Local Government Act Amendment Bill, and against the wishes of local government, a strong argument was put up against the principle of minimum rates.

I wish only to make those few points, but they are fundamental points of principle at which the Government must look very carefully, because it cannot have two standards—one for local government and one for itself—if it is arguing on the basis of principle. There might well be a justifiable argument for having a minimum rate, but let us not use two standards for two different Bills. No doubt, the next Bill that comes up will contain one or the other principle, and there will be a precedent for or against—whichever way the Government wants to jump at that particular time. Because of those reasons and the concerns that I have expressed—and I hope that those concerns will be addressed by way of amendment—I oppose the Bill.

Mr BRINDAL (Hayward): I hope that my contribution to this debate will not detain the House for too long. I wish to make some points that I believe I have made previously in this House. Like the Opposition members who have spoken before me, I oppose the Bill. I do so on the grounds that have been adequately placed before this House, by the members who spoke before me. Like many of my colleagues, I believe that it is important to charge for water, but there should be a fee for the water provided removed from any form of assets test.

I have said in this place before that the Government finds this possible with the provision of electricity, gas and other services. I cannot understand why it is not possible with the provision of water. My electorate is covered largely by the Marion City Council. I take up the point just made by the member for Flinders. Ratepayers in that council area were very happy for many years, because most of them were charged the minimum rate, which virtually represented a fee for service. However, because of changes to the Act some years ago, the number of people on the minimum rate in the City of Marion has progressively decreased, with much trauma and protest on the part of the residents. The City of Marion is a good example, because it is a very large city and the value of property in the area ranges from very low values to exceptionally high values. This area does not have the luxury of the City of Brighton or many of the cities in the eastern suburbs where the real estate stock is virtually on a par and everyone pays a comparable rate.

In the City of Marion, because of the disparity in the value of the real estate stock, whatever rate in the dollar is fixed, some people pay one fee and other people pay a huge amount more. That has caused much dislocation, and the member for Flinders referred to that anomaly. The point I make in connection with water rates is that, when we start charging people on an asset, especially an unrealised asset, we do not bring in social justice: we bring in inequality.

The Government argues that this is a measure designed to bring about social justice. I argue that it is a measure which is unjust and which perpetuates inequality. My own electorate demonstrates it well. When most of the electors moved into that electorate just after the war it was considered to be a waterbag trip from Adelaide. They moved into modest, affordable housing, and most of them have lived there ever since. Many are retired teachers, police and civil servants—people who often did not make the top echelon of their career but nevertheless performed valuably in the service of their community.

Mr Quirke interjecting:

Mr BRINDAL: Many of them are now retired.

Mr Quirke: They might have to work the extra week.

Mr BRINDAL: I will give the honourable member part of the time allotted for this speech if he will show me the same courtesy the next time he speaks. It was, as I said, modest and affordable housing. Through no fault of their own, because the City of Adelaide has spread south and north, housing in this area is now preferred by many people and has escalated dramatically in value. Where these people might have paid £4 000 or £5 000 for a house, that house is now often worth $120 000, $130 000 or more. Those people would never have been in a position to buy houses which cost $120 000 or $130 000: they bought modest affordable housing. They have lived in that area and largely have paid off their loans, or are close to paying them off. Yet, every year they are being taxed on an asset and, because of its potential realisation at the point of sale, this Government assumes they can meet a bill which is often higher than they can meet.

A number of people on limited superannuation and fixed incomes have told me that they are being taxed out of their homes, because they can no longer meet the rates, as the Valuer-General puts a value on their house and the council charges them at a certain level that they cannot meet. Similarly, I argue that this legislation, because it has an asset component, charges them more than they can afford to pay.

The Hon. S.M. Lenehan interjecting:

Mr BRINDAL: I acknowledge that the Minister says that only 16 per cent will pay more.

The Hon. S.M. Lenehan: They can reduce that.

Mr BRINDAL: I would argue in deference to the Minister, whose capacity I admire, that philosophically I cannot support legislation under which people are charged on an unrealised asset. I acknowledge and support this measure inasmuch as it seeks to charge people for the water that they use. In South Australia water is valuable: it is our most precious commodity. We should not be allowed to waste it. We should not give people in highly valued properties so much water that it runs down the street.

I point to Somerton Park, where property values are so high that on any given day in summer, under the old system, one can drive through the area and see water running down gutters; householders leave their sprinklers on all night and day, because they would never consume their water allowance. I am opposed to that system.

Members interjecting:

Mr BRINDAL: No. I am opposed to that system and I support this system inasmuch as it is a charge for service. On balance, I am left having to oppose the legislation because, while it has some good measures in it—that is, a charge for the water used—it includes what the Minister describes as a social justice component, and that forces me and many of my colleagues to oppose it.

The Hon. S.M. Lenehan interjecting:

Mr BRINDAL: If it did not include that social justice component, we would probably support it. The Minister says that the residents might not support that. She might be right, but only I can speak for my electors, who must tell me what they think at the next general election. Hopefully, they will support my stance on this matter. I have

certainly received many representations from electors on this matter. Therefore, I must oppose the unrealised asset component of the legislation, as I would voice opposition in respect of local government or any other area where there is a charge against an unrealised asset. It is inequitable and unjust.

While I can acknowledge what the Government is trying to do, it is going about it in the wrong way. As I said, I support the concept of charging for the water used. Every member on this side would support that. None of us believe we should waste water. I acknowledge that the Minister has done work in this area. I recently read that the Minister was working on the recycling of storm water, and that is a valuable initiative. As an extra way of saving water going through our mains, has the Minister considered allowing people to re-use storm water on their properties by piping it straight underground and doing various other things?

I know that there are difficulties because of water running onto adjoining properties, litigation and so on, but I hope that with the resources of the Government and her department, as well as her considerable energy, some way can be found whereby some storm water can be used on people's property to cut down their water bills.

Again, that would be a very valuable contribution which this Government could make to the conservation of water and the wellbeing of residents in the area and, in fact, to reducing our water bill. That is all I want to say on the measure. I oppose it for the reasons that I have outlined. I will not be hypocritical, but I will say that this legislation is like the curate's egg: it is good in parts. I do not think that it is totally good, so on balance I must oppose it. Nevertheless, I commend the Minister for the good parts, but for the bad parts I oppose this Bill.

Mr MATTHEW (Bright): I, too, oppose this Bill, for the same reasons as many of my colleagues have opposed it tonight. This Bill is flawed in its basic assumption that someone who has a home worth more than $110 000 somehow has a greater capacity to pay than someone with a home of lesser value. It ignores completely the manner in which metropolitan Adelaide, or for that matter any other city not only in Australia but in most of the Western world, has developed, and it fails to recognise other methods by which wealth can be measured if, indeed, the Government is looking at introducing some sort of wealth tax.

It is simply incorrect to base the ability to pay on the value of a home. Many people in our community are, quite simply, asset rich but income poor. One needs only to look at my electorate to see the type of development that has occurred in metropolitan Adelaide. For instance, the suburb of Brighton is interesting in that as at 30 June 1990, 58.9 per cent of its homes were worth $100 000 or more, and in South Brighton 49.5 per cent of the homes were worth $100 000 or more. Those are the same homes that would now be included in the $111 000 or more category with the addition of inflation and other property rising indicators.

The simple fact of the matter is that some residents of suburbs such as Brighton and South Brighton have been living there for 50 years or more. At the time those residents moved into those homes, it was affordable accommodation that was considered to be on the outskirts of the city. In the days that those homes were built, many people would have said that they were out in the sticks. They had little in the way of facilities and certainly there was not much in the way of Government facilities to encourage people to live there. So, those hardworking people have bought their houses and paid them off and many of them are now on pensions, superannuation or other forms of fixed income. It is those same people, those fixed income earners, upon whom this property or wealth tax, or social justice tax as it is called by the E&WS, is being imposed. Those same people have contacted my office in droves personally, by telephone and in writing, saying, 'How will we pay for this unjust impost that has been placed upon us? Does the Government expect us ultimately to sell our homes and buy something else, because if this sort of wealth measurement continues to occur across our State we will be forced from our properties?'

I am sure that if members on the opposite side of this Chamber cared to look a little harder they might find a Brighton or a South Brighton in their electorate. They might perhaps find in their electorate a Marino which has developed in a similar manner and, which, as recently as 30 years ago, was very much regarded as being on the outskirts of the city. However, as at 30 June 1990, 82.7 per cent of the houses in Marino were valued at $111 000 or more. Those same homes would now be in the $111 000 or more category.

Similarly, 79 per cent of the homes in nearby Kingston Park were valued in that category. However, we could go even beyond those homes that were built in the past 35 to 50 years or more to look at those homes that have been built more recently. I refer to homes that have been built in the past 15 years. To make that reference, I looked at the suburb of Hallett Cove, which is also in my electorate, and found once again that as at 30 June 1990, 51.3 per cent of Hallett Cove properties were valued at $111 000 or more. That figure of 51.3 per cent is taken from a total that would include empty allotments of land.

One could expect to pay about $40 000 for an empty allotment of land at Hallett Cove. That means that, with the cost of putting a home on that land, it is highly likely that those new homebuyers will be thrust into that $111 000 or more category. However, under this Government's particular taxing mechanism those people apparently are looked upon as being able to afford to pay a higher imposition. These are the same people who have been subjected to high mortgage rates—the same people whom this Government has heard from increasingly who are losing their houses. This Government now seeks to impose upon these people what they call a 'social justice levy'. Perhaps we should call it a socialist justification levy for, after all, it is what we are really seeing in action. What we are seeing is the same old socialist philosophy being trotted out. It is a poor base on which to justify it by saying, 'that their house is worth $111 000 or more; they must be able to pay it'.

It does not matter a damn to the Government how much these people may have to pay in mortgage payments to try to keep that roof over their head. It does not matter a damn to the Government how much we have seen the cost of developing land increase. That does not come into it. The Government simply looks with blinkered vision at the amount that those people would get for their house if they sold it and assumes that they must be able to afford to pay this tax.

Regrettably, it would seem that the socialist Left in the ALP has won out. Perhaps it is interesting to note at this point the faction to which the Minister belongs. There is no doubt that the Minister has had a significant role to play in the introduction of this unjust taxing mechanism. With some justification there has been a significant barrage of letters to the editors of the daily press. I will refer briefly to just a couple of those letters, which were published in the *Advertiser* on 25 January 1991. The first letter, written by Mr Anthony Tagni of Cherry Gardens, states:

The State Government's new method of calculating water rates is yet another example of socialist mentality.

To impose punitive measures upon the diligent, prudent and enterprising members of our community cuts across the fabric upon which this once-great country was established.

It is high time our social custodians realised that weakening the strong does nothing to strengthen the weak.

If the message was not made entirely clear to Mr Bannon and company at the last State election, I'm certain he will get the picture at the next.

I think that letter has an important message, which is felt very strongly by a significant proportion of taxpayers within our society who are fed up with the unjust taxation methods imposed upon them. Those who work hard, who put their money into homes and who have been thrifty all their lives, will be hit by this imposition upon their finances.

I also refer to a letter in the *Advertiser* of the same date, written by a Mr Delaine of Brighton. He states:

What a pity it is that the 'brains' who designed the new E&WS water rating system (and those who authorised it) did not have the guts to base water rates solely upon the amount of water used. What could be fairer?

Far from being fair, the minority Government of this State has now set a precedent.

Other Government charges could well be based upon similar charging schedules using this E&WS 'wealth tax' idea.

This is Fabianism in action!

Imagine ETSA charging for electricity at one rate for a property valued at $111 000 and another rate for those over that amount!

The mind boggles.

Indeed, the mind does boggle. Imagine what would happen if, for example, Telecom—a Federal authority—decided to base telephone charges on this very mechanism. Can members imagine the uproar from telephone subscribers if they were told that their home was deemed to be worth $111 000 or more and, as a result, they would pay a property tax, wealth tax or social justice fee for the privilege of having a telephone in their house.

Members opposite have asked what the Liberal Party would do. The answer is quite obvious, and it should also be obvious to members on the other side of the Chamber who claim to be a Government. Quite clearly, there must be a system in place that means that the user pays. You pay for the amount of water you use. Included in that payment formula must be allowance for those who are entitled to concessions, particularly retirees, the unemployed and other people who, for varying reasons, live on fixed incomes.

This tax has been imposed without thought. It has been imposed with views that are based on a philosophy rather than a just mechanism for paying for water use. I urge members of this Parliament to look very carefully at their own electorate to try to find out from their local government bodies or, indeed, from the E&WS exactly how many properties in their area will be affected. I ask members to look very carefully at page 56 of the Hudson report, which details property values in specific categories. That table indicates that 27 per cent of properties in South Australia are worth under $60 000. Included in that 27 per cent are undeveloped allotments—properties at Golden Grove, Hallet Cove, Happy Valley, Flagstaff Hill, Seaford and all the other new subdivisions in Adelaide.

All those properties are currently worth less than $60 000 because they are vacant allotments, but what a windfall the Government will rake in when those allotments are built on. What will happen then? Will the Government change the rate per thousand dollars? I doubt it very much. It will probably go up. This is nothing more than a regressive tax designed to reap revenue with complete disregard for those who will be affected. Many more people will be affected in the long run than is suggested in the Hudson report. If members support this Bill, they should make very sure that they are representing their electorate.

Nothing more can be said. The letters to the editor speak for themselves. The figures from my electorate alone show very clearly that a large number of people will be affected by this regressive tax. I therefore urge members very strongly to oppose the Bill.

Dr ARMITAGE (Adelaide): I rise with great sorrow to debate this Bill because I believe it is yet another example of a tired Government which is lurching from one self-imposed crisis to another. This Government is very strong on socialist dogma but, unfortunately, despite its supposed philosophical base, it is very weak on compassion. This Government is bankrupt of sensible ideas and, if this is an example of its policy, it is definitively bankrupt of sensitive ideas.

This Bill is nothing more or less than a heavy-handed tax grab for a Government which is running short of money. We hear much from Government members of a great, warm, fuzzy social justice philosophy. What do they do in practice? They are nothing more than hard-hearted money grabbers. I say that because of many representations that have been made to me by people in my electorate, and I will share two examples with the House. One involves a woman who wrote to me saying:

I and my neighbours bought homes in 1959 and, consequently, all had fairly large blocks of land, which Ms Lenehan seems to have forgotten.

I am a pensioner and my excess last year was $223, and all my neighbours, who are younger and working, had anything from $176 excess upwards. Ms Lenehan is also the Environment Minister. I have trees and a shady garden. She objects to cutting down trees, so what is the answer? Do we let the trees and gardens die? No-one wants this. Surely there must be a better method. I am prepared to pay some excess, but on a fixed income an excess of $223 is impossible and 138 kilolitres in my mind is unfair.

She goes on with other examples to show why she, being a single person, living alone, a pensioner—

The Hon. S.M. Lenehan: She will be better off.

Dr ARMITAGE: You wait—still paying off her property, which has been valued on the value of the land, which she bought in 1959, will be worse off. I should like to quote another example. I ask the Minister particularly, having been very vocal about social justice and how people will be better off and so on, to listen to this example. I was quoted an example by a constituent of mine, a Mr Rundle, who lives in Fitzroy. Mr Rundle is a war veteran pensioner. He first contacted me in relation to the article in the *Advertiser* of 16 January, written by Jenny Brinkworth, in which she says, and I understand it is correct:

The owner of a house valued above $111 000 will pay $117.20 a year, 85c for each kilolitre of water used above the allowance, and a further 76c a year for each $1 000 in property value in excess of $111 000. This means the owner of a house worth $210 000 will pay about $75 more a year on the total water bill than the owner of a house worth $110 000 if these separate householders were to use an identical amount of water.

Of course, they may well do that. In this day and age $110 000 is not a lot of money because, as Jenny Brinkworth's article goes on to say, the average Adelaide house price as of last month was $103 500. In fact, this Bill will charge more above the allowance for almost the average priced house. The Valuer-General has quoted 26 per cent of South Australian ratepayers as having properties valued above $111 000.

Mr Rundle, as I mentioned, is a war veteran pensioner. His house, because he built it many years ago, is valued today at $218 000. However, he does not have any spare money other than his funeral expenses. That is the only money that he has put aside, other than his weekly income of $100 from his war veteran's pension. He is still paying off his house, as are six more people in his immediate

vicinity who are on fixed incomes. Yet he will be paying $75 more than someone who has a house worth $110 000 if they use a similar amount of water. He maintains that he has been very cautious with his use of water.

The only option open to this man to pay the water rates that he will be charged (because the value of his original humble home, which he has owned and lived in for years, has escalated to $218 000) is to use the funeral expenses that he has put aside. It may be that these vaunted social justice purveyors opposite do not often speak to elderly constituents, but I know that many of them have a small amount put aside to pay for their funerals, and that is the sum total of what they have.

They live from week to week. They are very anxious about measures such as this because they do not wish to be burdens on their family later, yet they are forced as proud people into ringing up their local member of Parliament and complaining over the phone that that will be the extent of what they will have to do. That is absolutely appalling! This Bill is potentially disastrous for people on fixed incomes and pensioners, such as the war veteran I have referred to. It may well be marvellous for the socialist philosophisers on the other side of the House. Practically, it simply will not work for these people.

My constituent who, I repeat, is a dedicated man and who served his country and has lived a humble life paying off his home from his war veteran's pension, cannot understand why these extra crippling charges are put on, because they will make people such as him and others in his street who live on fixed incomes move out of their homes. He ended his talk with me about this particularly disturbing matter for him by saying, 'I do not understand why we are encouraged to stay in our own homes as long as possible'—ostensibly to be less of a burden on the community—'and then they'—presumably the Government—'put up all the charges such that you are forced out of your home.'

This is an absolutely disastrous situation for these people. The Minister can tell me until the cows come home, until I am blue in the face, that this will be a marvellous measure, but for people such as my constituent whom I have quoted and many others who have contacted me, it is nothing more than a worrying, disastrous extra tax which may force them to go into whatever little capital they have accumulated all because this Government, which is bankrupt of sensitive ideas, wishes to make more money out of the community.

Mr S.G. EVANS secured the adjournment of the debate.

ADJOURNMENT

The Hon. S.M. LENEHAN (Minister for Environment and Planning): I move:

That the House do now adjourn.

The Hon. JENNIFER CASHMORE (Coles): Two years ago tomorrow I asked the first of a series of questions of the Premier about the State Bank. Those questions continued throughout 1989 and 1990. They were taken up by my colleagues early in 1990. Throughout 1989 and 1990 in this House I analysed the activities of the State Bank through its quarterly and annual reports. Of all the questions that have been asked of the Premier and either evaded by him or dismissed by him over the past two years, two more questions remain to be asked and answered. First, when it was plain to the Opposition and any sensible observer, why was it not also plain to the Premier that the bank's directors had endorsed a policy which involved constantly enlarging exposure to the high risk of borrowing and lending of billions of dollars on the national and international money markets? Secondly, it is clear now that the Premier has the power to intervene in an attempt to clean up the mess created by the bank's management and board. Why did he not use his power to prevent the mess occurring in the first place? What has happened is quite unconscionable. Innocent citizens now have a massive burden of debt inflicted upon them by an arms length Premier who claimed for two years that he was not responsible for the bank's lending policies.

People on small and fixed incomes will be paying for the rest of their lives for the Premier's dereliction of duty. It is simply not good enough for the Premier to say he did not know and was not warned. Time and again I asked him if there was to be no limit to risk-taking for profit when the taxpayer was ultimately responsible as the guarantor of all the bank's dealings. Alarm bells should have been ringing for any responsible Treasurer not weeks ago, as the Premier claimed they did, but two years ago when the Equiticorp disaster gave us a taste of things to come.

One of the many issues that I hope will be pursued by the royal commission is the bank's market-driven lending policies which paid scant regard to normal prudential considerations. A classic example of that is the case of the Health and Life Care Company. In 1987, the State Bank financed the purchase by Health and Life Care of Victorian private hospitals to the extent of $65 million unsecured. Proper investigation should have shown that the figures upon which the loans were made were incorrect. There were bogus loan accounts, inflated bed occupancy figures, huge legal fees to Thomson Simmons and Co., which is Health and Life Care's solicitors, a shonkie prospectus, two sets of books and a host of other irregularities. That should have warned the State Bank that Health and Life Care was a bad risk. But in August 1988, a year after the multi-million dollar loan was made, Health and Life Care was found to be insolvent and unable to pay its monthly interest debt to the State Bank. However, instead of putting Health and Life Care into receivership, the bank continued to prop it up. The bank then insisted upon taking security over the assets of Health and Life Care by way of mortgages. Of course, this gave it a preferred position against other creditors and shareholders.

In March 1989, in an amazing transaction, the State Bank was bailed out by the State Government Insurance Commission, which bought the South Australian and Northern Territory operation of Health and Life Care for a heavily discounted price of $14.28 million for the businesses, plus $28.1 million for the land and buildings—a round sum of $40 million plus. The SGIC purchased only the worthwhile assets. This confirmed a wipe-out of the value of all shares and, at the same time, destroyed the savings of staff who had invested in the company. If anything smacked of an SA Inc. deal to remove embarrassment from the State Bank it was this. The sale reduced the loss and cash flow difficulties which are now hidden in SGIC Health. Incredibly, after this initial poor loan judgment—appalling loan judgment, in fact—in mid-1990, the State Bank announced that it was continuing to support Health and Life Care in its other activities for at least another 12 months. The royal commission must ask why.

In this House on 26 October 1989 I raised the issue of the State Bank loan to Health and Life Care, and the effect that this had on enouraging employees to invest in an employee share scheme. The following day, the Premier declared that the State Bank was not involved with Health and Life Care at the time that it entered into the staff share

schemes. The fact was that the last of the staff share schemes was implemented in November 1987—well after the State Bank had made its loan.

One of the multitude of tragic victims of the State Bank's irresponsibile lending policies is Mr Paul Hoskins, who sold his Somerton Park laundry business to Health and Life Care in early July 1987. Part of the purchase price was to be satisfied in shares of Health and Life Care Limited. At that time, the shares were listed at $1.50 to $1.75, but they were given a price of $1.80 for the purposes of the sale. Following settlement, the shares were allocated to Mr Hoskins and his wife. The price never reached $1.80 and, in fact, today it stands at 2c per share.

Mr Hoskins initiated proceedings in the Supreme Court against Health and Life Care. At the time the proceedings were due to take place in August 1990, Mr Hoskins was in a position to prove that those with whom he had been negotiating at the time of purchase knew that they were putting a price on Health and Life Care shares which could not be justified. He had a substantial case against Health and Life Care and, indirectly, against the State Bank, and he was in a position to prove it.

The proceedings came on for trial before Mr Justice Olsson in the Supreme Court on 8 August 1990. Mr Hoskins was represented by Mr Gary Hevey. After opening, there was an adjournment. Mr Martin Hoile, counsel for Health and Life Care, in the presence of Ms Lisa-Jane Tiver of Thomson Simmons, solicitors for Health and Life Care and the State Bank, warned Mr Hoskins through his counsel, Mr Hevey, as follows:

> We'll run you round court for four or five weeks or until you run out of money and then, if you win, we [meaning the State Bank] will liquidate Health and Life Care.

Mr Hoskins was faced with the prospect of obtaining nothing, even though he had a substantial case. He could not possibly have afforded to contest that warning. He is a small businessman who, in the circumstances, decided that the prudent course was to cut his losses. A lifetime of work, of saving and of building up a business (which was worth $250 000) is now in ruins.

Stories such as this—and there are many—illustrate the incompetence, ruthlessness and greed of the management and board of the bank. They suggest collusion, if not corruption, and demonstrate clearly—if any further demonstration is needed—the need for a royal commission into the State Bank, and the Premier's responsibility for what occurred in respect of so many people and now, ultimately, of every taxpayer in this State. It is the people we on both sides of the House represent who will be footing the Bill for the Premier's negligence for the rest of their lives.

Mr HAMILTON (Albert Park): One issue I want to address in the time available to me tonight is the question of award restructuring. One result of that award restructuring is that more and more people are being forced to work around the clock. Because of the recession, employers are demanding more flexible working hours, and they want their machinery to work around the clock. Of course, to push productivity by more shift work will, in my opinion, bring about enormous health problems for this country.

In Europe, research has found that the push to increase production by more shift work is set to uncover a series of new health issues. I quote from the *7.30 Report* as follows:

> Recent studies in Europe show that shift work is a health hazard, and one that many Australians haven't begun to understand.

Yossie Berger, whom I understand is from the Australian Workers Union, states:

> They neither understand, nor are interested to understand, the diseases and injuries which may be related to shift work are subtle . . . in 1981 a law was passed that if you're working shift work or irregular hours of work of various kinds, it is treated fully as a hazard.

I understand that that was in Austria.

I worked shift work in the railway industry for some 24½ years, and I appreciate the sort of problems that shift workers encounter. In my view it is unnatural for workers to be called upon to get up at all hours of the day and night, particularly in the early hours of the morning, to go to work. As a guard in the railways I was called upon to book on at one minute past midnight, at 1 a.m., 1.30 a.m., 3.00 a.m. or 3.45 a.m.—all those sort of hours—work nine hours, knock off and return in 11 hours. After working all night, I would stay in the barracks for anything up to 40-odd hours with a small amount of barracks detention before being called upon to again work in the early hours of the morning.

The impact on my working life, and I believe the impact on the working lives of the five million Australians who work shift work, is not appreciated by industry. In many respects I do not believe that it is appreciated by Governments. Not only does shift work impact on the health of a worker but it has a profound effect in many cases on their family and children. In my time in the railway industry I have seen shift work have that impact, particularly on many of my work mates who worked at Peterborough, Port Pirie, Mile End and Tailem Bend and who booked on at all hours of the day and night.

Not surprisingly the impact on their family in many cases was quite traumatic. Broken marriages and suicides were not uncommon; and on a number of occasions there was even murder. When industry in this country demands shift work of its workers—and many of them choose to work permanent night shift because of the economic situation—one does not have to be a genius to understand the impact that that has on family life.

Some workers come home from night shift and have to look after the children or get them off to school before they can have a sleep. In many cases they clean up the house and buy the groceries, and when the partner comes home they then go to bed. Of course, the children are adversely affected as well. This situation is analogous in many respects to a railway station: one comes in and the other goes out; that one comes in and the other one goes out.

Another aspect is the social life of shift workers. Those on irregular shift work cannot plan ahead for a birthday party, an anniversary or a celebration. It is difficult because the nature of industry is such that it demands that jobs be chopped and changed at any moment. You can receive a phone call from the roster office saying that the job is cancelled and that you are now required to book on at another time, and two hours before that time they can cancel that job. During my time in the railway industry—and shift workers in other industries are similarly affected—I found that I could not plan on attending family celebrations such as birthdays, award-giving ceremonies and so on. The damage to people's health has not been fully appreciated. The impact upon the inherent genetic rhythms of the body must affect workers. By their very nature, our bodies demand that we sleep after midnight—

Dr Armitage: Biorhythms.

Mr HAMILTON: I thank the member for Adelaide for his assistance. Our biorhythms demand that. Indeed, members of Parliament in the past have been required to sit up to all hours of the day and night, although the impact might not be as profound upon us as it is on some shift workers, who are often in responsible positions. I refer to the incidence of road smashes, particularly on highways. When do

many of those occur, particularly involving heavy transport? They occur in the early hours of the morning, especially involving buses, semitrailers and even in the railways industry, which provided me with a good living for almost 25 years.

People who work rotating shifts are lucky in one sense, but often even they die after only a few years in retirement. If industry in this country wants to have people working more and more to achieve increased productivity, which I appreciate, we will have to address the question of increased productivity on the lives of workers. We will have to look at that in South Australia as well. Certainly, I will be pursuing this matter further because it is an important issue and an enormous cost will be incurred not only by industry but by the community in general unless action is taken.

Mr BRINDAL (Hayward): I refer tonight to a matter of great and increasing concern to the public of South Australia, that is, the escalation of graffiti and youth violence. In the parliamentary break over Christmas a number of issues related to this matter were reported almost daily in the press, and I was disturbed almost each day to be contacted by electors expressing real dismay over these two issues of graffiti and youth violence.

I was also dismayed to see that, while the Government is apparently making some attempts to act over some of the matters related to these problems, it is too little and too late. In an effort to behave responsibly as parliamentarians, the Opposition in this House is most concerned, as I believe some members of the Government benches are concerned, about graffiti and youth violence, but we are prepared to do something about it. All members on this side would welcome inquiries or suggestions from electors about what can be done concerning this real problem in our society.

In particular, five members on this side of the House, the members for Newland, Fisher, Coles, Custance and myself have agreed to ask people in this State who are interested in this problem to approach us with suggestions, constructive ideas and anecdotal evidence of the problem so that in the spring session of this Parliament we can bring in a number of private members' Bills designed to do something about these problems. I believe that the public is genuinely concerned and I believe that the Government has had adequate notice. It has all the resources of government at its disposal and is capable of doing something. If it does not do anything in these next few weeks, the Opposition will seek to do something in the spring session, because we believe that every member of Parliament is responsible for the law in South Australia and that every member of Parliament should look to the public good and the public safety.

I believe that it is fair for the Opposition to place the Government on notice and to say quite clearly and firmly that the people of South Australia have had enough. They believe that this is a very real problem and that something should be done about it.

To illustrate my point, it is worth noting that an article to this effect appeared in the *Advertiser* some two days ago. Since then I have received a considerable number of phone calls from electors all over the State, from Pooraka and the eastern and southern suburbs. So, this is not confined to my electors. Some very real concerns have been expressed and some concrete measures for improvements have been suggested. In that context, I will quote a letter which arrived in my box in the House today from a gentleman who says:

> Dear Sir,
>
> I refer to an article in today's *Advertiser* entitled 'Libs target youth offenders'. Hooray! At last we have a group of Government members—

I am afraid he got that wrong—

> who say they want to do something serious about the youth crime—including graffiti vandalism, which is totally out of control.
>
> I wrote to Mr Sumner asking if he would look seriously at restricting or banning the sale of spray paint cans but my suggestion fell on deaf ears. He is not, in my opinion, the slightest bit interested in doing something about graffiti.
>
> I tell you what—if you can ban the sale of spray paint cans to minors you will have my vote at the next election and the one after.

That letter is an indication of the feeling in our community. Recently, I went to a Neighbourhood Watch meeting where people seriously volunteered to hide and observe the Marion Railway Station so that they could catch the vandals who graffitied the station. They were prepared to secrete themselves 24 hours a day so that they could ring the police and let them know when these graffiti vandals were at work. I have been reliably told by members of the Transit Squad that, in effect, a vigilante group is operating on the Outer Harbor line because of the incident that occurred there at about Christmas time.

Like other members of the House, I do not support vigilante groups; I think they are very dangerous. It is a sad day for society when people feel that they have to form themselves into such groups because it represents the beginning of the breakdown of law and order. I do not support those groups, but I raise this matter because it is an indication of how seriously some people view this problem.

One of the most graphic illustrations of the spread of graffiti in my own electorate—and I am sure that every member takes this matter most seriously; in fact, I know that the member for Albert Park has referred to similar matters previously—and one of the things that dismays me is that, some years ago graffiti in my electorate was confined to railway and main transportation corridors, while now it is visibly spreading out to the extent that no shop and no piece of private property seems to be safe. It is a standing joke in my electorate that if one stands still long enough one will probably be painted.

The point at issue and the point that I want to make and which most distresses me can be illustrated by an old lady who rang me. She has two plastic hips, she is a widow and lives on her own. She keeps her house beautifully—I went around and saw it—and she takes pride in her house. She has a long fence of 150 feet which runs down the side of her property. That fence was graffitied. As a pensioner, she could not afford to get someone in to paint it, so she went out and with plastic hips and in some considerable pain physically repainted the fence only to find that an hour later it had been graffitied again. It took her hours to paint that fence and it cost a considerable amount of money. As members would know, with a spray can it takes seconds to destroy the fence.

An honourable member interjecting:

Mr BRINDAL: The member opposite says that we should have supported the Government's legislation. I do not know to which legislation he is referring, but if he is referring to the legislation to make parents responsible for the actions of their children, I do not support that legislation—as members opposite should not—because in my opinion it is not a responsible reaction to this particular problem.

It was basically flawed and I am sure that when it comes into this House again we will be able, once again, to expose the Government's flaws and its basic misassumptions. If the Government does not do something constructive about the problem that we outlined in the spring session, we will bring in a number of private members' Bills which will clearly demonstrate our policy, and I hope that the Government, not being able to address the problems itself, will support us. I hope this Government is big enough, if it

cannot solve this problem, to support us in the measures that we will put before this Parliament if those measures are fair and reasonable.

The deterioration of youth behaviour in this city is demonstrated by a call I had from someone associated with the South Australian Youth Training Centre. That person was most concerned at the situation at the centre and pointed out to me that last Friday at smoko—about 10.30 a.m.—a 17-year-old youth stole a staff car and rammed it through locked steel doors. He had to make two attempts, but he absconded and is still at large. The person who contacted me was most concerned about this, because he pointed out that this Parliament recently passed legislation that allows absconders from the juvenile system to be gaoled for six months. However, two boys who recently absconded from the South Australian Youth Training Centre were taken before a magistrate and, instead of getting six months for absconding, were given one week.

Mr Hamilton interjecting:

Mr BRINDAL: I am asked whether I blame the Government for the magistrates. In the last election campaign the Leader of the Opposition pointed out that Parliament has the right to impose minimum penalties. If the magistrates do not do what the Parliament believes under legislation they should do then this Parliament has the right to impose minimum penalties. Perhaps that is one of the measures that this Government could introduce. If members opposite do not believe that the magistrates are handing down appropriate penalties, it is up to this Parliament to introduce legislation to ensure that that occurs.

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

At 10.27 p.m. the House adjourned until Thursday 14 February at 11 a.m.