

HOUSE OF ASSEMBLY

Wednesday 13 March 1991

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

STAMP DUTIES (CONCESSIONAL DUTY AND EXEMPTIONS) AMENDMENT BILL

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

MINISTERIAL STATEMENT: FEDERAL INDUSTRY STATEMENT

The **Hon. J.C. BANNON (Premier and Treasurer)**: I seek leave to make a statement.

Leave granted.

The **Hon. J.C. BANNON**: I would like to outline to the House a preliminary response from the South Australian Government to the industry statement delivered by the Prime Minister yesterday. The measures outlined in the statement and accompanying documents are of vital importance to the future of industry in Australia and this State. As I said at a news conference yesterday, the industry statement was disappointing because it took a general approach and did not take sufficient account of the impact on particular sectors of industry. In addition, while everyone would agree with the major objective of the statement—namely, the need to make Australia more competitive—not enough consideration has been given to the regional impact of the measures announced.

I refer in particular to the effect on the automotive industry in South Australia, which accounts directly for 15 per cent of manufacturing activity, and the textile clothing and foot-wear industry. However, the hard fact is that the measures announced yesterday will be the conditions under which South Australian industry will have to operate during the 1990s. Therefore, we must make the most of the situation. There is no point in simply throwing up our hands and saying we give up. In fact, the very opposite response is required. Government, industry and unions must redouble their efforts to make South Australia even more competitive and even more export oriented. A comprehensive analysis is already underway to determine the impact of the measures announced in yesterday's statement on all sectors of South Australian industry. The results of that analysis will help us determine our stance in meeting the challenges of the 1990s.

The analysis will be released on Friday week and will be discussed extensively with industry and unions. One of our areas of priority will be the automotive industry. A high level task force coordinated by the Minister of Industry, Trade and Technology will be established with representation from the major car manufacturers, component suppliers and trade unions to see where competitive benefits can be gained for South Australia. Our objectives are clear: world competitiveness in productivity, quality and cost. The task force will also be involved in looking at the external environment to identify areas in greatest need of micro-economic reform.

In addition, I have instructed the Minister of Industry, Trade and Technology to begin an immediate investigation to determine how the South Australian Government and

industry can take maximum advantage of assistance measures announced in yesterday's statement. We believe that there are some areas covered by the statement where South Australia is presented with new opportunities to build on already impressive growth and skills. For example, I refer to our State's track record in seeking and gaining Commonwealth assistance in establishing education and training programs. In particular, we will be looking at how South Australia's aerospace and information industries can capitalise on the assistance measures announced yesterday and we will be making representations to the Commonwealth on the strengthening of Austrade's regional offices.

The Government is also concerned at the lack of capital available at reasonable cost to small and middle sized businesses for long-term, productive capital investment. Such capital availability is essential for the development of Australian industry and we will be pressing the Commonwealth for the establishment of the proposed development capital fund as a matter of urgency. In these areas and other industry sectors, we will be working together to coordinate a positive South Australian response—a whole-of-State policy which recognises our potential and our skills. We have been presented with the most significant industry challenge for decades. My Government is determined to ensure that all South Australians are given the best opportunity to benefit.

QUESTION TIME

MICRO-ECONOMIC REFORM

Mr D.S. BAKER (Leader of the Opposition): Will the Premier advise whether, in light of his statement today, the South Australian Government will convene a major conference on micro-economic reform in the near future to give South Australian industry, primary producers, unions and other interested parties the opportunity to put firm proposals to the Government for changes that will encourage the growth and diversification of the State economy and, as a result of such a conference, will the Government also give a commitment to announce, in conjunction with the next State budget, firm and specific action to achieve long-term reform in the public sector as a lead to other sectors to become more productive and efficient?

The Hon. J.C. BANNON: As I have just outlined in my statement, we are undertaking a detailed analysis that will be released next Friday, and we will be meeting with industry and other leaders to discuss it. Secondly, the long-term plans involved have been outlined on a number of occasions in this place and, when opportunities arise, they can be debated. Finally, in relation to the extensive public sector efficiency, productivity and reform, I simply refer members to my statement of 12 February in this place.

INDUSTRY STATEMENT

Mrs HUTCHISON (Stuart): Will the Minister of Employment and Further Education give his response to the further education and training measures announced in yesterday's industry statement? Reports indicate that an extra \$325 million will be injected into further education and training programs over the next three years to prevent skill shortages after the recession. These target apprentices, retrenched people and the unemployed. In addition, research and scholarship resources to our universities have been increased.

The Hon. M.D. RANN: The Federal Government has recognised in its industry statement that more assistance was needed for apprenticeships and training during the current recession, and members will recall that, back in February, I called publicly for the Commonwealth to subsidise the employment of those apprenticeships whose continued employment is genuinely threatened, provide for an expansion of pre-vocational training, and provide subsidies and support to enable apprentices whose indentures have been suspended to complete their training. I am pleased that initiatives such as these have been included in the Prime Minister's industry statement. Obviously, while much of the Prime Minister's statement is of concern, particularly in the area of tariff reductions, training initiatives are needed and welcomed, particularly at this time.

In the House the other day I mentioned that pre-vocational and pre-apprenticeship training has always been an important transition path for young people joining the labour force and a valuable supplement to apprentice training. Members will recall that in 1988 half the pre-vocational places were funded by the State and the other half by the Commonwealth. Unfortunately, at the end of 1989 the Commonwealth pulled the plug on its support and we had to pick up the tab for those places in 1990—\$6 million worth. Yesterday, the Commonwealth Government indicated that it has now recognised the need to increase TAFE vocational places with its announcement of a \$50 million program to create an extra 10 000 places. It is also important that the long-term unemployed are not forgotten, and I am pleased that with that announcement was the introduction of Jobskills, a \$70 million work experience program.

In South Australia in January we took the initiative in this area by launching a new training program that combines on-the-job skills with formal training at TAFE. In addition, an extra \$21 million over three years has been allocated for developing literacy skills amongst workers and the unemployed, and this complements the extensive work which is being done by the State Government and in which South Australia is clearly a national leader. We also applaud the increased funding for research scholarships, both in Australia and overseas, which will provide added support to the development of the State's intellectual capital, and that is most welcome. In short, the Federal Government has recognised that training is a vital component of Australia's future economic recovery.

STATE GOVERNMENT INSURANCE COMMISSION

Mr INGERSON (Bragg): My question is directed to the Treasurer. What are SGIC's usual criteria for seeking reinsurance on potentially large liabilities, were they followed in respect of the \$520 million 333 Collins Street, Melbourne put option and, if not, why not?

The Hon. J.C. BANNON: I will refer that question to the SGIC for a response to the honourable member. Of course, SGIC would take advice and, indeed, it takes independent advice on these areas before making some assessment.

PRESCHOOL TEACHERS

Mr FERGUSON (Henley Beach): Will the Minister of Education and Children's Services indicate when preschool teachers will gain pay rises to match those of the South Australian State schoolteachers? I understand that on 1 March the Industrial Commission decided to award pre-

schoolteachers and directors of the State's 325 kindergartens pay rises in line with the pay rises awarded to teachers in October last year.

The Hon. G.J. CRAFTER: I can advise the honourable member and the House that our preschool teachers did gain very substantial salary increases recently from the State Industrial Commission. The pay rise means that the 1 200 preschool teachers in our children's services programs will gain a new salary of up to \$38 200 per annum. It also provided for a similar 9.02 per cent pay rise for directors of the State's 325 preschools. The percentage pay rise will be phased in with half the increase being paid from 1 March and the remainder from June this year. The phase-in was agreed on this occasion by the South Australian Institute of Teachers and, therefore, it differs markedly from the pay increase which teachers receive and which was ordered to be paid in full and backdated to 11 October last year.

All members would know of the financial difficulties that have been caused to the Education Department in managing that pay rise, which amounted to almost \$60 million in a full year, to be paid in that way, despite the fact that there was an undertaking by the Australian Teachers Union, the federal body of teacher unions in this country, to allow for the phasing in of that increase, but that was rejected by the local union and has been the cause of subsequent difficulties for our school system.

The pay rises that have now been granted to all education workers in this State highlight South Australia as a national leader in providing the higher salaries for all categories of teachers in Australia. Indeed, in those conditions of employment and in most other conditions of employment, South Australia is leading this nation and is well above national averages. The decision will cost the State Government more than \$2 million annually and will increase the cost to the Children's Services Office's salaries for preschool teachers to more than \$28 million per annum. However, I should place on record that it is the view of the Government that our preschool teachers and directors deserve a pay rise and, obviously, the value will be passed on to children through further improvements in the quality of our already highly regarded childhood education services.

STATE GOVERNMENT INSURANCE COMMISSION

Mr S.J. BAKER (Deputy Leader of the Opposition): Has the Treasurer been advised that as a result of SGIC actions not contemplated by this Parliament the contingent liabilities of the State needed investigation, have these liabilities been investigated and, if so, how large are they, and will he table in the House tomorrow any communication he has received from the Treasury on this matter? I have been informed that in April 1990, shortly before he joined the SGIC board, the then Under Treasurer (Mr Prowse) wrote at least two letters to the Treasurer concerning the extent of SGIC's financial and credit risk business which he said was not contemplated by Parliament under the SGIC Act. The letters also stressed the need for the Government to assess the contingent liabilities of the State resulting from this expanded use of SGIC's Government guarantee.

The Hon. J.C. BANNON: As I have already announced, a review is being undertaken into the SGIC, its finances and its exposure. This review, which is currently under way, is being led by Mr John Heard, a leading Adelaide accountant, Professor Scott Henderson and former bank manager, Mr Dick McKay. I would expect that review committee to look at all those questions, including the question of overall contingent liability on the SGIC and, obviously, its findings will be made public when they are received.

Members interjecting.

The SPEAKER: Order!

PERSONAL ALARMS

Mr HAMILTON (Albert Park): Will the Minister of Health advise of the use of personal alarms for the aged, their availability and whether such alarms can be rented or purchased by frail aged citizens? I have been advised that these alarms are invaluable for aged persons, particularly those who live by themselves. I am advised also that these alarms have been instrumental in assisting many people who have fallen over and broken limbs.

The Hon. D.J. HOPGOOD: The honourable member's attention might have been drawn to a press announcement of some time ago that Western Australia was moving into this field. I read it with some interest and noted with some satisfaction that we are already there. Four systems are currently available commercially, and those who have the means can simply buy those systems over the counter, although some modification has to be made to the domestic telephone system, because it is through that system that the call for help is conveyed.

The system is normally worn as a pendant on a chain around the neck. It can be activated easily by the individual. This activates a black box on the phone and, in turn, that signal goes to a control centre, and operators at the control centre know who they should be alerting to the fact that there may be an emergency in that home.

There are 17 of these systems already on loan from the four metropolitan regions of Domiciliary Care. In addition, the systems are known and can be made available from 16 country centres, ranging from Mount Gambier across to Port Lincoln. In 1988, the RDNS was funded to do a survey of the four systems commercially available, and it reported that all of them were satisfactory. I do not think it is necessary to indicate any sort of ranking order, nor indeed was that the idea. The idea was simply to ensure that all of these systems did what they purported to do.

So, the system is in operation. The normal arrangement would be that, where need can be shown, the basic costs would be met through Domiciliary Care, and the individual would pay the costs of so many phone calls as might be involved in the use of the system, which one would expect would be pretty rare. The important part is, of course, the insurance of having the system there if one needs it.

It is a pretty good system. It is one that I think is meeting a need. I also point out that Telecom has recently announced what it calls a delayed hotline service, whereby simply by shifting the handset, or lifting the handset, I guess—anyway, disturbing it in some way—a pre-arranged, pre-dialled number will automatically be alerted, and that would probably be the number of a carer or a relative, who could be called to the scene. A number of these devices are available either commercially or through Domiciliary Care to those who do not have the means but who need them. I suggest that if the honourable member has any particular constituent in mind he should refer that person to Domiciliary Care.

STATE CONTINGENT LIABILITIES

The Hon. B.C. EASTICK (Light): Will the Treasurer table any correspondence he has had from the former Under Treasurer, Mr Prowse, on the issue of contingent liabilities of the State and, if not, why not?

The Hon. J.C. BANNON: I will examine the implications of that question and respond appropriately.

Members interjecting:

The SPEAKER: Order!

Mr S.J. Baker interjecting:

The SPEAKER: Order! The Deputy Leader is out of order.

SCHOOL AND INDUSTRY

Mr ATKINSON (Spence): Will the Minister of Education provide to the House details of the initiatives he proposes this school year to foster relations between schools and the world of work? In 1989, the second Bannon Government declared a Year of School and Industry. The aim of that year was to give pupils practical insights into employment and career opportunities.

The Hon. G.J. CRAFT: I thank the honourable member for his question. Indeed, the Prime Minister's statement yesterday clearly indicated the importance of the education of schools in relation to the role that they might play in restructuring the economy of this country. I am pleased that 1989 was declared the Year of School and Industry, because that has placed our schools in a very advantageous position with respect to the development of our curricula and, indeed, the ethos of our school system, so that it can embrace that relationship in a much more concrete way than it has previously.

There have been significant developments in recent years in bringing schools and industry closer together, for the benefit of young people and the community as a whole—a relationship that I believe has been very much under-rated in the past. Our schools, in particular, are to be applauded for taking the initiative in building links with local businesses and industry across the length and breadth of South Australia. This approach is in keeping with the three-year plan of the Education Department, which highlights the need to improve the school curricula and the process of teaching and of learning.

A key strategy towards that goal is to build better links between education and the world of work. This year we will build on the success that we have already had in placing teachers into industry so that they can gain first-hand practical experience that they can bring back into the classroom to improve the curriculum and learning opportunities for our students. As in previous years, this year secondary students will take part in practical work experience, and that is now a very well-established program throughout our education system.

However, a new initiative this year will provide more students from all school years with the opportunity to visit a wide range of industries and relate those visits to the work they are doing in the classroom. This program is called 'Visits' and has been developed by the Education Department with the excellent support and cooperation of the Chamber of Commerce and Industry, the Engineering Employers Association of South Australia, the Housing Industry Association—and from memory I believe that that is in the electorate of the honourable member who asked this question—the American Chamber of Commerce in Australia and the United Trades and Labor Council of South Australia.

I want to acknowledge the ongoing support that those organisations have given our schools through this program and in other aspects of education. Currently a Register of Businesses and Industry is being developed to provide schools with a one-stop shop access to industries willing to

involve students in visits and other activities. I understand that already about 130 South Australian businesses from various industry sectors have made a commitment to be part of this new 'Visits' program. That response is very much welcomed and reflects the value that I believe our local industry places on education and on the need to foster and develop the skills young people need to live and work successfully and responsibly in the future.

STATE GOVERNMENT INSURANCE COMMISSION

Dr ARMITAGE (Adelaide): Will the Treasurer ensure that SGIC voluntarily complies with the requirements of the Commonwealth Insurance and Superannuation Commission and the Life Insurance Act and, in particular, schedules 1 and 2 of that Act and recent ISC circulars which deal with reporting, asset valuation and solvency?

The Hon. J.C. BANNON: I will examine the implications of the question. I point out that the SGIC has certain restrictions on its area and mode of operation which may in fact make some of those standards inapplicable or unreasonable to apply to—

Members interjecting:

The SPEAKER: Order!

The Hon. J.C. BANNON: —that organisation. I would have thought that any South Australian dedicated to an active, viable financial institution of that kind—

The Hon. Jennifer Cashmore interjecting:

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

The Hon. J.C. BANNON: —would be very keen to ensure that the SGIC not only had all the advantages possible within those restrictions to which I have just referred but also was performing strongly for South Australia.

An honourable member interjecting:

The Hon. J.C. BANNON: Indeed, as the honourable member's interjection demonstrates, SGIC has been a major and substantial investor in South Australian equities. By so doing it not only has returned financial benefits to the State and made good profits on it but also has ensured that we have been able to maintain those operations on an expanding basis.

I give one example: South Australian Brewing Holdings. Where would that be today if the SGIC did not have a long-term commitment to that company? We know very well that it would be off interstate under the Elders heist that took place and dissipated in whatever way would have suited those controllers in Victoria. That did not happen. In fact, SAB has consolidated and developed its strength in South Australia and by those means has become a top performing company. One of its investors at a crucial time was the SGIC, and thank goodness it was, Mr Speaker. It was only when the SGIC deemed that the time had come for commercial reasons to divest itself of some—not all—of its holding that it was actually reduced. I make the point again: if the member for Adelaide has an interest in South Australia then he would also have an interest in acknowledging the major achievements that SGIC has made without a cent of Government capital and without a cent of taxpayers' money having gone into it. That is the situation, Mr Speaker.

Members interjecting:

The SPEAKER: Order! The Deputy Leader is out of order. The member for Walsh.

WATER SAMPLES

The Hon. J.P. TRAINER (Walsh): Will the Minister of Water Resources advise the House of the actual quality of the three tap water samples referred to in an article last Saturday in the *Weekend Australian* newspaper, an article which appeared to reflect badly on the standards of Adelaide water? I understand that the samples came from the homes of three staff members of that newspaper.

The Hon. S.M. LENEHAN: I am amazed at the information that the honourable member has provided to the House, that the samples upon which the front page lead article in the *Weekend Australian* was based were from the homes of three journalists who are employees of the *Weekend Australian*. Those samples, I understand, were then sent to Professor Wootton at the Food Industry Development Centre. As members would know from the ministerial statement I gave to this Parliament yesterday, the E&WS immediately took a series of samples from the three addresses, in terms of the streets, at Peterhead, North Adelaide and Goodwood. I shared with Parliament and the people of South Australia the results of the testing of those samples by the State Water Laboratory. However, my department and I were not satisfied with those results. We believed that those samples—

Members interjecting:

The SPEAKER: Order! Members on both sides of the House are now becoming unruly. The member for Bragg is constantly interjecting and there is noise from the member for Napier. The Chamber will come to order and listen to the Minister's answer.

The Hon. S.M. LENEHAN: Thank you, Mr Speaker. As I indicated in my ministerial statement yesterday, the department collected samples from these homes when we were able to ascertain the addresses where the samples had been taken. We then sent those samples across to the Food Industry Development Centre at the University of New South Wales, to Professor Wootton, who was named in the article as the person who conducted the tests.

I am delighted to inform Parliament that in fact the tests have indicated—and they were conducted, I would remind the House, by Professor Wootton—that zero faecal coliforms of any kind were present in the three samples. What this indicates, I think, is that this was probably one of the most interesting journalistic beat-ups we have seen in our time—

Members interjecting:

The SPEAKER: Order! I have previously warned the House about this wave of noise. The Chair will be listening for the loudest voice, as I have told honourable members before, and that person will be warned.

The Hon. S.M. LENEHAN: As I said in my ministerial statement, and indeed in answer to a number of questions in Parliament yesterday, the Government and the department are prepared at all times to strive for the best quality water that we can achieve in this State, bearing in mind that we start with the poorest quality raw water of any State in the country. Having said that, I would have thought that it is appropriate that both sides of this Parliament support a fair go for South Australia in terms of the kind of reporting about the quality of our water and, indeed, in terms of the reputation that this State is trying to achieve in respect of attracting tourists, visitors, business and industry.

The article in question tried to peddle information that was not based on scientific analysis in the sense of proper scientific protocol; instead, it was based on samples taken from homes of journalists. The testing that followed purported to be some kind of pure scientific analysis upon

which the reputation of this State and the quality of our water is based. I have to say that this certainly raises grave questions with respect to propriety. I hope that other areas of the media take up this particular matter and report it accurately and fairly. Therefore, I am delighted to provide these results to Parliament.

STATE GOVERNMENT INSURANCE COMMISSION

The Hon. H. ALLISON (Mount Gambier): Will the Treasurer advise whether SGIC's General Manager received any fees for his multiple directorships mentioned yesterday in the House, and will those fees be included in details of the total remuneration packages paid to senior SGIC executives and commissioners which the Treasurer is still to release? In September 1990 the Public Accounts Committee released to this Chamber a report into the accountability of statutory authorities, Government bodies and those in receipt of Government funds. That report stated:

The committee supports the disclosure of directors' and executives' remuneration and considers that such disclosure is particularly important for payments made to directors and executives of statutory authorities.

On 12 December 1990 the member for Davenport asked the Treasurer to ensure that full details of the remuneration packages paid to senior SGIC executives and commissioners were released with the delayed 1990 SGIC annual report. They have still not been released.

The Hon. J.C. BANNON: I do not have those details. I imagine that, in a case where the General Manager was on a board in a private or separate capacity from his role as General Manager, he would be entitled to fees and no doubt would receive them. However, I will refer the question to him.

HOMELESS YOUTH

Mr De LAINE (Price): Will the Deputy Premier, as Minister of Family and Community Services, inform the House of the effort the Government has made to respond to the needs of homeless youth in South Australia, in particular with the provision of emergency accommodation?

The Hon. D.J. HOPGOOD: Since Commissioner Burdekin brought down his report some two to three years ago, he has seen his role as somewhat of an auditor, which is an important role for him to undertake. He has moved around the States, inviting them to give an account of their stewardship in this area, particularly given that the Supported Assistance Accommodation Plan (SAAP) is very much the child of that report and it is important that such moneys as have been made available under this joint Commonwealth-State scheme should be used in the most cost effective way possible.

I had the opportunity to front up before Commissioner Burdekin late last year to give an account of the State's stewardship. I was very pleased to note, in an article published in the *Advertiser* of 4 December, that Brian Burdekin was very pleased with the response from South Australia and he felt that, in some respects, we were well ahead of other States in the way in which we have been able to match our programs. I will refer briefly to three. First, the State youth strategy. The Minister of Youth Affairs may be the best person to comment on this, but it assists disadvantaged young people to remain in secondary education and to take up training to better fit them for the work force. That has been an important adjunct to the basic accommodation programs run under SAAP. Secondly, the Students at Risk

program run by the Education Department is a further excellent means of trying to identify students at risk and give necessary family support.

Last year I was pleased to announce a grant of \$170 000 to the Adelaide Central Mission—and this is the third program—as part of the Parent/Adolescent Counselling Services (PACS), which attempts to reunite young people with families that they have recently left. The service also tries to identify families at risk and to do something preventative before any breakdown occurs resulting in further demands for emergency housing. All of these schemes are currently achieving their objectives. Under the SAAP and HACC programs we have a mechanism with the Commonwealth that enables us to continue to have an overview of that effectiveness.

STATE BANK

The Hon. P.B. ARNOLD (Chaffey): My question is directed to the Premier. Who is currently responsible for the insurance coverage of the directors and officers liability of the State Bank, has SGIC ever been approached to insure against this liability, if so, when, and why was the business refused?

The Hon. J.C. BANNON: I will take that question on notice and provide a considered reply to the honourable member.

EXOTIC TREES

Mr FERGUSON (Henley Beach): Will the Minister for Environment and Planning inform the House what action the Government has taken in relation to the trees along part of the Sturt Creek? An article in the media claimed that a Liberal member has accused the State Government of wanton vandalism over the destruction of more than 60 historic trees along part of the Sturt Creek in southern Adelaide. The member for Hayward, Mark Brindal, said that the exotic trees, many of them more than 100 years old, were cleared by SACON with the aim of recreating a native riverine environment, but that this was done without regard for the trees' historic significance to the State. Mr Brindal says they were part of the Fairford property which was begun in 1843 and which was recently given heritage listing. He said that the trees included a fully bearing fig tree more than 100 years old, weeping willows, an ash tree and a 20 metre silky oak.

The Hon. S.M. LENEHAN: I thank the honourable member for his interest in this matter and for his ongoing environmental consciousness and—

Members interjecting:

The SPEAKER: Order! The honourable Minister.

The Hon. S.M. LENEHAN: I was going to say that I was prepared to acknowledge the environmental awareness and support of environment issues of the member for Hayward; however, in this instance I would like to put on the table the facts of the matter. First, let us start with the house. The house, I am informed, is not heritage listed. Secondly, I am informed that no heritage trees were removed and, thirdly, I am also informed that the fig tree, which is over 100 years old, in fact has not been removed but has been retained at the rear of the property. Having said that, in fairness, I would like to—

Members interjecting:

The SPEAKER: Order! Members on both sides of the House will come to order.

The Hon. S.M. LENEHAN: In fairness to the honourable member, because I am not suggesting that he has in any way deliberately misled the community—and I think it is important that we clarify this situation—I would like to inform him that discussions were held with the Marion council and the Botanic Gardens before any tree felling took place. I would also like to inform the House that the aim of the parks landscaping development is to restore this private estate and make it available for public usage and public enjoyment. Riverine access will be provided and the Sturt River is being cleared of weeds and what are commonly called 'weed trees' to increase its winter carrying capacity. Beautiful, large river red gums are being retained and their visibility will be enhanced by the clearance of overgrowth.

In addition, it is correct that some exotic trees planted by earlier occupants are being retained and, indeed, some are being removed. I would like to acknowledge the concern that some of the local residents might have, because some of them have grown up with this vista of these exotic trees and they are familiar with the number of trees, some of which are destined for removal. At the moment, work is in progress and I would have to acknowledge that the site probably looks its worst and that the restoration is not complete; certainly it is not yet visible. However, I inform the House that within five years this entire stretch of the river should have retained the sense of maturity that is now currently recognised by the local residents.

I hope that the honourable member will convey to his constituents that, while some of these exotic trees will be removed, it is intended that the final vista certainly will be much improved and enhanced. The future setting of the Sturt River will portray the retained river red gums in all their grandeur and they will complement an attractive, picturesque setting in the company of a number of retained exotics.

I will offer a little bit of advice. If the honourable member is concerned in the future, he might like to contact my office and we will provide him with accurate information regarding heritage listings of buildings and of trees.

WATER SUPPLIES

The Hon. D.C. WOTTON (Heysen): My question is directed to the Minister of Water Resources. Why did the Government's own targets for water quality, referred to in tables provided by the Minister yesterday, fall far short of accepted standards and, as some filtered supplies fail to meet these standards, what assurances does the Minister give to those areas still receiving unfiltered water that their supplies are safe to drink?

The tables produced yesterday by the Minister identify that the National Health and Medical Research Council and the World Health Organisation recommend that 100 per cent of samples should be free from faecal coliforms and that 95 per cent should be free from coliforms. The readings revealed yesterday by the Minister show that some samples are up to 17.4 per cent below the standard for coliforms. In addition, the Government's own targets fall far short of these standards. The Government's target for samples free of coliforms is 80 per cent compared with the recommended 95 per cent, while there is only a 90 per cent target for unfiltered water free of faecal coliforms, a fact which is of great concern to communities in the Adelaide Hills, for example, and elsewhere that are not part of any future filtration program.

The Hon. S.M. LENEHAN: I find it quite amazing that the member for Heysen, notwithstanding information that

is provided, notwithstanding the fact that he is quite prepared to try to destroy the reputation of—

An honourable member interjecting:

The SPEAKER: Order! Yesterday, the member for Heysen stretched the Standing Orders. I draw his attention to that fact. The honourable Minister.

The Hon. S.M. LENEHAN: It is interesting that the honourable member has to try to adopt some kind of standover tactic—

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order! I ask the Minister not to provoke members in the Chamber.

The Hon. S.M. LENEHAN: Thank you, Mr Speaker, I will not provoke the honourable member. It is interesting that members of the Opposition are not prepared to accept that South Australia has water that is healthy and safe to drink. I do not know how many more times we will have to put this on the public record. The senior environment and public health officer in this State was in print this morning and indeed, again, he has appeared on a number of media programs reaffirming that. I will go through the situation for the honourable member one more time. The results that were portrayed—

Members interjecting:

The Hon. S.M. LENEHAN: We now have a little bit of theatre. I hope it is not theatre of the absurd. I am sure that the cameras have caught this little bit of theatre from the member for Heysen.

The SPEAKER: Order! The Minister is correct. The member for Heysen knows that it is out of order to make displays in this Chamber, and to carry something across the Chamber is really stretching the Standing Orders. I have had occasion on two days—

The Hon. S.M. Lenehan: Being silly.

The SPEAKER: Order! —to speak to the member for Heysen, and I will not talk to him again about this matter. The honourable Minister for Environment and Planning.

The Hon. S.M. LENEHAN: I intend to give a fairly full answer to this question notwithstanding that the Deputy Leader actually put the honourable member up to this little bit of theatre.

The Hon. J.P. Trainer interjecting:

The Hon. S.M. LENEHAN: Thank you. I actually drink the water here.

Members interjecting:

The SPEAKER: Order!

The Hon. S.M. LENEHAN: Mr Speaker, shall I continue?

The SPEAKER: The honourable Minister.

The Hon. S.M. LENEHAN: The results as outlined in the newspaper this morning related not to water leaving our filtration plants but to water at a number of tap sites around South Australia where the water has, in fact, left the filtration plant or where the water is not filtered, such as the Barossa Valley and Myponga, amongst others, and has reached the tap. I would like to put on the public record that the quality of the water leaving the filtration plants is in fact as high as, if not higher than, that of the water in any other State in this country.

Members interjecting:

The Hon. S.M. LENEHAN: I am quite happy to explain the reason why we do not have water that is 100 per cent free of coliforms all the time. I thought that that was probably the basis of the question I was asked; if the Opposition does not wish to hear the answer, that is fine, but I think members on this side of the House would like to hear it. The fact of the matter is that the water leaving our

reservoirs, in terms of the water which goes through the filtration plants particularly, and also the water which is leaving the other areas and which has been disinfected, is free from bacteria, and the tests are continuously showing that.

Let me explain the situation. We have in this State some 24 000 kms of pipe, and this includes country areas. There is some 15 600 kms of pipeline in the country areas and 8 500 kms of pipeline in the metropolitan area. Much of this pipeline through which the water traverses is fairly old—

The Hon. P.B. Arnold: It should be replaced.

The Hon. S.M. LENEHAN: I am delighted at the support from the member for Chaffey, a former Minister of Water Resources. He does acknowledge that much of that pipe is fairly old, and what he suggests is what the Government is proposing to do. Also, in many cases the pipe is above ground and is in the sun. We have a very hot climate and we are aware of the need continuously to test the water at tap sites around South Australia. Results from this show (as indicated in the information I tabled yesterday) that we have a record of some 98 per cent freedom from coliforms, and this testing has been continuous with over 1 000 tests in a 12-month period.

I put to the House that that record is equal to anything in this country. The evidence that has been presented to me indicates that there is no reticulated system in the world that can deliver to every single householder at the end of that system water that is 100 per cent free from any coliforms. It is time that members of the Opposition understood this fact. Are they suggesting that somehow we ought to provide distilled water to every household? If so, it would be very interesting to see how we might pay for that. The former Minister, for example, well knows how professional and conscientious the E&WS Department is in its thorough sampling and testing on a continuous basis, and, when there are any levels that are in any way above what is considered to be appropriate, immediate action is taken to localise that problem and to disinfect that local area.

Again, I give the people of South Australia the assurance that we have water that is healthy and safe to drink. I do not make the claim that we have the best quality, in terms of things like colour and, in some cases, salinity, because that would not be correct—and all members know why. It is, of course, because we have the poorest level and quality of raw water of any State in Australia. I will be looking for support, particularly from the member who asked this question, the shadow Minister of Water Resources, when we want to take action to preserve the integrity and quality of the catchment area in the Mount Lofty Ranges. I am sure that I will have his support—notwithstanding, as my colleague reminds me, that he will probably wash his hands of this matter; but I will not allow him to do that.

ELECTRICITY TRUST

Mr QUIRKE (Playford): Will the Minister of Emergency Services indicate what atmospheric protection initiatives are being undertaken by the Electricity Trust of South Australia? Much community concern has been raised about the increasing quantities of greenhouse gases being released into the atmosphere. As electricity generation is a major contributor to the release of such gases, it would be useful to know what measures are being undertaken by the local generating authority to minimise the problem.

The Hon. J.H.C. KLUNDER: I thank the honourable member for his question. He has expressed a concern that

I am sure is shared by many members of this House. The Electricity Trust already has in place a number of measures to minimise greenhouse gas emissions, and others are under consideration by ETSA itself and by ETSA in conjunction with the Office of Energy Planning. For instance, ETSA has an extensive customer advisory service that can assist its industrial, commercial and domestic consumers with information about the most efficient use of electricity, and it can also provide energy audits to achieve that same objective.

For the past three years ETSA has had a demand management committee which seeks ways of managing the demand for electricity in such a way as to minimise the need for additional plant, thus reducing the volume of carbon dioxide emissions which might otherwise occur. The trust is further developing the sequential waveform distortion technology, which members are no doubt aware was developed in-house and is a way of achieving direct load control which, of course, is a very important tool in demand management.

For those people who are not quite up to date with it, I indicate that there can be no better way of controlling the demand for energy than to be able to switch off the interruptible loads at the power station, which is something that has very seldom been done. The sequential waveform distortion would allow ETSA to do that with remarkable results both in terms of the peak load requirement (in that it could control the peaks) and, by switching off various parts of the interruptible load system, it would be possible to smooth out the requirement for base load and therefore be much more efficient in the provision of power.

The potential of renewable energy resources for both on and off grid applications continues to have ETSA support. As I indicated to the House yesterday, ETSA is providing up to \$100 000 towards the Coober Pedy windmill. Other things that ETSA is looking at are new coal technologies and efficiency improvements within existing plants. In the area of existing improvements within those plants, I have already indicated in this House that the new design of low pressure turbine blades in units B3 and B4 at the Torrens Island Power Station has produced an increase in efficiency of about 1.3 per cent. The decision has now been taken to do that also in units B1 and B2. When all four are in place, on a normal year's figures the amount of carbon dioxide that will be emitted into the atmosphere will be reduced by 31 000 tonnes—a not insignificant amount.

In fact, re-blading of turbines is also being considered as part of the life extension study at the four A station units at Torrens Island. In the area of joint initiatives, ETSA is working with the Office of Energy Planning in expanding the range of appliances covered by the energy labelling regulations (in this I think that Victoria and South Australia are leading the country); in energy demand management studies; in wind energy monitoring; in wind turbine generator evaluation; and in the investigation of coal gasification and combined cycle electricity generation. It is also working with the OEP and SAGASCO on co-generation using natural gas.

Finally, it should be noted that ETSA has long made greater use of natural gas as a fuel for the production of electricity than has any other State electricity authority, and this makes a significant ongoing contribution to minimising greenhouse gas emissions. In fact, in South Australia carbon dioxide emissions per kilowatt hour generated are significantly less than the national average.

POLICE DEPARTMENT COMPUTER

Mrs KOTZ (Newland): Will the Minister of Emergency Services inform the House whether the Police Department's

database has been updated to recognise the transfer of vehicle ownership transactions and to correctly identify the registered owners of those vehicles and, if not, when will that occur? I have been informed that since July 1990 the Police Department's computer database has been incapable of recording ownership transactions notified by the Department of Road Transport. I have been further informed by a constituent, who received a traffic infringement notice recorded against a vehicle which he no longer owned, that in fact the vehicle had been sold twice since my constituent held ownership.

The Hon. J.H.C. KLUNDER: I thank the honourable member for her question. It was indeed a problem within the Police Department. I do not have the immediate details to hand, including the dates by which a very rapid alignment of the computers of the Road Transport Department and the Police Department will take place, but I will obtain that information. There was a difficulty in that it was not possible to get information very rapidly from the Road Transport Department people, to be used by the Police Department. That was recognised and the appropriate steps have been taken. I will obtain for the honourable member details with respect to when the system began or will be in proper use.

RECYCLING

Mr McKEE (Gilles): Will the Minister for Environment and Planning say when South Australian consumers can look forward to being able to have their used plastic fruit juice and cordial bottles recycled and put to productive use, rather than being carted off for land fill? I have received a number of approaches from my constituents and I am also aware that my colleague the member for Albert Park has received similar inquiries from his constituents on this matter.

The Hon. S.M. LENEHAN: I thank the honourable member for his question. It is indeed a very important matter and is an issue that relates to the environment and, therefore, I think it should be taken very seriously. The plastic fruit juice and cordial containers referred to by the honourable member can be divided into two separate types. Some are made of vinyl, and the others—in fact the majority—are made of high density polyethylene or what is called HDPE. Both vinyl and high density polyethylene can be recycled, but as yet very few councils offer a separate kerbside collection for recyclable items, which allows householders to leave plastic fruit juice and cordial bottles out for collection in the confident knowledge that the plastic will be recycled.

I am aware that the Enfield council operates a separate collection service for recyclables in addition to its normal rubbish collection. In fact, I believe that Enfield has now established a suitable market for plastic containers and intends to include HDPE plastics among the items which council residents can put out for collection. The Marion council, on the other hand, does not have a comprehensive kerbside collection system for recyclable items, but it does operate a collection depot for recyclable items twice every month at its Mitchell Park depot. Indeed, I am reminded that the member for Mitcham took part in the launching of that scheme and has given it great support in terms of his commitment to recycling.

The HDPE bottles collected at the depot are sent through National Plastics at Morphett Vale to a firm in Melbourne which actually recycles and reuses HDPE. Unfortunately, at this stage the honourable member's constituents cannot

have their plastic bottles recycled unless they take them to collection depots at Marion or Brunkunga, but I understand that Coles is to install collection bins in its Adelaide stores, and I am hopeful that Coles' shoppers at least will take advantage of the opportunity to recycle their plastic containers.

The present interest in the collection and recycling of HDPE arises from the fact that the Melbourne firm that purchases this particular type of plastic is now prepared to pay around \$250 per tonne for HDPE bottles which have been compressed and baled. Therefore, I am calling, I guess, on local councils and various regional organisations of local government to look very seriously at collecting and baling HDPE bottles for shipment to Melbourne. I am informed that the Melbourne manufacturer of this new product that is being recycled from HDPE is looking for markets in Adelaide, and I am hopeful that local government will take up this offer and this challenge. I also understand that marine dealers in South Australia are giving some attention to operating a collection service for HDPE plastic, but at this stage no final decision has been taken.

In short, I can assure the honourable member that some residents of Adelaide are successfully recycling their high density polyethylene plastic bottles, but for other residents the absence of kerbside collection systems means that a convenient and effective way of recycling their plastic containers is not yet available. I sincerely hope that the situation will be very quickly remedied and we can move to a comprehensive scheme for recycling this type of plastic container.

INDUSTRY STATEMENT

Mr LEWIS (Murray-Mallee): Has the Minister for Environment and Planning considered the resource security policy first announced by the Federal Government last Thursday and included in yesterday's industry statement and, because of its implications for the States and the necessity for joint Commonwealth-State legislation to achieve its objectives, will she say whether the South Australian Government supports this policy?

The Hon. S.M. LENEHAN: I remind the honourable member that the statement was handed down late yesterday afternoon and, yes, I have had the opportunity to read the relevant sections. Can I remind the honourable member that it relates to old forests and to the guarantee—

An honourable member interjecting:

The Hon. S.M. LENEHAN: It is interesting that the honourable member can tell me what is in the statement. I assume that the honourable member who just interjected has read the statement that was put out yesterday. I certainly have and I distinctly recall reading that it talks about the preservation of forests.

Mr Ingerson interjecting:

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

The Hon. S.M. LENEHAN: I am not aware of any great tracts and areas of forests in South Australia, but I have certainly not traversed every square inch of this State. I do not believe that this whole thing relates to South Australia in terms of giving a resource guarantee for logging. Perhaps the honourable member might like to inform me where these forests are located. Are there some magical and mythical forests located in the honourable member's electorate?

An honourable member interjecting:

The Hon. S.M. LENEHAN: The Black Forest! This is quite remarkable. I am being asked for a Government posi-

tion on a statement that was made yesterday afternoon about a matter that does not relate to South Australia. I can only assume that the honourable member has had a slight lapse of memory, because that just seems quite remarkable. Quite obviously, the Government has not addressed the issue, as it does not relate to our circumstances in South Australia.

WORKERS REHABILITATION AND COMPENSATION ACT AMENDMENT BILL (No. 2)

Returned from the Legislative Council with amendments.

STAMP DUTIES (CONCESSIONAL DUTY AND EXEMPTIONS) AMENDMENT BILL

The Hon. FRANK BLEVINS (Minister of Finance) obtained leave and introduced a Bill for an Act to amend the Stamp Duties Act 1923. Read a first time.

The Hon. FRANK BLEVINS: I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This amendment updates the stamp duty cheque exemption, alters the mining concession and closes a tax avoidance loophole. At present the Stamp Duties Act provides for certain exemptions from cheque duty by reference to the Commonwealth (Savings Bank) regulations. Because of the restrictions on the types of organisation which could operate a cheque account with a savings bank these regulations in the past have essentially provided an exemption from cheque duty for a wide range of bodies not engaged in or formed for the purposes of trading or acquiring pecuniary profit.

With the deregulation of the banking industry the distinction between trading bank and savings bank activities has become increasingly blurred. The banks have found it more and more difficult to apply the exemption from cheque duty by reference to the Commonwealth regulations and differences in practice between the banks have begun to emerge. The Australian Bankers' Association has now written to the Treasurer advising him of the pending amalgamation of trading bank and savings bank activities. Clearly a new approach is required to the question of which cheque accounts should be exempt from duty.

It is therefore proposed to redraft the exemption from cheque duty and include a specific exemption embodied in the Stamp Duties Act. The exemption has been drafted to ensure that all charitable, community, sporting and benevolent bodies entitled to and currently receiving a cheque duty exemption continue to do so. However, the exemption will be drafted so that it is clear that it is not available to certain bodies which engage in business activities.

The Government has in the past received representations from certain businesses that they were at a commercial disadvantage with some other private sector organisations because of the effect of the previous Commonwealth regulations which enabled them to obtain a cheque duty exemption. This amendment will put taxpayers on a level playing field. The Government is aware that there is a need to

rationalise the number of taxes that impact on banking transactions, particularly now that the States have technical responsibility for the debits tax. A detailed review of the options will be undertaken pending the transfer of full responsibility for the collection of this tax to the States and the Government's commitment to this process is shown in the Bill by providing the ability to abolish cheque duty at a date to be proclaimed.

One further measure is also included for the sake of uniformity. Up until the passing of the Commonwealth Cheques and Payment Orders Act cheques could only be drawn on banks. The Commonwealth Cheques and Payment Orders Act maintained the traditional meaning of a cheque but also recognised the role of non-bank financial institutions and provided a new form of cheque called a payment order. The Government is not aware of any South Australian non-bank financial institution currently issuing payment orders. As non-bank financial institutions now have a vehicle whereby they can issue payment orders in their own right rather than by their current arrangements through banks for the issue of cheques (upon which duty is paid) it is reasonable that these payment orders be liable to duty on the same basis as cheques issued or drawn by banks. This will ensure competitive neutrality and will maintain the current revenue base.

The same exemptions from cheque duty will apply to payment orders. Amendments are also to be made to the concessional rate of duty (currently \$50) applying to the transfer of interests in mineral and petroleum exploration tenements. This concession was put in place in 1980 to encourage investment at the high risk stage of mineral and petroleum exploration operations and in particular to encourage further exploration to proceed.

The Government has not been satisfied that the concession has achieved its aim as parties can qualify for the concession without providing any guarantee that extra exploration will be carried out. It is therefore proposed to restrict the concessional rate of stamp duty currently applying to transfers of interests in exploration tenements to those transfers where consideration takes the form of a commitment to carry out further exploration work. The concession will also be modified to allow the transfer of a portion of a tenement to receive the benefit of the concessional rate of duty. Additionally the concessional rate of duty is to be increased to \$1 000.

The third amendment dealt with in this Bill is designed to stop a tax avoidance practice by certain unscrupulous operators who have obtained a stamp duty exemption when transferring the registration of a motor vehicle into this State. Applicants will now be required to satisfy the Registrar of Motor Vehicles not only that the vehicle was previously registered in another State or Territory in the name of the applicant but also that the applicant was either a resident and/or carried on business in that other State or Territory.

Clause 1 is formal.

Clause 2 amends section 46 of the Act to include a definition of 'payment of order', and to include payment orders within the definition of bill of exchange.

Clause 3 includes payment orders within the exception to the operation of section 46a so that duty will be chargeable on payment orders, as is the case with cheques, but not on any other form of bill of exchange. New subsection (2) provides for the discontinuance of duty on cheques and payment orders on a day to be fixed by proclamation.

Clause 4 extends the licensing arrangements under section 4Ba (under which banks can issue cheque forms with the

words 'Stamp Duty Paid' printed on the form, and pay the duty at a later date) to the issue of payment orders by non-bank financial institutions.

Clause 5 extensively recasts section 71d of the Act. This provision relates to the concessional rate of duty that applies to certain conveyances relating to petroleum exploration licences. The new provision will apply if the consideration (or part of the consideration) for the conveyance includes an undertaking to engage in substantial exploratory or investigatory operations in the future. The duty payable will be \$1 000 if the value of the conveyance does not exceed the value of the undertaking, or if the value of the conveyance does exceed the value of the undertaking, an amount calculated to give a concession in relation to the value of the undertaking.

Clause 6 sets out various amendments to the second schedule. A number of amendments relate to the duty payable in relation to motor vehicles and recast exemption 15 so that an applicant will be required to satisfy the Registrar of Motor Vehicles that he or she was a resident of the relevant State or Territory, or carried on business there, before he or she can gain an exemption under that provision. Other amendments relate to the duty payable on cheques and payment orders. The duty on payment orders will be the same as the duty on cheques (10c). Exemption 4 is recast. Finally, the existing \$50 rate of duty on conveyances to which section 71d applies is to be removed as a consequence of the substantive amendments to section 71d.

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

HOLIDAYS (LABOUR DAY) AMENDMENT BILL

The Hon. R.J. GREGORY (Minister of Labour) obtained leave and introduced a Bill for an Act to amend the Holidays Act 1910. Read a first time.

The Hon. R.J. GREGORY: I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

It proposes to effect a permanent change in observance of the Labour Day holiday in South Australia from the second Monday in October to the first Monday in October, operative from 1992. This change is proposed after consultation with the Industrial Relations Advisory Council and various sectors of the community at large as a step towards better interstate coordination of public holidays.

The Labour Day holiday is celebrated by other States at different times of the year and the effect of this Bill will align the observance of the Labour Day holiday in South Australia with New South Wales and the ACT. The change will be beneficial for business between these States and will facilitate common holiday long weekend arrangements particularly for Broken Hill.

Labour Day in South Australia was established as a public holiday at the initiative of the United Trades and Labor Council of SA and in a spirit of cooperation the council does not object to changing the date. No objections to the proposal have been raised by members of the Industrial Relations Advisory Council, the Education Department or major employer associations.

A change in dates for the Labour Day holiday will not adversely affect industry or education in this State or incon-

venience employees and their families. I accordingly commend the Bill to the House.

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 amends the schedule to the Act to celebrate the Labour Day holiday on the first Monday in October as opposed to the second Monday in October.

Mr INGERSON secured the adjournment of the debate.

WATERWORKS ACT AMENDMENT BILL

Consideration in Committee of the Legislative Council's amendments:

No. 1. Page 2 (clause 3)—After line 36 insert paragraph as follows:

(ab) may, in relation to all residential land or to a particular class of residential land, fix a series of water rates that increase as the volume of water supplied to the land in a financial year increases.

No. 2. Page 3, line 23 (clause 6)—after '(6), (7) and (8)' insert 'and substituting the following subsection:

(6) The Minister may fix a series of rates under subsection (4) (a) that increase as the volume of water supplied to the land in a financial year increases.'

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

That the Legislative Council's amendments be agreed to.

I am happy to agree to the amendments moved by another Party in the other place. We have no objection to accepting these amendments from the other place because the amendments detailed in the schedule have the effect of enabling the E&WS Department to implement what is known as rising block tariffs when and if required. The ability to apply rising block tariffs in small reticulated water services which are close to the limit in their capacity is an effective way of encouraging conservation of our most precious resource and indeed may provide the only means by which some residents in those areas can be assured of a supply of any kind. As my ministerial colleague the Hon. Anne Levy indicated in debate in another place, a public meeting at Streaky Bay recently requested such a tariff for the local supply to curtail excessive demand and to ensure the continuing viability of their water supply system. I therefore indicate my support for the amendments from the other place.

The Hon. D.C. WOTTON: The Opposition opposes the amendments. We have made perfectly clear that we oppose the legislation very strongly indeed. We believe that the amendments put forward by the Democrats do nothing to improve the situation, and in fact possibly make it worse. It is not good enough, as we said before in debate, for the Government to set by notice in the *Gazette* the threshold value which is currently \$111 000 and which, at the whim of a Government Minister's pen, can be changed to the disadvantage of many South Australians. The Democrats obviously do not think that that goes far enough and are prepared to go even further.

The Opposition has opposed this legislation all the way through. Why should a family living in a house valued at over \$111 000 be subject to an additional tax when we all know that that will mean no extra use of water? I reiterate that everyone on this side of the House supports the need to introduce appropriate measures to conserve water. In fact, at the last election our policy clearly showed how it was designed to achieve that goal.

We also gave notice that a Liberal Government, upon coming to office, would conduct a major review of the ratings system based on the user-pays principle. We recognise that pensioners and superannuants need special consideration to enable them to remain in their homes. As far

as the Opposition is concerned this is nothing more than a Robin Hood tax similar to that proposed by former Minister Cornwall back in 1986. I now refer to a letter received by the Opposition from the Law Society of South Australia regarding this piece of legislation.

It amends the measure of rating residential land that is not situated in the country lands water district. The rating of all other land will not be affected by the amendment. The letter refers particularly to section 65b and states:

... the rates on residential land will comprise—

(a) an access rate payable for the right to the supply of water;

and

(b) a water rate based on the amount of water supplied.

Under sections 65b (2) and 65d (3), the rates payable by a ratepayer will be—

(1) The access rate which will be—

(a) where the value of the land is not more than the median value, the fixed access rate;

and

(b) where the value of the land is more than the median value, the fixed access rate plus a charge at the fixed rate on the amount by which the value of the land exceeds the median value; and

(2) The water rate calculated at the fixed rate on the volume of water supplied in excess of the fixed water allocation.

The [Minister's] second reading explanation of the Bill states:

(1) That the new system will allow greater flexibility in the rating system in that there can be independent changes to each of the separated items to be fixed by the Minister mentioned above.

(2) The water allowance will not be tied to the access rate.

(3) Charges for the first year will be set at a level that will be revenue neutral.

(4) The purpose is to seek a level of cost recovery consistent with economic considerations and a charging system that will encourage the conservation of water resources while maintaining social justice and equity within the community.

Those are the points that the Minister has attempted to spell out in her second reading explanation. The letter from the Law Society further states:

The significant difference between the proposed system and the existing system is that there is no interrelation between the various charges and allowances. In particular, the minimum charge (the fixed access rate) has no relation to the minimum water allowance (the water allocation) and the access rate charged on a property has no relation to the amount of water that may be used without paying additional charges. The water allocation is the same for every property regardless of whether the property is charged the minimum access rate or is charged substantially in excess of that amount.

It may be questioned whether it is socially just and equitable that a ratepayer who pays a high access rate is not entitled to a larger water allocation than a ratepayer who pays the minimum rate.

I [the President of the Law Society] question why, if this proposal is a real improvement on the existing system, it will not be applied to all water rates, not only to residential land. Why is it not also to apply to rural, industrial and commercial properties and to vacant land?

In my view, this system really imposes two different taxes:

(a) a water rate with a minimum charge, the same fixed water allocation for each residential property and a charge for water used in excess of the allocation;

and

(b) a tax based on the value of residential land held by ratepayers where the value exceeds a minimum value.

The tax mentioned in (b) above is, in fact, a tax on the holding of land, that is land tax, and not a water rate.

This is the Law Society of South Australia.

Mr Ferguson: Yes, but what is your view?

The Hon. D.C. WOTTON: If the honourable member had been listening, he would know; he was, or should have been, in the House when this matter was being debated. We made it very clear where we stood. What I am doing now is backing up what I have said with a letter from the Law Society, and I would have thought that the honourable member would give some recognition to the point of view put forward by the Law Society. The letter also states:

The Government abolished land tax on ratepayers' residences some years ago. In my submission, if the Government deems it necessary to reintroduce land tax on residences, it should be honest enough to say so and not disguise the tax as a water rate.

That is exactly what we have been saying all along. It is a property tax, a land tax—you can call it a wealth tax or what you like, but it is absolutely an extra tax on residents.

The Hon. S.M. Lenehan: Rubbish!

The Hon. D.C. WOTTON: If the Minister says it is rubbish, I would like her to explain that to the Law Society of South Australia. I support what the Law Society has said in its correspondence. That is what we have been saying all along and, if the member for Henley Beach had been in the House at the time, he would have recognised very clearly what the Opposition has been saying. We oppose the legislation strongly.

I want to put one other matter to the Minister and seek clarification from her because, as pointed out in the second reading stage, there are many complex issues in this legislation and therefore lots of conflicting views, one of them coming from a person living in an Adelaide suburb who is seeking assistance in obtaining correct information regarding this new charging system. The person who has written the letter is the presiding officer of a strata body corporation, which corporation has received conflicting information. I want to quote from the letter, because I would like the Minister to be able to respond. The letter states:

On the one hand, we were informed that for strata units the allowable amount would be 136 kilolitres per unit. As each unit does not have a separate meter, we were informed that each unit would be charged the same excess amount, irrespective of how much water each unit actually consumed. In addition, we were quoted a fee of \$600 per unit for the installation of individual meters to each unit.

On a separate occasion, we were informed that this was not the case, that the EWS would not install separate meters (even if the units were prepared to pay), and that if an excess water charge occurred it would be charged against the unit that houses the common single meter.

Some of our units have larger garden areas and consume more water than others. The first scenario would make it very difficult to negotiate an equitable cost for each unit whereas, with the second scenario, the units could come to an agreeable arrangement. At present, any excess water charge which occurs infrequently is paid for by the strata body from general revenue.

So, I would appreciate the Minister's providing a detailed reply, because that is just one of a number of questions that have been asked suggesting, as I have said earlier, that conflicting advice has been provided to people regarding this new rating system, and it is imperative that some of this detail be provided by the Minister. I reiterate the position that the Opposition has taken in this matter: we oppose the legislation; we oppose it very strongly indeed. The principle is totally wrong, and this legislation has brought with it a considerable amount of concern within the community. We oppose the amendment that has been proposed in this House today.

The Hon. P.B. ARNOLD: Not only do we oppose this legislation but we oppose the amendment that has come to us from the other place. It is an appalling amendment and clearly indicates just how naive the Democrats are, given that the Democrats moved this amendment. It is easy to understand why the Government has grabbed this amendment with both hands. It is a straightout money grab as far as the Government is concerned and has nothing to do with a scarce resource. Let us clear that up once and for all. We have often heard the Minister say in this House that South Australia is the driest State in the driest continent on earth, and so on.

As far as virgin rainfall and runoff are concerned, that is correct, but it is incorrect in terms of water available to this State. Under the Murray-Darling basin agreement we have

available to us a statutory allocation of 1.85 million megalitres of water per annum, but on average between five million and six million megalitres of water—and I ask the Minister to take this into account—

The Hon. S.M. Lenehan interjecting:

The Hon. P.B. ARNOLD: Just listen. On average, between five million and six million megalitres of water comes into South Australia annually. That means that we have available to us, on average, about three times the amount of water that we actually use in South Australia. The other four million megalitres annually, on average, runs out to sea, and it is only on very rare occasions that South Australia is operating on its statutory allocation for any prolonged period of time.

So let us get rid of the myth that South Australia has a dire shortage of water and that it is a precious resource. Water is a renewable resource: it runs out to sea, it is utilised, it evaporates, it comes back in the form of snow and rainfall, and it comes back down the Murray-Darling system to us. It is not a finite resource: it is a renewable resource. For that reason, the argument put forward by the Minister that we must restrict the use of water in South Australia is absolutely absurd. What we should be doing is utilising the capacity of the E&WS distribution system to its maximum, not only in the metropolitan area but throughout South Australia. We should be achieving economy of scale. We have heard about economy of scale, that there must be throughput to achieve efficiency. That is exactly what the E&WS water supply system needs—it needs throughput. On a metered system, the more water we can put through that system, the greater the return to the Government.

The Minister has referred to the West Coast and the concerns of people in that area. The only reason why they are concerned is that their distribution system is so appalling they cannot get any water through it. However, the majority of the distribution system in South Australia has the capacity to put through additional water. If the Government is serious about greening Adelaide and South Australia, it will encourage people, when water is available, to utilise that water for growing trees and lawns in this State.

Quality of life is very much dependent upon our having a good environment in which to live. If we deliberately set out to restrict the availability of water through a pricing system so that in this dry State of ours people cannot grow trees and lawns around their houses, the quality of life will deteriorate dramatically. That is not the situation. Water is available, and in only a few years are we likely to be confronted with restrictions. When that time arises, it may be necessary in one year out of 10 to apply some form of restriction, but when water is available it should be available to the people to use. As I said, it is not a finite resource: it is a renewable resource, and that is something that the Government ought to get through its head.

Mr FERGUSON: I was disappointed with the contribution of the member for Heysen, the shadow Minister. He took the opportunity to run through almost the same second reading speech that he put to this House not so long ago. I have always been surprised that a shadow Minister would cite correspondence that has been sent to him without making a contribution in terms of what he would actually do if he were Minister. The honourable member said that his Party has been consistent in this matter and that he has opposed everything along the way. I agree that the honourable member has opposed everything along the way, but what would he put in its place? He tells the House that he does not like the present system or the proposals put forward by the Minister, but what does he like? What is his

policy? Can he do anything other than read letters that have been sent to his office?

The Hon. D.C. Wotton: They are pretty important letters.

Mr FERGUSON: The member for Heysen says they are pretty important letters. They may be important letters, but the House would like to know what the shadow Minister would do if he were in the Minister's situation, and that has not been put to us. The member for Heysen continues to pedal the misnomer that this new system is 'a Robin Hood tax'. That is exactly the same proposal that he put forward during his second reading speech.

I suspect that the shadow Minister is under pressure from other members of his Party who are seeking his position and that he feels that he must jump in and oppose everything put forward by the Minister merely for the sake of opposing it. This is not a Robin Hood tax. If the member for Heysen wants to represent this as a Robin Hood tax, he should resist the present system with all his might because, if he defeats the proposition before the House, we will be left with the present system, and that relies on a tax on valuation from the first dollar.

The Hon. D.C. Wotton interjecting:

Mr FERGUSON: The member for Heysen said that he will fix it up. I would be very interested to know, as I am sure would the public, in what way he intends to fix it up, because he has put no proposals before the House. The proposals in front of us at least give a rest to those people who own properties valued up to \$111 000. If the honourable member defeats the system that is in front of us, he will be left with a system that taxes the ratepayer right from the start. I am afraid that that is not being explained properly to the general public.

The honourable member, in his long dissertation, cited a letter from the Law Society which argued against his own case. He wants to support those people whom he wants to keep in-house, and I support that proposition as does everyone. He referred to the additional tax that would be imposed on people in their own homes. I do not agree that it is an additional tax. He then argued against the levy that will be applied to every household. If the levy was not put on every household and if the Government had to find money to run the system, the logical thing would be that those people whom he is trying to protect would be taxed even more. Does he or does he not agree with the Law Society in relation to this issue? If the honourable member agrees with the Law Society's proposition that he read out, he is arguing against his own case, and that is the stupidity of the situation.

The other point that the honourable member made in relation to the Law Society was that commercial, rural and other land is not being brought into the system. One of the reasons for this is the very point that was argued by members on his side of the House. Indeed, in his second reading speech the shadow Minister read out yet another letter from BOMA complaining about what the new system would do regarding shopping centres and the like. BOMA is not affected by this legislation. On the one hand, the honourable member argues, citing a letter from the Law Society which he purports to support, that commercial and rural land should be included in the new system but, on the other hand, in terms of a letter from another organisation, he complains bitterly that such land should not be included. I wish the honourable member would make up his mind.

The member for Chaffey put forward a proposition very similar to that which he made in his second reading speech. No member on this side of the house disagrees that two thirds of the water that enters South Australia eventually finishes up in the sea; it is plain and logical, and everybody

agrees. The only problem is the cost of converting that water to be suitable for use as freely as the member for Chaffey wants it to be used. That is the question. It is a question not so much of conservation as of the total cost involved.

What would be the cost of pumping that water that he wishes everyone in South Australia to use freely? When he addresses that question properly in relation to those capital costs, I feel that he might have a sensible argument. However, at the moment all he is saying is that two thirds of all the water that comes into South Australia is lost into the sea, a notion with which everyone agrees, but, as I say, the problem is the cost of converting that water.

I support the amendment from the Upper House. I have always said that the members in the other place are very wise and that from time to time we are prepared to accept the logic that comes from another place. It is not the proposition that we would want; we suggest something less than the Legislative Council is proposing. However, in the circumstances, and having regard to the laws of numerology, I will support the proposition before the Committee, and I hope that every other member here is prepared to do the same.

Mr S.J. BAKER: I will be very brief. We have just heard an incredible contribution from the member for Henley Beach. Obviously, for the Government this is manna from heaven. The silly Democrats upstairs said, 'Look, we are on this conservation kick, so what we'll do is put this conservation measure into the Bill'—this so-called conservation measure. The Minister thought that this was fantastic; she did not dare do it from the very start, because there would have been riot in the streets. However, she then thought that, because the Democrats had introduced it, that gave her an imprimatur to follow through with the measure. Let us be well aware of what this measure does exactly.

It provides the Government with a never ending gravy train, and allows it to get at people's pockets. Let us be quite frank about this. I received a letter today, too, the Minister will be pleased to note. It came from someone who has a block up at Belair. He asked me what he could do about the situation he was in. He said that he was trying to conserve his property and to beautify it. He pointed out that it was a strange shape, that it was difficult terrain and that it required water for upkeep. He told me that he was always into excess water, and asked whether there could be a system which penalises less those people who are required to use water, even though judiciously. That letter was rather interesting.

Importantly, what the member for Chaffey said is quite accurate. The extent to which one uses water is not necessarily the key issue, because we have more than enough water in this State. I do not know the exact statistics, but I suspect that, say, 95 per cent or 98 per cent of Murray River water flows into the sea. So, there is never any difficulty about getting water out; the problem concerns quality controls that have or have not been placed on that water over the years by this Labor Government.

The Hon. S.M. Lenehan: That's nonsense.

Mr S.J. BAKER: We have seen the results of this; we have seen the headlines about the mismanagement of our water resources by the Minister or her former colleagues. This is quite clear. We have spent three years of the past 20 years in Government. For 17 years of the last 20 years the Labor Government has mismanaged our water resources. At least the former Liberal Minister of Water Resources attempted to do something about water quality, through the River Murray Commission. Everyone would remember the

efforts made by the Hon. Peter Arnold to improve the quality of water in this State.

This measure provides that the Minister, or her successors, has the right to gazette a rate. That would be the rate to apply. That is an enormously powerful tool available to a Minister—in a Government which is short on revenue, a Government which is bankrupting this State, and a Government which has just lost \$1 billion of State Bank money, which it has to recoup. I find it absolutely incredible that the Minister would even contemplate bringing this measure before the House.

The Hon. S.M. Lenehan interjecting:

Mr S.J. BAKER: The Minister is bringing this before the House. Her colleagues in another place supported the proposition. Everyone in this place knows that the Labor Party members in both Houses, do not support a proposition unless it is the policy of the Labor Party. So, Minister, it has now become the adopted policy of the Labor Party. It is a measure that the Minister would never have dared, in the fullness of debate and time, to put before the people of South Australia. It has now come in through the back door and she is grasping it with both hands. The Opposition thoroughly rejects the proposition, because we believe it is another little measure to make up for that \$1 billion that this State's Premier and Treasurer lost because of his lack of capacity to perform his duties. We believe it is another measure designed to suck at the pockets of the beleaguered population of this State. We reject it.

The Hon. E.R. GOLDSWORTHY: I made my views perfectly clear during the second reading debate. This Government measure is a taxman's dream, and in this case perhaps I could say a tax-woman's dream. It is indeed a movable feast for the Government. We take the value of the property and above that the Government can levy what it chooses, by Government fiat, without any reference to Parliament. Also, of course, the Government can change the price of water. Now another variable is thrown in. The thing that really sticks in my craw in relation to all this is that the Government can, by proclamation, make changes to the water rating system without any reference whatsoever to Parliament. This is a disgraceful state of affairs.

On this occasion, we have the Democrats off on a conservation kick. They think that by charging more, with this block tariff system, that is, where you pay more for blocks of water if you use more water, this will stop people using more water. As the member for Chaffey pointed out, South Australia is not short of water, and the E&WS Department has made that perfectly clear as well. We are not short of water and we are not in the business of having to ration water. However, for some reason, the Democrats believe that this block tariff system will save water.

The Hon. P.B. Arnold: It will just stop the planting of trees.

The Hon. E.R. GOLDSWORTHY: Of course it will. The Government has seized this, though, for a totally different reason. It seized this as a means of raising further revenue. It is all very well for the member for Henley Beach to suggest that the wise people in another place dreamt this up, but it was the Labor Party which seized it. The Labor Party grabbed it with both hands. I would like the Minister to tell us how she contemplates this new block system will work, if and when the Government does in fact introduce it. It is an open cheque. That is the thing that really sticks in my craw about this whole thing, as I said earlier—this idea of paying some money, some tax, to the Government, just for owning a property valued above a certain figure. It was the median figure, but subsequently the Government brought in an amendment making it even more vague. They

apply this on whatever value of a house they like, whatever comes to mind. If they want more revenue, put up the value of the house, or put up the levy. It is an open cheque, a taxman's dream.

However, I want to know how these new provisions will work in relation to the block tariffs. When will they cut in? How much will the Government charge? Parliament will not even be told that, probably. In particular, I would like the Minister to explain what she has in mind in relation to the second of these amendments, for non-residential areas. We have grasped the broad concept of what the Democrats are on about, I think, but how will it work? Let us take a non-residential property, by way of example. I want the Minister to answer this; I hope she is listening.

The Hon. S.M. Lenahan: Of course.

The Hon. E.R. GOLDSWORTHY: So, let us take a non-residential property, where the current system simply carries on; we do not have this artificial setting of a house price—where one pays the Government for the privilege of living in a house above a certain value. Assume the non-residential property is a farming property and has an allocation of 700 kilolitres of water, which is fairly significant for a residential property but is certainly not uncommon in terms of the rates paid on non-residential properties: at present that is charged at the going rate, 80c a kilolitre. These people are entitled to 700 kilolitres because they pay a certain water rate. Will this block tariff cut in after that allocation, or because they are in a non-residential situation will the 700 kilolitres be supplied at a greater cost—the first 200 kilolitres at a certain price, and then the next 200 kilolitres at a certain price, and so on? If it is, that would be grossly unfair and certainly would not be a continuation of the present system.

Quite frankly, I do not think the Government has a clue. It just sees this amendment as another variation where it can make money. It is interested in selling more water, not less water, because it wants to balance its books. It is like electricity. We have all this talk about conservation; the Democrats always talk about conservation. ETSA does better if it sells more electricity, its strategy is to sell more electricity. It has its fixed costs, its labour force and it has to dig up the coal—

The Hon. P.B. Arnold: Economies of scale.

The Hon. E.R. GOLDSWORTHY: Yes, economies of scale. ETSA wants to sell more water. I do not give a damn what it says about conserving water. There is plenty of water, as the member for Chaffey said.

The Hon. T.H. HEMMINGS: On a point of order, Mr Chairman, what has ETSA got to do with this amendment that is presently before the Committee?

The CHAIRMAN: I am sure the member for Kavel will link it to the amendment.

The Hon. E.R. GOLDSWORTHY: I am talking about conservation. If the former Minister is so thick that he cannot see the connection, well then he is very, very thick. I am talking about conservation—

The Hon. T.H. HEMMINGS: On a point of order, Mr Chairman, I draw your attention and the Committee's attention to the member for Kavel's comments, which were a personal reflection on me, and I ask him to withdraw them.

The CHAIRMAN: The expression is not unparliamentary, but if the member is concerned by it I ask the member for Kavel if he wishes to withdraw it.

The Hon. E.R. GOLDSWORTHY: I bow to the super-sensitivity of the hide of the member for Napier. He can dish it out in this place with the best of them when he is out of sorts, when he has a bit of SOL. I will withdraw—

The CHAIRMAN: Having withdrawn, perhaps the honourable member will return to the amendment before the Chair.

The Hon. E.R. GOLDSWORTHY: Yes, I will. If the member is dense that is his problem, not mine. So, conservation is not relevant. It is all about raising more revenue. I do not care what it says, the E&WS like people to use water because it makes more money which, in turn, results in a smaller deficit. But, I want the Minister to explain to the Committee how this system will work, particularly in relation to non-residential areas (I am talking, in the main, about rural properties now) where you pay a rate on the valuation of the property and divide that by the cost of water and that is what you can use. Will that be graded from 0-700 kilolitres because, if it is, it is an absolute farce. I want the Minister to explain to me how it will work.

The Hon. S.M. LENEHAN: A number of contributions have been made and there have been again a number of attempts by members of the Opposition to peddle misinformation. Yet again we have been regaled by the shadow Minister with respect to pensioners and superannuants. It is interesting that all the people who have contacted my office have been victims of the fear and scare campaign of the Opposition. When we have actually had a look at their bills and their personal circumstances in terms of their respective properties, in nearly every case it has been ascertained that they will be paying less under the new system. So, the Opposition will only be able to peddle this misinformation for a very short period because, when people actually get their accounts under the new system as from 1 July, finally the Opposition will be exposed. Therefore, I do not intend to take up the time of the Committee to—

The Hon. E.R. Goldsworthy interjecting:

The Hon. S.M. LENEHAN: Mr Chairman, I would like to take a point of order. The honourable member has suggested that I am telling lies. I would like you to rule that he withdraw that.

The CHAIRMAN: Order! The expression is unparliamentary this time and I would ask the honourable member to withdraw it.

The Hon. E.R. GOLDSWORTHY: As it is unparliamentary, I withdraw it; I withdraw unreservedly that she is telling lies. But, it is just not the truth.

The Hon. S.M. LENEHAN: All I can say is that perhaps we can put it down to jet lag being suffered by the honourable member. What a shame—

Members interjecting;

The Hon. S.M. LENEHAN: Well, the honourable member had ETSA selling water at one point in his contribution, so I leave it to the readers of *Hansard* and posterity to make their own judgments. We have heard from the former Minister, and I find it rather interesting that the former Minister, who was indeed the Minister for three years, did absolutely nothing to look at reforming the system of water rating and water charging. I am led to believe—and I will have this checked—that it is in fact some 30 years since a Minister has actually instigated a fairly significant reform and change in our water rating system. I am delighted that I have been the instrument of such progressive change.

The philosophy that has been put to this Committee by the former Minister is one that would have to, I think on all world standards, be judged as being totally out of date. To quote the person who has been mentioned in this debate, the Hon. John Cornwall, a former Minister in the Labor Government, the honourable member is perhaps best described as a light from another day. If anybody in their right mind were to suggest that we should be—and I have written it carefully; let's use the language—utilising the

capacity of the E&WS, having economies of scale, moving through, having throughput through the system', I would suggest that the honourable member would be promoting a risk policy which I could only suggest was fraught with disaster. By so doing they would be saying that what we should be doing is pushing our system to the absolute maximum with no thought of conservation, and that we should be prepared to accept a one in 10 years water restriction.

I would like the honourable member to go to the community and say this. I suspect the public of this State might well have a different view, that indeed we can keep using water, and in the one in 10 years where the risk breaks down we will then move to having water restrictions. I would like it very clearly on the public record that I have no intention of supporting such an absolutely wanton and irresponsible policy.

The point made by the member for Henley Beach is totally correct. It is not just a matter of, 'There's the water in the Murray, let's just use it willy-nilly to our heart's content': we are talking about the quality of the water. The Opposition has prided itself on a whole range of questions asked in this House about the quality of water. Has it any understanding of the cost of filtration? We have already spent \$200 million in this State, and we still have a number of million dollars to go and two or three filtration plants, at least two major ones, to be able to ensure that we can provide a level and a quality of water that we on this side of the House are determined to provide.

I can only assume that the Opposition has different standards in this regard, or that it has no understanding of the costs involved. Coming from a former Minister, the comments are, I find, very difficult to believe. It seems to me that when you are talking about using more—and not less—water that really does fly in the face of modern political and philosophical thinking in the world. But, then again, the member for Chaffey perhaps is not part of the real world.

The member for Heysen asked questions about what will happen with strata title units. To save the time of the Committee, I refer him to my very thorough and detailed answer to the member for Morphett, who asked specific questions about the way in which strata title unit holders would be provided with water and about the department's thinking in terms of providing it. I think that I even went into the way in which we might in the future provide a metering system based on a wire which runs into the pipes and which would not be highly expensive. I am sure that a quick phone call to the E&WS would bring the honourable member up to date with the latest status of that technology and where we are in terms of implementing it. That answer has been fully given in my response to the member for Morphett. With respect to the contribution of the member for Kavel, he was not in the Chamber when I actually read the explanation or explained to the Committee why we are accepting the amendments moved in another place. I also point out to the honourable member that, if he had actually read the amendments, he would have answered his own question. The first amendment actually says that 'the Minister may, in relation to all residential land', etc., and the second one adds that 'the Minister may fix a series of rates'. It does not require the Minister to fix such a series of rates, and I certainly will be—

An honourable member interjecting:

The Hon. S.M. LENEHAN: I answered the honourable member's question in my introduction when I first spoke in accepting those two amendments. I would be very pleased if the honourable member would read that, because he could

then work out why we are accepting these amendments. They are very sensible amendments and we are prepared to accept them.

An honourable member interjecting:

The CHAIRMAN: Order!

The Hon. S.M. LENEHAN: Goodness me, I will not put him on a jet plane again in a hurry.

An honourable member: He hasn't left yet!

The Hon. S.M. LENEHAN: Hasn't he? I do hope that some other Minister is in this position when he returns, because I would not want to be answering his questions.

An honourable member interjecting:

The Hon. S.M. LENEHAN: No, I meant in this seat here. I therefore commend the amendments to the Committee.

The Hon. P.B. ARNOLD: The Minister is basing her argument for not utilising a resource available to this State on the basis that in one year in 10 the people of South Australia may be restricted to the quantity of water that they are using today. They will always have available to them the quantity of water that they have today. However, if you have a resource that is able to provide much more, you should endeavour to utilise that resource to the greatest advantage of the people of this State. The Minister is denying the use of that resource to the people. It is not restricting them in any way, because the water that is available to the people today will always be available to them.

What we are talking about is that in years of plenty they be able to use additional water. At the moment the Minister is prepared to see that water, that resource available to South Australia, instead of being put to a good use, just go to waste and flow out to sea. That is a wasted resource and the Minister ought to recognise that. Other countries in the world would welcome the opportunity of being able to effectively utilise a valuable resource like that, but in South Australia the Minister wants to restrict its use. She would rather see it go to waste, or put a hefty charge on it so it creates a situation where it is unusable because of the cost involved.

The member for Henley Beach said that if you use additional water you will have an additional cost. Ten years ago when I was responsible for the E&WS Department the cost of pumping water from the Murray to metropolitan Adelaide was, if I remember correctly, approximately 10c per kilolitre. Today, if we say it is 20c or 25c per kilolitre to pump it from the Murray to Adelaide, the Government is still charging 80c a kilolitre. I cannot quite see where the loss is. There is a service that can be provided to the people, and the quality of life can be significantly improved in this State if we utilise to the fullest a resource that is available to us. Of course, the Minister does not have the capacity to realise this, or to accept it, or to even appreciate the benefits that there would be to the people not only in metropolitan Adelaide but throughout South Australia.

The only thing that the Minister is interested in is the opportunity to have an open-ended grab to get money out of the water-rating system in South Australia. I have never seen such an open-ended system anywhere in the world. The Government can now do whatever it likes. It can increase the cost to the consumer at the drop of a hat, and that is exactly what will happen to the people of South Australia.

The Hon. E.R. GOLDSWORTHY: I would like to ask the Minister a further question, because it was not answered in her earlier explanation. For non-residential properties, will people within their allocation be charged block rates if and when this system is introduced? I repeat again the last part of my question, which has not been answered, nor was

it answered in the Minister's initial remarks: if and when this block system is introduced for non-residential properties, will the charges for water within the allocation be on the block system or will this block system cut in only when excess water is used? That is what I want to know. It is a pretty fundamental question, or does the Minister not understand what I am asking?

The Hon. S.M. LENEHAN: I take the point that it is if and when the system is introduced, and that is when we will look at the implications. These amendments actually give the Minister the ability to fix a series of rates under new subsection (4), and that is exactly what the amendments do.

The Hon. E.R. GOLDSWORTHY: All that does is make me absolutely convinced that there is no way in the world that this Parliament should be giving the Government an open cheque. This does not have to come back to Parliament. The Minister does not have the faintest idea how this will work—not the faintest inkling. I asked her a simple question about non-residential properties, where people pay for an allocation of water. I asked her whether block charging will apply within that allocation. She does not know. It will be if and when the Government decides—and it could decide at any time it liked without reference to Parliament. This can be foisted on the public without any scrutiny whatsoever.

If any answer has convinced me that I am in total opposition to what is proposed, it is that answer. The Minister does not have the faintest idea. Here is this airy-fairy amendment from the Democrats on its conservation kick. It sounds all right, but no-one knows how it will work. The Government sees it as a chance to help balance the books and put more variables into the system. I asked a simple question about how it would affect non-residential properties, and the Minister did not have a clue. She wants an open cheque to introduce any variation, and the variations within this system are countless—they are limitless. The Government can have the blocks as big as it likes, as long as it likes and as many as it likes; and it can have different size blocks with different charges for each block.

The Government can target anywhere it likes with precision—the variations are absolutely endless. The Government can do this without recourse to Parliament. I think it is an absolute disgrace and I certainly hope that those who have the balance of power in this place understand what a disgrace this is and what an open cheque book this is handing to the Government. The Minister does not have a clue how this will work. I will bet that when the Government cannot balance its books next year it will be into these block tariffs. Why are we putting provisions on the statute book when we do not know how they will work? That is legislation by default. It is an absolute disgrace and I will not be part of it.

The Hon. B.C. EASTICK: I draw the attention of the Committee to the fact that those amendments which the Minister seeks to have passed were not part of the original Bill. They provide an additional income which was not budgeted for. Therefore, the acceptance of these amendments places the Government in a win situation which it did not have the guile to bring in and to debate before the people. So, what the Government is seeking to do is come in on the coat-tails of the Democrats. If there was a cost disadvantage to the Government as a result of the promotion of this measure, there could be an argument put by the Government that the Opposition ought not to seek to cancel out the amendments which come to us from another place. However, because we are not in any way disturbing the sum of money that the Government believed that it would receive,

and the sum of money that the Government has costed into this measure, we are being asked to be a party to an additional tax upon the people of this State.

I would have no difficulty in telling my people—the many who have already made contact with me about their concerns in respect of the new costing basis for water—that the Government has taken yet another bite out of their pocket, and one which is much worse, on the sheer whim of a small group of people in the Upper House who obviously do not understand the full ramifications of what they have perpetrated upon the people of this State. If ever there was a case for amendments of another place to be defeated, this is it. It is at no cost disadvantage to the Government on the basis on which it brought this measure into the House and its expectations of income for its life. If the Government wanted to turn around and rework the legislation, bring it in and have the common courtesy to tell the people of South Australia that it wants to rip off more from them—let it do so in the next session, and we will fight it then also.

Let us not have a situation agreed to by anyone in this place to simply advance the income to the Government because somebody did not know what they were doing in putting forward an amendment which suddenly looked good because it would have an upside benefit to the Government. Anyone who votes for this amendment in this place does a great disservice to the people they represent.

The Hon. D.C. WOTTON: I reiterate what some of my colleagues have said. If ever the Democrats have got anything wrong, it is on this occasion. The Minister said that, in respect of people who have contacted her department, it took the opportunity to check out the facts, and it was determined that those people will receive an account for less than they would have received previously. I cannot believe that. If it is the case now, let us wait and see what happens in future, because all members who have spoken on this side have said that the amendments provide the Government with an open cheque. There is no necessity whatsoever for the Minister to come back to this place. If the Minister decides that it will bring more money into the Government coffers, she has simply to place it in the *Government Gazette* and the Government can then do what it will. There is no way that that will not mean that the people of South Australia as a result of this legislation—and more so as a result of this amendment—will have to pay more for their water.

For the Minister and the Government to mislead the community by saying that this new water rate will mean that the cost of water will be reduced is absolute rubbish. The Minister is misleading the Committee in saying that, and she knows it. This is a revenue raiser, despite what the Minister says—and if it is not now it certainly will be when people in the future receive their accounts. It is an open cheque and the Minister can put down what she wants in regard to the charge expected for water rates in future. The Opposition totally opposes the amendments before the Committee and, as we have indicated previously, we oppose the legislation.

The Committee divided on the motion:

Ayes (21)—Messrs L.M.F. Arnold, Atkinson, Bannon, Blevins, Crafter, De Laine, Ferguson, Gregory, Groom, Hamilton, Hemmings, Heron, Holloway and Hopgood, Mrs Hutchison, Mr Klunder, Ms Lenehan (teller), Messrs McKee, Peterson, Quirke and Rann.

Noes (21)—Messrs Allison, Armitage, P.B. Arnold, D.S. Baker, S.J. Baker, Blacker and Brindal, Ms Cashmore, Messrs Chapman, Eastick, S.G. Evans, Goldsworthy and

Ingerson, Mrs Kotz, Messrs Lewis, Matthew, Meier, Oswald, Such, Venning and Wotton (teller).

Pairs—Ayes—Messrs Mayes and Trainer. Noes—Messrs Becker and Gunn.

The CHAIRMAN: There are 21 Ayes and 21 Noes. There being an equality of votes, I give my casting vote to the Ayes.

Motion thus carried.

STATE BANK OF SOUTH AUSTRALIA (INVESTIGATIONS) AMENDMENT BILL

In Committee.

(Continued from 12 March. Page 3499.)

Clause 2—'Investigations.'

The Hon. G.J. CRAFTER: I move:

Page 1, after line 19—Insert subclause as follows:

(2a) Without limiting the effect of subsection (2), the Governor may include within the scope of an investigation under this section the purposes for which and manner in which any transaction was entered into in the course of the operations of the bank or the bank group including—

(a) any suspected ulterior or improper purpose, breach of fiduciary duty of misconduct on the part of any director or officer of the bank or any subsidiary of the bank in connection with the transaction;

and

(b) the extent to which the bank or any subsidiary of the bank and the directors and officers of the bank or any subsidiary of the bank exercised proper care and diligence in connection with the transaction.

This amendment has the effect of replacing the amendment proposed to be moved by the member for Mitcham at a later stage. The Government moves this amendment on advice from Crown Law. It believes the Bill as introduced provides sufficient power for the Governor to appoint a person including the Auditor-General to undertake an investigation into the matters detailed in the proposed amendment of the member for Mitcham. However, it seems that through its amendment the Opposition wishes to put the matter beyond doubt, that is, to make clear that the Auditor-General can be appointed to investigate matters, including transactions motivated by improper purposes, breach of duty, misconduct and lack of diligence.

While the Government is confident that these matters are already in power (indeed the Government has included these issues in the proposed revised terms of reference for the Auditor-General) we do not see any difficulty in including a declaratory statement in the legislation. Having said that, however, I pointed out that the Government believes that the Opposition's proposed amendment does not make the matter entirely clear.

The proposed use of the term 'operations' at line 41 may cause some ambiguity and confusion. This term is separately defined elsewhere in the section and its proposed use here may be taken to extend that definition. If that view is taken and the appointment and proposed direction to the Auditor-General are read in the light of the apparently extended definition, it would be very difficult to make sense of those directions.

Accordingly, the Government has proposed an alternative amendment, which at the same time makes clear that the Auditor-General can be appointed to undertake the type of investigation detailed in paragraphs (a) and (b) of the Opposition's amendment and avoids any confusion over the definition of 'operations'. The government has also taken the opportunity to alter the term 'breach of duty' to 'breach of fiduciary duty', as this more accurately describes the

nature of duties which would be considered by an investigator pursuant to section 25.

Mr S.J. BAKER: The Opposition does not quite accept what the Minister has said.

Mr Ferguson interjecting:

The CHAIRMAN: Order! The member for Henley Beach is out of order. The Deputy Leader.

Mr S.J. BAKER: We believe that the definition of 'operations' should be encompassing enough to include matters such as motive and breach of duty. It is left to the Governor to use that, subject to discretion, and we believe there should be no discretion in the matter. The Minister has explained to this House that it is placed beyond doubt by this amendment. I do appreciate that the legislation cannot direct the Governor about what that person should do and that is why the word 'may' has been used, but it still leaves doubt in the legislation.

We believe that as a matter of course it should be provided within the definition and, therefore, when we come upon circumstances such as these, particularly in relation to the State Bank, an important matter of operation shall be the way in which people carry out their duties. Some of those actions or non-actions can be quite improper. To his credit, the Minister has accepted the principle of the amendment that was to be moved in my name. The Opposition would still press for that amendment, but we accept that at least the Minister has understood the import of what we are trying to achieve, although we are not satisfied with his amendment.

The CHAIRMAN: The Chair would point out to the Committee that, if the Minister's amendment were agreed to, it would make it impracticable for the member for Mitcham later to move his amendment, which has been circulated. It is either one or the other.

Amendment carried.

Mr S.J. BAKER: I move:

Page 1, after line 24—Insert subclauses as follows:

(3a) Subject to any directions of the Governor, a person so appointed may, if he or she sees fit to do so in connection with the investigation, make public statements as to the nature and conduct of the investigation and may invite and receive information or submissions as to any matter relevant to the investigation from such persons as he or she thinks fit.

(3b) A person so appointed must, when presenting to the Governor any report that the person considers need not remain confidential, also present copies of the report to the President of the Legislative Council and the Speaker of the House of Assembly who must in turn, not later than the first sitting day after receipt of the reports, lay them before their respective Houses.

Two important principles are involved in the amendments we are moving today. The first is that, in order to allow the Auditor-General to carry out his functions to the extent that we believe necessary, it is important that the people of South Australia know what he is doing, even though the final report and much of his investigation may be confidential. So, new subclause (3a) allows the Auditor-General to advertise and make people aware that he is going through a process of investigation, if some person has the capacity or the willingness to give information to that inquiry. It is right and proper that that should happen and I presume that the Minister will support that amendment.

New subclause (3b), is also very important. Given the terms and conditions under which the royal commission will be liaising with the Auditor-General, it is up to the Auditor-General to report to the royal commission within a period of six months. During this period no-one will be aware of what the Auditor-General has reported or the status of the investigation, or have any inkling as to what references have been forwarded to the royal commission for further investigation because they lie beyond the powers

of the Auditor-General. For these reasons, these are tidying up amendments. We believe they are important for the investigations to be as thorough as possible under the circumstances. As an Opposition we have already reflected on the capacity of the Auditor-General to carry out the full range of investigations that would be possible if he were the Royal Commissioner, but that argument has been well and truly stated and does not need reiteration at this stage. For those reasons I have moved these amendments.

The Hon. G.J. CRAFTER: The Government supports these amendments. They really are quite pedantic and simply state what is obvious, accepted and well known. In fact, in relation to the investigation by the Auditor-General currently in progress, the Government has said in ministerial statements to the Parliament and in my second reading contribution to this Bill that the Government intends to release the recommendations, findings and any other material which is not considered confidential to the bank or its customers.

One would expect that the current Auditor-General, future Auditors-General and other persons appointed pursuant to section 25 would carefully weigh up the two competing aspects of public interest in this matter, that is, on the one hand the public's right to information and on the other the need to maintain customer confidentiality and therefore confidence in the bank.

The Government sees nothing in this amendment which would require a person appointed under section 25 to provide a report at all if in the rare circumstances that person, *bona fide* and in good faith, considered that the report in its entirety warranted absolute confidentiality. So, the Opposition's amendment in this matter is acceptable to the Government.

Amendment carried.

Mr S.J. BAKER: I move:

Page 1, line 28—After 'Division' insert '(including section 34 (2) and (3))'.

This matter may be considered to have been covered by the legislation, but there is a difference of opinion as to whether section 34 is fully covered under new section 25. New subsection (4) of section 25 provides:

For the purposes of an investigation under this section, the investigator and authorised persons have the same powers as the Auditor-General and authorised officers have under division III of part III of the Public Finance and Audit Act 1987 for an audit or examination under that Act, and the provisions of that division apply in relation to the investigation and the exercise of those powers as if the investigator or authorised person were the Auditor-General or an authorised officer exercising those powers under that division.

Those provisions apply to the investigation and exercise of those powers as if the investigator or the authorised person were the Auditor-General. New subsection (7) provides:

A person who—

(a) is served with a summons under this section and paid or tendered a reasonable sum of the person's expenses;

but

(b) fails (without reasonable excuse) to obey the summons, is guilty of a summary offence.

Penalty: \$5 000 or three months imprisonment.

We believe that the penalties that apply under section 34 of the Public Finance and Audit Act do not necessarily apply, given the way in which new subsection (4) is worded under the State Bank Bill. This is a clarifying amendment to make absolutely certain not only that the powers of investigation are transferred across but that the penalties associated with the failure to provide information, which have not been mentioned under this legislation, are transferred as well.

The Hon. G.J. CRAFTER: The real question is whether the Opposition wants to go ahead with this amendment,

because once again the Opposition is being pedantic. It is irrelevant to the purpose of the measure before us; it adds nothing to the Bill. The argument is that the amendment makes abundantly clear that the investigator will retain his power to issue summonses. Sections 34 (2) and 34 (3) fall within division III of part III of the Public Finance and Audit Act. Therefore, it adds nothing to the legislation to include a reference to these subsections in addition to a reference to the division or part in which the subsections occur. If the Opposition wants to proceed with this amendment, the Government will accept it, but I put to the honourable member that he might consider not proceeding with this amendment because it serves no real purpose in the legislation.

Mr S.J. BAKER: I appreciate the Minister's acceptance of the provision, but we do wish to press ahead with it to ensure that there is no misunderstanding whatsoever as to the powers and penalties in relation to the Auditor-General's examination of these matters.

Amendment carried.

Mr S.J. BAKER: I move:

Page 2, line 41—Leave out all words in this line and insert subsection as follows:

(10a) In this section, a reference to a subsidiary of the bank is a reference to a body that would be a subsidiary of the bank according to the provisions of the Corporations Law assuming for that purpose that were substituted in section 46 (a) (iii) of that law for the words 'one-half of the issued share capital' the words 'one-quarter of the issued share capital'.

There has been much debate in this House as to whether the royal commission and the Auditor-General can examine the off balance sheet companies. We believe that the definitions in the Bill are not sufficient to cover companies where the bank or one of its subsidiaries has a controlling interest in other financial enterprises. Members would be well aware that huge problems have arisen in relation to some of those off balance sheet companies.

I remind the Minister that Beneficial Finance Corporation Ltd has a 25 per cent interest in Argus International Hotels Pty Ltd, but we know who has the controlling influence; Equus Financial Services is a critical part of the patchwork quilt with a 49 per cent holding; Leasefin Corporation, 49 per cent; Ravlick Holdings Pty Ltd, 48 per cent; and Southstate Insurance Company, exactly 50 per cent—so it does not have a controlling interest. Executive Trustee has a 50 per cent holding in Miles Pearce Pty Ltd, a real estate sales company, but it does not have 50 per cent plus one per cent to give it an absolute majority. The United Banking Group Ltd has a 50 per cent holding in Lodge Real Estate (Hamilton) Ltd; Lodge Real Estate Ltd, 50 per cent; Electronic Funds Transfer Ltd, 50 per cent; and Datacom Group Ltd, 37 per cent. These companies are classed as group associated companies.

Under the terms of reference, it is a matter of conjecture whether such companies fall within the term 'bank' or 'bank group' or whether, indeed, they fall within the realms of the investigation. I will ask one or two questions on that matter when we have dealt with the amendments, but I believe that it is important to cover the whole area of involvement of the State Bank Group and, if these items are left off by default, the picture will not be complete.

The Hon. G.J. CRAFTER: The Opposition needs to reflect a little on what it is doing. Whilst the Government does not intend to oppose the amendment, which modifies the definition of a 'subsidiary' to include companies in which the bank and, in turn, bank subsidiaries hold greater than 25 per cent of the issued share capital, the points that have been raised and ignored by the Opposition with respect to confidentiality of these investigations need to be reflected upon with respect to this provision because we are looking

at investigation of minority shareholdings of the State Bank or of subsidiary companies of the State Bank. Indeed, the link with the bank becomes more and more tenuous as this process is extended. Therefore, whilst the investigation may well be appropriate, it is important to provide for that security of investment for the majority of shareholdings in this exercise.

So, whilst at a theoretical level the effect of this amendment might appear to the Opposition to broaden the scope of the investigation, that is certainly not likely to be the practical outcome. Companies which may be included as subsidiaries under this broader definition of 'subsidiary' are likely to some extent in any case to be considered within the scope of the investigation anyway and, where that was doubtful, the Auditor-General could simply ask for a regulation to be brought down to identify that subsidiary or entity which he required to further investigate.

Once again I refer to the precarious track down which this investigation is likely to travel if there is not a commitment to provide for that investor and customer confidentiality because, after all, we on this side of the House, at least, still hope that the State Bank will come out of this exercise in a shape that will continue to serve this State and indeed its some 800 000 account holders in a very effective and responsible way for many generations to come.

Mr S.J. BAKER: Is the Minister going to accept the amendment?

The Hon. G.J. CRAFTER: Yes.

Mr S.J. BAKER: I thank the Minister. It will be interesting to see what happens when the investigations get under way, because some of these companies with 50 per cent or 49 per cent have some unusual one per cent or 2 per cent holdings in hands which are very strongly associated with the board of management. It will be interesting to see the extent to which these devices have been used. I am pleased that the Minister supports the amendment.

Amendment carried.

Mr S.J. BAKER: Can the Minister give an assurance that the Auditor-General will have the same capacity as the Royal Commissioner to investigate matters interstate and overseas?

The Hon. G.J. CRAFTER: That is the purpose of this amendment. It is identical to the amendment to the Royal Commissions Act to provide for that outcome.

Mr S.J. BAKER: The matter of summons has been mentioned in the amendments that we have before us; but I am interested more particularly in knowing whether, while there is a capacity to call upon that, in practical terms it will be possible for the Auditor-General to have the same strength of influence as the Royal Commissioner would have in terms of requiring information.

The Hon. G.J. CRAFTER: Yes; this is the reason why in fact the Opposition's original amendments in this area sought to transfer the work of the Auditor-General to the Royal Commissioner. For all the reasons that have been outlined in this place over recent weeks, the Government has chosen to have this two-pronged method of inquiry, and yet complementary. So, appropriate powers have been vested in the Auditor-General, powers which otherwise would have been vested in the Royal Commissioner. In this way we can conduct an appropriate and probing inquiry into the affairs of the State Bank Group and yet maintain public and customer confidence in an entity which continues to trade.

Clause as amended passed.

Title passed.

Bill read a third time and passed.

SUPPLY BILL

Adjourned debate on second reading.
(Continued from 7 March. Page 3396.)

Mr S.J. BAKER (Deputy Leader of the Opposition): The Opposition supports the provision of moneys to the Public Service for the period 1 July 1991 to the point when the Appropriation Bill takes effect. It is traditional for the Government to introduce two Supply Bills during the year and it is also traditional for members to take this opportunity to debate some of the issues that are of importance to this State, be they budgetary matters or matters of strategy, or whether simply matters concerning where the State lies in respect of Australia and the rest of the world.

Over the past eight years I have made a number of contributions to Supply debates. Generally my remarks have revolved around the economic necessities of the State, and it will come as no surprise to members to learn that this year will be no different. I must say, however, that the circumstances this year are indeed a whole lot different. Perhaps we would not be in the straits that we are in today had some of the warnings, and perhaps strident criticism, that I made in the past been listened to. But that is another matter.

My great dilemma in leading the debate on this occasion concerns how much effort or how much attention should be concentrated on the enormous problems facing this State and this country and deciding whether indeed a contribution should relate to the positive initiatives that have to take place before we can pull ourselves up by the bootstraps, or whether indeed the effort should concentrate on bringing to the attention of the public the parlous position that this State has been placed in by the Labor Government. Perhaps to get some sort of balance, I will do both.

I will take some examples of matters that I believe have to be brought to the attention of the public time and time again so that the fundamentals are not forgotten. I believe that over the last eight years the administration of this State has become very slipshod. We have tended to live off the reputation of being a very easy-living State. South Australia has had the reputation—as it turns out not deservedly—of being relatively well managed. I refer to an article in the *IPA Review, Summer 1991* by a journalist by the name of Mike Nahan. It is a critique of how the States are performing in the budgeting area. The article, headed 'Mr Bannon gets the lemon', states:

First, Australia's current account and debt problems cannot be corrected unless domestic savings are increased, and the only viable instrument open to governments in the medium term to achieve a boost in savings is fiscal policy.

That has been true for the last 10 or 20 years, and of course it is even truer today. He continues:

Given the magnitude and urgency of these problems, as well as the limitations of monetary policy as an effective tool, the proposed increase in the public sector surplus for 1990-91 to \$3.3 billion should be viewed as the absolute minimum. It would continue to leave monetary policy with an excessive role, thus continuing to put too much of the burden of adjustment on to the private sector.

I think they are very wise words, and of course we have now seen come to pass the situation that the surplus will not eventuate, because the unemployment situation has deteriorated quite remarkably. We know that the estimate for the Commonwealth budget surplus for 1990-91 was \$5.5 billion; it is now suggested that that surplus will be less than \$1 billion, as events have unfolded.

At the same time, the Commonwealth was creating surpluses with its very strong taxation policies, and members will recall some of the areas in which it has been operating.

The States have excelled themselves to the extent that the net financing requirement for the public sector is of the order of \$2.25 billion. Some of that excess requirement can be sheeted back to the Commonwealth Government because it has failed to maintain the level of support. However, the fundamental question should be asked whether Commonwealth Governments or Governments generally should be maintaining revenue and expenditure at levels that have previously prevailed.

The article, discussing the extent to which State Governments have been responsible, states:

The 11.6 per cent increase in the States' tax take represents a particularly onerous burden at a time when the economy is experiencing negative growth. Moreover, the \$1.6 billion being received by Australian taxpayers via a reduction in personal tax rates from 1 January will be more than offset by the increase in State taxes.

The meagre spending restraint being exercised by the States is generally on capital works rather than recurrent spending. Capital outlays by the States are scheduled to decline by \$190 million or 8.3 per cent in real terms during 1990-91. In contrast, Australian Governments have budgeted for an aggregate increase in recurrent outlays of 8.1 per cent in 1990-91.

The article states the same thing that has been pointed out over a long period, that Governments have been quite willing to throw money at recurrent items that have no long-term future, that they have been ready to spend up big and show little restraint, and that the areas of infrastructure—the important areas that provide for our future—have been neglected.

We have seen an extraordinary turnaround in the relationship between capital and revenue budgets to the extent that capital expenditure has been reduced consistently over the past five years, as has infrastructure. Our infrastructure, in terms of good roads, railways and hospitals, has been allowed to run down because of the policies that have been applied at State and Federal level by successive Labor Governments. The article goes on to compare the recurrent outlays by the States. I seek leave to have inserted in *Hansard* without my reading it a table of recurrent outlays by Governments.

The **SPEAKER**: Is it purely statistical?

Mr **S.J. BAKER**: It certainly is, Sir.

Leave granted.

Recurrent Outlays: General Government	
Percentage	Change 1989-90 to 1990-91 (est.)
New South Wales	8.3
Victoria	5.7
Queensland	13.2
West Australia	4.8
South Australia (a) (c)	8.0
Tasmania	8.9
Northern Territory	7.2
Total States	7.9
Commonwealth—own purposes	8.2
(b)	
All Governments	8.1

(a) The Victorian and South Australian budget papers do not show transactions for general Government according to the national accounts concept. Data shown is a budget sector which covers a lesser range of transactions. It is relevant that for South Australia public sector recurrent outlays are estimated to increase by 9.2 per cent.

(b) Commonwealth general Government outlays less transfers to State and local governments.

(c) Adjusted for accounting changes.

Mr **S.J. BAKER**: The table sets out that all Governments averaged 8.1 per cent. Queensland beat the average and was 13.2 per cent as a result of the Goss Government coming to power and spending up big. Perhaps the Treasury in South Australia was under some pressure because of its revenue situation, but the critical element involving the propping up of recurrent outlays so that South Australia

was around the average of 8 per cent is revealed by the taxation table, which I seek leave to have inserted in *Hansard* without my reading it.

The **SPEAKER**: Can the honourable member assure me that it is purely statistical?

Mr **S.J. BAKER**: I can, Sir.

Leave granted.

Taxes, Fees and Fines (a) Increase 1989-90 to 1990-91

Government	Total \$m	Per Capita \$	Percentage Change
NSW	758	129	9.6
Victoria	815	185	16.1
Queensland	197	67	7.5
W.A.	147	89	8.1
S.A.	236	163	18.0
Tasmania	55	120	12.6
N.T.	16	102	11.1
All States	2 221	132	11.6
Commonwealth (a)	5 612	326	6.1
All Governments	7 833	456	6.8

Source: Budget papers

(a) Includes the wage/tax trade-off announced after the budget which is assumed to represent a reduction in personal tax receipts of \$430 million in 1990-91.

Mr **S.J. BAKER**: This table shows quite clearly that Premier Bannon has increased taxes, fees and charges like no other State has during the past financial year. I note that in South Australia the increase was 18 per cent and the increase at the Commonwealth level was 6.1 per cent. Of the lower States, Western Australia had an increase of 8.1 per cent and Queensland had an increase of 7.5 per cent. While Premier Goss increased his recurrent outlays he obviously had a very large pool of money on which to draw, whereas the Premier of this State had previously run down his reserves to prop up the 1989-90 election year budget.

I have mentioned that so many times, and feel that the message has not got through: that in one year the Premier used up every spare cent in the coffers, in every available hollow log, in order to get re-elected in South Australia, and we are paying the price for that. Rather than reducing expenditure and living within its means, the Government spent up big during 1989-90. During 1990-91 the Premier had to increase taxation in order to support his budget. This was at the same time as the financial institutions had failed the State miserably. A headline in this article by Mr Nahan states:

Mr Bannon has up until now been able to hide and rationalise his fiscally irresponsible behaviour behind the truly outrageous behaviour of his Victorian and West Australian compatriots.

That really says it all. What Premier Bannon has said over a period is, 'If you thought we were bad you should have a look at some of the other States.' Of course, some of the other States happen to be ruled by Premiers of a similar ilk who spend up big and do not get too concerned about the consequences. We have seen the disasters in Victoria and Western Australia. We have understood some of the long-term ramifications of the largesse evident in those regimes. However, the Premier has escaped the scrutiny which should have been due to him some time ago because of the way in which he has manipulated his finances. The article states:

The demise of Messrs Cain, Burke and Dowding has taken away his smokescreen, although the South Australian press gallery has yet to awaken to this fact.

That is quite correct. Over the past eight years, particularly the past two years, we have attempted to show the Premier was fiddling the finances, that he was leading us into a longer term debt situation, and that he was being financially irresponsible and not keeping control of his institutions.

Yet, not until recently, until the bills have had to be paid, has the level of attention that these matters deserved actually been reached. The article continues:

But Mr Bannon's ninth budget stands out as the most irresponsible of all the States and a clear winner of the IPA lemon award. In 1990-91 Mr Bannon plans to continue his high spending ways with recurrent expenditure set to increase by 8 per cent. This is to be financed partly by a truly massive 18 per cent increase in State taxation and a 2 per cent reduction in capital spending for general Government purposes. The impost on the private sector will not cover the scheduled increase in expenditure; as a result the deficit or NFR for the general Government sector is set to expand by \$80 million to \$260 million and borrowings are forecast to expand by \$116 million.

We have done a number of things this financial year. First, we have increased taxation by 18 per cent, to the total detriment of not only households but businesses that have been made to suffer because of the irresponsible management of the Bannon Labor Government. The second thing we have done, despite this massive increase, is that we have increased the net financing requirement by \$80 million, or over a third of the previous level of \$180 million. Also, the borrowings are forecast to expand by a further \$116 million. We are bankrupt. We were bankrupted by the management of this Government and we are now further bankrupted by the latest problems that have been created by the State Bank crash. The article continues:

Because of a reduction in capital investment and greater use of own-sourced funds by trading enterprises, the NFR for the South Australian public sector is scheduled to decline to \$292 million in 1990-91. Mr Bannon's refusal to take the knife to recurrent expenditure, in a post-election year, portends poorly for such action in the future. A further round of tax increases should thus be expected next year.

I might add that this article was written some time ago, well before the State Bank fiasco really came to a head. So, the writer of this article would now say that his words were truer than ever and that the people of South Australia really do not have much of a future under this Government and the way it has managed its finances. The future of this State, with a further \$130 million servicing requirement for the \$1 billion crash to come out of revenue, means that services have to be cut, people laid off or taxes increased. There are no smart answers.

Whilst I can talk about the financial management of the State and be very critical, we should also look at the performance of the State in terms of what has happened under the stewardship of the Bannon Government. What are the hallmarks of this Government? I would like to pick up on some of the current South Australian economic indicators. We should be mindful of the fact that, with all this bad financial management, something good should have been coming out of it all, but I fail to see where it is. Indeed, if we look at the figures for January, unemployment in South Australia jumped from 8.4 per cent to 9.3 per cent, to be the equal highest in Australia on a seasonally adjusted basis.

The State budget's 25 per cent increase in payroll tax was a major contributor to this huge blow-out in unemployment. Every employer out there knows that they have a lack of capacity to support a high employment level during such difficult times. No South Australian employer I have talked to wants to lay off employees, but the cost burdens that are placed on them by the Federal and State Governments, whether it be through direct taxation or regulation, are absolutely horrific. I reiterate that the greatest thing that the Government of this State and this country could do for business is to reduce the amount of regulation, reduce the amount of paperwork and reduce the level of taxation. The 25 per cent increase in payroll tax, from 5 per cent to 6.25 per cent, has had a diabolical influence on the attitude of employers to employing more people.

The Premier of this State has admitted to this House on a number of occasions that payroll tax is a tax on employment, yet he gaily went ahead and applied increased taxation to meet his revenue shortfall, rather than apply himself judiciously to cutting his cloth to suit the occasion. In the December quarter the Adelaide consumer price increase was 3 per cent. Again, the equal highest in Australia. The change from the December quarter in 1989 was 7.8 per cent, and that was the worst inflation result for the whole country, with the national average being 6.9 per cent. So, we cannot even say that the economy was managed in any beneficial fashion, when we see that the level of inflation is far higher than the national average. Some of the contributors to that, of course, were food and household equipment and the increase in taxation, particularly the 150 per cent increase in FID taxation, which has had an incredible impact on the outlook of firms in this State.

Need I mention that horrible word 'WorkCover'. WorkCover has now confessed to a rapidly growing unfunded liability of around \$200 million. Despite last year's increase in the average employer levy from 3.1 per cent to 3.9 per cent of wages and an increase in the top rate to 7.5 per cent—

The Hon. R.J. Gregory: Wrong. You ought to get things right.

Mr S.J. BAKER: The select committee has those figures on the record. The Minister says 'Wrong'—I would say 'Right'. In fact, there have been a number of suggestions that that observation is very conservative and that indeed the blow-out will be far greater than the figures I have just quoted to the House—that the \$198 million is a very conservative estimate of the long-term liabilities which are currently unfunded by WorkCover.

WorkCover is a diabolical impost on the employing population of South Australia. Not only have the rates escalated—if we took the pure rates of 3.1 per cent to 3.9 per cent, that is a 25 per cent increase—but at the same time we have seen the maximum lifted to 7.5 per cent from 4.5 per cent, plus all the penalties that can apply. There are some huge penalties on the employing population of this State, and they have been imposed by the Premier, either through taxation or legislation, in the WorkCover sense. There is no light at the end of the tunnel. There is no possibility that employers will suddenly wake up tomorrow and find that their WorkCover premiums have been reduced. They will continue to increase because there is a requirement that the liabilities be fully funded.

What about motor vehicle registrations? Since March last year new motor vehicle registrations have fallen by 30 per cent. This has had a severe effect in South Australia because there are so many component manufacturers and allied industries dependent on the motor car industry. Coupled with our rural crisis, that is one of the reasons why South Australia's unemployment rate will continue to increase quite dramatically.

The number of private sector houses approved in January fell by 16.8 per cent, compared with December 1990, and non-residential building approvals dropped by 22.3 per cent. Whilst interest rates have come down, it is a fact of life that people cannot afford to get into the housing market. They cannot afford to take on debts which they cannot repay, because times are very difficult out there. For many people overtime has disappeared; for many people the two income family is at risk because one or the other is unemployed; and for a number of employees the five day working week has shrunk to four days, and in some instances even to three days. So, the many people out there who depend on the direction and capability of the State and Federal

Labor Governments to provide for their future, have been sadly let down by the performance to date.

The gross State debt of \$7.5 billion has been blown out by the \$970 million State Bank bail-out package and has lost the State its triple A credit rating. As a result, debt servicing will be up by at least \$131 million in a full year—greater than we are paying at the moment. So, without repaying any of the principle, an extra \$131 million cut at the current interest rate regime has to be found just to meet a debt for which there is no asset. As I said previously in another debate, we might as well have got a billion dollars and put a match to it for all the good that has been done by the Premier of this State. It is quite diabolical. Year after year we will have that reminder, because that debt must be serviced to the tune of \$130 million. People will be reminded year after year of just what this Premier has done to this State because of his lack of capacity to perform.

We have had such examples of great leadership as water rating incorporating a wealth tax, and now we have escalating rates, according to the Minister. The way that they will be applied means that water usage will attract escalating rates. An article in today's newspaper discusses the problem of houses cracking in Adelaide suburbs. The answer provided in the *Advertiser* by the experts who are involved say that Adelaide has got this unusual Bay of Biscay soil which contracts dramatically during prolonged hot weather and that it needs more water.

So, we have now seen today in this House a taxing of those people who want to save their houses. That is the bottom line if we get down to it. If people want to save their houses from cracking they will have to apply more water to the soil. That is another small impact of the diabolical initiatives of this Government. The land tax issue must be addressed, and we have said that for the past eight years. If anybody wishes to see what impact it has had, I suggest that they walk along Unley Road or Greenhill Road, and they could even take a trip down North Terrace.

The Hon. Jennifer Cashmore: Try Magill Road.

Mr S.J. BAKER: Yes. If we look at any main road in Adelaide, we will find vacant shops and vacant commercial premises. Do members know why? It has nothing to do with bad management. Not everyone except the Premier can be wrong. Obviously the taxation policies of this Government have had an enormous effect on land-holdings in this State and the extent to which people can afford to occupy those premises. They simply cannot afford to do so. Their land tax bill wipes out a year's profit. A number of small business people in my electorate have said, 'Look, Mr Baker, how can we afford \$5 000 for a small shop?' Yet the Government continues to apply this iniquitous land tax. The Government has now said that the landlord can pay it and pass it on. There is a total inability in today's economic climate for most business people to afford even one extra cent.

We know that electricity prices in this State are higher than in other States, so the infrastructure problems are greater. Our rail and road systems are both deteriorating rapidly, and the whole picture is very bleak. Our spending on essential infrastructure—rail, roads, water quality and hospitals—has been cut to pay for wasteful Labor schemes. It has been cut time and again, year in and year out. I refer again to the article by Mike Nahan on the fact that the States have been substituting capital expenditure with revenue expenditure and reducing their capacity to build and maintain assets for the future. That has been no more apparent than in this State. We have seen a disgraceful eight years of mismanagement.

I refer now to the Prime Minister's industry statement outlining the way out of our current woes. The Prime Minister has given us a blueprint which, according to him at least and to one or two people who wish to support his policies, is a means whereby Australia's current difficulties will be overcome. That will not occur because the Prime Minister and the Labor Governments here and in Canberra simply do not understand one or two fundamental facts. Those fundamental facts are that, until we get some reform of the work practices and the way we work together in the workplace, we will not get the changes necessary to compete interstate or overseas.

Mr Hamilton interjecting:

Mr S.J. BAKER: The member for Albert Park asks what we are going to do about it. I simply say: give us the chance. Resign tomorrow and we will show you! This Supply Bill deals with the economic and financial situation in this State. It is pertinent to this State that whatever the Government does must improve the quality of life in this State. The only way we will get long-term improved quality of life is for this State to perform. We have before this Parliament an industrial Bill that belongs in the 1930s rather than the 1990s.

Mr FERGUSON: On a point of order, Sir, it is my understanding that it is not permissible for members to refer to a Bill before the House. The Industrial Bill will be debated in this place in due course, and notice has been given of such.

The SPEAKER: I missed the exact reference, but the honourable member is correct: if the Bill is before the House it must not be referred to. I ask the honourable member to be careful with his references.

Mr S.J. BAKER: I feel thoroughly admonished, Sir. I indeed transgressed because I was using the example of what is wrong with the approach adopted by this Government. There are many other examples that do not necessarily relate to the legislation but to the way in which the Government conducts its business, whether it be its finances, the way it treats its work force or its capacity to get improvements from the work force because of its level of management. We know that reform is an essential part of South Australia's future. We do not believe that the Government has the capacity to provide those reforms, particularly in the industrial arena, which are critical to this State. Even if Prime Minister Hawke got part-way down the track to what he believes is a change in Australia's fortunes, the Bannon Labor Government would be an impediment to such progress.

We have grave reservations about the current Prime Minister's capacity to achieve anything, but if he does he always has Premier Bannon to ensure that he does not get much further. Any Prime Minister who contributes \$150 billion to the debt of this country and then says on television, 'everything will be all right tomorrow; we made a few mistakes today, but just trust me' leaves a lot to be desired. I do not believe that anybody will trust Bob Hawke or Paul Keating at the next election, and the sooner it comes the better off we all will be.

Mr Hamilton interjecting:

Mr S.J. BAKER: Yes, the people will trust Stephen Baker and Dale Baker at the next State election as they will have had a gutful of the quality of management provided by the Bannon Labor Government in this State. They will want somebody to clean up the mess because of the problems created by the State Bank crisis, the overspending and lack of concern for the principles of good government that have been applied over the past eight years, and in particular the past three years.

Whilst I support the legislation and the Bill before the House, I have extreme reservations about the capacity of this Government to perform—that is nothing new. However, we have now reached a crisis and if we are to develop and grow it will be through extraordinary effort. I hope that we will see that effort being made by this Government so that we can join in a bipartisan fashion to make some solid changes to the whole network and framework of our industrial relations, budgeting and management of this State and its people. I support the legislation.

The Hon. JENNIFER CASHMORE (Coles): This Bill provides for the appropriation of \$850 million to carry the State through in the administration of its financial affairs until the budget is passed later this year. It is noteworthy that, unlike previous occasions, the Premier in his second reading explanation failed to provide the customary analysis of whether the revenue and expenditure estimates are likely to be met. I suggest that the financial affairs of South Australia are in such diabolical trouble that it would take more than a crystal ball gazer to tell what effect the State Bank fiasco and other difficulties as yet uncovered (although we believe shortly to be revealed) will have on the revenue expenditure estimates of this State. I propose to demonstrate how in the past five years the Bannon Government has lost sight of what the community of South Australia really wants from its Government.

It has lost sight of what is the function of Government and it has embarked upon adventures that are now costing us very dearly indeed. It has attempted to move South Australia into a world in which we do not wish to be and in which the Government has no expertise or historical experience. The Government and its instrumentalities have deviated from what they should be doing—from the traditional functions of Government and the provision of essential services—and it has gone into a world of high finance and investment, in which it has no expertise, as has been well demonstrated. It has gone from a small, efficient Government into what anyone would call risky business.

One area which demonstrates that and which I believe will inflict serious pressures on the State budget in future years is the investment by the State Government financial instrumentalities which are responsible to the Treasurer. The House has spent hours so far this week and in previous weeks assessing and analysing the State Bank debacle, but there are other areas of financial property investment not only by the State Bank and Beneficial Finance but also by SGIC and the South Australian Superannuation Fund Investment Trust which will have very serious financial ramifications for South Australians.

As with the State Bank, these ramifications could and should have been foreseen. I seek leave to insert in *Hansard* a series of tables which were published in June 1986 in the *Adelaide Property Review*, by Hillier Parker, and which set out the supply and absorption projections for new offices in the Adelaide central business district. Table 1 sets out the Adelaide central business district historic absorption of new office space and Table 3 provides a comparison of Adelaide central business district office supply and absorption estimates, given in square metres. The tables are purely statistical.

Leave granted.

TABLE 1
Adelaide Central Business District Historic Absorption of New Office Space (Square Metres)

Year	Construction	Absorption	Carry-Over	(Absorption Three Year Moving Average)
1977	—	—	Nil	—
1978	23 700	16 900	6 800	—
1979	11 000	9 000	8 800	15 600
1980	13 000	20 900	900	21 000
1981	41 000	33 000	8 900	20 900
1982	4 500	8 900	4 500	24 733
1983	31 500	32 300	3 700	16 400
1984	5 000	8 000	700	25 900
1985	43 500	37 500	6 700	—

TABLE 3
Comparison of Adelaide Central Business District Office Supply and Absorption Estimates (Square Metres)

		BKF*	JLW†	Hillier Parker (taken from Table 2)		
				Worst Case	Best Case	Average
1985	Carry-over	12 000	7 000†	6 700	6 700	6 700
1986	Supply	58 600	62 000†	28 600	28 600	28 600
	Absorption	66 700	49 000†	20 700	35 300	28 000
1987	Carry-over	3 900	20 000	14 600	0	7 300
	Supply	81 000	80 000†	128 800	128 800	128 800
	Absorption	59 800	58 000†	94 000	124 000	109 000
1988	Carry-over	25 100	42 000	49 400	4 800	27 100
	Supply	29 400	57 000†	102 850	102 850	102 850
	Absorption	37 300	45 000†	32 000	57 000	44 500
1989	Carry-over	17 200	54 000	120 250	50 650	85 450
	Supply	—	N/A	18 000	18 000	18 000
	Absorption	17 200	N/A	25 000	40 000	32 500
	Carry-over	0	N/A	113 250	28 650	70 950

* Source: Ballieu Knight Frank in *Australian Property News*, 19 June 1986.

† Source: Jones Lang Wootton in AIUS Publication 'Trends, Projections and Potentials for Development in Adelaide'. Publication No. 125, p. 13, 1986.

The Hon. JENNIFER CASHMORE: These tables demonstrate, and the report concluded, that, by the end of 1989, 28 600 square metres of vacant floor space would be available. This represented a best possible scenario. A more probable scenario, which was set out in the tables, was that the amount of vacant space would probably be closer to 70 000 square metres, and the worst possible scenario suggested that 113 000 square metres of space would be available for lease in the late 1980s and early 1990s. According to the July 1989 survey conducted by the Building Owners and Managers Association (BOMA), 83 500 square metres

of space was available. In other words, the worst possible scenario had been grossly exceeded, despite the warnings clearly given in 1986.

By July 1990 this figure had increased to 147 000 square metres and preliminary estimates, which I propose to give to the House, suggest that currently some 184 000 square metres of space is now available for lease somewhere within the core, the frame and the fringe of the City of Adelaide. If we are to place this into another context, that 184 000 square metres of vacant space represents a vacancy of 14.5 per cent of office space within the City of Adelaide. We

need to compare that with what has happened in the past: in 1987, 6.27 per cent of office space was available; in 1988, 4.8 per cent; in 1989, 7.4 per cent; and in 1990, 12 per cent was available. So, we are projecting an increase that is vastly greater than the traditional average.

These figures are meaningless to most of us; we need to be able to visualise what is happening. That 184 000 square metres represents the equivalent of six empty buildings with the same floor space as the State Bank building. We could put it another way and say that that 184 000 square metres represents one building of the same floor area as the State Bank building but with 164 floors. I hope members are getting an idea of the colossal area of vacant office space in the City of Adelaide.

What has this to do with the Government? It has a great deal to do with the Government in a whole range of areas; economic, social and planning areas—and there are serious implications for the future, because there are four State instrumentalities that are exposed to some degree to these problems. The problems relate to lost income earning potential. If we assume that these 184 000 square metres translates into \$150 per square metre per annum, we see that there is a lost income earning potential of well over \$27 million. In real estate values, this represents approximately \$300 million dollars worth of investment that is not earning any income at all. One-third of that is the responsibility of the State Government's financial instrumentalities.

If we look at the State Bank centre, which has 31 floors, we see that two of its floors are empty and a third is available for sublease. That represents approximately 3 300 square metres of vacant space. In the Australis building, which the State Bank put into receivership and which was built by Hooker, there are approximately 16 000 square metres of vacant space, I am informed. Chesser House has approximately 12 500 square metres and that too has been put into receivership by the State Bank.

Those figures might be plus or minus a few metres, because the BOMA publication that indicates the office space market for January 1991 has not yet been published, but they are as near as I can obtain. The SGIC refurbished building at 119 Gawler Place has approximately 9 000 square metres of unlet space. Its TAA building at 150 North Terrace has approximately 2 500 square metres of unused space. Regarding the buildings owned by SASFIT (the South Australian Superannuation Fund Investment Trust), the Natwest Centre on the southern side of Pirie Street between King William Street and Gawler Place has, I understand, approximately 9 000 square metres of unlet space. The ASER project—that much vaunted success of the Government—has approximately 10 000 square metres of unlet space, and the Riverside building was finished three years ago. That is a total of something over 60 000 square metres of unlet space, and it has all come about as a result of State Government financial instrumentalities ignoring the very carefully considered warnings of the responsible elements of the real estate industry.

When one looks at it in context with the question that was asked this afternoon of the Treasurer about the contingent liability of the State in respect of the investments of SGIC—already, we are only too painfully aware of the contingent liability of the State in respect of the investments of the State Bank—one sees that this is very relevant to the State budget and to Supply Bills.

The average income for these State Government financial instrumentality properties, because they are prime properties, would be \$220 per square metre per annum. This means that approximately \$13.4 million per annum is being forgone by these institutions as a result of lost income

earning potential and the decision to go into a market that was already oversupplied. We must ask: how on earth did the Premier as the responsible Minister permit this to happen?

Further, I believe that these buildings are aesthetic disasters. They look to me like a heap of licorice all-sorts scattered and staining the skyline with their ugliness and their vulgarity. By day, they cast long shadows; by night, they are lit up like side shows consuming precious energy and costing their owners even more. We are stuck with these buildings because the Premier has failed to exercise his responsibility of ensuring that the State Government's financial institutions operate in a prudential fashion.

I believe that the city of Adelaide has been, if not permanently at least for the foreseeable future, rendered ugly as a result of the greed and short-sightedness of these institutions. Most of these buildings are unlet and unlettable. I have been told by senior sources in the real estate industry that some of these buildings will remain unlet until the value of the land exceeds the value of the building in its deteriorated state, and that they will then be destroyed or demolished and someone else will build upon that land. That is the economics of greed. That is what has happened as a result of the financial adventuring of this State.

I have not referred to the Remm project, to which the State Bank has an enormous exposure—in the region of \$500 million—to the Centrepoint building, to which the SGIC has an exposure of \$43 million, or to the Rundle Arcade, where the SGIC has substantial exposure also but, if one looks at the current financial commitment to these three properties, one sees that it is enormous. Let us say that it is \$4.5 million for the Rundle Arcade. If we add that figure to the other figures I have given the House, we can estimate that the State Government instrumentalities currently hold property with an accumulated value of \$240 million that is not producing any income.

I ask the House to consider the implications of that for the State budget, particularly when we consider the contingent liability of the guarantees that apply to the bank, the SGIC and the superannuation fund. We can ask how on earth these buildings came to be built when it was clearly established so many years ago that they would be excess to requirements. I do not know whether the taxation system is responsible or whether the differential between income and tax liabilities of parent and trust companies enable developers to obtain finance at much less than the market rate. All I can say is that I hope we find out what the market rate was for those developers and why it was that some people were able to erect buildings at rates of about half what ordinary South Australians have to pay to borrow finance for housing.

The fact of the matter is that the State Government's instrumentalities have been involved in property investments which cannot be described as responsible and which have very seriously damaged the beauty of our city, and that will have enormous planning implications for the future because the city cannot thrive unless it has an occupied central core. Even in the daytime, let alone at night, the central core of Adelaide is approximately 14 per cent unoccupied. That is bad for the city, it is bad for the State, and it will be incredibly bad for the taxpayers of South Australia.

The Hon. B.C. EASTICK (Light): The Bill currently before us tells us more by what it does not say than by what it does say. Let me analyse the last three Supply Bills that were introduced in February or March of the past three years. As far as space in *Hansard* is concerned, in 1989 the Supply Bill debate occupied almost two full columns. We

had a Premier who was proud to read into the record the content of his statement. He did not seek leave to have it inserted, but he read it into *Hansard* and gave us a considerable amount of information relative to where South Australia was at directly associated with its financial position. He lauded the work of the Commonwealth in making additional funds available and, because additional funds were made available, he said that South Australia was doing very well and that it was on track to do even better than originally intended by the Government. That was 1989.

There were other details in the information given to the House on that occasion. The Premier spoke of the recurrent budget, the capital budget and the overall budget result. He spoke of the supply provisions. I pick up those headings because they were actually presented in the record as headings, and there was editorial or specific comment about each of those particular aspects. That Supply Bill was presented to the House on 9 March 1989, and members opposite, or those who want to follow this debate, will find it at pages 2307 and 2308 of the *Hansard* of that time. That Supply Bill provided a total of \$750 million.

The Supply Bill for 1990 was presented on 15 February 1990 (pages 217 and 218 of *Hansard*), not a great deal of time after the previous election. It was the first Bill presented to the House in the new parliamentary session and we find that it covered one and three-quarter columns of *Hansard*. Again, it provided a great deal of information about where we were as a State, how we were making progress and what our expectations were. It pointed out the early signs, but it did not refer to a recession. In those days, we were not able to use the big R: we could only hint that things might not have been going well, but there was no recession. In another place, the Hon. Paul Keating, the colleague and friend of the Premier who is the boss of the ALP, through its oneness—

Mr Groom interjecting:

The Hon. B.C. EASTICK: Is the honourable member saying there is a question whether there was a friendship there?

Mr Groom interjecting:

The SPEAKER: Order!

The Hon. B.C. EASTICK: I am pleased to place on the record that there was some hands off situation occurring way back in 1990; certainly, it would seem to exist at the present moment. However, that is not the purpose of my being here this afternoon. The purpose of my being here this afternoon is to draw attention to the fact that in 1990 the Premier desired to share with the Parliament—and by sharing with the Parliament, he was sharing with the people of South Australia—the clear indication of our financial circumstances and what might be expected, not to the last penny but giving an overall view of where the State's finances were going. The explanation took 1¾ columns of *Hansard* and dealt with a Supply Bill of \$800 million.

What do we have on this occasion? The explanation for the Supply Bill introduced on 7 March occupies less than one column of *Hansard*. What is more, it was inserted and not read. There was no pride and no interest in it. Looking at the contents, there is no information, either. The only information given is that it is for \$850 million. For what we might call the autumn Supply Bill, it has increased by \$100 million since 1989, at a regular \$50 million per annum, and it indicates that the inflation rate for 1991 is expected to be about 6 per cent.

Mr Lewis: It is already past that.

The Hon. B.C. EASTICK: Yes, it is already beyond 6 per cent. In 1990-91, there was a 7 per cent increase, as inflation was expected to be reasonably high, but at that stage we

had a lot more information provided, of course. We were told where the economy, on an Australia-wide basis, was going and where it was in relation to South Australia. There was some reference and cross-reference to the importance of our position in relation to the international scene. On this occasion, we have no idea how that 6 per cent figure was derived and, as my friend the member for Murray-Mallee pointed out, it has already been surpassed this financial year. The statements that have been made by the Premier and also those made by the Federal Treasurer, Paul Keating, would cause anyone, whether in this place or in the general public arena, or in the Federal Parliament, to wonder just precisely what the position is.

The Premier has obviously taken no pride in the document he has presented to the House. In his second reading explanation he has provided us with no information of any value—other than an element of false information, by referring to an antiquated 6 per cent inflation figure. We know full well that it is already well above that. What else do we know? We know that in 1989, when the Premier read into *Hansard* the second reading explanation and took part in the debate subsequently, the Commonwealth was making additional funds available to the State. We do not know what the Commonwealth will do in relation to 1991-92, apart from what we have read in the popular press and those things that we have heard on radio and seen on television.

We know that there is a very heavy pulling back by the Commonwealth of funds to be made available to the States. We fully recognise that the Commonwealth, which was to have an \$8 000 million surplus, is now not likely to have any surplus at all. In fact, it could well have a deficit, and this will occur because there has been a major reduction in the financial securities of the Commonwealth, including the individual States, and also we have had a circumstance where the activities of the Federal Government, aided and abetted by Labor Governments across Australia, have caused the advent of our having a greater number of unemployed people. South Australia, along with one other State, unfortunately now has the largest number of unemployed people in Australia. So, there has been a major increase in expenditure on pensions in a number of areas. I am not denying the right of any individual to a pension, not at all, whether it be a pension benefit for age, misfortune and sickness or for unemployment. However, a lot of this expenditure is being incurred simply because of this reduced employment opportunity right across Australia.

If the Premier genuinely wants South Australia to fare better than is the case at present, he owes it to this House to keep us informed. The information in the second reading explanation provided last week is certainly not keeping the House informed. There is a large blank area and a lack of information provided to Parliament and to people in industry, as well as people on the rural scene. For those with an interest in the future of South Australia, there is no yardstick by which to balance their judgments. It is the same during Question Time. The Premier keeps all his cards to his chest and does not pass on information. A bipartisan attitude has been shown by members on this side of the House, as recently as Question Time this afternoon, when the Premier was given the opportunity to come in and say that, yes, there is a problem for South Australia, that once again it has been forced upon us due to the activities of the Federal Government and that we are likely to hurt. However, notwithstanding our bipartisan attitude and the opportunity to consult widely with union members, local government, those in the agricultural areas and in industry—in fact, right

across the board—again the Premier ducks for cover and refuses to give an answer.

I believe that going into a shell hole is a serious misdeed on the part of the Premier. He has exhibited this behaviour over the past few months, refusing to communicate with the people of South Australia. I hope that never again during my remaining time in this House will I see such a miserable document as the explanation that accompanied this Supply Bill. I can say without any doubt that it is the most miserable Supply Bill second reading explanation I have seen in the almost 21 years I have been here. It does the Premier no credit and it certainly does his Party no credit. I support the Bill, for the very obvious reason that we want our Public Service to be accommodated from 1 July onwards, but I hope that the effort, on behalf of the people of South Australia, will in future be much improved on what has occurred in this instance.

Mr D.S. BAKER (Leader of the Opposition): I think it is fair to say that the Government is presiding over the greatest financial disaster in South Australia's history. There is no question that the State Bank's financial problems will have a long-term effect on South Australians for many years to come. The Deputy Leader in his contribution put on the public record exactly what has gone on in relation to the State Bank. The graph that was provided shows that the taxpayers of South Australia have just put \$920 million of capital into the State Bank. They received in pre-tax profits from the State Bank some \$296 million up until 30 June 1990.

Mr Groom: Plus a return on capital.

Mr D.S. BAKER: I think the honourable member should not get into financial matters, because he is completely out of his depth.

Mr Groom interjecting:

Mr D.S. BAKER: I will go through it very slowly, with one syllable words, so that the honourable member can understand. The facts are that the total pre-tax profit for the bank since 1984-85 up until 30 June 1990 was \$296.2 million. The loss that that bank suffered from 30 June to 30 December was \$412.4 million, wiping out all the profits that that bank had ever earned for South Australia. The distribution, or the budget input if you like, in total since 1984-85 was \$163.9 million—that was the return on capital for South Australians.

Not only have we got the \$919.7 million in there but the taxpayers of South Australia have been forced to provide another \$970 million of funds that will be called on to fund losses of the State Bank. So, the net result for taxpayers in South Australia is nothing short of a monumental disaster. Does the honourable member want to interject again on the financial arrangements of the State Bank and what it is doing to the taxpayers of South Australia?

Mr Groom interjecting:

The SPEAKER: Order! The member for Hartley will have his opportunity.

Mr D.S. BAKER: The return on capital is a negative \$1.6 billion. No doubt the honourable member has another—

Mr Groom: Who wrote this for you?

Mr D.S. BAKER: I know that the honourable member has another income; I hope that someone better than he is involved in connection with that. This \$1 billion loss to the State Bank that will be imposed on the taxpayers of South Australia, I would have thought deserved a better explanation than we have seen from the Premier and Treasurer in his explanation of this Bill. Three times each year the Premier can explain to the House the financial arrangements of the State: one occasion is the budget, and that is a detailed

statement as the member for Light said; and the two other occasions are when the Supply Bills are introduced. As the member for Light also said, this was the leanest explanation we have ever had from the Treasurer of South Australia about what is going on in this State and where we are in terms of our current financial situation.

It is quite obvious that this State is in a severe recession. It is quite obvious that a lot of the taxes that were budgeted to be collected will not be collected. Let us bring the taxpayers into the Treasurer's confidence and tell them exactly what the situation is and how bad it is. The \$51 million that taxpayers have to find in the next four or five months in interest costs alone will reflect on this year's budget. That should be explained. Where will that come from?

I welcomed the GARG review. We had been pushing for a review of the bloated bureaucracy of this State for many years after I came into this Parliament. However, the GARG review is a joke. The Treasurer told us that it will save \$140 million for the taxpayers of South Australia in a full year, but that that would not come about for four years.

Our recurrent expenditure next year, just for the State Bank disaster, will be \$200 million. Where will that money come from? We have not heard one thing from the Treasurer to explain that. The sum of \$106 million alone has to come from the interest factor without, as the member for Hartley says, the supposed return on capital through the State Bank. Where will that come from?

Mr Groom: Will you deal with the State Bank of New South Wales or not?

Mr D.S. BAKER: I will get to the State Bank of New South Wales. I was only going to make a very small contribution, but it may get a little longer. I will get into that matter for the member for Hartley, if he really wants to do that. Before I get to the State Bank of New South Wales and indicate what is going on in that State, one other pertinent point should be made. In the State Bank's record year when it announced a profit of \$97 million—and you must remember, Mr Speaker, that it was an election year, so we were really looking for some good news—if it had had provisions for bad and doubtful debts and non-accrual loans on the average of all the other major banks in Australia, that profit would have been not \$97 million but \$55 million. I think someone cooked the books in an election year, and I want to know who cooked the books. How can we go from a \$97 million profit to a \$412 million loss in the space of 18 months?

Mr McKee: Ask John Elliott; he does it all the time.

Mr D.S. BAKER: I appreciate that interjection, but he is doing it with shareholders' funds; the Treasurer of South Australia is doing it with taxpayers' funds. We already have the highest taxes in Australia, and our businesses and industries in this State are being bled to death, not only to prop up the debacle of the State Bank but we are now starting to see what is going wrong with SGIC. What is happening with the South Australian Timber Corporation and the scribmer operation at Mount Gambier is already on the public record, where \$60 million has been blown.

I have just had the UF&S in to see me with a rescue package for farmers in South Australia, and their net rescue package is \$22 million to get a wheat crop planted and to get the State off its knees—peanuts when we have a Government that blows \$60 million on a dream. That is the great problem we have in South Australia; we have been sold dreams for the past eight years, and those dreams have turned into nightmares because we do not have anyone at the helm who has any financial ability to run the State and keep a finger on the pulse. All the problems encountered with the financial instrumentalities in South Australia have

arisen because the Treasurer has not had his finger on the pulse and has not been asking the questions that need to be asked about what is going on regarding the financial management of South Australia.

The member for Hartley mentioned New South Wales. I will turn to New South Wales which, I might add, has a much better unemployment rate than South Australia; it has a CPI rate lower than South Australia's; and it has tackled the micro-economic reform that is needed. I will quote for the member for Hartley part of a speech of the Treasurer of South Australia when he spoke to the State ALP convention. Of course, his remarks would not have had any intellectual challenge from that group. He said:

The Greiner Government is tearing away at the social fabric with all the fervour and warmhearted concern of an early Thatcher Government. At last year's convention I mentioned the disasters which had befallen New South Wales during the first 100 days of the Liberals.

This is pretty good stuff; I bet they were all clapping by then. He continues:

A year on and they have managed to shred—

I wonder where he got that word?

An honourable member: Your office.

Mr D.S. BAKER: Well, at least he has learnt something from it. He continues:

A year on and they have managed to shred the education system, bring about unparalleled dispute and disruption in their public hospitals and welfare system and outrageously increase rates and charges without any regard for their pre-election policies. You would have thought it was a member of the Opposition. That was the Federal President of the ALP talking about the Greiner Government's performance in New South Wales. The member for Briggs might have to eat his words, because I am afraid that the performance of the Treasurer in this State has been abysmal. There is no question that in New South Wales they have bitten the bullet on micro-economic reform. They have taken the tough decisions that the Treasurer in this State was not prepared to take at the last State budget. The record tax grab that he took from the pockets of taxpayers at the last budget was \$233 million. Where did he take it from, this man who is supposed to have his finger on the pulse? He took it from increased payroll tax, from increased FID tax and from increased land tax—three of the largest increases in the history of this State. Already there was talk, from his friends the Treasurer and the Prime Minister, that there would be some tariff realignment. I do not know whether the Premier had discussions with them—if he did, he did not have any influence on them.

We knew there were going to be some problems with tariffs and that there had to be a realignment. Now we find, because the Premier did not bite the bullet then, South Australian industry is in a parlous situation where it is paying the highest increases in payroll tax in Australia, record FID and land tax, and now it has been hit by the tariff reductions which we know had to take place, and all political Parties say there has to be some realignment. The Treasurer must find some way of saving all the jobs in South Australia that are at risk because of his insidious tax increases at the last budget.

That is the problem. There is absolutely no question that South Australia will suffer quite dramatically as a result of the industry statement that has come out, and it is all because we have a Treasurer who is too greedy, did not have his finger on the pulse and took an extra \$200 million from taxpayers at the last budget, without trying to carry on with the micro-economic reform that is necessary. I support the Bill. It highlights the ineffectual way the Treasurer is running South Australia and it highlights the fact

that he is not prepared to put before the public of South Australia the true financial position of this State and let this Parliament debate it.

Mr LEWIS (Murray-Mallee): To follow on from that is not at all difficult. The stage is well set by what the Leader has had to say and what the member for Coles and the member for Light have already said, which demonstrates that the Premier treats this House—

Members interjecting:

The SPEAKER: Order!

Mr LEWIS:—as though it were a mushroom farm. The essential ingredients in the successful farming of mushrooms is plenty of darkness—

Members interjecting:

The SPEAKER: Order! There is too much noise in the Chamber. The Chair cannot hear the debate.

Mr LEWIS: It is clear that there is no hope for the Premier if he cannot even understand where the wicket is. As I was saying, we are being treated as though we were mushrooms in a mushroom farm. There is plenty of darkness and plenty of straw and plenty of the other essential material! Really, I do not understand how members opposite can accept the fact that this is a legitimate statement by the Premier about the necessity for supply to continue providing funds for the Public Service. Naturally, the Opposition support the Bill, we wish to pay public servants. However, the mistake the Premier has made is to admit, by the omissions in his speech, that he has failed dismally.

Thus far, the budget in this State is anything but on line. It is way out of kilter with its intended strategy and it cannot hope to recover the goals which the Premier set for it at the time he introduced it. There is no chance whatever of us recovering and getting back to our previous position, not only because of the State Bank debacle but also because of the economic downturn. The budget was set on boom time predictions of income; and expectations associated with that; and the capital expenditure and recurrent expenditure goals on wages were determined by that arrangement. That is the tragedy of it. I do not want to spoil anybody's dinner, but clearly there will not be any mushrooms to harvest.

An honourable member interjecting:

Mr LEWIS: There is absolutely no doubt about that. To be able to follow so easily into the debate after such a distinguished contribution does not make my job difficult at all.

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

Mr LEWIS: The measure before us tonight is supported by the Opposition. However, it is an inadequate measure, which I describe as the 'Mushroom Bill'. There is no explanation for what is going on in the State at the moment and, in that respect, I draw the attention of members to the excellent contributions of the members for Light and Coles. The profligate spending of this Government and the waste that it has been involved in has been motivated by greed: not so much greed for profit as greed for power; and power that has permeated into all sections of Australian society.

Over the past 10 years we have seen the Government intervening in community activities more than anybody 10 years ago would have imagined possible. In the first instance the Government has offered funds from the time it came to office to support what were seen as essential community services such as hospitals. Now we find that that offer of funds and so-called assistance in making management decisions amounts to nothing more than total control. Prerog-

ative decision making about the way in which communities can spend the money collected from their members in the form of taxation and spent in the name of the public interest is no longer in the hands of the elected representatives of those communities; it is in the hands of the policy makers of the ALP. They are not even people in this Parliament—they are people twice removed from this Parliament. They are the people who advise the factions that meet in Caucus, behind locked doors, to decide what factional recommendations and policy the ALP will adopt.

The ALP's policy makers make deals without any regard whatsoever for the interests and inclinations of the communities on which those deals will impact. They are made for reasons of power within the Labor Party itself and the power of that total organisation to control the lives of the whole of the community of South Australia. The framework being used by this Labor Party is largely influenced by the model developed by the early Soviet advocates of the USSR. Indeed, it is a model that has been used but is being discarded elsewhere.

It is not possible to provide society with a framework of decision making and direction from the top that enables that society of human beings not only to live out their lives as individuals with a fulsome and complete gratification of the experience of life but also denies them the opportunity to accept responsibility for themselves as individuals, as families and as groups. That prerogative decision making is systematically removed from them as the increase in taxation their income goes up. It is all done in the name of the public interest.

The argument simply does not stand up in reality. It may be logical but the experience elsewhere on earth indicates that it will not work. It has not worked anywhere. The better way to go is to leave as much of the value of the efforts of individuals in the hands and pockets of those individuals rather than collect it as taxation in the form in which this Government is doing, and leave them with the responsibility of choosing what they will for themselves as their options on what they wish to spend the money they have obtained from their efforts. It is a pity, too, that the boom, which was artificial, has been used as the basis on which this Government has structured its taxation; and, more particularly, it is a pity because it has structured its expenditure on that same assumption, namely, that the boom will continue. That is a second factor in the reasons why the State is in grave difficulty.

In addition to the problems with quangos and Government sponsored instrumentalities in the State's economy and the irresponsible way in which they function (such as in the case of the State Bank and SGIC), we have had the assumption that the higher level of taxation on transactions would be sustained and that the turnover rate would be sustained. The assumption was that income would be sustained and that expenditure would be sustained. That cannot and will not occur. The regrettable thing is that, whereas the Government recognises that cutbacks are now inevitable and necessary, the fashion in which those cuts are being made is anything but just. There is no social justice in those cutbacks; there is no equity and there is no equal opportunity.

Country people are being heavily discriminated against even though they have done nothing to deserve it. The Government's decision making approach has allowed the classic organisation of bureaucracy to remain intact and to apply itself to the removal of power from people in the communities in which they live and place that power in the central bureaux and head offices of those bureaux in the capital cities. It would have been far better to have used

modern communication technology and to have left the staff operators out in the communities on which the policies of those bureaux are having an impact and to have forced these bureaux as specialist providers of Government services to live among the people on whom their decisions were having the greatest impact. That is not happening, and that is why I complain constantly that there is no social justice; there is no equity and there is no equal opportunity for people living in the country areas.

The curfew being placed on communities to the east of Purnong and Walker Flat with respect to the closure of the ferry service from midnight to 6 a.m. is just one example of the kind of things that are happening elsewhere, and perhaps it is best illustrated by part of a letter that I have received from a concerned citizen of Keith, who is amongst hundreds who have spoken or written to me in the same terms. Mr Gary Forrest has allowed me to tell the House what he has to say and what is his simple view of society and how it is impacting on him. He writes:

What is happening to the many other services which we pay for and are not getting? The township and surrounding area of Keith is a thriving district and we are being cut of many of the services so vitally needed. To give examples—Telecom is shifting four of its staff—leaving just one. The E&WS is shifting its workshop and man to Bordertown.

By the way, I point out that Keith is on the end of the Tailem Bend-Keith pipeline. Bordertown is not connected to that pipeline but simply has a town reticulation system. The Keith depot has to service that pipeline for more than half the distance back to Tailem Bend. What is happening now is that the officer who is being retained in Keith to manage the Bordertown office drives to Bordertown in the morning and has to drive back to do the service work along the pipeline. It is a waste of time; it is a wasted expense in servicing the officer's vehicle; and it provides no greater benefit to the community that the officer is supposed to be serving.

That is the kind of stupid decision that is made by Government bureaux when they are left to make decisions on where cuts are to be made and how they will impact on the services they deliver. Certainly they have an undesirable, unwarranted and unjust impact on the communities in which they are supposed to be delivering the services. The letter continues:

Although he will be living in Keith still, he has to work from Bordertown. The economics of the whole exercise is totally negative. The railways have retrenched three workers which leaves us with only a skeleton staff here. There are problems with the CFS and ambulance services, which are also Statewide problems. The situation with the hospital is also serious, and I can see it closing in the future if Governments do not alter their ideas.

As you know too well, the rural situation is bleak to say the least which, in turn, hurts rural towns. If we lose the above-mentioned services Keith will slowly die, as will many other towns in South Australia. Peter, I bring forward these concerns as an individual, but I am sure they are echoed by many others. If possible, can you start bringing these concerns to the Parliament and keep pounding the Government. People are sick and tired of being told what to do by these people who do not understand what is happening in the country. I thank you for reading this and hopefully you may be able to get some satisfaction for us through your efforts in the Parliament.

Let me continue.

Mr Holloway: What did Westpac do for the country?

Mr LEWIS: What is Westpac doing for the country: no more or less than any other bureau could. That is why I have always advocated that Governments of any and every political persuasion ought to direct their efforts more towards encouraging the individual, and fostering the individual and the excellence of efforts of the individual at all points and ages throughout their lives, allowing private enterprise so established to flourish because, if the individual can do well,

most certainly so will the society comprised of such individuals.

What we have now is the mistaken belief by some of our journalists—I see them commenting and reporting in weekend newspapers—that there was an ALP nationally led economic recovery from the Fraser years. What piffle! That expansion in production and output was a direct consequence of the stimulus of the breaking of the national drought. Had it not been for the fact that the drought had occurred over several years in many parts of rural Australia, and for one year right across the continent, the Fraser Government would not have got into the difficulties that it encountered.

Notwithstanding that fact, the Treasurer we now have in Canberra claims that he broke the drought and that the benefits that came from it were a consequence of his doing so. That is about the nonsense of it, and this Premier is no different in the way in which he has remarked—

The SPEAKER: Order! I ask the honourable member to relate his comments to the Bill. What happened in Canberra during the drought has no relevance to this Bill.

Mr LEWIS: Nonetheless, this Premier had the same line of argument, Mr Speaker, I put to you and to members, as did the Treasurer in Canberra, by saying that it was as a consequence of Labor Party policies that our prosperity grew. However, we now have escalating inflation in this State and in this nation together with escalating unemployment and, as a consequence, what is known as stagflation: a contracting economy while both those things are going up. Clearly, they are wrong.

Let me now turn to a couple of other matters, the first of which is that, if the Government were serious about the way in which it wishes to economise, surely it would—and I am glad that the Minister of Transport is here—have done something to ensure that, where possible, its costs were minimised. Imagine, Mr Speaker, if you and other members could buy petrol in this State at 13.8c a litre or diesel at 15.4c a litre or LPG at 10.2c a litre, you would be buying fuel at what most of us would regard as bargain basement prices. Yet, that is exactly what we could do in equivalent terms if we were to convert the State Government's transport fleet to natural gas. At \$4 a gigajoule, the cost of natural gas is exactly equivalent to the prices that I have just put on the record: petrol at 13.8c a litre, diesel at 15.4c a litre and LPG at 10.2c a litre. The prices for these products are from 300 to 450 per cent, or more, higher than that at the retail end of the market at present. It is possible for consumers to buy natural gas at \$4 a gigajoule and to use it. It is about time that the State did so. Its price for gas, to provide fuel for the public transport fleet, would be less than the prices I have quoted. There would be great savings in the STA and great benefit to the STA and the State budget as a consequence.

It would be a fine example to the rest of Australia because in consequence not only would we be using a fuel that we do not have to import in the foreseeable future but we would be reducing greenhouse gas emissions. I could go on in the energy area by indicating ways in which millions of dollars could be saved annually by the State enabling the communities of the kind that I represent in rural South Australia to retain the services which are being stripped away from them and which they so desperately need.

The last matter to which I wish to draw attention is what I call an unfair and uneven playing field arrangement in which the State Government ought not to be involved, nor should any of its quangos. It is the instance that was drawn to the attention of the House yesterday by the member for Bright in a question about the way in which the State has

allowed the Grand Prix Board to do a deal to buy computers under the market price and then to offer them for sale in competition with a local firm, destroying the viability of that firm. That is terribly unfortunate and unnecessary because it is unfair competition for a Government quango set up for a different purpose to use its purchasing power to do that and to destroy a local industry. The Government ought to step in to prevent it.

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

Mr OSWALD (Morphett): In supporting this Bill this evening I will link my remarks to the Domestic Violence Prevention Unit. Whilst I may refer at length to the general subject of domestic violence, the link with the Bill will be through the salary line to the Manager of the Domestic Violence Prevention Unit under the budget of the Department for Family and Community Services.

About five years ago, a study appeared in the local press in South Australia which showed that domestic violence was increasing and that that increase was due to unemployment, loss of housing, financial stress, a feeling of frustration and hopelessness in the community, family breakdowns, the loss of dreams and aspirations and a lack of self-esteem amongst people generally.

A survey conducted by the Marriage Guidance Council, which was noted in the press as recently as 1989, showed that 35 per cent of its clients had experienced domestic violence and that that figure was on the increase. Other recent surveys have put the incidence of domestic violence in the range of about one in four. I believe that the issue of domestic violence has been sanitised; it has been played down, with the major resources and publicity going towards child abuse.

The Government's support in the area of child abuse is not denied; in fact, I am totally behind it. However, it is very much a poor cousin when we look at domestic violence in the community. Yet, child abuse stems often from the same cause, and that is the matter to which I will refer tonight: the development of domestic violence which flows through child abuse. All our budget lines are directed towards the area of child abuse and not domestic violence.

By way of example, I refer to ethnic women's shelters. Over the past four years there has been a 115 per cent increase in the number of women using ethnic women's shelters. Every fourth person in Australia is from a non-English speaking background, yet only a very small percentage of the funds that are available go to this sector. There are vast gaps in assistance provided to ethnic women with a non-English speaking background.

When crisis occurs involving violence in an ethnic family, and I imagine that this also applies to Australian families, it lasts for about six or eight weeks, after which the Housing Trust and the Emergency Housing Office step in and place the woman who has been abused—who usually has a child—in a trust home somewhere. They are usually placed out in a suburb well away from their ethnic group. I am told by people who run these shelters that crises then start to recur. There is a huge gap in follow-up support, especially for people with a non-English speaking background. They desperately need this support at the conclusion of that six to eight week period when they move back into the community, into a place which hopefully is unknown to the perpetrator, although that is not always the case. As soon as people move out into a suburb with which they are completely unfamiliar, they usually stand out for the reason that they have been placed there.

The other point that is very relevant is that there is no service available to counsel migrant men, to break their cycle of violence and to enable them to become involved in making some sort of restitution. I repeat: there is no service available for migrant men who have been involved in domestic violence. There are plenty of services to help women but no services for men. Social workers can, with all the good will in the world, try to bring the two parties together, but it is not much good arranging a reconciliation between a husband and wife or between male and female partners when there are no agencies to help the men. Also, women do not have much faith anymore in restraint orders, when they have been involved in domestic violence. Under the present system, husbands are getting off extremely lightly and very easily. Only a handful of men end up in court or in gaol.

Some restraining orders take a year to be heard. This is because a lot of men have worked out that, over the course of time when the restraining orders are being heard, if they keep changing lawyers, the court will keep adjourning the case, and up to a year can go by. Some men who break restraint orders never end up in gaol. Often they hang around the place and harass their ex-partners. Female victims are feeling cheated and let down by the courts because the accused gets a lawyer, fully paid for by Legal Aid, to defend him, while the victim must front the court only with the assistance of a policeman, who will have limited legal training, although police officers learn quite a lot through the experience of being in court on a regular basis. However, the accused is in court with a well-paid and well-trained lawyer while the victim is there with a policeman, trying to get justice. The accused gets a far better defence than does the victim, and this defence is being paid for by the taxpayer.

The message that I have received on my visits to the various women's shelters, including the ethnic women's shelters, is that some women could easily kill their husbands because those men have got away with so much. My remarks are relevant to the Supply Bill along the lines that an allocation of funds is required to upgrade the Domestic Violence Prevention Unit. This is absolutely vital. Effort is being put into the child abuse problem but not into the domestic violence problem. In many cases assistance in that regard reduces child abuse. Clearly, from all the evidence from women's shelters, the State Government has dropped its priority in relation to treating domestic violence and has put funds towards child abuse. There is a desperate need to provide more funds for domestic violence assistance. An increase in the prevalence of domestic violence means more child abuse and more kids on the streets. All the agencies involved and the kids on the streets tell me that a large percentage of them are there because of what is happening at home. They will not tolerate it and they hit the streets. This information has come to me from all the non-government agencies I have talked to that are involved in this field, as well as from ministers of religion and from the police.

Domestic violence is ugly. It is a blot on the fabric of our society. Why is the Government allocating scarce resources to this problem? Why can it not use a budget line to increase staff allocations in this field so that this blight on our society can be eradicated? One in four homes and families is affected, and it is growing. Despite all the statistics that are available, all we see is this growing trend. The Federal Government put in vast sums of money a few years ago. The net result has been a continuing increase in domestic violence. This is a great, creeping social cancer, of which all members of this Parliament should be aware. We must

not be side-tracked by this other cancer of child abuse, thinking that that is the only problem. The problem begins before that. We cannot put the cart before the horse.

The Parliament must look very closely at the question of a budget allocation for treating domestic violence. It is not a static occurrence: it is escalating, and it sometimes leads to serious injury and even murder. From looking at the statistics it is interesting to note that it is very much a middle-class and upper-class disease. The lower socio-economic classes are not necessarily those who get caught up in it. That might go against what people's logic decrees, but the statistics show that that is the case. It is because the people in the middle classes get themselves into the cycle, onto the treadmill, where the symptoms build up.

I am very pleased to note that at the moment the police are cracking down on child abusers. Over the past couple of weeks we have seen much reference to this in the media. I applaud the Government for what it is doing in that regard. However, let it not forget the wife-bashers who are causing a problem as well. In January 1989, the State Government announced the launching of a campaign to combat wife-bashing. In April 1989 it called on social workers to address the matter of what was termed at that time 'a conspiracy of silence' which they said existed in the community, where women will not speak up and continue to be bashed. The campaign was launched by the Federal Government, costing some \$1.6 million. The State Government put in \$70 000.

This was at a time when, from the statistics given to us, the police were logging 10 000 calls a year relating to domestic violence. The amount of \$70 000 was a small contribution. I hope the Government will review this urgently. The program has not worked, because, as the reports from the shelters indicate, the figure is still rising. More women are being bashed and more kids are on the streets because of the violence. More must be done to encourage both the victims and the perpetrators to come forward to seek help.

As I said earlier, there is simply no help for the ethnics whatsoever. Also, if we are not going to help the men, we will be behind the eight-ball straightaway in our quest to break the cycle. So, we need reallocations for staff to help counsel the men. The status of Government support must be raised at least to that level for the campaign against child abusers. That is the very least we owe our upcoming generation.

An honourable member interjecting:

Mr OSWALD: An interjector from the other side asked how we would pay for this. It is a matter first of all of recognising in the community that we do have a problem. There comes a time in a community when it is necessary to re-prioritise how we allocate money. If we have cases of domestic violence that are putting kids on the streets, we must go to the other portfolio areas and reallocate money from there. It is nice in times of plenty to have money and to spend it but, in times of depression, hard decisions have to be taken and money has to be shifted from one portfolio area across to another.

Despite arguments one may get from Ministers in certain portfolios, there is money that can be shifted into welfare, which is the poor cousin of the South Australian Government. People say that welfare might do well, but in reality in times of depression funds must come across from other departments into welfare. When we come out of the depression, maybe in times of plenty, we can have the luxury of spending money elsewhere.

I do not resile from saying to the Parliament tonight that there is a need to spend more money in this area of domestic violence. I would defy anyone to say that we should not do

so, to say that we should not start shifting resources across into this particular portfolio. I again remind members that domestic violence takes many forms. There is physical abuse, which can involve bashing, kicking, stabbing and punching women. There is psychological abuse, which can be verbal abuse, consistent put-downs, threats, making insulting remarks and general denigration of women. There is economic abuse, which is not allowing women any money, not allowing them to spend on personal items, and possibly giving them no access to a motor car or not giving them enough money for housekeeping. There is social abuse, which is very common, whereby women are kept in social isolation. And, there is sexual abuse, which is the continual belittling of women about their sexual attraction, forcing them to be involved in intercourse or in certain actions in which they may not be inclined to be involved.

These abuses are symptoms of a disease in our society which, as I have said, will require the State Government to re-prioritise spending in other departments across into the Department for Family and Community Services, so that the CEO can address domestic violence with some enthusiasm. She is doing an extremely good job on child abuse, but if the Government will not resource the department it will have difficulty coming to grips with domestic violence which, in turn, may cause increased child abuse.

There are departments that can give up resources. All members in this House will have their own view on which department or departments should give up their resources. If I were in Cabinet I could very quickly find the resources I needed in other departments that are not necessary in times of depression. When we come to budget time next year, this very important subject should be addressed. The Opposition will give bipartisan support to the Government if it shifts resources into FACS so that they can be put into the Domestic Violence Prevention Unit to do something about the horrific rising incidence of domestic violence in this State.

The SPEAKER: Order! Before calling the next speaker, I draw the attention of the House to the Bill's purpose involving the operations of the Consolidated Account for the current financial year. The clauses of the Bill are very simple and relate to the sum of \$850 million to be appropriated from Consolidated Account. I ask all speakers in this debate to adhere to the Bill and to avoid other issues. The honourable member for Gilles.

Mr McKEE (Gilles): I support the Bill, which I suggest has been properly costed and is appropriate to be passed here without question. I wish to refer to some of the cliched remarks of the Opposition during this debate. The Liberal Opposition, both here and federally, is well known for its position on Supply Bills. If we go back to the mid-1970s we recall that the Federal Opposition refused to support a Supply Bill and plunged this country into a disastrous election under the threat—

The SPEAKER: Order! I draw the honourable member's attention once again to the fact that the actions of the Federal Opposition bear no relevance at all to this Bill. I ask him to be careful about the statements he makes in this debate.

Mr McKEE: I shall confine my remarks to answering some of the cliches that have been used by the Opposition during the debate—cliches such as 'failed in its responsibility' and 'motivated by greed'. I suggest that there are other people who have failed in their responsibility to this country and who have been motivated by greed. They are people like Mr John Baragwanath, the Adviser to the Lloyds Corporate Services, who has been charged with insider trading

and has fled to Chile; Mr Alan Bond, the Chairman of Bond Corporation, who in December 1990 was charged in connection with the payment of a secret commission (the case was adjourned until March 1991); Mr Garry Carter, the Chairman of APA Holdings, who in November 1990 was charged with breach of director's duties and whose case was due for hearing in February 1991; and Mr John Cornelius, the company secretary to Elders Resources NZFP, who in December 1990 was charged with conspiracy to defraud—

The SPEAKER: Order! I have allowed the honourable member some leeway in this debate. I certainly hope that he will now link his remarks to the Supply Bill.

Mr McKEE: Mr Speaker, I am doing that. Previous speakers before and since dinner, referring to the Supply Bill, were saying that the Government had failed in its responsibility and that it was motivated by greed. I just wish to draw an analogy with supporters of the Opposition who in the past five years have robbed \$15 billion from the economy of this country under the guise of responsibility but for their own greed.

The SPEAKER: Order! I would again draw the honourable member's attention to the fact that this Bill is the Supply Bill. The actions of people in the financial sphere are not related to this measure. I suggest to the House that many of the matters raised here—and I take the point that the honourable member makes about references made in other speeches—would be far better raised in a grievance debate, which is also part of the consideration of this Bill, rather than in the second reading. I again ask the honourable member to be very careful to link up his comments.

Mr McKEE: I am trying to tie together remarks made in this debate by members opposite when they referred to activities of this Government, but in fact other people in the community have failed in their responsibilities and have been motivated by greed.

The SPEAKER: Order! The honourable member is certainly able to rebut any argument made, but any comments from then on will be linked to the Bill.

Mr McKEE: Based on the arguments put forward by the Opposition, I was attempting to say that massive amounts of money have disappeared from this State, and in the main that has been caused by supporters of the Opposition. That has been caused by people who have been operating within the free enterprise system—

Members interjecting:

Mr McKEE: Let us look at the former President of the Liberal Party.

Members interjecting:

The SPEAKER: Order! The Chair cannot hear the debate.

Mr McKEE: In particular I refer to a South Australian company, a great old established company, Elders, which was taken over by the former President of the Liberal Party, all in the interest of fostering the individual and allowing private enterprise to flourish.

Mr MEIER: On a point of order, Mr Speaker. What relevance does this have to the Supply Bill?

The SPEAKER: Obviously, the member for Goyder has not been listening to the Chair. I have been listening and trying to guide the honourable member in this debate. The honourable member has the right to rebut arguments put, and I am listening to ascertain whether his argument is along the lines of a rebuttal. If the remarks do not concern the Bill, I will have to speak to the honourable member again. The honourable member for Gilles.

Mr McKEE: I am trying to link my arguments to the statements that already have been made in this House—statements that were made prior to and immediately after the dinner break. I do not have a copy of *Hansard*, but I

made notes during the speeches. Cliches were used by the member for Murray-Mallee about fostering the individual and about allowing private enterprise to flourish. I am giving some examples of what that means to members of the Opposition. I do not have the same approach to those sorts of statements as members opposite have.

I am giving some examples of allowing private enterprise to flourish, in that I am suggesting that a very old company in this State, called Elders was allowed to flourish along the private enterprise lines, under a former President of the Liberal Party, John Elliott. Where does Elders stand in our community today? It has been rorted and raped. As the House can see, I am using the remarks that have been made previously by members of the Opposition.

The SPEAKER: Order! I think the honourable member has made that point. The President of the Liberal Party or Elders really has nothing to do with a Supply Bill for this State.

Mr McKEE: Well, it has. It is a very awkward situation, Mr Speaker. Some statements have been made against the State Government during the course of this debate and they have been allowed to stand.

The SPEAKER: Order! Let us clarify the situation once and for all. We are dealing with a Supply Bill introduced by the Government involving the expenditure of money by the Government. Part of the debate on the expenditure of that money must be a criticism or a support of the expenditure of that money. Criticism of such expenditure would be reasonable, I am sure the House will agree, but the expenditure of money by a former President of the Liberal Party, or by the person named by the honourable member or by a private company, without any direct connection to the Supply Bill, has no relevance whatsoever in this debate. Once again, I draw the honourable member's attention to the Standing Orders and rules of the House, both written and presumed, requiring that the debate must be relevant and must relate, in this case, to the Supply Bill which is before the House.

Mr McKEE: Thank you, Mr Speaker. I accept your guidance on that matter and indicate that I have said what I wished to get across. Of course, I support the Supply Bill. I support such expenditure along the lines of Labor Party policy and I assume that is why there has been so much opposition from members opposite, who do not wish to see the correct and proper expenditure of money under a Supply Bill in relation to policies that will assist the ordinary people of this State. I refer to education and to the fact that we have given the highest wages to teachers within the Commonwealth of Australia; indeed, as part of Labor Party policy, we have given a commitment to education, roads and hospitals. The reason for this appropriation is, of course, to continue that spending, and to continue it in line with Labor Party policy which, as we all know, is open to perusal by the public, including the press, unlike the method of formulating Liberal Party policy. Their rank and file are not allowed to participate in that way, and members of the press are not allowed to be present during their debates. In the Labor Party the policy formulation for expenditure of money under a State Bill is open to and freely accessible by the press.

Mr BLACKER (Flinders): I support the Bill, which is a procedural matter introduced every year at this time in order to appropriate amounts of money to pay the Public Service until such time as a Supply Bill can be introduced at the commencement of the next session, so that that in turn will continue through to the budget. There is nothing new in this Bill, except for the figure that has been specified.

I note that the Premier is trying to play down that sum—the \$850 million—by saying that it is only 6 per cent more than that provided for in the Bill introduced this time last year.

I want to raise the issue from the point of view that 15 years ago the figure was \$130 million; 10 years ago, \$260 million; and now \$850 million. One must ask why it is necessary to have such very large increases over that period and whether in fact the money is being spent wisely.

I add a word of caution at this point, because the Premier has already announced to this House—and he has announced publicly—that the State will have a burden as a result of the State Bank losses, and there will be ongoing costs and the servicing of that money at approximately \$100 million per annum—just to service the debt. Last night I tried to explain the magnitude of the debt that needs to be serviced, in addition to cost associated with the normal Public Service and other affairs of the State Government. I made the point that, by calculating a value of \$5 or \$5.50 per head of sheep, the total sum involved is 10 times South Australia's total sheep population or sheep value. So, it is indeed a very large one. If I can cite another parallel, using that same figure and dividing it by the total number of rural establishments, I point out that the Government or the State Bank could give \$66 620 to every rural establishment in this State.

The situation is indeed very serious, and I am rather surprised that the gravity of it has not been picked up by a wider cross-section of the community, because we are saddling the next generation of people—and probably the generation after that—with a problem of immense proportions. That problem is not one of their own making: it is of our making, that is, the Government or its instrumentalities of the day. It is necessary, therefore, that the sum we are now appropriating has to accommodate those costs that will be incurred in addition to the costs of running the Public Service.

At this stage, the Government has not been able to itemise those areas. No doubt they will be itemised when the general budget comes in later in the year, but somewhere that has to be considered and, although this Bill does not make any reference to that, the point I have made is nevertheless an integral part of the finances of the State and must be considered in the future.

Mr INGERSON (Bragg): I refer to funding that will be required, out of this appropriation by the Department of Industry, Trade and Technology, to ensure that the current concerns in the industry area, involving both small and large businesses, are properly and adequately catered for in the next six months, the period for which this Supply Bill is basically meant to cater. I support the Bill and hope that at least some of the things I mention will be considered by the Government before it brings down its next budget.

The fiasco of the State Bank and the \$970 million required to be pumped into the bank to keep it afloat has a flow-on effect of some \$160 million in terms of an interest bill coming within the budget. Part of that interest bill, of course, will be picked up in this next four-month period. Because of that significant increase in interest paid by the State Government to bail out the State Bank, I believe there will be some cut backs in the area of industry, trade and technology, at a time when the whole industrial development of this State is going to change. This State has been placed in an absolute mess, because of the policies of the Hawke Federal Labor Government.

Those policies have created very significant interest rate problems for all the community, and in particular the indus-

trial community of our State. As members on both sides would be aware, our State requires a very significant output from the industrial sector in both the small and the big business area and, in particular, we require our manufacturing industry to be a very vital cog in the economic growth that is required. The Federal taxation levels that have been imposed on industry also have a very significant effect upon the industry base of our State. I note that all of the Federal economic policies that are having a significant effect on our State—and as a consequence, the need for the Department of Industry, Trade and Technology to make sure that its staff are well and truly up-to-date with the problems of industry—have been supported by the Premier in three capacities, namely, as the President of the ALP, as a significant member of the EPAC committee and as the Premier of our State.

Since the Premier is in control of this Supply Bill, it is with that sort of inference that I would like to spend more time talking about the industry direction that has been announced at both State and Federal level in the past few days. There is no doubt that the effect of the last budget with its increases in payroll and FID tax, and the increase in WorkCover costs shortly before the budget, had a significant effect on the cash flow and profitability of business, both small and large, in our State.

Payroll tax in particular has had a very significant effect in the automotive industry. In fact, both Mitsubishi and GMH in Elizabeth have reported to me overall increases of some \$2.5 million a year, which suddenly goes out of the company's cash flow and into the coffers of the State Government, and that has a very significant effect on future employment in those two areas. WorkCover is probably the biggest single problem faced by both those companies and, being a member of the WorkCover select committee, I know that it is a problem that almost every business in this State faces. It is a disaster and I am quite sure that, when the select committee reports on some of its public hearings, some of the comments will be quite astounding to this Parliament.

In the past few days a very significant industry statement has been made in the Federal arena. This statement has a very dramatic effect on South Australia. In particular, the effect on the automotive industry in our State will be quite dramatic. It has been put by several sources that the loss of jobs due to this single action of reducing tariffs could amount to somewhere between 6 000 and 12 000 depending on which source is used. One of the major industry reporters says the figure is a low level of 6 000, but the State Government in its submission to the IAC investigation put it as high as 12 000. I assume that the State Government submission covers the component industry as well.

One of my major concerns with this policy direction and how the Department of Labour and the Department of Industry, Trade and Technology are to cope is in this whole area of what we intend to do about job losses and what sort of jobs we find for people who will lose their job because of the tariff changes. I have had the privilege and the opportunity to talk to both automotive manufacturing companies at length about their concerns in this area and the thing highlighted to me most of all is the fact that they believe that they can cope with significant drops in tariff. They believe that they may be able to cope with a very small reduction in staff and in employment, if all the other things are put right in which the State Government and the Federal Government are directly involved. It seems incredible to me that the State Government is determined to introduce preference to unionists as a major issue in this State and that it argues strongly that we need to make

different agreements between enterprises so they get together to improve workplace practices, while at the same time they are the major issues that are put forward by people in the industry in terms of the reform and general change that they believe need to occur.

In recent days I have had discussions with these companies on the effect of employment in this State, because it is quite important, with the changes that have been put forward from the Federal Government. There is no doubt that, if the changes do take place and money is not made available to the department properly to research and help these industries through the next two to three years, we will see some very dramatic changes—changes that I believe will not be in the best interests of South Australia.

I received a document the other day from one of the companies setting out what it believes is the best way to go in recognising the changes that need to occur, not only at tariff level, which will obviously make our industry more competitive, but also at a workplace level, which it believes will help the economy of South Australia and, more importantly, create or, at worst, maintain jobs for all our children in the future.

I would like to quote very briefly from this letter I received, because I think it puts into context the sort of changes which we need to make as a community and which unfortunately the current Government does not see as being of top priority. I say that because the State Government says continually that we have difficulties with tariffs, whilst the community has all these other issues that the Government is not facing up to. I would like to list a few of them before I quote from that document. As I said earlier, we have the very significant increase in payroll tax that has hit almost every one of this State's companies which are currently being asked to reduce or which tariff reductions will affect. We have had dramatic increases in WorkCover costs and significant increases in FID. So, at a time when we have an economic downturn, the State Government is fleecing these businesses and making it more difficult for them to create profits and consequently create wealth and, more importantly, create jobs for young people in our State.

The paper to which I referred is headed 'Employee Relations Issues,' and it states:

[The company] supports the view that a local manufacturer should aim to achieve 'world best practice' for our volume in terms of manufacturing performance . . . Employee relations issues are one critical element in achievement of these objectives. [The company] believes a radical restructuring of employee relations is required in line with world best practice. In proposing radical changes, we acknowledge that this will require significant alteration to long established industrial relations standards in conditions such as sick leave, shift work patterns and premiums, programmed days off, etc.

We do not believe that this should be achieved in a way that either: (a) financially disadvantages the individual employee; or (b) leads to an overall reduction in [the company's] total labour cost per hour per employee.

The SPEAKER: Order! The honourable member will remember to link his comments to the Bill.

Mr INGERSON: The reason I am reading these comments is that I believe that the Department of Industry, Trade and Technology will in the next four months require extra money to have extra people out in the industry area to help the Government to recognise and make the sort of changes that these companies are arguing for and putting forward.

This call for changes is not being listened to by the Bannon Government, as we need important changes for the economic development of our State. The sorts of things that have been suggested by this company in requiring changes in the whole work practice area are very interesting, and I will list a few of them to illustrate the sort of issues

being talked about. The first is a genuine automotive industry union. That is interesting because we have heard all of the arguments about the component industry and the motor manufacturing industry having supply difficulties. The company is saying that one of the best ways to go is to have a genuine automotive industry union.

Secondly, the company suggests that there should be an improved dispute resolution process, because it argues that the current process is not the best that we could have. The company believes that there should be an agreement over time for a fixed number of assembly plant working days per annum. It says quite clearly that there should be some 250 days a year. I understand that the closest any manufacturer gets to that is 219 days at General Motors-Holden's at Elizabeth.

Members interjecting:

Mr INGERSON: I am continually reminded by members opposite of the need to stay on this Bill. It is important to recognise that we will need more people in the Department of Industry, Trade and Technology to try to look after this major problem. We heard the Premier today squealing about the problems arising as a result of initiatives supported by his Party at both the Federal and State levels. His Government has raped industry with payroll tax increases, and his Government has belted it with FID and WorkCover problems. It is important that we get to the very nub of what industry wants to change. Tariff changes are not purely and simply the only way to go. The Government needs to monitor this other far more important issue of work practice changes by having more staff from the department out there looking at the problems.

The next point mentioned by the company relates to the need to move to an enterprise agreement structure covering plant location and including all unionised employees within that plant location. It also talks about positive incentives being included in agreements to encourage attendance at work plus individual performance and contributions to quality and productivity improvements. It goes on to say that the move to a single union structure would entail complete agreement on the development of broad cross-skilling in both production and trade areas. Finally, it says that, whilst there is a move towards that major union structure, some of the people within the structure must be able to move outside that agreement. The company is saying that we need to ensure that the Government, the Bannon Government in particular, gets out into the workplace and talks to management and employees about the sort of changes that need to occur. The half-baked tariff policy put forward in recent days needs all of these other hang-ons to ensure that development in this State proceeds in the best interests of South Australia.

This morning I had the opportunity to attend a seminar at which the Minister of Industry, Trade and Technology spoke. It was the clothing, footwear and textile seminar in my electorate, at which the same sort of issue was addressed. In that context another 2 000 to 5 000 people may lose their job because of the same sort of problems relating to tariff reduction. These people suggested this morning that interest rates have 'killed' them. Which policy and which Government is responsible—the Federal Labor Government. The Premier is on its EPAC committee, so—

The SPEAKER: Order! I remind the honourable member that that has nothing to do with the Bill.

Mr INGERSON: The whole thrust of my speech tonight is that the Government needs to ensure that, when it looks at its industry policy, an ample amount is allocated from the \$850 million. I would have thought that it was essential that in asking the Government to put that sort of money

aside the whole ambit of the industrial problems we have in this State today, and highlighted clearly yesterday and today throughout the media, be taken into consideration. In the past few days the industrial policy of this Government has been put on notice. Any money that we can encourage this Government to put into making sure that these other issues, which I believe are far more important than the main issue of tariff reduction, are properly looked at.

Earlier today the seminar that I attended addressed the problems of the State Government. People talked about the problems of payroll tax and interest rates as well as the 'recession that we had to have.' Most of all they talked about their concerns in respect of what they called a 'rudderless State Government.' It is important that their concerns are properly placed before this Parliament and looked at by the Government over the next five or six months as it formulates its budget. The Government must reallocate some of its resources so that the small and large businesses that this Government has raped can be properly looked after over the next four to six months.

Mr MEIER (Goyder): The Bill before us tonight specifically refers to the fact that \$850 million is appropriated from the Consolidated Account for the Public Service of the State for the financial year ending 30 June 1992. Members would appreciate that last year the agricultural sector contributed some \$2.6 billion to the State's economy. In the coming year estimates indicate that it will contribute only about \$1.3 billion—in other words, the amount will be halved and it may fall below what has been coming in over the past few years. So much hangs on the rural sector's income in relation to the appropriation of moneys in this Supply Bill that it needs to be looked at and examined very carefully. There is no doubt that this State as a whole is in recession, and the rural sector is in not only a recession in many parts but in fact a depression. As members of Parliament we see for ourselves, or through the media, the extent of the depression.

Examples keep coming forward indicating that it is the worst we have seen. The worst is still to come, and the coming year will be horrendous. We know that South Australia relies very much on certain key commodities—wheat and wool being two. We have a wide diversity of commodities, and the majority have been affected by the current economic downturn. We have seen some classic cases where Government interference has led to a worsening of the situation. Government interference through high interest rates, through maintaining the high Australian dollar, through high wages and through high taxes has had a significant effect on the rural sector and on the economy as a whole.

The Hon. T.H. Hemmings interjecting:

The SPEAKER: Order! The member for Napier.

The Hon. T.H. HEMMING: On a point of order, Mr Speaker, with reference to your previous ruling about linking remarks to the Bill, I put to you that the Federal Government's interest rate policy has no bearing whatsoever on this Bill.

Mr Lewis interjecting:

The SPEAKER: Order! I take the point of order. My attention was diverted for a moment, but I draw the attention of the member for Goyder to the Bill, which relates to the expenditure of State moneys and, unless references to Federal moneys are linked to the Bill, they are out of order.

Mr MEIER: I respect what you have just said, Mr Speaker. I am disgusted with the honourable member opposite for having taken a point of order in such a serious situation when he knows full well that the high taxes and the high

wages of this State, which I mentioned, are as relevant to this State and to this Bill as anything else.

The Hon. T.H. Hemmings interjecting:

The SPEAKER: Order! The member for Napier.

The Hon. T.H. HEMMING: On a point of order, Mr Speaker, that outburst, that tirade, by the member for Goyder was a personal reflection on me when I had taken a point of order within the Standing Orders.

The SPEAKER: Order! The energy with which any member of this Chamber engages in debate is fairly well up to the member himself. There are no Standing Orders relating to the tone one uses or the strength of one's voice when one is engaging in debate, so I cannot accept the point of order relating to the tone or the approach of the honourable member to the debate.

The Hon. T.H. HEMMING: On a further point of order, Mr Speaker, it was not so much the level of voice that the member for Goyder used: it was his actual words, because I had taken a legitimate point of order.

The SPEAKER: I listened very carefully to the issue raised in the point of order. The member for Goyder said that he was disgusted with the member for Napier. That is not unparliamentary.

The Hon. T.H. Hemmings: It hurt.

The SPEAKER: Personal hurt is not covered by the Standing Orders. Let me say to the member for Napier that frivolous use of points of order also could incur some attention from the Chair. I ask the member for Goyder to contain his remarks to the Bill and to continue with the debate.

Mr MEIER: I will not dwell further on the point of order other than to re-emphasise that, if the high taxes to which I referred and the high costs and the influence that this State through its Premier as national President of the ALP has on interest rates is not related to this Bill, something is very wrong.

Mr HAMILTON: On a point of order, Mr Speaker, I understand that the Bill we are talking about tonight refers to the provision to the Public Service of South Australia in 1991-92 an amount of \$850 million. I cannot see the relationship of the member for Goyder's contribution to this particular Bill, and I ask that he be brought back to it.

The SPEAKER: Order! I assume that the honourable member is referring to the comment by the member for Goyder that the Premier is the Federal President of the ALP. He did not mention that, but I assume that is what he meant. That fact does not have relevance to the Bill; however, if the honourable member can link it to the expenditure under the Bill, if he can build a case or rebut an argument that is allowable. I will listen to his contribution and take it from there.

Mr MEIER: Without doubt, the crisis that currently is affecting the rural sector impinges 100 per cent on this Bill because, as members opposite would appreciate, if the rural situation is not resolved, we will not be able to find that \$850 million. So, this debate tonight would be a pointless exercise, because we will not be able to find all that money. All my remarks are directed to that end.

I will now continue having deliberately been hindered and prevented from making the remarks that I wish to make. I was referring to the fact that we are facing some of our bleakest days in the rural sector, and the chances of this situation spreading to the metropolitan sector are increasing daily. In the final analysis, the public servants will be the ones to suffer; they will be the ones to lose their jobs, because there will be no money available to pay them.

We have seen examples of towns being brought close to extinction; the rural economy is such that they can no longer

survive. A very important point—and it was referred to in the past few weeks—is that people should support their local businesses. Perhaps something that we in this State need to do more is to buy locally, to buy South Australian and, certainly, to buy Australian. If we want that \$850 million, it will not come by our buying imported goods. I hope that we can apply that principle to the local corner shop or, in the case of rural towns—and Tumby Bay was highlighted—to the local bakery so that those businesses can keep going.

I mentioned the drop in returns to this State that will occur. It needs to be remembered that farmers incomes will drop by about 70 per cent in many cases. A negative income is common to almost all farmers with whom I have spoken: the well-to-do and the not so well-to-do. In my opinion, no action has occurred in relation to this situation. At the end of last year the Minister of Agriculture put out a so-called rural assistance package and the Premier belatedly made a visit to Clare and put out a package. At the beginning of this year the Premier through the Minister of Agriculture put out a statement to all members of the South Australian Parliament entitled 'Rural downturn program'. It depresses me that the Minister of Agriculture still will not refer to the rural crisis as such; he refers to it as a rural downturn, not as a rural crisis.

The Minister highlighted in that program such things as the media package though farmers will be advised of the small business guide to cash flow budget sheets and the like. What help will that be to farmers who have a negative income to find out that they are \$10 000 worse off than they thought when we need to provide \$850 million to keep this State going for the next few months?

Mr Venning: No use at all.

Mr MEIER: It is no use at all, as the member for Custance interjects. This document refers to the sheep slaughter scheme. What a hide—

Members interjecting:

The SPEAKER: Order! The member for Goyder.

Mr MEIER:—when you, Sir, and as members opposite would recall, I pleaded for the Government at least to provide some assistance for councils and possibly farmers who have to slaughter sheep. It was costing them tens of thousands of dollars and the cost could have run into hundreds of thousands of dollars. The Minister referred to the Australian Wool Corporation's sheep slaughter scheme, almost saying that the department is there to help to oversee it, but in the same week that I received this document I had a letter from a council pleading for funds to continue its program so that its rural sector would not be further affected. That is a very unfortunate situation.

Then we had the State Bank fiasco. It looks as though we will be about \$1 billion down the tube. How are we to raise \$850 million when we have to catch up that amount? The relationship of the State Bank to the rural economy is very important. Traditionally, the State Bank was the backbone of the rural economy; the rural economy felt that it could rely on the bank. When the bank was reconstituted, it decided to put on a new glossy image, to look to the urban areas and to close branches in the country areas. Unfortunately, with the decline of this State's economy it has been the rural people who have suffered so much. The raising of funds for Government purposes, such as the amount of \$850 million provided for in this Bill, is suffering as a result also.

In the past, those in the rural sector could trust their State Bank manager; now they have no idea where they stand. Only two weeks ago I had to take a couple to the State Bank and plead for the bank not to sell them up. The

notice had already been nailed to their gate. In fairness to the State Bank, I point out that we received a three month extension and, hopefully, things can be worked out from there. In relation to the banks, it is important to acknowledge that, undoubtedly, there is extreme pressure from the Reserve Bank on the banks generally, including the State Bank, that they do not let bad debts go any further. We are therefore finding that, whilst local branch managers are prepared to give some leeway and latitude, the directive is coming from central office, 'No, you will not give them an extension on their funds; there will be no further overdraft.' So, the overdraft provisions that many farmers had previously have been stopped. How are they supposed to live?

This Government has been totally bereft of ideas. It was interesting today to see the United Farmers and Stockowners put forward a suggested rescue package, which sought to overcome this cash flow problem that farmers have to try to give them some money which, in turn, may enable the farmers to produce. At present, many will not be able to produce. I am very disappointed that the call I made some three weeks ago to the Premier for a moratorium on mortgage sales has still, other than being acknowledged, not been acted upon. It is imperative that there is not a wholesale sell-up of farms in this State; it is imperative because farmers are the backbone of this State's economy.

Farmers know their areas. They know how to operate their land. To put them off the land would be a retrograde step. So much has gone wrong in the rural sector; so much needs to be done. I personally believe that it comes down to petty political play, when the Labor Party realises that there are no votes for them in the rural areas and consequently it is not interested in helping. The action by the Labor Party so far clearly shows that. It is a great disappointment to me to see that the rural sector is not being given the encouragement it should be given because, in turn, it can help meet this State's debts.

Mrs HUTCHISON (Stuart): First, I can assure the member for Goyder that I do support a country electorate; my electorate certainly has a rural component.

Mr Meier: You have lost your influence.

The SPEAKER: Order!

Mrs HUTCHISON: In rising to support the Bill, I assure you, Mr Speaker, that I will confine my remarks to the Bill, relating to the provision of \$850 million for public sector wages and salaries, until the Appropriation Bill is introduced in August. This Bill obviously is of great importance to my electorate because, in the two major provincial cities of Port Augusta and Port Pirie, there is a very high level of State Government employment. That is particularly so in relation to Port Augusta, where in February 1991 there were 1 951 people employed in the public sector. Of those people, 41.8 per cent were employed in administrative units and 58.2 per cent were employed in other public sector organisations. In the administrative units, there were 815 people in employment and in other State public sector units there were 1 136 people in employment.

Looking at the major areas, the Children's Services Office employs 36 people; in the correctional services area (and members would realise that there is a gaol at Port Augusta) 76 people are employed; in the education area, 282 people are employed; and in the TAFE area there are 92.

The Hon. Ted Chapman: Ninety-two in Tafe—unbelievable.

The SPEAKER: Order!

Mrs HUTCHISON: For the benefit of the member for Alexandra, it is a regional area.

The Hon. Ted Chapman: Can you tell me whether there are more staff members than pupils?

Mrs HUTCHISON: I will ignore the interjection, Mr Speaker. The Police Department employs 59 people and the Department of Road Transport employs 160 people.

The Hon. Ted Chapman interjecting:

The SPEAKER: Order!

Mrs HUTCHISON: The honourable member will get his turn.

The SPEAKER: If he is still here!

The Hon. Ted Chapman: I'll still be here, don't worry.

Mrs HUTCHISON: The Electricity Trust of South Australia in Port Augusta, which is obviously one of the major employers there, employs 643 people. Further, the Health Commission (which includes the hospital system and the other areas of health in Port Augusta—and I might say that that includes the Aboriginal health service called Pika Wiya) employs 425 people. The Housing Trust employs 20 people. So, members can see that this Bill has a great deal of relevance to my electorate. I certainly hope it has a lot of relevance to the member for Alexandra's electorate, because when it is his turn he can talk about that. There is a large concentration of employment in State Government areas in Port Augusta, which makes an enormous contribution to the economy there. The reliance on this makes the Bill important to me and I hope it has a speedy passage through this place. I also hope that other speakers might be as brief as I have been.

The Hon. Ted Chapman interjecting:

The SPEAKER: Order! The member for Alexandra is not on yet, and is way out of order. The honourable member for Adelaide.

Dr ARMITAGE (Adelaide): When considering what I would say when addressing this Bill, which is about the supply of \$850 million for the Public Service of South Australia, I thought to myself, 'What could be more of service to the public than the public hospitals?' So, that is the issue I will address. In particular, I agree with the member for Stuart's comment about the 'Health Commission' being a generic term that includes hospitals and other areas of health. So, believe me, members opposite, when I am talking about health I am talking in exactly the same terms referred to by the member for Stuart.

Unfortunately, in considering expenditure of Government money at the moment, the question relates not so much to supply as to lack of supply. I believe that the Government has abrogated its responsibility to provide adequate health care to the people who might most expect it, the people most disadvantaged by the Government's policies, those from Labor's supposed heartland. I cannot understand the rationale of members opposite. They all know full well that Federal Labor Government policy has seen a vast decrease in the number of privately insured patients. They know full well that the Labor State Government policies, which are shepherded by the Premier and for which they are all responsible, have seen a decreased level of services to an extent not seen previously.

I ask why there is a lack of supply in the health area today. I put to members opposite that it is because of appalling management and financial irresponsibility, and it will hit South Australians much harder as the State Bank crisis worsens. As you know, we are to pay a \$106 million interest bill on our—and I emphasise 'our', as taxpayers—bail-out of your mistakes. The public hospitals are overrun dramatically in their budgets at present because of increased activity, and the reason for that increased activity is that more people are going to our public hospitals because they

are no longer privately insured. Let us look at some figures. If the activity levels continue at the present rate, the Queen Elizabeth Hospital by the end of this financial year will be \$2 million over budget; the Royal Adelaide Hospital will be \$1.7 million over budget; and the Children's Hospital will be \$500 000 over budget.

Let us say that Flinders will be \$500 000 over budget, although I believe it will be more. It certainly has not yet received funding from the Government for this much vaunted cardiac surgery area. The new policy of the Government seems to be to improve in principle, rush to the media, get warm fuzzies but then forget to approve the funding. The practitioners in the field are awake to it. I go on with other hospitals' overruns in activity. Let us say that Modbury and the Lyell McEwin will, between them, be \$300 000 overrun at the end of this financial year if activity continues at the present level. All that means is that the people of South Australia get their health care; that is all 'activity' means. There is nothing magical about it: it means that someone going into hospital gets treated. It is as simple as that.

Let us assume those figures, which means that the public hospitals will be overrun, at the end of this financial year if present activity continues, by \$5 million. I remind members opposite that South Australians will be paying an interest bill of \$106 million to bail out this Government from its mistakes. That \$106 million that we will be paying to cover up errors would solve the present public hospital problems 21 times over.

I put this to members opposite. Last year in the budget the total health spending was about \$1.1 billion. The taxpayers' total bail out of your mistakes is \$970 million, or approximately \$1 billion, thus far. That has been caused by the financial irresponsibility of the Treasurer, whether because he was paralysed by fear of what he actually knew or simply because he did not ask incisive enough questions, but whatever the reason he is culpable and financially irresponsible. This Government, including its backbenchers, who are tarred with the same brush—and certainly the Minister sitting on the front bench, is definitely also responsible for the loss.

Your Government has lost virtually the whole of the health expenditure for South Australia for one year thus far. If the non-performing loans continue to accrue—and I mention only the non-performing loans that we already know about—this financially negligent Government of which members opposite are a part will have lost three times the total health budget in one easy go, and that simply is not good enough.

Yesterday's industry statement by the Prime Minister has had members opposite, Ministers and the Premier predicting doom and gloom for South Australia. All members, as political practitioners, know that all that is really doing is providing a whipping boy for the State Government in an effort to flick-pass the blame for all the pain that we will suffer later. But, whatever the rationale for the doom and gloom being predicted, what reasonable person would say that the non-performing loans of the State Bank will suddenly, Midas-like, turn to gold? Those non-performing loans will continue to make the situation worse.

South Australia faces a bleak future if the non-performing loans continue to accrue as it is quite clear they will do because of the doom and gloom that Ministers opposite predict. The financial situation in South Australia is merely the tip of the iceberg, and all Government members are responsible, because they should have been taking heed when we first raised doubts and asked questions two years ago. It is clearly not a defence to say, 'I was following

orders.' What is actually happening in health in relation to this lack of supply? I am pleased to see the Minister here. The Royal Adelaide Hospital, one of our prime teaching hospitals, is limiting medical and surgical supplies such as anaesthetics and pain relieving drugs, and also linen. How many patients would find that appalling and not acceptable? It is limiting food, and our Government is responsible for it.

The Queen Elizabeth Hospital sends out circulars and information bulletins to the staff saying, 'If you have any secondhand drug books please donate them to the wards and outpatients.' Your Government is preparing for a disaster by suggesting that secondhand drug information is good enough for patients. Secondhand is not good enough. Your Government is settling for second best.

Mr Hamilton interjecting:

Dr ARMITAGE: Well, given that this Bill is about the Public Service, the Public Service will be delighted to see the flick-pass of the member for Albert Park. The Queen Elizabeth Hospital, in order to overcome this disaster, has closed 32 beds; the Royal Adelaide Hospital has closed 64 beds; the Modbury Hospital has closed 16 beds; and the Lyell McEwin Hospital has closed approximately 15 beds. The Children's Hospital late last year foresaw this coming and was wise enough to close a ward. And, what did we have? We had the responsible Minister of Health saying—actually he is not the responsible Minister of Health, he is the Minister responsible for health; there is a great deal of difference in the way that that is phrased—'Yes, you can close an ear, nose and throat ward at the Children's Hospital and the standard of care will not be affected.' It is laughable.

When I raised these facts the Minister said that I was being alarmist. An article in the *Advertiser* Monday a week ago states that there will definitely be no cuts in the health budget, and that the shadow Minister is being alarmist. This is subterfuge by the Minister. It is intellectual sleight of hand and it does not wash. My media release made absolutely no mention of cuts in the budget. The Minister may self-satisfiedly think that he has clouded the issue for a short time, but with the drastic cuts in services, over which your Government is presiding, South Australians to a person will know the true situation and they will sit in judgment on you and will not fall for any further three-card tricks.

In the *Advertiser* article the Minister went on to eulogise about how wonderful he had been in the budgetary process because his health budget was increased by 2 per cent. Modbury Hospital alone has had an increase in activity—and I remind members opposite that 'activity' means patients treated; it is people coming in through the front door and being treated—of 8.2 per cent thus far this financial year.

An honourable member interjecting:

Dr ARMITAGE: I do know; it is in the surgical admissions. Those are the people that the member for Albert Park's Government is affecting—anaesthetic drugs, bed linen, foods—

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Adelaide will address the Chair and the member for Albert Park will cease interjecting.

Dr ARMITAGE: I will mention in greater detail what this Government's policies are doing to the country area with its cuts for fee for service and patient-assisted transport schemes. The Minister's solution to this is: go on to waiting lists. It is laughable! It is a classic but sad example of the ministerial irresponsibility we saw at Question Time yesterday.

I am pleased to see the member for Gilles is here, because he parroted on from an obviously prepared Dorothy Dix

question to allow the Minister to attempt yet again to pull the wool over South Australia's eyes. Having looked at *Hansard*, I signal to the Minister that I note his subtle alteration to the record about my qualifications. We all know what the Minister said:

I find it hard to believe that the honourable member with his alleged qualifications—

We all know that. I chose not to take a petty point of order, because I am actually medically qualified, whereas the Minister is not. However, I do in fact note that we find today:

I find it very hard to believe that the honourable member, with his alleged knowledge of medicine—

I note the change, and it is yet another example of trying to alter things a little bit, to alter the perception. However, the practitioners know what is going on. You are not winning the argument out there. You might be very self-satisfied and thinking that you are giving me a hard time, but the people out there are not fooled; they know what is going on. I repeat: the member for Gilles yesterday asked a question about the Hillcrest devolution. He asked the Minister of Health to talk about the relocation of hospital beds or proposals for Hillcrest and to indicate whether this would mean any reduction in the availability of hospital beds. The Minister went on to say that I had in fact suggested that there would be cuts in bed numbers.

Before Question Time was over I got out my media release and at no place—not one place—is there a mention of hospital beds being cut. What the media release does talk about is the fact that with the devolution of Hillcrest there is unseemly haste about this major opportunity to get mental health right in South Australia. We have only got one chance. This is our opportunity, and it is unseemly haste by this Government that might mess it up.

The board was not even told about the decision. The staff were not told. They read about the decision to devolve Hillcrest, to sell Hillcrest, in the *Advertiser*. Isn't that marvellous! Anxiety about this move is rife in the mental health community, which was the subject of my very serious and important media release, with not one mention of hospital beds being cut, and the Minister chose not to talk about that. I have had psychiatric people visiting me on a regular basis, saying to me, 'There is only one chance for this thing to be done correctly, or we will have a mess-up of it.' They are pleading with me; they are pleading with the Minister. I know they have seen the Minister. What does he do?

An honourable member interjecting:

Dr ARMITAGE: My answer is to leave the devolution until there is a plan of implementation, until the people have been properly organised, and more importantly—

Mr Ferguson: Where's the money coming from?

Dr ARMITAGE: I am just about to tell you, thank you very much. If the member for Henley Beach could have contained his enthusiasm for 30 seconds more, he would have heard where the money was coming from. Apart from the fact of good medical care, one of the reasons for this devolution of Hillcrest is so that money will be freed up—a great idea! However, what do we find in the documents? We find that two-elevenths—do not ask me why it is two-elevenths—of the money freed up will go to the Treasury. Another two-elevenths will go to some other area in the health sphere. Seven-elevenths—

Members interjecting:

Dr ARMITAGE: It is well researched.

An honourable member interjecting:

Dr ARMITAGE: Because everybody out there is telling me. They are very anxious about it, and you sit there like Cheshire cats, smiling and doing nothing about it. Seven-elevenths of the money that is to be freed up will go back

into the mental health services, yet your Government expects eleven-elevenths of the same services to be provided. It will simply not happen. The patients in the community will suffer. The practitioners in the area know I am correct and they know the Minister is wrong, and his path is wrong. The patients know I am correct and they know that the Minister is wrong. Deep down, I believe that you, as members of the Government, know that this devolution should not occur with such unseemly haste. Deep down, I think you know that part of the reason for it is that the assets can be capitalised and the money put into other areas of the health system to prop up the failing system, with which you must be satisfied, because you all say it is marvellous.

I will accept the derision that the Minister attempted to load on to my shoulders yesterday, because I know that this issue will not go away. I know that all the media snow jobs in the world will not alter the fact that the health system is in fact decaying, and it is a tragedy. I am disappointed and indeed surprised, given the people who will suffer most from this, that this Government, with its much vaunted social justice strategies, is doing this. This tired, flawed Government is shell shocked by the magnitude of the State Bank disaster, and I think members opposite should take stock and realise that it is they who are at the helm as South Australians suffer an enormous loss of services in the health area. I tell members opposite: South Australians will not forget.

Mr QUIRKE (Playford): I support the Bill and the appropriation provided of \$850 million. I think that some of the creative debates that have taken place here so far today have been very interesting. The last speech that we heard, 15 minutes of which was on health policy and on supposed problems in the health system, was an interesting example of that process. I have no problem with some of the points that were made in that particular speech. However, in essence, what was being said was that the health system is decaying, and I do not agree with that. I do not have too much argument with the statement that the health system is becoming more public than private.

What has also been said is that there is a greater reliance on Government provided facilities than has been the case before—again, I do not have too many problems with that. In fact, I would have thought that that was actually a good thing. I am not at all surprised that of the \$850 million appropriation we are debating tonight, a good percentage, or a good slice of that particular cake, is going into the health area. I must say that in that regard I well remember the days when private medicine ruled. I think most of us on this side well remember those days.

They were great times, I suppose, for the AMA, and I think what was said a short while ago was really nothing more than a trade union/AMA expose for private medicine. I have no doubt that the AMA, which is quite myopic in many respects where health is concerned, is not doing as well as it might under a health system it would like to put together.

While on that subject, I must say that the member for Albert Park took strong exception to some of the remarks that were being made. I noticed that it stopped him searching through his drawers, his cupboard under the seat, on top of his bench and a number of other places. In fact, I was so intent listening to the speech that I wanted to pass him a note to tell him that he would not find the Liberal health policy, because one does not exist.

Mr Hamilton: I found it; here it is.

Mr QUIRKE: You have found it? I must say that you are doing much better than Andrew Peacock and a number

of other people did, because the rest of us are still looking for that very important document. In terms of research, the member for Stuart has to be congratulated. She has certainly done a lot more than I have done, and I note that in her speech she talked about the Port Augusta Gaol and the fact that it employs a certain number of people who no doubt have the surety of having their salary cheques for the next eight months or for however long this Supply Bill is in force.

I do not know how many people are employed in that institution, but a couple of institutions like that are in my electorate and I expect that they probably employ a lot more people than does Port Augusta Gaol. I would just like to say that where it is concerned they will be secure and so too will those of my constituents whom they look after and whom no doubt they will be putting to sleep fairly soon.

The serious side of this issue is the way in which we perceive the economy of South Australia to be moving in the next six to eight months and, probably more than at any other time we must look at the very different parameters in it. I think it is impossible to speak on this issue tonight without coming to at least a couple of significant factors. The first is that there is no doubt that there are some very major problems in the rural sector. There is also no doubt that there is a great deal of uncertainty in the community, particularly in the manufacturing community, as a result of the blueprint for the future of Australian manufacturing.

There is also no doubt that the downturn in consumer demand and sales—in consumer confidence—is having a very big impact on our local economy here in South Australia. Equally, there is no doubt that, for the next few months, State services will be called upon to a greater extent and they will be necessary to supplement in part some of the problems that are now occurring. In fact, for the whole of this year we are likely to see the recessionary pressures driving the economy further and further down.

I have no doubt that, for the next several quarters, we will see either negative growth or, at best, zero growth in the GDP. In South Australia we have generally fared much worse over the years than have the other States. Since the 1950s the level of economic performance in South Australia has been lower than the national average. There are a number of reasons for that. One of the main reasons for it is the question of geography, and it is very much a disappointment of mine that that point was not considered by the Federal Government in its blueprint for industrial development over the next 25 years.

There is no doubt that, by the turn of the century, the effect of the policies announced yesterday will be well and truly seen, and I guess there are really three options. The first is that the blueprint was a blunder, as *Lateline* on Channel 2 last night tended to suggest. However, in many respects it could also be a success. Whether or not it will be a South Australian success will be a very interesting point. My suspicion—and it is borne out by some of the speeches that were made here tonight—is that we will not suffer as badly as indicated by some of the figures brought down by the member for Bragg in his address tonight. He predicted the wholesale loss of thousands of jobs over the next few years.

I think there is no doubt that a restructured manufacturing industry—one that is viable and will survive—will shed a great deal of labour. The theoreticians tell us that that means other industries will cluster around and absorb much of that employment. I have no problem with that theory, but I think we must understand that the underpinning of the South Australian manufacturing experience is protection—a cheaper cost regime—and, where it is concerned,

other factors such as the standard of living which I think in many respects is unparalleled anywhere in the country.

The problem with these statements, indicating medium to long-term problems, is that the ability of the manufacturing industry to employ and the ability of the South Australian economy to support the level of State Government service may well be in question in the future. I think it needs to be said where that is concerned that whichever Government gets in here will have a much harder time if manufacturing does not become a viable enterprise in South Australia. The reality is that in general we must ship in much raw material—not all but much—and we must ship the finished product elsewhere.

We have attempted—and in the past 10 to 12 years we have had a great deal of success—to internationalise our economy, and that is about the only way in which the manufacturing industry can survive. Putting manufacturing closer to the point of sale and closer to the point of supply for raw materials has been one of the greatest problems in South Australia. It is a cycle; industry sets up in South Australia and, after a period of about 20 years, it finds business where it is concerned increasingly harder and the cost advantage slowly erodes and it shifts closer to the points of sale. I hope that does not happen as a result of the policy announced yesterday.

I think the recession in rural areas which we are now experiencing and on which members opposite have addressed us tonight is of temporary duration. There is no doubt that problems in the wheat industry, the wool industry and other agricultural endeavours have a lot to do with over-supply in the international community and an awful lot more has to do with the war that has recently been concluded in the Gulf. I hope that, by the time we get to the next Supply Bill, in essence, we will be looking at a much brighter future for our primary production. When we look at the various problems affecting our State, I would like to hear some members opposite talk about more than agricultural problems.

I think that a lot of the speeches are made here about people who are hurting out there in the rural community, but a lot of people are hurting in the city community, as well. A lot of people who have never borrowed money at excessive interest rates and others are not doing all that well at all; they never have and they probably never will. I have yet to hear a Liberal member opposite come in here and tell us about poverty out in the suburbs or, for that matter, in some of the country towns. I would like to hear a member opposite come in here and tell us about the problems experienced by people who cannot get into a Housing Trust house, mention something about the Commonwealth-State housing arrangements, discuss the whole problem of public housing and discuss the whole problem of poverty that affects a great many of my constituents.

An honourable member interjecting:

Mr QUIRKE: It was just suggested to me that I should give notice of motion; that is not a bad idea. I could give a notice of motion that the Liberal Party be condemned for caring only about its rural constituents and not about the rest of the community. I have never yet heard anything from members opposite about the single mums who have a hard life out there. The Liberal Party would make their life a lot harder if some of its policies were implemented.

I will be looking with a great deal of interest to the member for Albert Park when he finally produces the Liberal health policy. There is no doubt that our long search for the policy has been well worth while. He now has a couple of other tasks. I would like him to find out what members opposite really want to do to the health system,

other than hand it over to private doctors. What do they intend to do about some of the structural poverty that exists out there?

I have been quite amazed at pension rallies to see the number of members opposite who have the hide to turn up. It was during the Fraser years that the pension was eroded. It was only in 1990 that the pension was brought up to the 1975 level in percentage terms of average weekly earnings. The reality is that the Liberal Party is not interested in those issues, never has been and I doubt that it ever will be. From time to time it pays lip service. We get a Bill in here, and members opposite want to be nice guys—

The DEPUTY SPEAKER: Order! The member for Playford must relate his comments more closely to the Bill.

Mr QUIRKE: I was about to do that, Sir. From time to time the Liberals come in here and want to waste some of the Supply money that has been apportioned. One of the most recent examples was to fund court activities for the likes of Greenpeace. I can understand that some Liberals were very upset about that being their official policy. We were here late at night talking about how much money we could waste from the Supply Bill on that endeavour. We are at an interesting time in South Australian history, although I do not believe that it will be all that easy in terms of the urban and rural areas. It is a time when State Government services will be much called upon.

If the contributions that have been made tonight indicate that there will be a greater reliance on Government medical services, I am pleased. If it is the case that services which the State Government provides in the health area are now much more in demand than was the case, that is a positive step. The \$850 million covers a wide range of areas including law enforcement, health, education and all State Government endeavours. When we discuss those issues we get the endless paradox in which the Opposition always finds itself. On the one hand we are spending too much money and on the other we are not spending enough in a particular electorate. We get it every day. We get a proposal which states that the whole Supply Bill would be more balanced if it had money in it for this or that project. We are then told that there is too much money in another area. Basically I can understand that many members will stand up here, particularly the more vociferous, and say that they have to look after their constituents. That has been well done here tonight.

The member for Adelaide put up a good account of the AMA's prospective health policy. He did a good job. The only thing wrong is that when the AMA ruled in this country 3 million people had no access to health services. That is the reality. In the next few weeks we will be discussing a whole series of issues. I looked at the Notice Paper tonight and noted that members opposite want to talk about law and order, more police resources and so on. I have no problem with that and will join in the debates, but we cannot achieve these things with thin air—we need money. Much of the debate that has gone on here tonight has been an opportunity for members opposite to whinge a little more about the State Bank or the fact that they are not in Government. It is sad, and I can understand the frustration as they have been over there a long time.

It seems that members opposite use this debate to let out their frustrations. That is what members opposite have been doing here tonight and will be doing until midnight. Most of us on this side have been very sympathetic and good humoured about it. I have full confidence in the Government to apportion the Supply Bill into programs that I believe will be socially relevant to all South Australians, and I hope that some time tonight or next week at least

one member opposite can discuss the real poverty out there and offer some of these people some hope instead of going on all the time about income maintenance for some of their mates.

I have no problem with the rural sector being given some support. In fact, a great deal of this Bill is to that end. It will provide support services of one kind or another throughout the whole of South Australia. However, it is about time that you blokes got serious about getting into Government—

The Hon. D.C. Wotton: What's this 'you blokes'?

Mr QUIRKE: It is time you started looking at poverty, single mothers, public housing lists and all the other issues that you fail to raise. No-one hears about these things from members opposite. The \$850 million has my full and unre-served support. The Bannon Government has brought before us a Bill worthy of support. Debate on the Bill should not be used to whinge about other projects that members would like to see on the agenda.

Mr SUCH (Fisher): I will direct many of my comments to the electorate that I represent. This Government exhibits power, but it is power without glory. We know the consequences of what has happened as a result of the State Bank both in the short and long term, and it will be felt severely in electorates such as mine which are growing rapidly and are in need of services. Such electorates contain many young families and an increasing number of retired people. They are the suburbs and areas that will suffer most as a consequence of what this Government has done in terms of finance. Once again it will be the average Australian, the hardworking dedicated person that I represent, who will suffer. They will pay more in taxes and receive less by way of services. Some of the areas of great need in my electorate will suffer under this Government as a result of its inadequate and inappropriate policies.

If we look at roads, for example, work on Flagstaff Hill Road has not started yet despite the promise that it would begin in January. That work has still not begun. The people in the south who use that road are sick and tired of the delays and problems being experienced every day. The whole electorate of Fisher can be categorised in terms of its roads being a series of black spots. Virtually every arterial road has major problems of safety including Kenihans, Black, Oakridge, and Chandlers Hill Roads and Happy Valley Drive. The list goes on. These issues are not being addressed by this Government, and the future looks even more bleak given its mismanagement in respect of the episodes and escapades surrounding the State Bank.

Are we going to see, for example, a delay in work on the third arterial road? I suspect that will be the case. Look at the situation with respect to hospitals. The Flinders Medical Centre badly needs increased funding to assist the establishment of its cardiac unit, but that hospital is suffering as a result of the lack of funding by this Government. We have seen the establishment of a Clayton's hospital at Noarlunga that, we hope, is soon to be operating—the classic case of a *Yes Minister* situation.

The Hon. D.C. Wotton: The Public Works Committee dealt with this matter with some urgency, and it is still not being used.

Mr SUCH: And it is still not operating. Once again, the people of the south will suffer, and the problem will get worse. With respect to public transport, what chance do the people of the south have to get an O-Bahn, or an equivalent light rail system, or improved bus services provided by the STA? We all recognise that services need to be expanded and rationalised to cater for growth areas, but that will not

happen. Nearly every week my requests to the Minister to vary bus routes to cater for the needs of people in my electorate—for example, Sheidow Park and Trott Park—for links to Hallett Cove R-10 school, or buses to serve the Reynella area via Fraser Avenue are knocked back, put on hold or delayed. Services to Craighburn Heights and other areas are badly needed. I am not seeking luxuries. The people of the south, and in my electorate in particular, are seeking basic services that are denied them by this Government.

Nearly every school in my electorate has a major problem with parking and access—a matter conveniently overlooked by the Government. That problem has been foisted onto local government to solve. As I indicated earlier, virtually every school in my area has major problems with accommodating the needs of parents in respect of parking and providing safe access. The Government is not forthcoming in assisting to resolve the problem it has created. Invariably, the schools in my electorate are large, some of the largest in the State, and they are filled to capacity, but the people in those areas and the children in those schools will suffer because of this Government's mismanagement of the economy and its inability to manage financial matters. We all know that Labor Governments cannot manage economic matters. That has been demonstrated not only here but in Victoria and Western Australia and also at the Federal level. The people who suffer are the people in the middle—the ordinary, average Australians such as the people who constitute the electorate of Fisher.

What sporting facilities have been allocated for people in the south? Very little. The south has a very youthful population that is crying out for adequate sporting facilities, but the State Government does not want to know about it. It does not want to go in to bat for the people of the south to provide adequate recreation and sporting facilities. I do not think that the Government realises that people live beyond the top of O'Halloran Hill. It seems to have a mental blank when it comes to recognising that people live beyond Darlington. The south needs adequate sporting facilities, but we have heard nothing and received little from the State Government.

What has this Government done with respect to providing more upfront on-the-beat police to serve the south? In my electorate there is provision for a new police station in Aberfoyle Park, but I am not holding my breath for the day when that is constructed to serve the people of that area. Once again, the people of the south miss out.

There has been a lot of talk lately about water filtration and the cleanliness of our water, but 90 per cent of the people of my electorate do not get filtered water. Ironically they live adjacent to the filtration plant, and the irony is not lost on them. One of my female constituents told me the other day that she would not wash her family in her bath. The only creature to frequent her bath was her dog, because the water was too dirty. Once again, the people of the south miss out.

Water filtration was promised for the end of last year. It looks as though it will happen at the earliest at the end of this year. Once again, the people of the south miss out. Urgent works are needed to protect the quality of water in that area. For example, the Happy Valley Reservoir, which is situated in the heart of my electorate, is under threat from stormwater from streets and houses. That reservoir, which is surrounded by a bypass system, is perilously close to being contaminated by storm water. The bypass system was designed to cope with a one in 100 years flood. It is now down to a capability of less than one in 20 years. Last

year, the bypass system went close to spilling over into the reservoir.

Given the tragedy that has befallen the State Bank and the mess that our finances are in, what chance is there for the Government to provide money to address this critical issue? This reservoir supplies not only the people of my electorate but almost half the people of Adelaide. I cannot imagine that they would look forward to a time when their drinking water had motor vehicle oil, leaves, dog droppings and so on mixed into it. Yet, the electorate that I represent still has a lot of housing development to be completed. There are hundreds if not thousands of blocks still to be developed in that area. So, the run-off and the problem confronting that reservoir will increase, but we see no sign of action by this Government to provide funding to address this very urgent problem. Attention has been focused on water catchment in the Hills area, but it is important not to overlook the matter of safe-guarding the quality of water in areas such as the Happy Valley Reservoir.

Community grants allocated to organisations for child-care, out of hours school care and cycle ways will suffer as a result of the economic performance of this Government. The member for Playford stated that members on this side of the House say little about the Housing Trust. I will say something about the Housing Trust. At the moment, some of my constituents have been waiting for Housing Trust accommodation for up to six years. This is something that this community should be ashamed of, but we see and hear little about this perplexing and very serious problem. Frequently, people come to see me desperately seeking Housing Trust accommodation but having to wait, as I indicated, for up to six years.

Given the poor financial performance of this Government, the young people of my electorate face a bleak future. What prospect is there for jobs for young people in the electorate of Fisher and generally in the south? The area is bursting with young people but we see no economic leadership or financial wisdom from this Government. We have not responsible government but irresponsible government and irresponsible financial management. What we are looking at now is not GARG but choke.

With respect to the jobs of public servants, I fear that the bad news is not far away and that it will not be long before this Government with its razor gang starts in earnest on public servants, many of whom live in my electorate. I am committed to an efficient and effective Public Service, but what we are facing now because of Government mismanagement is not a rational streamlining of the Public Service but desperation as a result of financial mismanagement. Many of the people in my electorate will suffer as a consequence.

We will see also a selling off of assets. There is a place for privatisation, but it must be done for the right reasons and in the right way. What we are likely to see very soon as a measure of desperation is privatisation for the wrong reasons, just as we will see many jobs lost not only in the public sector but in the private sector as a result of the mismanagement of this Government.

Finally, I refer to the matter of charges and taxes. In the near future we will see some savage increases in the whole range of State Government taxes and charges. Land tax, water rates, ETSA charges and so on will be increased drastically to pay for the incompetence and mismanagement of the Government. In the south, an area of great need, we face the prospect of a further reduction in services and an increase in taxes and charges, and as to large projects we will see what I would call the KGB principle in operation—that is, we can kiss them goodbye. Because of the way in

which the Government has managed things, the resources will not be available to supply the legitimate and modest needs of the people of the south.

In conclusion, I support the Bill, but I do so with great reservation because of the damage that the Government has done to the economy of South Australia. The sooner the Government is replaced by a competent Administration that knows what economics is all about, the better off we will all be, particularly the people in my electorate.

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

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

Motion carried.

Mr HAMILTON (Albert Park): I support the Bill. I have listened with a great deal of attention tonight to the contributions of members opposite.

Mr S.J. Baker: That's unusual!

Mr HAMILTON: I will not be distracted by the fool from Mitcham and I will get on with my contribution to the House. I believe it is important to address relevant issues here tonight and not simply to engage in making cheap political points. I suppose that from time to time we all get a bit carried away due to our political bias, and I am no exception. This certainly applied to the member for Goyder. I understand how strongly he feels about the rural sector and the plight that the various parts of it are in. In linking this to the Bill, I, of course, recognise that the rural sector is seeking assistance through the public sector. I, too, have a strong feeling for the rural sector, as I have a brother and other relatives on the land. I have some understanding of the problems that people are encountering. Also, from some of my recreational pursuits, I am aware of the difficulties that the rural sector is going through and the problems people on the land are experiencing.

I reiterate my view that Government agencies must assist the rural sector wherever possible. I recognise the massive contribution that the rural sector has made to the South Australian community since South Australia's foundation. There is no question that we are going through difficult times at the moment, but I believe that one's assessment of the rural sector problems should not lead one to heap all the ills upon the Government of the day. We are all well aware of the efforts of both Federal Government and State Government Ministers in asking their officers in the Public Service to do their utmost to assist with the problems that the people on the land are experiencing.

We must recognise that in many ways these problems are beyond the control of this particular Government. I refer in particular to the massive subsidies that we have seen in America and to the massive subsidies in Europe, which are impacting so adversely on the Australian rural sector. Let us have a balanced approach when we refer to the problems out there in the rural sector. I listened with a great deal of interest to the contribution from the member for Bragg who was talking about the manufacturing sector in this country. Incidentally, the member for Bragg at one time stood against me for the seat of Albert Park.

Members interjecting:

Mr HAMILTON: The member for Bragg is not a bad sort of bloke, but politically I do not agree with much of what he says. In relation to Australian manufacturing industry, I refer to an article in the *Bulletin* of 20 November 1990, written by E. Agry, from Holder in the ACT. I suppose that none of us on this side of the House would ever say that the *Bulletin* is a left-wing magazine, by any stretch of the imagination. I do not agree with this article, but I have been waiting for an opportunity to read this into *Hansard*,

as it refers to this matter of people always wanting to attack the Government. It talks about how the farmers are suffering in the following terms:

How fitting that the farmers are now suffering the fate they brought upon much of Australian manufacturing industry. Remember the cries for the dismantling of protection, the reduction of import levies to reduce the costs of farming implements and cars and remove the burden imposed on the farming community by our inefficient manufacturers?

The proponents of free trade did not stop to think the results through: nobody considered where the foreign exchange would come from to pay for all those low-priced imports.

If they were given the choice now, would the farmers prefer to pay slightly more for their ploughs and mowers and tractors—purchases which they could defer for a season if they could not afford them—or be bound to crippling interest rates on their mortgages whether they liked it or not? Given the choice, would they really want to be forced from their farms so production costs could be marginally reduced?

Has anyone ever analysed the full effects of the dismantling of Australian manufacturing industry? By how much have costs fallen? Does any such fall compensate for the foreign debt and the interest rate?

When Australian manufacturers were being forced out of business by low-cost imports, the then boss of Farmers' Federation publicly rejoiced that the farming community had at last won its fight against the evils of protection. A Pyrrhic victory, methinks. Dump your fruit, lose your markets to cheap imports, leave your farms, draw the dole—but don't come crying when the medicine you prescribed to others is forced down your own throats.

As I said, I do not agree with that article, although I understand some of the hostility that can be generated—

Mr Ingerson interjecting:

Mr HAMILTON: It has—the manufacturing industry that you were bleating on about.

Mr Ingerson: They are all your mates.

Mr HAMILTON: They are not all my mates. Again, I point out that we should be reviewing. Public sector reviews in many areas have to go on. It must be an ongoing activity, and I believe in this strongly. GARG is one of those bodies that the Government has set up to review expenditure. There is no question in my mind that there are inefficiencies. There is no question about that. I have been aware of this since I have been in this place, both in Opposition and in Government. I have seen the number of inefficiencies in Government departments and agencies over the time that I have been a member of the Public Accounts Committee. Also, there is the matter of work practices. Many of those should be reviewed. There is also, of course, a need to improve the performance of management.

We should be looking at those objectives to see where we should be trying to save money. There are inefficiencies; there is no question about that, and we all hear about them. Undoubtedly, our priorities will have to be reassessed. I understand the politics of what members opposite are saying about the State Bank, but they have to be realistic, and our priorities will be reassessed. We have to look at the efficiency and effectiveness of Government agencies.

I listened with a great deal of attention to the member for Adelaide's contribution about hospitals. I presume that he is a good doctor—I would not in any way reflect upon his professional capabilities—but I think his contribution tonight is highly questionable. Not once during his remarks did I hear him suggest that the blowout that he alleges in Government hospitals was caused by any inefficiencies or problems in those hospitals. In no way was he prepared to say that doctors had in any way contributed to those inefficiencies or blowouts.

Mr Groom interjecting:

Mr HAMILTON: They are not prepared to concede that, and I think that is sad. As I said, in Government departments, and this includes hospitals, there is a possibility that inefficiencies exist. It would be a very brave person who

was prepared to say that there were no inefficiencies in a Government department or a hospital. I believe that we have to look at these inefficiencies right across Government departments to ensure that we can reduce both costs and—

Mr Ingerson interjecting:

Mr HAMILTON: It may be never-ending, as the member for Bragg suggests. But, that does not deny this Parliament the right to investigate departments. I was somewhat hurt by the member for Adelaide's contribution when he could not see anything good about what my colleagues and this Government have done. I think he forgets many of the programs that have been implemented through the Public Service. I would like to talk about some of the areas in the rural sector that have been addressed. I would like to remind my good friend and colleague the member for Goyder of some of the things that the Federal Government has assisted the State Government in implementing in the community. The Countrylink information program has been designed to reach more isolated areas. A program to trial new ways of providing people in smaller towns with face-to-face advice on a whole range of Government services has been implemented. There is an expanded rural youth servicing initiative to extended school liaison activities by Youth Access Centres and to introduce mobile youth services and make greater use of community agencies in providing advice to young people in rural sectors—a very important area.

Having come from the country, whether or not it is a real or perceived attitude, I know that one of the things that country people have said is that if you live in the country you are forgotten by city folk. I do not believe that that is true today. I believe that this Government is genuinely trying to address this very important issue through the public sector, and quite properly so. As I look around me I see the member for Gilles, who is a country boy; and a number of Ministers on the front bench are also country born and bred and have not—

Mr Ingerson interjecting:

Mr HAMILTON: Well, the member for Unley. I would have thought that the member for Bragg, who is supposed to be a future leader of the Liberal Party, would have done some homework. But, I do not want to be distracted by the inane interjections of members opposite. Then we had talk of this Government and its policies and the impact of those policies on the public sector, particularly the health area. I am reminded of some of the frailties of the policies of members opposite that would impact very severely on the public sector in this country, specifically here in South Australia. One only has to go back to the economic spokesman and his policies on health to know how they would impact on the Public Service and the hospitals throughout this State, and to recall the debacle when members opposite released their new health policies which, if they had been elected, would have been implemented. Thank God they were not elected.

Let us look at the realities. I, like all members of this Parliament, am concerned about policies that can be introduced by the Government through the public sector to introduce efficiencies and hopefully create employment opportunities. Let us look at Opposition policies. I remind members that the Liberal Party has said that in its major savings program it would reduce unemployment benefits by \$800 million after nine months. That workload would go on to State Government departments, hospitals and accommodation—you name it. The very problems that members were talking about in Elizabeth would be compounded if we had a Federal Liberal Government implementing policies, which would impact adversely on people in this State.

I understand, as all members in this House do, the impact that the State Bank has had in a number of areas. It is no good walking away from it, and I do not intend to do that. But, one should not forget what this Government has been able to do through the public sector over many years. I go back to some of the things that have happened in my electorate through the Queen Elizabeth Hospital—a hospital I care very much about and hope to see serviced as best we can by this Government's policies. I would like to be able to read into *Hansard* all the programs that have been initiated in that area. There has been upgrading in so many areas, and there is current upgrading. Research has been conducted. There is a diabetic health care and education program. Teaching goes on at that hospital, and there is an increase in services for the people of the western suburbs.

There is no doubt that this Government will have to find additional money for that hospital. Again, I question whether there are inefficiencies at that hospital and, if there are, I think they should be sourced out. I believe that applies to any Government department.

An honourable member interjecting:

Mr HAMILTON: If the honourable member had been listening he would have heard what I said previously, that if there are inefficiencies in Government departments or hospitals they should be sourced out. I cannot speak for the Minister. I have made my position quite clear to the Minister himself—not going behind his back like some people. I am prepared to say it to his face, and to stand up in this Parliament and express my views on what is necessary here in South Australia to protect the interests of people in the western suburbs. You, Mr Speaker, are a member in that area, and I believe you would agree with that. I think it is very important.

Members interjecting:

Mr HAMILTON: It is all right for the member for Mitcham, who is a silvertail by nature, to laugh about the problems in the western suburbs, but they are very real problems and ones that we in the western suburbs and in this Government want to address. There have been inane interjections by members opposite, and one would have thought that the Deputy Leader, for instance, would at least listen to what is being said from this side and take it into account if he really believed that he has the ability, capacity and the intelligence to be Deputy Leader of a Government.

One would think he would listen and be sincere enough, without mocking and ridiculing the problems of people in the western suburbs. That stupid, inane grin really drives me to distraction. I only wish that he had not had a haircut, so he could have pulled that wool over his eyes and over his stupid mouth. Getting back to the real issue, namely, what the public sector can do for the community of South Australia, I support what the Government is endeavouring to do to benefit the people of South Australia through the public sector.

The Hon. D.C. WOTTON (Heysen): I am pleased to support this legislation that will provide \$850 million to the public sector. I wish to refer to a number of issues, but before I do I want to say a couple of things about the public sector. I would be the first one to agree that in this State we have some first-class public servants, people who are extremely competent and sought after. I had the opportunity recently to visit New South Wales, where I learnt that some of the people in the Public Service there had been sought after and had indeed left this State to join that Public Service. In saying that, I also recognise that there is some obvious frustration on the part of middle management in many of the departments in the Public Service that I am

aware of—people who are very committed, who are very dedicated to doing the work they have been given, but who are frustrated because they feel that they are not able to get across their point of view, in some cases for political reasons, in other cases because our present system does not allow those further down in the Public Service levels to have an appropriate say.

The other thing I want to say is that I am continually concerned about the amount of public funding that goes into paying for the so-called ministerial advisers that the State Ministers in South Australia have. I have not counted recently to determine just how many there are, but the Minister for Environment and Planning has got enough on her personal staff to form a cricket team. They seem to come and go fairly often, but there are a number of people who are paid by the taxpayers of this State to provide political advice rather than advice of a departmental nature. So, I express concern about that matter.

I am delighted that the Minister for Environment and Planning has joined us, because first of all I want to talk about a couple of matters that come under her responsibility in the Department of Environment and Planning. Some time ago I asked the Premier if he could advise the House whether the Government was considering the separation of the environment and planning portfolio, with one option being to amalgamate environment with lands, and planning to become the responsibility of the Premier. The answer provided at that stage was that there were a large number of variations on and around this theme that do not apply simply to environment, planning and lands but to the whole gamut of public sector activity. The Premier went on to say that he was pleased with the amalgamation, the collaboration and coordination of activities that had been achieved with the grouping of the portfolios and the responsibilities of the Minister on the front bench at the present time.

The reason I asked that question was my concern about the feedback that I was getting from the Department for Environment and Planning particularly. I am sure the Minister would realise that the morale in that department is not very good at present. I believe a lot of that is because of the fact that resources in a number of areas within that department have been wound down quite considerably. I am particularly concerned about the winding down of responsibility in the planning area. It would seem to me that very little strategic planning is taking place at present. I was staggered to learn the extent of the movement from that department, particularly in the planning area. I can understand that with the frustrations in the department, and the lack of morale, there would be a number wishing to transfer out of the department to the local government arena. That is not such a bad thing, because it is important with the present system that local government have appropriate people to carry on planning responsibilities. So, I do not mind that quite so much. There are many others who have left the department and gone into private enterprise and, as I said earlier, some have gone interstate.

However, I am particularly concerned because the planning side of the Department for Environment and Planning has been wound down considerably. I guess that is one of the reasons why the Minister is so keen to see the transfer of planning powers on a gradual basis to local government. There is a resolution before the House at the present time, to which I am not allowed to refer, which expresses my concern about the transfer of planning powers from the State to local government. I am not saying that there are some councils which are not able to carry out that extra responsibility. My main concern is that we see time and time again that the Bannon Government is prepared to

hand over more responsibility to local government but refuses to pass over any additional resources to help the councils carry out that added responsibility.

In the short time that I have tonight I want to refer to one other matter regarding that department. I was concerned to learn, and again it was raised at a meeting that I attended tonight, that the Government has slashed the contribution it makes on an annual basis to the Conservation Council. I was concerned to learn that the grant of \$45 000 last year has been reduced to \$35 000 this year, and not only that but I am also concerned that a number of threats have been made suggesting that, if the Conservation Council does not do the right thing, particularly in regard to its ongoing contribution to the planning review and a few other areas, it might have its funding cut even more. I see that as being pure blackmail and it is not something that I would support at all.

I want to move away from the Department of Environment and Planning to discuss a couple of matters relating to the E&WS Department. I do not want to dwell on the subject that has been of community interest particularly over the past few days, that is, of course, the quality of Adelaide water. I have been very dissatisfied with the responses I have received both today and yesterday in this place from the Minister regarding the funding of Adelaide water to determine that we have the best quality water possible.

I am particularly concerned because, as I have said previously, I believe that South Australia's water has worsened so dramatically in recent years because the Bannon Government has spent most of the Commonwealth money it received to improve water quality on other schemes. The Auditor-General's Report for 1989-90 shows very clearly that South Australia received \$56 million in Federal funding for capital works to improve water quality but spent only \$8 million on water resource infrastructure in that year and, according to the Federal budget papers, the Bannon Government has received \$104 million in special Commonwealth assistance for water since 1986-87. It is clear, however, that little of this additional money was spent for the purpose for which it was paid.

So blatant has the misuse of money for water quality become that the Premier admitted in the last budget to diverting \$12 million of money for water to the State's housing program and I can quote from that paper: the Premier said:

... the Commonwealth, following the Premiers Conference, provided \$12 million in bilateral special assistance for water. This has made it possible for the Government to reallocate funds of the same level to support the housing program in 1990-91.

That quote is to be found in financial paper No.1, page 25. It is no wonder that the Commonwealth was not able to provide additional special funding for water quality in this State in this current budget. I guess I can only say that the Federal Government, like long-suffering Adelaide water consumers, knows that the Bannon Government refuses to spend reasonable amounts of money on improving water quality, and it is of particular concern that that should be the case.

I also want to refer to another matter that has been brought to my attention very recently, that is, the E&WS foundry. I understand that just recently the Government put out tenders for work to be carried out at that foundry, and the tenders have closed. My concern is that I am led to believe that at the present time the foundry is not working very well; it is not satisfactory in its present form and I would have thought that in this case it would be better to put work out to the private sector through tender than to allow the E&WS to carry out this work. I believe it would

help the finances—the budget—of the department if it did not have to make that expenditure for that extra work to be carried out; I would have thought that would make sense.

Finally, I want to refer briefly to another of my responsibilities, namely, in the area of Aboriginal affairs. I am aware that a submission has just been made by the Salvation Army to the Minister of Aboriginal Affairs seeking extra funding for its sobering-up unit, which is only part of the magnificent work that the Salvation Army carries out in this State, particularly at the William Booth Memorial Hostel. I was concerned to learn that at present the Salvation Army has a shortfall of about \$50 000 and is extremely anxious to receive some financial assistance through the State Government to help it with its work.

I noted that in the six months to December 1989 the number of Aborigines who sought help through the Salvation Army sobering-up unit was 1 246. In the six months to December 1990 that figure was 1 754, so I would hope that the submission that has been put forward by the Salvation Army to the Minister of Aboriginal Affairs would be successful because, if ever anybody needed assistance, these people do. Since its inception the Salvation Army's William Booth Hostel and sobering-up unit has attempted to respond to the special needs of its Aboriginal clients by making its services relevant and accessible to Aboriginal people with alcohol-related problems.

It should be pointed out to the House that the Salvation Army has had an intervention program with Aborigines for over 100 years and that, of the 500 admissions per month to the sobering-up unit in 1989-90, 23 per cent of those people were Aborigines. As I said, by September 1990 the monthly number of admissions had risen to 1 050, of which 42 per cent were Aboriginal, and that number, I am informed, is still rising.

In summary, if the Salvation Army were able to draw a picture of the average Aboriginal client who uses the sobering-up unit, based on the study it has just completed, the following profile would emerge (and I conclude with these remarks). It was determined that a female would be just over 36 years of age, would have recently spent between one and three months in prison for alcohol-related offences and would be a person who had never been admitted to a rehabilitation program for people with alcohol related problems. In the past five months, regarding the 43.1 admissions to the sobering-up unit, a male Aborigine would be approximately 40 years old, have recently spent between four and eight months in prison for alcohol-related offences and have never been admitted or have not completed a rehabilitation program for people with alcohol-related problems.

Once again I would urge the Minister for Aboriginal Affairs to consider helping the Salvation Army in the work it is doing, particularly in the sobering-up unit, because if anybody needs assistance it does in the excellent work it is carrying out for the Aboriginal people, and I would certainly support the need for the State Government to come forward with financial assistance. I support the Bill before the House and I bring to the attention of the relevant Ministers those matters about which I am concerned.

The Hon. T.H. HEMMING (Napier): Obviously I support the Bill and in so doing will refer to what the Supply Bill is all about. I have nothing but sympathy and admiration for you, Sir, on the way you have had to uphold countless points of order raised from this side against members opposite who strayed completely from what the Supply Bill is all about. Members opposite referred to interest rates and other matters of no relevance whatsoever.

The Hon. TED CHAPMAN: On a point of order, Sir, notwithstanding the points of order taken by the member for Napier earlier in the debate, the situation to this point is that so far the honourable member has not referred to any detail in the Bill. He has simply used his time to criticise others for what they have done.

The SPEAKER: Order! I draw the honourable member's attention to the clock. When he called a point of order the member for Napier had been on his feet for only 30 seconds. I suggest that he may have made good his argument. All members have been allowed time to create a scene for debate. I believe that 30 seconds may be a little too soon for taking a point of order. However, I draw the honourable member's attention to the subject of the Supply Bill in building up his case and ask him to contain his statements and comments to the Bill.

The Hon. T.H. HEMMING: The comment by you, Sir, reiterates what I said about my admiration. I was going to lead into an argument on what members opposite have used the Bill for, namely, to attack this Government on matters in no way related to the Supply Bill. I have been doing my penance and sitting in this place all day. We have seen seven front bench speakers opposite—the cream of the Opposition—put forward their views on the way that this Government has operated and somehow tried to hang it on to the Supply Bill before us. I realise that there is some validity in what members opposite have been saying for the past 15 months, namely, that they should be the rightful Government. I accept that. I also freely accept comments about the Government's problems with the State Bank—problems which have been addressed many times this afternoon and this evening by members opposite.

One would have thought that the Opposition would be in a very good position in this debate dealing with the expenditure of \$850 million from Consolidated Account to have put forward to the House not only criticism of the Government but also proposals that they would implement if in Government. However, there was nothing but a continual stream of carping criticism and every time you, Sir, glowered at them they would say, 'This \$850 million in the Supply Bill'.

The SPEAKER: Order! I will begin to glare at the member for Napier if he does not come back to the Bill.

The Hon. T.H. HEMMING: That is the problem with members opposite. They do not realise what the Supply Bill is all about—they have missed their cue. We have heard much diatribe from members opposite, especially from the member for Fisher, and they have forgotten the grievance that follows this debate. Your time, Sir, our time and the time of the House has been wasted because members opposite cannot separate the Supply Bill's second reading debate from its grievance debate. The member for Goyder, an up and coming future Minister, stated that—

Mr BRINDAL: On a point of order, Sir. In his remarks the member for Napier may have been reflecting on the rulings of the Chair in suggesting that the time of this House has been wasted. Whether or not the time of the House is wasted is up to you, Sir, and you alone.

The SPEAKER: It is up to the House to decide. I do not think that there has been a reflection, but I remind the member for Napier to come back to the subject of the Bill. The member for Napier will pay attention to the Chair. I draw his attention to the Bill and ask him to relate his comments to it as quickly as possible.

The Hon. T.H. HEMMING: I thought that I was, Sir.

The SPEAKER: Order! Does the member for Napier wish to defy the Chair? I ask him to bring his remarks directly back to the Bill at this stage.

The Hon. T.H. HEMMINGS: I apologise, Sir. There is no way that I would reflect upon you. I was making the point that the member for Goyder in his contribution to the Supply Bill kept referring to all the problems in the rural sector and, therefore, as a result of the problems in the rural sector, the State Government would not be able to raise the \$850 million with which the Supply Bill is dealing. I would have thought that a man with the intelligence of the member for Goyder would be able to read the simple title of the Bill, to which everyone is asking me to refer. It is an Act for the appropriation of moneys from the Consolidated Account for the financial year ending 30 June 1992. The money is already there, yet the member for Goyder kept on saying that the Government will not be able to raise the money. That worries me because, if it were not for the fact that we were better at electioneering in 1989 than were members opposite, we would have lost the election and it would have been their Supply Bill for \$850 million.

The SPEAKER: Order! The electioneering in 1989 has nothing to do with the appropriation or expenditure of money and I warn the honourable member that he is getting close to losing the call.

The Hon. T.H. HEMMINGS: I truly apologise, Sir. The word 'recession' has been used many times by members opposite in relation to the Supply Bill. After listening to the contributions that have already been made tonight—and it is fair that I can comment on them—one would have thought that the recession ended at Bordertown in the east and Ceduna in the west. Members opposite fail to realise that, whilst there is a recession in Australia and many people are suffering (and the member for Playford correctly acknowledged that people are suffering in the rural sector), people all over the world are suffering. I remind members opposite that there is a recession worldwide.

There is a recession in Europe and the United Kingdom, and a hell of a recession—despite the massive injection of money by its Government into the Persian Gulf war—in the United States of America. Yet, from hearing most of the contributions from members opposite that have dealt with the recession, one would have thought that the recession exists only in the State of South Australia. They somehow think that, by linking it there and by whingeing and carping, they will be able to, in effect, put this Bannan Government under some pressure.

The SPEAKER: Order! The Chair has listened for some 10 minutes to the speech being made by the honourable member, but I feel that it is far more suited to the grievance debate which will follow this debate. I have cautioned the honourable member about applying his speech to the Bill. If he does not relate his comments to the question of the appropriation of money from the Consolidated Account, I shall have to warn him.

Members interjecting:

The SPEAKER: Order! I will have to warn the member for Alexandra if he carries on, too.

The Hon. T.H. HEMMINGS: Thank you, Mr Speaker, I appreciate those remarks. In relation to some of the problems in the rural sector, over the past two or three months the Minister of Agriculture has made available, through the offices of the public sector and in cooperation with Federal Government public servants, a terrific amount of not only monetary assistance but counselling by public servants, people who have travelled the length and breadth of rural South Australia giving advice to those people in the rural community who are finding themselves in severe trouble.

I find it rather churlish that the member for Goyder could just wipe that off and say, in effect, that we created the

recession and that, therefore, it is our fault and we should suffer at some future stage. What the exercise in relation to this Bill has proved is that members opposite need to understand exactly what this Bill is all about. I have borne the brunt of your kindly advice, Sir, and I accept that, but members opposite need to understand exactly what a Supply Bill is all about. If they want to whinge and carp about what is not being done to their schools, their hospitals and the potholes in their streets, I suggest that they listen to the advice you gave me and that they use that advice when they note a grievance. As far as I am concerned, as an individual member of this Parliament, until the Opposition can separate debate on the Supply Bill from what is a grievance it does not deserve to be in government.

Mr BRINDAL (Hayward): I rise to support the Supply Bill, and I do so reluctantly, having taken note of your comments, Mr Speaker, and of comments of members opposite. I am fully aware that the amount of \$850 million exists already within Consolidated Revenue and that this money is, if you like, in the bank and will be spent. However, I believe that, in addressing this Bill and the amount of \$850 million, it is within the province of the Bill to consider other uses to which that money could be put. I believe also that it is fair to comment that, once that amount of \$850 million is expended, other moneys will have to be raised for the revenue of the State. Indeed, it may also be true to say that, if for any reason such as a recession in our economy there is a shortfall in the Government's projected revenue, the \$850 million which the Government now seeks to apply to the Public Service may not in fact be there to apply. So, in speaking to this Bill I believe that, first, it is relevant to start with the competence of the Treasurer who asks for the appropriation of money.

I would like to place on the record in this place my dismay at the fact that members opposite have treated so lightly the position of the State Bank. To my way of thinking, it is part of this Bill that we start this appropriation process by facing the fact that about \$947 million has had to be taken from the positive side of this State's ledgers and put against possible losses of the State Bank. That represents a loss of assets to this State and it represents also a loss of ongoing revenue estimated at \$100 million a year, and I have heard estimates in this Chamber today as high as \$200 million a year. That, I believe, is a legitimate part of the appropriation debate, because in this State and in this Chamber we have a Westminster system of Government, a Government that says that this same Treasurer who brings this Appropriation Bill into this House today must be accountable for the finances of this State.

One of the financial institutions and the pillars of this State, we were told until recently, was the State Bank. I must record my dismay in the context of asking for this appropriation that the matter should be so lightly treated. The Premier made a public announcement saying what bad luck it was that we had lost nearly \$1 billion, but some few weeks later he accuses the Opposition of disloyalty and whingeing for questioning those facets associated with the loss of so much money. The amount of \$1 billion is so much that I cannot even conceive it, and I believe that members opposite would have difficulty doing likewise. How any member of this House could come into this Chamber and lightly write off \$1 billion and say, virtually, 'Well, it has gone down the toilet, that is bad luck; let's get it right and start again' is to me a cause for dismay. It is a cause for double dismay that members opposite when addressing this Supply Bill, this request to this Parliament to ask for the appropriation of further moneys from the revenue of

this State, should treat so lightly a matter of such great import to South Australia.

As you, Sir, would well know because you sat in this place and heard, as I did, the criticisms from members opposite of members of Her Majesty's Opposition for asking that amounts of revenue be appropriated for various purposes to their electorate. We were told that we were greedy, wasteful and fiscally irresponsible. Yet, if we add together all the, I think they were called wish lists, of the members of Her Majesty's Opposition, we see that they account for nowhere near \$1 billion. I put it again in the context of this Appropriation Bill that it would have been much better for this State had I been given my grade separation, had the member for Fisher been given his third arterial road and had various other things been put in place in this State that would have represented capital assets that this State should be faced with the loss of \$1 billion. If that amounts to whingeing about the situation of the finances of this State, I stand guilty of whingeing, and many people in my electorate are whingeing equally as much. Many ordinary people of this State are concerned that this loss will represent to them probably about \$20 million a week. I note with interest that the member for Henley Beach is mimicking the fiddle.

Mr FERGUSON: On a point of order, Mr Speaker, I have no idea what the member on the other side was saying at the time. I was in deep conversation with my colleague the member for Napier and I deeply regret that my name—

The SPEAKER: Order! The honourable member will resume his seat. I did not observe what the member for Henley Beach was actively engaged in at that stage. The point of order relates to a comment, but I have no idea whether the member for Hayward was reflecting on the honourable member. He made a comment in the debate, but I do not believe that it is serious enough to take a point of order.

Mr Ferguson: I am totally satisfied, Sir.

Mr BRINDAL: My eyes might have deceived me, but I thought that the honourable member was practising playing the fiddle, and I was merely going to comment that that was an appropriate action in the context of this Bill, because it is recorded in history that Nero fiddled while Rome burned. So, if the honourable member opposite wants to mimic the playing of a fiddle—

Mr FERGUSON: I must take another point of order, Sir. The member opposite infers that I was mimicking him. I was not doing any such thing.

The SPEAKER: Order! The member for Henley Beach will resume his seat. It is getting very late, and I think tempers are getting a little short and frayed. I suggest that all members take a little care with their statements and perhaps be a little less thin-skinned. Over the years, I have noted that at times like this members on both sides of the Chamber have made statements to which some offence could be taken, but I think it is a matter of the hour of the day and I ask all members to be a little more considerate in their statements and perhaps in the way that they interpret comments.

Mr BRINDAL: I would sum up that point by saying that we on this side of the House are often criticised if we question the Government's disloyalty to the State of South Australia, but I put to the House that there is no disloyalty on the part of the Opposition. We deplore what has happened to the finances of South Australia. Each of us would prefer never to have had to ask the questions, but none of us resile from asking those questions if that is in the best interests of this State.

The member for Playford asked why, in debate on the Supply Bill, we have not referred to those poor and disad-

vantaged people who live within our electorates. Time does not permit me to elaborate on that theme; however, I would record that I, for one, together with my colleagues the members for Newland, Fisher, Adelaide and Brighton, have spoken on many occasions on the plight of ordinary people in our electorates. The Labor Government has now been in power in this State for something like two decades, except for the 1979-82 period. Labor has been in power federally for about a decade. Whilst they might not all be the responsibility of this Government, the ills of our society may not be cast aside lightly by this Government, either.

It is the Government that creates the financial conditions in this State, through such measures as this Supply Bill and the taxation measures that are necessary to raise the moneys required for this expenditure. It is the Government that creates a financial climate and it is the Government that is largely responsible for the society in which we live. People are hurting; you, Sir, know that and I know that. I believe that members on the Government benches fail to realise that. I honestly believe that they have lost touch. In the context of this Supply Bill, I believe that it would have been better for them to go and investigate the needs and concerns of the people and to gauge what their measures are costing the people of South Australia. They would then perhaps come in here with a different attitude towards the allocation of money. I shall now conclude, because I realise that it is getting late.

I conclude by saying that I have heard much of the frailties of members opposite—that was a comment from one of the most recent speakers—and much of the tragic situation. We have heard the calls for policies from us, and we have noted the basic abrogation of power. Basically, I put to the House that, over a period of time, this Government has grabbed power with an alacrity which is almost distasteful. I conclude by saying that, at the time of the Roman empire, Pontius Pilate was responsible for the finances in Judaea, and indeed he has very many relatives in this Chamber, for they continually wash their hands of responsibility. They grab the power; they do not want the responsibility. I feel sorry for the people of South Australia, because this Government is selling them short.

Mrs KOTZ (Newland): I rise to support the Supply Bill with the profound regret that, as a representative of the people of South Australia, in particular relating to the State seat of Newland, I am supporting the means by which this Government will continue to administer the direction and control of taxpayers' funds without seeing any clear and concise evidence that this is a Government in control, that the Government's control is responsible, or that Government direction is far-reaching and beneficial to this State and therefore to its people. The Federal Labor Government coined the phrase 'The clever country' and the South Australian Government, rightly, supported, at least verbally, the call for all of us to support the strategies towards that aim. But it was the South Australian Government that picked up the catchcry. It is the South Australian Government that thought it was being clever.

Consider the revenue raising areas initiated by this Government, revenue which, if administered responsibly, should cascade into overflowing coffers. Instead, massive amounts of revenue have disappeared into the current revenue black hole. Since the opening of the casino, gambling taxes have literally soared. Money has been flowing in from all areas, such as the Cooper Basin and Roxby Downs. We can add to that land tax, FID, payroll tax and stamp duty collections, which made this Government look like the greatest lottery winner in the history of this State.

But where has that massive collection of revenue gone? Certainly not into the service areas that taxpayers in this State expect to have. When the current revenue black hole widened and deepened, the Treasurer simply dipped into his personal little piggy bank, known as the South Australian Government Financing Authority. This is a Treasurer who would not make the necessary spending cuts that are prudent in economic management, a Treasurer who relies on gimmickry in revenue raising and upon bleeding dry the small business community. Clear cut, hard decisions are beyond the Treasurer, whose image promotion will not allow him to deliver the bad news. But the bad news cannot be eluded by the Treasurer in this State. I doubt whether there is a man or woman in this State who is not now aware of the massive con that has been perpetrated against them by the Bannon Government.

They are aware that the South Australian Government Financing Authority, the Treasurer's piggy bank of taxpayers' funds, has now been reduced by \$970 million, in the short term, to prop up South Australia's State Bank. The policies of this Government have seen a diminution of all State services over the past five years. The member for Adelaide, in his contribution this evening, covered the matter of the diminished services in the health and hospital areas and he did that very precisely and competently. I would only add that Modbury Hospital, which supports the region covered by my electorate, has had to resort to cutting bed numbers at this stage, and for several months this has occurred more than ever before. Sixteen surgical beds have been closed at Modbury Hospital since Christmas. In terms of daily patients, a period of 2½ months can mean that 1 200 people are cut out of the hospital system and added to the waiting lists.

I want to address another matter relating to the health area, because it has been brought to my attention that Domiciliary Health Care Services in the northern region is in a state of crisis. From reading through the Royal District Nursing Society's annual report, I believe that similar problems are being experienced by that organisation. At this stage, I want to refer specifically to Domiciliary Health Care Services. An obvious crisis situation does exist in the northern region due to an under-resourcing of the Northern Domiciliary Health Care Services. Again, it is the elderly who are being placed on waiting lists for this assistance, and this has never occurred in our region before. Restrictions have been introduced to determine service provision, which means that only emergency referrals are accepted. These are defined as:

1. Patients who are unable to return home from hospital without domiciliary care intervention.
2. Patients who are terminally ill at home and who are in need of immediate attention.
3. Patients who would have to be institutionalised directly, without domiciliary care support.

The role of Domiciliary Care has been to support people in their own homes, even when major problems are present, such as personal hygiene and mobility. Without this support, the only alternative is to place people in institutionalised care.

This creates a further problem, as bed availability throughout our institutions is minimal. One elderly gentleman from my electorate on discharge from hospital required immediate support to bathe and return to bed. This support was denied during the first week when the need was relevant but offered during the second week when my constituent no longer required assistance.

Care givers and doctors in this region are becoming increasingly alarmed that the health and the maintenance of health of individuals are being placed at risk due to the

lack of support services. A report commissioned by the Lyell McEwin Health Service in 1990 to assess the needs of the northern region in relation to domiciliary care services found that the service was under-resourced and recommended an increase of \$400 000 per annum to maintain the care services in our region. The report also showed that South Australians suffered by comparison to other States by receiving a lower percentage share of Federal funding under the HACC agreement, although the aged population of metropolitan Adelaide was higher than that of any Australian capital city.

Western Australia has a similar population size although a younger age structure, yet the HACC funding for that State is proportionally much greater. Perhaps some of our Consolidated Account funds could be spent in gaining a consultant from Western Australia who may be able to negotiate a far better HACC funding deal than obviously was done by the Government in this State.

I would like to read part of the report commissioned by the Lyell McEwin Health Service. It was stated that the implications of the lower percentage share received by South Australia become more striking when consideration is given to the fact that the ageing of the population had been particularly marked in metropolitan Adelaide, whereby in 1986, 117 075 people or 12 per cent of the total population was aged 65 years or over. This was the highest percentage of any capital city.

The rate of increase in the Adelaide older population grew significantly by 37 per cent between 1976 and 1986 compared with a growth of less than 9 per cent in the total population. The report goes on to say that the relatively lower level of HACC funding in South Australia is placing increasing pressure on all the domiciliary care services. In recent years the combined domiciliary care services has stated that the age of the majority of people receiving assistance at home is rising, and the problems are tending to be more complex. Denied operating flexibility by the strictures of the HACC agreement and continually faced with budget constraints, the services are nonetheless required to cope with increasing demand for service due to pressures in the hospital system and more rigorous admission criteria for nursing home entry. It is now up to the Government to explain what action it will take to maintain viable domiciliary care services and ensure the safety and health of the elderly in the northern suburbs.

The financial mismanagement of this Government will go down in history as the great shame and disgrace of the 1990s Labor Party. The damage done to this State is monumental. The basic infrastructures of our society have been hit hard, and they will be hit harder. Our education system has been torn apart. Health care services will take years to recover. Police resourcing is a joke. A once proud and important integral part of our society has become a token service to law and order. Only competency and efficiency of Government and Government departments will effect the change necessary to secure a stable future for this State.

Mr Groom: What do you think that will mean?

Mrs KOTZ: I am glad the member for Hartley asked, because a change of Government is the obvious answer, and a Liberal Government is the only answer.

The SPEAKER: Order! Before calling on the next speaker in this debate, I point out that the member for Henley Beach and the member for Napier were out of their seats and interjecting. I ask them to come to order.

Mr MATTHEW (Bright): This Supply Bill is before us to allow the allocation of \$850 million for public services until the budget is passed. While I support the allocation of

this money, the manner in which public services in this State are being put to work is of increasing concern. Of particular concern is the fact that this year, unlike previous years, there has been absolutely no analysis as to whether the Treasurer's revenue and expenditure estimates are on target. All we have been told—and I quote from the second reading explanation—is as follows:

Members will note that the expenditure authority sought this year is approximately 6 per cent more than the \$800 million sought for the first two months of 1990-91. This is broadly in line with the increases in costs faced by the Government and should be adequate for the two months in question.

Members on this side of the Chamber would have liked to hear a bit about the success of the public sector freeze that the Premier announced in November 1990. But we all know that the announcement was nothing more than a sham. The Premier made the same announcement in June 1987, and he then simply ignored it. In November 1990 he also did not tell us that taxes had already blown out by 18.2 per cent.

Members may recall that the Liberal Party supported Mr Bannon's announcement, in early June 1987, that Public Service numbers would be reduced. But, in the election year of 1989-90 the Premier increased the number of full-time equivalent public servants by 2 100 to some 88 100. Together with his failure to implement micro-economic reform and cut waste, is it any wonder that State taxes were jacked up by a record \$233 million or 18.2 per cent in the Government's August budget? The Premier, as members opposite may recall, even won an award from IPA for this effort. The award was called a 'lemon award' for the biggest increase in the Commonwealth.

Some of the extra revenue was no doubt needed to help fund in excess of 600 committees that presently exist within the State Government—committees about which the Parliament and the public have been given very little information and about which I have questioned many Ministers by way of Questions on Notice and for which I still do not have answers. But, perhaps they do not know, either, what the committees do in their department's or in fact even how many committees they have.

All is not lost for, after all, we have a Government adviser on deregulation. Perhaps he or she will help eliminate red tape and unnecessary Government administration and regulations. It is interesting to look at the most recent annual report of the Government adviser on deregulation; it offered disappointing reading for anyone who believed the Government's repeated promises.

In the past the Government has promised a one stop shop to make it easier for businesses and individuals to obtain Government licences and permits and to receive information about regulations with which they must comply. The Government has also promised a significant reduction in a number of regulations that are used to control businesses and individual activities. However, the deregulation adviser has said that he is disturbed at the number of regulations that are being exempted from revocation. His report shows—and it is interesting to look closely at it—that of the sets of regulations so far considered for revocation some 32 per cent have already been exempted while all of those revoked and not reviewed were made more than 20 years ago. The adviser said:

The need to request an exemption often reflects lack of organisation within the Government agency in reviewing legislation, insufficient priority being given to legislative review in Government agencies and/or awareness that exemptions are an escape option.

The report also reviews progress on a range of industry deregulation and once again indicates that very little is being achieved.

The SPEAKER: Order! The honourable member will link this to the Bill that is before the House.

Mr MATTHEW: Most certainly, Sir. At the time of economic recession this Government has a duty to do as much as it can to reduce costs faced by business in complying with Government red tape and regulations. However, the Government report shows that the Government has done nothing more than pay lip service to deregulation.

Members interjecting:

Mr MATTHEW: Government members might protest. They have made cuts. So, perhaps we should have a look at some of those cuts to see what they have done. It is interesting to look at the cuts the Government has made in SACON. It is interesting to note that the cuts in SACON have mainly affected blue collar workers. If we look at the SACON 1989-90 annual report, we see there has been a big increase in white collar administrators, at the same time as portfolio spending and the number of blue collar workers were savagely cut. Compared with the 1988-89 budget, the number of SACON administrative officers increased by 28 per cent, from 47 to 60, and another executive officer was added, at the same time as daily-paid employees were cut by 74 in number. The axe fell heavily on SACON office cleaners, painters and mechanics.

SACON's recurrent payment budget dropped from \$90.8 million in 1988-89 to \$86.4 million last year, so it is hard to see how we could justify this increase in white collar administrators within the SACON department.

We might also like to look at the result of the disgraceful axing of some 800 teaching jobs in the Education Department, which the Government sanctioned after the teachers were awarded quite justified salary increases.

Members interjecting:

Mr MATTHEW: I hear a number of members on this side saying: 'Hear, hear' to that statement, because they know just how badly that Government plan was implemented and how savagely those cuts hit. What we want to see happen with Government staffing is well thought out, sensible reductions in the right areas—reductions in administrative areas and not reductions at the work face. This has not been happening. The Government cannot get it right and, because it cannot get it right, it has gone on a crazy revenue binge over the past 12 months and earlier. The Opposition has detailed at length in this House a myriad of areas where taxes and charges have been increased well above the rate of inflation. They have been increased because of this revenue binge.

Mr Brindal: An orgy of spending.

Mr MATTHEW: Most definitely. One of the most interesting increases has been on-the-spot fines. That has been a real revenue windfall to the Government. We have seen a doubling of on-the-spot fines from 1989-90 to 1990-91. Last financial year, members may remember the Government received \$11 772 667 from on-the-spot fines, and this year it is looking at getting some \$24.6 million. That is a jump of 110 per cent, just to cover the spending binge of this Government.

The money has been absorbed to help cover Government cost blowouts, incurred well before the State Bank crisis. Now we find that key Government services are also under threat. In the four months to October 1990, the Government has spent 38 per cent of the State education budget, leaving 62 per cent for the remaining 67 per cent of the year. In the same period, we have also seen 39 per cent of the welfare budget spent. Obviously, there must be serious concern by all members in this House at this rapid rate of expenditure and the Government's inability to manage the moneys that it has in its hands.

However, it is important also to look at the effect of the worsening economy on the people of South Australia. Earlier tonight the member for Playford issued a challenge. He called for someone on this side of the House to get up and be counted and to talk about those on the housing waiting list and those who were struggling in single parent families to keep a roof over their head. I am more than happy to oblige and respond to that challenge, and I would like to give the member for Playford and other members on that side of the Chamber some interesting information.

If we look at rent relief, the short-term assistance that is provided through the Housing Trust to people facing genuine hardship, we notice that as at 30 June 1983, 3 451 people were assisted. The recipients as at 30 June 1990 were 5 013. If we look at the Housing Trust rental rebates, in 1982-83 \$23.2 million was utilised; in 1989-90 it was \$86.8 million.

Members interjecting:

Mr MATTHEW: Yes, that is a comparison between the situation under the Liberal Government of the day and now, and it is a reflection of the state of the economy; when things are going bad more people need help, more people need assistance from the State, and more people have to put their hands out. What we need in this State is a Government that has the guts to stand up and do something to help people stand on their own two feet and make their way in life, so that they can walk in the street and hold their heads high, being seen to be doing something for themselves and feeling they are getting somewhere. They should not have to go through the indignity of having to ask for handouts time and time again.

Members on the other side should be hanging their heads in shame. They have put this State in a disgraceful situation and members on this side of the House will have to clean up the mess after we take government at the next election. The list goes on even further. We can look at emergency housing assistance: in 1982-83, it was only necessary to pay out \$486 000; in 1989-90, it was \$4 272 000 to help people keep the roof over their heads in the economic climate which this Government has created.

Members interjecting:

Mr MATTHEW: Although they continue to bleat on the other side of the House, it is a comparison between what happens under a Government that is moving a State forward and what has happened under the present Government where we are going nowhere but down the plughole. Labor policies have resulted in increased dependency on welfare. They deny incentive to those capable of generating more wealth that the whole community can share. It is an absolutely disgraceful situation and, in saying that, I hope members opposite, instead of smiling, might reflect on the demise they have caused in this State. In concluding, Mr Speaker, I reluctantly support this Bill.

Mr VENNING (Custance): Once again, it seems to be my role to bring up the tail of the debate. It is late, and I will cut my speech right down, as other members have done. In speaking to the Supply Bill, I was rather surprised that the second reading explanation by the Premier took up only about eight or nine lines of *Hansard*. That seems rather odd. Today we saw some very relevant facts occur. Earlier in the week we saw the Federal Government turn down the farmers of Australia when they asked for a minimum price for wheat. Today we saw the UF&S in South Australia come into this House and ask for \$22 million to assist in a package totalling \$263 million to save the South Australian farmers. I am told nothing has happened yet.

The wheat industry assistance package was knocked back by the Federal Cabinet and, because of that, the Grain Council of Australia says that we will certainly have a decrease in production in South Australia by one-third. You, Sir, can imagine what will happen if we have a seasonal turnaround in three months time and we do not have the crop in the ground. We will lose our markets and the short and long term ramifications will be very serious. A very efficient industry will be driven into the ground because of short-sighted policies. It is almost the final blow.

This rural crisis has, dare I say it, been talked to death in this House, but so many speakers really speak without the conviction of knowing what it is about. I know the member for Albert Park referred to it earlier today, and I congratulate him for that. What is actually being done about this situation in the Supply Bill? All we have is rhetoric. In the Supply Bill we should have seen more money channelled towards assisting with this problem, because this system will be cyclical. It is the rural community today and the day before, but it will become the Adelaide community, as the crisis develops right across the State.

I congratulate and support the UF&S on its paper. A total of \$22 million of Government outlay would have brought into place a \$263 million package, which was purely low interest lending from the banks, but the actual money up front for this Government would have been \$22 million. I hope they pick it up tomorrow. I live in hope, but I am not exactly confident.

I refer to State rural services. It would be remiss of me to stand in this place and talk on the Supply Bill without commenting on the parlous position of the rural community. For years I have heard this Government talk about decentralisation. What a great idea that is. This Government has done nothing about it—it is purely lip service. In the past six to seven weeks all rural services have been screwed through the floor.

The Bill talks about services to the State but, as a taxpayer who lives north of Gepps Cross, I can only say, 'What services?' In my electorate, which stretches from Port Pirie to Gawler, many services have gone completely or have lost funding. I remind members of those services. Eight families will be leaving Bute because of cutbacks in the road transport depot. How does a small town like Bute get over that? For the sake of saving one \$40 000 salary the town is wiped off. ETSA in Clare has had all its office staff removed, with only a few linesmen left. What that will do to Clare is horrendous.

The Department for Family and Community Services in Clare has also been cut back, as have ambulance and health services, hospitals, railways and the rural extension service—the list goes on. We have been looking carefully at those issues. The Department of Agriculture's rural extension service is a very critical part of Government expenditure at a time like this. The member for Napier asks many questions of the Minister of Agriculture. Some of the best agricultural research in the world is currently being done at the Waite Research Centre. The centre's services are being cut back, which in turn results in cuts in extension services on farms. Farms need to be most efficient and up with modern technology. To cut back on research is so short-sighted that I do not know what to say.

Passenger rail services are also being wound down, and the freight service is under scrutiny. I have referred to the removal of railway infrastructure. I know that that has no direct impact on Government revenue, but the Minister of Transport should have the power to stop such cutbacks immediately. Country people are under siege. I blame politicians over the past 20 years for the current situation. We

have not had a drought, so what has gone wrong? We have sent people in the wrong direction, giving them wrong ideas and false directions. At both levels of Government—Federal and State—we see Labor policies. They have been sending us in the wrong direction. We are in a parlous position—there is no doubt about it.

The Supply Bill puts us in a very serious position. We cannot make a mockery of the State Bank—it is too serious and we are still going down the tube. The Supply Bill should have addressed other issues. When members opposite drive north of Gepps Cross, do they feel that they are driving into another State? The things that members opposite discuss here are for those who live this side of Gepps Cross. If members opposite go beyond Gepps Cross they are in another world, a world that they have forgotten exists.

The Hon. FRANK BLEVINS (Minister of Finance): I thank all members who have contributed to the debate. The contributions have been varied and interesting and, given that there will be a grievance debate, after the Committee stage, members will have an opportunity to expand on their second reading contributions. I want to make one point in relation to the statement that was made by the Leader of the Opposition when the Treasurer introduced this Bill into the House. The Leader complained that the second reading explanation contained very little detail in it. The Bill before the House is a very ordinary, routine matter. The sum looks large, to those of us who work on a monthly salary, but in the scheme of things it is purely machinery.

In addition to that, the Premier made a very detailed statement to the House on 12 February, outlining the Budgetary position that faced the Government. The statement made by the Premier covered such matters as taxation, receipts, expenditure reviews and the general economic outlook for the State over the next few months, so it was a very extensive statement. It was the most extensive statement I have seen in the House, apart from when the Premier presents the budget to the House, so there has certainly been no attempt to hide anything or to 'cover up', which are the words that were used by the Leader of the Opposition. I commend the second reading to the House.

Bill read a second time.

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

That the Speaker do now leave the Chair and the House resolve itself into a Committee of the whole for consideration of the Bill.

Mr S.G. EVANS (Davenport): It is traditional that at this stage members have an opportunity to grieve on a matter that they choose. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

ADJOURNMENT

At 11.30 p.m. the House adjourned until Thursday 14 March at 11 a.m.