

## HOUSE OF ASSEMBLY

Thursday 10 October 1991

The SPEAKER (Hon. N.T. Peterson) took the Chair at 11 a.m. and read prayers.

## HILLCREST HOSPITAL

Dr ARMITAGE (Adelaide): I move:

That this House condemns plans to close Hillcrest Hospital in the absence of specific information with regard to factors such as the locations to which long-term beds will be transferred, the facilities which will be provided for the care of the mentally ill in the community, and other features necessary for the provision of a first-class mental health service.

Hillcrest Hospital was founded in 1929 under the name of the Northfield Mental Hospital, and its name was altered in 1964. It was the first psychiatric hospital in Australia to be granted accreditation for a full three year period—an honour in itself—and that accreditation has been renewed every three years since then. Hillcrest Hospital has an international reputation for the care of its patients, and it is this hospital which the Government intends to close for base financial reasons.

The proposed hospital closure has caused enormous community unrest and anger. This will be expressed later today when I present a petition from 3 746 constituents who are very distressed at the potential care of mentally ill people in the community because of this closure. The Opposition is fully cognisant of the fact that the trend in mental health care is into the community. Indeed, if one looks at the experiments in Madison, Wisconsin, which are held as the *sine qua non* of mental community health care, one will see that they are excellent. However, they have occurred through evolution and not revolution.

What this Government is intending is a revolution in very speedy terms of mental health care in South Australia. The reason it is doing this is because it is strapped for cash and it wishes to become a land speculator. The Minister responsible for this decision unfortunately has no vision for mental health care in the future.

The closure was announced with great secrecy earlier this year, and the Minister was very much in favour of this closure. Then, after a meeting with a variety of people involved in the provision of mental health care at a high level in South Australia, the Minister of Health was reported in the *Advertiser* of 16 April 1991 as saying:

Closure will be reconsidered if community-based psychiatric services will be more costly to run than the existing hospital.

What this quite clearly means is that the Minister has no particular plans about the vision of health care in South Australia: all he wants is a nice cheap deal. Health in the community, and mental health in particular, is too important to be worrying solely about a cheap deal. What we as South Australians have to look for, and as a Parliament we have every right to expect from the Minister of Health, is the provision of the best health care possible.

Under the New South Wales model, which I fear we are following in South Australia, the progressive Labor Governments made commitments to close mental hospitals and, accordingly, spent no capital on them whatsoever. Those hospitals have been let run down to an extent where now the Government is being forced to build new hospitals merely to cope with the acute demand whilst at the same time agreeing that the object of the exercise is for mental patients to end up in the community—and that is where this Government is taking us.

I alluded previously to undue secrecy about this announcement. I think that is a mark of the confidence the Government had in its decision: clearly, it was not sure which way it was going, as the Minister's comments indicated. A mark of how strongly it believed in its decision is that, unfortunately, staff and board members of the Hillcrest Hospital were specifically refused the knowledge that the hospital was to close prior to the announcement being made. This clandestine way of attempting to put off any protest indicates that, at that stage, the Government was very anxious about its proposals—and it had every right to be.

The proposed closure of Hillcrest Hospital is being done in half light: no-one knows exactly what is going on at the moment. Let us look at the locations to which the beds will be transferred if the hospital is closed. During the Estimates Committee I asked the Minister where these beds would be located, and the answer I was given, not three weeks ago, was that the 120 beds would be placed in hospitals. That is a good start! However, with this enormous expenditure of money and huge change in mental health provision in South Australia we then hear that negotiations with the various hospitals are continuing. So, the Government still does not know what is going on with its plan.

There are 60 acute beds at Hillcrest Hospital. At this stage, it appears that 20 of those beds will be relocated to the Lyell McEwin Hospital, 20 to the Queen Elizabeth Hospital and the remaining 20 to the southern suburbs. So, we are facing the closure of this jewel in the psychiatric crown of South Australia and we do not even know where its beds are going—it appears that they could be distributed anywhere.

Let us look further at these remaining 20 beds, which, as the ministerial adviser said, will be distributed to the southern suburbs. In *Hansard*, the ministerial adviser is quoted as saying:

It is unclear at the moment whether those 20 beds will be relocated to the Repatriation General Hospital—

the future of which is completely up in the air—

the Flinders Medical Centre or the Noarlunga Hospital. Negotiations are continuing.

The Government still has no idea where the acute beds for psychiatric care in South Australia will go, yet it is already making plans to sell the land. We have been told that 20 beds will go to the Queen Elizabeth Hospital, which has asked me who will control these beds, whether they will be under its own aegis as a public hospital or whether they will be run by mental health. Who knows? That is another uncertainty.

One thing about which I am absolutely certain is that the Health Commission does not know, because it is unable to tell the Queen Elizabeth Hospital who will run the beds, where the funding will come from and where those beds will be placed in the hospital. Yet, here we go down this rocky road in half dark with no lights on our car. I point out to the House that the behaviour of some patients in mental hospitals in surroundings such as Hillcrest is completely acceptable and well understood, but that similar behaviour would be frowned upon in general hospitals and, indeed, would be counterproductive.

Let us look further at the facilities that will be provided in the community for the care of the mentally ill if Hillcrest is closed, although I hope that we will be able to curtail the Government's plan. At present, facilities for care of the mentally ill in the community are pretty substandard, particularly in your electorate, Mr Speaker. I am certain that you would understand exactly what I mean when I say that some of the hostels in your electorate in which mentally ill

patients are cared for are definitively lacking in facilities for the staff and in care for the patients.

*The Hon. P.B. Arnold interjecting:*

**Dr ARMITAGE:** The member for Chaffey has pointed out a very pertinent fact about your electorate, Mr Speaker. However, indeed, I repeat that the facilities and hostels for the care of the mentally ill are substandard. No detail is provided in all of these plans as to what facilities will be there in the community. There is a lot of rhetoric but there is no substance.

The nub of the Government's plan revolves around money and around how much money is going to be spent on community facilities and how much money, ostensibly, can be saved. One of the major injections of funds for this plan is to come from the sale of land at Hillcrest and Glenside Hospitals. In the Estimates Committee I inquired as to what was supposedly coming from this sale. We were told that the sale of land at Hillcrest was to bring in \$4.4 million and at Glenside \$1.327 million—a total of \$5.727 million. However, I point out to the House that last year Government receipts from the sale of land and buildings amounted to only \$3.5 million, despite a budgeted amount of \$14.7 million. So, there are grave doubts about the validity of the figures put up from the South Australian Health Commission with respect to property speculation. Indeed, the ministerial adviser said during the Estimates Committee, and I quote:

It is fair to say that there is obviously some uncertainty associated with the achievement of the estimate.

This is the nub of the matter: if the money is not available for this plan from the sales of land, the whole scenario falls flat on its face and we will be left with a magnificent hospital, with an international reputation, closed, with a second-class substitute being put up. There are certain hidden costs in this as well. When any devolution of care occurs there is enormous stress on the carers. I note that, in all of the Government's figures, no store whatsoever has been put on the carers, the people who will be caring for the mentally ill in the community. The literature such as it is would indicate that there is a significant health risk to the relatives who provide home-based care for the chronically mentally ill. Indeed, there is now a University Department of Psychiatry project to look at just what those hidden costs are.

So, this project involves a litany of uncertainties. The psychiatrists tell me, on a regular basis, that they are distressed at the speed of the proposal. They have put to me, with no vested interest, the point that we have only one chance to get it right. It is being rushed through the whole process and we are likely to bungle it. I am told by letter, from various people at Hillcrest, that there are no firm plans as to what will happen with the mental health records, once Hillcrest is closed. There is an assumption made as to where those records will be kept, but I put it to the House—and this is particularly relevant to the fact that we will be debating a privacy Bill here in the near future—that if there is any doubt as to where records of mental health and mental illnesses are to be kept that ought to be looked at immediately.

I further put to the House that there are inaccuracies in the actual figures that have been put up. In many cases there were quotations that were proved to be wrong, and indeed the Health Commission admitted they were wrong. There has also been input from the South Australian Salaried Medical Officers Association. They clearly have an interest in the provision of the best possible health care. What worries me about their input is that they are talking about

a distressing lack of clinical opinions that agree with the preconceived ideas of the Health Commission.

The real problem with this closure—and I quote from a letter from the Chief Executive Officer of SASMOA to me dated 24 June 1991—is:

There are serious clinical deficiencies forecast by the lack of funds to provide the services required of necessity in the new model.

That means that there will be failings in the provision of mental health care because of this new model. There are holes everywhere in this proposal. Indeed, there are more holes in this proposal than in a hunk of Swiss cheese.

The final anomaly in all of this was that the board of Hillcrest—a volunteer board which had done a magnificent job in shepherding the hospital through difficult times—was requested by the Health Commission to repeal its constitution on 30 June 1991. However, the Health Commission forgot that the South Australian Mental Health Service, the overall body which is taking over mental health care in South Australia, was not to be constituted until 12 August 1991, which would have left a hiatus of about six weeks when Hillcrest would have had no direct supervisory body.

The proposal to close Hillcrest Hospital is fraught with danger for the clinical care of people suffering mental duress and mental illness in South Australia, and that is backed up by many people. The overall idea of community health care for the mentally ill is supported by the Opposition, but only if there is proper provision of community health care once the devolution has occurred; and it is clear that at worst the finances will not be there for that, and at best they are dodgy. I sincerely hope that the House will agree to this motion.

**Mr McKEE** secured the adjournment of the debate.

#### HOMESTART SCHEME

**The Hon. T.H. HEMMINGS (Napier):** I move:

That this House notes with satisfaction that, after just two years, the HomeStart scheme has made it possible for 7 000 families to get into home ownership with loans totalling \$500 million.

Mr Speaker, if I were a pedantic person—and you know that I am not—I would have to seek to move the motion in an amended form because the figures, as of Monday, have changed to 8 171 loans totalling \$548 million. Some 8 171 families are now enjoying home ownership through HomeStart. If HomeStart had not been available, they would most likely have been paying exorbitant amounts of money through credit foncier loans or still be trapped in the private rental market.

In two short years, HomeStart has become the most successful vehicle for home ownership in this State's history. In all probability, I could say including the rest of Australia, but I have no facts to back that up. However, I have spoken to most people involved in housing in the rest of this country and they have assured me that they do not dispute the success of HomeStart and its strength in the area of home loans. Yet, HomeStart from the outset has been attacked time and again by the Liberal Party, by the Australian Democrats and by some sections of the media, particularly the *Advertiser*—but more about that later.

What prompted the Government to launch HomeStart? From 1986 onwards it was patently obvious that the deposit gap was precluding most lower middle income people from moving into home ownership. The concessional loan program was not able to assist those low income people to get out of the rental trap, so HomeStart was created. HomeStart

was specifically designed to help low income first home owners, and it did just that. Of those people who have taken advantage of HomeStart so far, 70 per cent are younger than 35 and are first home buyers. Of those borrowers, 75 per cent were people who were trapped in rental accommodation with little or no chance of achieving a home of their own without the assistance of HomeStart. HomeStart was designed to help the building industry, and by golly it did just that, which is why this State has not suffered the highs and lows of the building industry elsewhere in the country.

Of those 8 171 loans, 40 per cent were for the building of new homes. Leading builders tell me that currently 50 per cent of their building comes from HomeStart accounts, and I am informed that a further 1 000-odd contracts are due to be settled. That is not bad for a lending product that, according to the Liberal Party, the Democrats and the *Advertiser*, was a con and destined to be an unmitigated failure. The Government's objective was to open the doors of new housing opportunities for thousands of low to moderate income earners, and it has succeeded well beyond even what the Government imagined at that time. It has succeeded despite a scurrilous campaign by the Liberal Party and the *Advertiser*, but has there been any let-up in those two years? There has been no let-up whatsoever. The attacks go on relentlessly, with HomeStart well on track to meeting its four-year target of 16 000 loans worth over \$1 billion. Is the Opposition prepared to say here and now that it will abolish the scheme if it is successful after the next election?

**Mr Oswald:** They will be.

**The Hon. T.H. HEMMINGS:** Well, this is the first time we have heard the Opposition, through the voice of the member for Morphett, say that it will abolish HomeStart, and I am pleased that it is on the record.

**Mr OSWALD:** On a point of order, Sir, I have been totally misrepresented. I did not make that statement at all.

**The SPEAKER:** Order! My attention was diverted. I did not hear the alleged misrepresentation. However, the honourable member does have the right to participate fully in this debate. If he feels there was a misrepresentation, that is the time to take it up.

**The Hon. T.H. HEMMINGS:** As I say, what the member for Morphett said in his interjection will be recorded in *Hansard*, and people will be able to judge for themselves. I was actually referring to perhaps the Opposition's most trenchant critic of HomeStart, the member for Bragg. From the outset the member for Bragg attacked HomeStart. He made the most outrageous statements about it, duly recorded by the *Advertiser*, because it was in the *Advertiser's* interests that HomeStart did not get a good run.

Of all members opposite, the member for Bragg is the one most likely to be their next Leader to take them into the next election. It is up to the member for Bragg to say whether they will abolish HomeStart. The public of South Australia needs to know, and I refer to those thousands who will take advantage of HomeStart over the next two years and then on into the year 2000, because this program will go on forever. They need to know, if they want to get into home ownership, whether the Liberal Party will abolish or support it. I doubt whether the member for Bragg will be as forthcoming as the member for Morphett was just a little while ago.

Let me now turn to the 'who was proved wrong and who was proved right' department. I will deal first with who was proved wrong. In the *Advertiser* of 7 September 1989, just two days after the launch, the misinformation machine was working at full blast. The *Advertiser* was printing everything the Liberal Party was saying, particularly through the mem-

ber for Bragg, and on that day the *Advertiser* even sought the views of those lending institutions who were not included in the program.

The article stated:

The Commonwealth, Westpac and ANZ Banking Group all said yesterday that their own low-start housing loans schemes had not been popular. The Commonwealth Bank's manager, home-loans, Mr Graham Brinkworth, said that its scheme had attracted 'just a couple of hundred loans' in five years, and that repayments became 'very onerous', while the annual increase in loan repayments had 'far outweighed the increase in wages'.

The ANZ Banking Group's State head, Mr Terry Brennan, said there had been 'absolutely no response from customers'. Westpac said that since January 1988 less than .1 per cent of the bank's total housing lending was to low-start loans.

How wrong could the Commonwealth Bank be how wrong could Westpac be and how wrong could the ANZ Bank be? They said that, because they were worried that the Government had not given them a chance to get into the scheme. It just goes to prove that they were not worried about low income people; enough money was coming in from the loans of middle class people who were prepared to pay the high rates of interest and who had no problems with the deposit gap. It suited their purpose not to have HomeStart competing with them. It has never been on the agenda of the Commonwealth Bank, Westpac or the ANZ Bank—or of all the private banks—to worry about low income people and to get them into home ownership. They were getting their money from other sources, and they were quite happy with that.

It now gives me great pleasure to get to the 'who was proved right' group. They were there aplenty but, unfortunately, it did not suit the *Advertiser* to give them much coverage. Occasionally, they were given some space, especially in the early days. I quote from the *News* of 6 September:

The Master Builders Association described HomeStart as a 'welcome initiative by the State Government in the housing area'. The move was also backed by one of South Australia's biggest builders, the Hickinbotham Group and by Homestead Homes.

One of the State's biggest homebuilding firms, AV Jennings, set up its own HomeStart hotline today to help handle the flood of inquiries. The State manager of AV Jennings, Mr Jay Hogan, said the scheme was 'great news' and 'long overdue'.

At the second birthday party of HomeStart, which I was pleased to attend, every major builder in this State, the Housing Industry Association, the leaders of those financial institutions involved in the program and all the major real estate companies said the same thing, namely, that HomeStart had been the salvation of the building industry in this State. I prefer their judgment to that of the carping opposite or the *Advertiser*, which at that time had something on its agenda that was quite sinister.

Finally, I turn to the *Advertiser*. Why did it go so far to discredit the scheme? Why did it step over the boundary of objective reporting? We may well suspect what its reasons might have been, but we will never know. Apart from its role of being the Opposition's mouthpiece on the scheme at that time, the *Advertiser* even gave HomeStart the benefit of an editorial. I would like to cite that editorial to the House. Under the heading, 'Bringing it all back home', it stated:

The State Government might have been too clever, politically and financially, with its HomeStart scheme. For unless an election is called very, very soon, while homebuyers are still captivated by the glossy publicity for this apparent act of Government largesse and compassion, there might be a creeping realisation that the scheme is a con. Voters might remember that similar schemes have been tried before here, and soon failed. They might note that some building societies already have low-start mortgage loan schemes, which are not exactly popular with those who examine the figures.

The Government has given us an example of a 'typical' HomeStart loan of \$61 000 over 27 years. It looks attractive.

Home purchasers, and not necessarily just low-income earners, would be able to apply for such a loan, with nice easy payments to start off, rising as incomes rise.

They would see advantages over conventional mortgage loans, including pegged interest rates, repayments limited as a percentage of income and loans of up to 95 per cent of valuation.

What the Government is not saying is that, to use this example, the total amount paid out over the 27 years would be \$443 154—almost \$100 000 more than the total cost of a conventional building society loan at current rates.

That was patently false, but I will go into that later. The article continues:

That's quite a nice little earner for the Government, sweetly wrapped as a magnanimous gesture to the mortgage-belt suburbs, those supposed to be most hit by high interest rates, and to help the Government pump up the State economy, through the sensitive building industry, if there are fears of recession.

Then there are the broad questions of why the Government, through the South Australian Financing Authority, should be lending for housing at all. It is invading yet another preserve of private enterprise. This gives the Government added powers for manipulating supposedly free markets and opens the way for backdoor political ploys, for example, biasing the scheme towards home buyers in marginal seats.

I will not cite more of the article. In all the years that I have been in politics—and I have read many *Advertiser* editorials—that was the most biased editorial I have ever read. It is totally false, totally incorrect and written without any checking with the Government, the Ministry or the HomeStart organisation.

After that editorial appeared, as the Minister responsible, I was requested by the Cabinet to go to see the *Advertiser* to put the point of view of the Government and to answer, point by point, those criticisms that the Editor of the *Advertiser* had chosen to publish. If you recall, Sir, the Editor at that time was a Mr Piers Akerman—a very great friend of the Government of the day. I went to see Mr Akerman and I answered, point by point, the specific questions that had been asked in that editorial. I even followed that up the following day with a four or five page letter in which I included further information that the *Advertiser* might need. After that meeting I knew exactly how those blacks felt in South Africa when the white people were lecturing them: I was made to feel very small. I was treated with contempt.

What made the situation worse was that Mr Akerman's final words to me were that the *Advertiser* was big enough, if it had made a mistake, to admit that mistake in an editorial. It is about two years and one month since Mr Akerman made that statement to me, and I am still waiting. I do not expect the *Advertiser* to make any apology, because what it was doing at the time was trying to discredit this Government and, in doing that, it was prepared to abuse its privilege and, in effect, to denigrate a housing scheme that was initiated to help many people.

History has proved me correct, it has proved the Government correct and it has proved the building industries correct, because 8 171 families cannot be wrong; the building industry cannot be wrong; and the real estate industry cannot be wrong. In two short years a framework for the future of home lending has been established. HomeStart, which was this State Government's initiative, in full cooperation with the private sector, has proved to be a success, and it will continue to be a success because it will continually be launching new lending products for South Australian home buyers. It is about time the Opposition recognised that and got behind it.

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

## ELIZABETH-MUNNO PARA PROJECT

**The Hon. T.H. HEMMINGS (Napier):** I move:

That this House note the positive impact that the Elizabeth-Munno Para project is having on the community in that area.

In his budget speech in August 1990 the Premier announced a new priority in the Government's social justice strategy. This was the development of a new and intensive approach that would focus on those areas of the State where a disproportionate number of families were experiencing multiple disadvantages. It had become apparent in 1987 when the Government launched its social justice strategy that any meaningful redistribution of resources would require adaptation of the budgetary processes of government.

I am pleased to note that this has occurred with increasing effect over the past four years. The State Government's social justice priorities for 1990-91 included an emphasis of issues of locational disadvantage focusing in the first instance on the Elizabeth-Munno Para community and immediate surrounding areas on the basis of a broad range of indications of social and economic indicators.

In developing this geographical focus it was recognised that economic and environmental concerns were as vital in the long term as the provision of health and welfare services. At the same time the Federal Government was also recognising these factors as it moved towards developing an urban renewal program in cooperation with the State Government and local government.

The 1990-91 budget was an early indication of the Government's resolve to work with the local community to overcome deep and longstanding disadvantage. In all, the 1990-91 State budget provided for direct funding of \$1.4 million targeted to the Elizabeth-Munno Para area. In that budget \$80 000 was earmarked for the Elizabeth Housing Redevelopment Project; \$230 000 for an intensive early intervention program through the Department for Family and Community Services; \$127 000 for an integrated family support service, a joint service involving the Department for Family and Community Services, Child, Adolescent and Family Health Service and the Children's Services Office; \$800 000 for the first stage of a \$20 million redevelopment of court and police facilities servicing the Elizabeth, Munno Para and Salisbury areas; and \$100 000 for child-care facilities at the Elizabeth West re-entry school.

One might argue that this amount is small beer compared with the needs of the community, but it did signify to the people of the area that this Government was serious in what it was saying, and to those people working in the non-government agencies such as the Anglican Community Services, the Catholic relief agencies and other providers that here was an opportunity to work together with the Government towards a common goal.

For those members who are not familiar with the Elizabeth-Munno Para area, let me give a brief history. Elizabeth was established by the South Australian Housing Trust in the 1950s to be a satellite city to Adelaide. Throughout the 1950s it was settled by large numbers of assisted passage British migrants who relocated their families here in search of new employment and lifestyle opportunities.

I fall into that category myself: I came to Australia in the early 60s with two small children seeking a new lifestyle and looking for opportunities. Members will be pleased to know that what I was seeking, this country and, in particular, this State gave me and there were many other people in that category as well.

**The Hon. J.P. Trainer:** And in that satellite city you proved to be a shooting star indeed!

**The Hon. T.H. HEMMINGS:** Perhaps not many people had the honour to end up as a member of Parliament but, as the Minister on the front bench well knows, thousands of people found the lifestyle that they wanted in that city. But, as development continued, it moved into what are now the urban areas of the Munno Para local government, and Elizabeth gained city status in 1964. Munno Para was the first local government area in South Australia, with a history that goes back to 1853. Its boundaries have changed considerably over time until taking on their current configuration in the mid 1980s. Munno Para was proclaimed a city in 1984, and the Elizabeth and Munno Para local government areas are characterised by a number of common features, particularly in the urban area.

In Elizabeth there is a strong sense of community pride in being Elizabethans, particularly amongst the early residents. Unfortunately, that pride has not necessarily been adopted by the newer residents or by those who do not have a long-term commitment to the area. The population profile is young, although the population in the Elizabeth local government area is expected to age over the next decade. The profile of the area, including socio-economic and service usage indicators, reveals a profile of significant disadvantage: high numbers of single-parent families with young age profiles; higher rates of multi-child single parent households; high numbers of women who are single parents on low incomes or not in the work force; high rates of unemployment; high levels of public housing; high numbers dependent on social security payments or on low incomes; high numbers of early school leavers; high morbidity rates; high levels of health system usage; low levels of educational outcomes; and high rates of child abuse.

Therefore, is it any wonder that the Government came to the decision that it did in August 1990 that the Elizabeth-Munno Para area was to be part of a pilot program? That pilot program was for the development of a strategy response to those issues. In 1991-92 further consolidation will take place through the Elizabeth-Munno Para project, which, over the next two years, will develop a program for strategic action for the redevelopment and renewal of the area and will support improvements in services and infrastructure. I am pleased to report to the House that the State Government is working with the Elizabeth and Munno Para councils and the local community to implement that project. A small project team seconded from various State Government agencies is in place to coordinate and support local activity. The Elizabeth council is contributing to the team's operating costs, and the private sector has provided office accommodation. With this range of Government and community involvement, there is an opportunity more effectively to structure the delivery of services.

There are also implications for resource distribution within and across agencies and between levels of government. These aspects will be assessed over the project team's term of operation. All State agencies, not only those with significant presence in the area, have been asked to focus on Elizabeth-Munno Para in their forward planning and to seek opportunities to contribute positively to the project. Over the next two years the project will develop strategies and projects to implement and sustain change, focusing on the following areas: housing, transport, health, education, safety, employment opportunities, environment—natural and built—economic development and community participation.

In addition to the measures already outlined, there are other projects which should address immediate concerns. From the State Government level, the South Australian Housing Trust is currently undertaking a major feasibility study for the rationalisation of housing stock in Elizabeth

and Munno Para with the objective of achieving a more balanced, public/private housing mix, closer to the general pattern across the metropolitan area. This will involve a substantial sales program, rebuilding and now building of stock in the area and, from funds obtained from the sales, the development of a more appropriate and better located stock within the metropolitan area.

The South Australian Urban Land Trust has prepared a draft Munno Para development study to promote the planning of a desirable physical and social environment in Munno Para. Consultation on this draft is proceeding, taking account of the need to link the proposed development of new suburbs and the redevelopment of existing areas in terms of staging, the provision of services and infrastructure, and opportunities for local employment.

Social justice funding of \$653 000 has enabled the Department for Family and Community Services, the Children's Services Office and the Child, Adolescent and Family Health Service to jointly establish Carelink, a comprehensive and integrated support service for vulnerable families in the Elizabeth/Munno Para area. As I mentioned earlier, the Federal Government has not been idle, either. As a result of the State Government's initiatives in the area, the Federal Government has funded a research project on locational disadvantage issues in Elizabeth. Findings from this project will hopefully assist the longer-term planning and provide a framework for more detailed consultation with the community.

In addition, issues related to the living standards of families in the area and the needs of residents for access to services such as education, transport, health and housing will be further examined in a detailed study conducted by the Australian Institute of Family Studies. Funds have also been made available to establish a family resource centre to coordinate the provision of services to families in the Elizabeth, Munno Para and Salisbury areas. All members will appreciate by now that widespread consultation is occurring at all levels with the local community.

In July this year I, along with half the Cabinet members and the member for Elizabeth, was present when the Premier officially launched the project's community consultation phase, planned to run until December this year. The program seeks to provide opportunities for residents and service providers to further develop their views on the area's problems and possible solutions. Existing networks and community forums will be utilised to raise debate and seek community opinion on a range of issues.

A steering committee comprising representatives from local government, business, unions, non-government service providers and community groups has been established to ensure that the strategic plan reflects community goals and that the project continues to respond to community needs. The steering committee will also assist in monitoring and reviewing the project's progress over the next two years.

With regard to the wording of the motion, community response has been positive to what has been put in place so far. I have had positive feedback through my electoral office as I understand has the member for Elizabeth that what the Government is doing at the State, Federal and local government levels is good for the area. However, some people still say that more positive decisions should be taken to alleviate the situation I have described to the House.

In the area of education, as an individual member of this Parliament, I could put an argument forward in relation to class sizes. I could say that schools in my electorate and in the electorate of the member for Elizabeth compared with, say, schools in Burnside, should not be treated as a level playing field. The Government, the Education Department

and the South Australian Institute of Teachers, might find acceptable class sizes of, say, 40 as necessary throughout the State. However, I could argue that class sizes in some parts of Elizabeth should be as low as 25, whereas class sizes in Burnside could be 45 because the needs of the people in the Elizabeth/Munno Para area are greater than the needs of those schools in Burnside. As a result of all those studies taking place, I would hope that one day in Elizabeth and Munno Para the class sizes will reflect the local disadvantage of that area.

I would like to think that in the area of community health the facilities available for those people who suffer locational disadvantage will be picked up by the numbers of people who are providing that service. So I could go on through all the different aspects of it. I think the Government is serious, and that that is what will happen. I would like to think that all members of this House would support any decisions that the Government would make in that regard. I would like to think that the South Australian Institute of Teachers would support a change to class sizes rather than have a single formula which one can tinker around with and which really does not reflect differing situations. One of the benefits of this pilot study is that it will roll on to other areas where there is an equivalent locational disadvantage.

Mr Speaker, for that part of the western suburbs that you represent one could argue a case basically the same as I am arguing for the Elizabeth/Munno Para area. My colleague on the front bench, who represents an electorate just south of mine, could also argue a case in that regard. The Government is not just saying that we will devote all our energies to the Elizabeth/Munno Para area. What it is doing is setting a framework that can be adapted to other areas in the State where people, through no fault of their own, suffer some of the problems that I have already described to the House.

I have a feeling of confidence that what the Government is doing is a positive step: there is nothing negative in what it is doing. It is prepared to assess the situation and grapple with it. The Government can quite rightly feel proud of what it is doing in the Elizabeth/Munno Para area under its social justice policy.

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

#### SOUTH AUSTRALIAN NATIONAL FOOTBALL LEAGUE

Notice of Motion, Other Business, No. 7: Mr Oswald to move:

That this House deplores the attack on the SANFL by the member for Walsh and the failure of the Premier to publicly admonish him.

**Mr OSWALD (Morphett):** As an apology was given and acknowledged, I do not wish to proceed with this motion.

#### YOUTH DETENTION CENTRE

**Mr OSWALD (Morphett):** I move:

That this House expresses its dissatisfaction with the reply by the Minister of Family and Community Services which was given to the member for Morphett on Tuesday 8 October when he required a deferral of the plans for the proposed Youth Detention Centre at Cavan until after the Select Committee on Juvenile Justice has had an opportunity to address the subject, and calls on the Government to withdraw the plans from the Public Works Standing Committee so as not to pre-empt any deliberations by the select committee.

I believe that this motion is very reasonable. I trust that in the goodness of time—

**The Hon. T.H. HEMMINGS:** On a point of order, Mr Speaker, any project that is referred to the Public Works Standing Committee comes via the Governor through Executive Council. I wonder whether the member for Morphett would consider amending his motion because it may be against Standing Orders.

**The SPEAKER:** There is no point of order. The honourable member for Morphett.

**Mr OSWALD:** I would like members to take this motion as a request from the House to the Government of the day to withdraw its plans and to give the select committee, which has been given a very responsible charge to look into the whole system of juvenile justice in this State and to report back to this House with recommendations, the opportunity to do so. The committee's inquiries will be far-reaching. It will take evidence at many points throughout metropolitan Adelaide and at several locations in the country and interstate. There is also a possibility of the committee's investigating the New Zealand system.

The committee will make a conscientious effort on behalf of both sides of the House to come to a resolution about where juvenile justice is going in this State. In fairness to the select committee, decisions should not be taken by the Government that could pre-empt any of its deliberations. I was disappointed that the Minister shrugged off my question the other day. The same question was put to him during the Estimates Committee by the Chairman of Estimates Committee A (the member for Elizabeth) in which he made observations similar to mine. I would like to bring that question to the attention of members. The Chairman said:

I note that the new juvenile secure detention facility at Cavan, at a cost of \$11 million, is to be commenced in November 1991. The Minister will be aware that a committee of the House is considering juvenile justice matters. It would appear on the surface that the commitment of this amount for this kind of facility would to some degree pre-empt the nature of policy decisions that would be made in future. This centre is predicated on existing assumptions. To what extent is that assumption true, and to what degree does the Minister think it is desirable for the select committee to examine this project prior to a final commitment being made for its construction?

At the end of the day the committee will have to recommend to this House whether a 36 place facility is appropriate. The Minister has said that the Government believes that 36 unit detention centres are the way to go and that, if the committee decides that it wants more places for detention, the Government will build another centre. Everyone knows that at the end of the day these are expensive exercises. For \$14 million we will get only 36 places. If we want more places and five years down the track the Government builds another centre, the cost to do so could well have increased from \$14 million to \$24 million.

The committee should be given the power to take evidence freely, and to listen to Judge Newman and examine his proposal to see whether that is appropriate. Through the Coalition Against Crime, Judge Newman has suggested that we adopt the New Zealand system with some modification of the French system. That matter will require detailed examination by the committee. The Department for Family and Community Services has also put forward a proposal that will require detailed attention. These proposals will require the committee to go right back to basics: to look at screening panels, juvenile aid panels and the way in which children are handled as they go through this system, how they are filtered out and what eventually will be done with those children who become first offenders before the court. Once they have been before a court, they go back to the community. It is hoped that they will not reoffend, but

sadly a lot of them do, and those children who do reoffend go back into the system and become part of these 200 odd chronic recidivists who are constantly being recycled.

The committee will have to make a decision on what to do with these children. At the end of the day it might be that with respect to these chronic recidivists, who are constantly committing offences of breaking and entering, illegal use of vehicles, etc., we will have to face up to the fact that they might have to be placed in secure detention and that, in fact, 36 places will be quite inappropriate. The time allocated to me today is far too short to allow me to make the points that I wish to make. Under those circumstances, I seek leave to continue my remarks later.

Leave granted; debate adjourned.

#### PERSONAL EXPLANATION: PARTICLE BOARD DOORS

**Mr LEWIS (Murray-Mallee):** Mr Speaker, I seek leave to make a personal explanation.

Leave granted.

**Mr LEWIS:** Yesterday, in Question Time I used words in the course of asking my question which, I now understand, were misunderstood by some people who heard my question, inadvertently or otherwise. The words to which I refer are:

... particle board doors installed which do not comply with the Australian Standards Association construction standards and which were imported from New Zealand ...

I wish to explain to the House that what I meant when I said that was, quite simply, that the door sandwich material of which those doors are constructed was imported from New Zealand. Such doors cannot comply with Australian Standards, because they do not allow for the solid surrounds to be attached afterwards. I trust that the House understands, with clarity, the intention I had at the time, and I thank members for allowing me the opportunity to put the record straight at the earliest opportunity.

#### COUNTER RECESSIONARY PACKAGE

Adjourned debate on motion of Hon. T.H. Hemmings:

That this House calls on the Federal Government to implement a counter recessionary package aimed at providing employment and training opportunities bringing forward major infrastructure programs and expanding initiatives announced in the March Industry Statement.

(Continued from 29 August. Page 607.)

**The Hon. T.H. HEMMINGS (Napier):** When speaking to this motion previously I urged members opposite to forget their ideology, to forget their constant criticising of both State and Federal Governments and to join with those on this side of the House on a path of reconciliation. The points I made in my speech I thought were very non-political. In fact, the only political comment I made was when I attacked the Federal Government. However, it seems that, sadly, my request fell on deaf ears, as already the Opposition is criticising the State Government's \$16 million Kickstart employment and training program.

As we all well know, that program is specifically designed to attract additional Federal funds and to harness local community support. But as recently as yesterday the Opposition tried to make cheap political mileage over that part of the program that deals with the 'Give a mate a job by a local' strategy. My advice to the Minister on the front bench—not that he needs my advice—is to ignore the

knockers, the carpers and the criticisers. He should not hoist the white flag, though, for goodness sake, because he is on the right track. The community is behind the Minister, and we will be able to get this thing going with or without the help of the Opposition here in this State.

When I put this motion before the House in August my call was an urgent one. Since then, certain events have transpired and the situation has deteriorated to the extent that, now, my call for a comprehensive counter recessionary package from the Federal Government must be described as critical. While, on the one hand, there has been a multitude of signs that an economic recovery is imminent, it has become clear that the recovery will be patchy and uncharacteristically weak. The upshot of this is that, unless the necessary catalyst is added, Australia could be facing little or no improvement in unemployment in the medium term.

I also find it somewhat ironic that, when in June the Minister issued his 12-point plan for a jobs recovery, there was little response from the ACTU. In fact, one could almost say that there was a deafening silence. Now, of course, the ACTU has issued its own 12-point plan, which seeks to achieve a similar result to the State Government's plan.

**The Hon. M.D. Rann:** Very similar.

**The Hon. T.H. HEMMINGS:** As the Minister quietly said, very similar to what this Government put out in June. If I were a boastful person—and you, Sir, know that I am not—I would say that they listen to me more than they listen to the Minister, but I would not say that. At least, I congratulate the ACTU on picking up this Government's 12-point plan to try to turn around the situation in this country, though I would judge its estimate of job growth to be somewhat conservative. Looking at it philosophically, I suppose that imitation is the sincerest form of flattery, but the important point is that the momentum is building up in most quarters for a jobs package to be developed. Not only has the ACTU followed this State Government's line, but the Federal Labor Caucus has also put forward a program, again very similar to what the Minister of Employment and Further Education put out in June. Therefore, we now have three groups putting forward a plan that can turn the situation around.

The fourth and final one is really a resolution of this House to support what the Government is doing, to support what the ACTU is attempting to do and to pressure the Federal Labor Caucus. I ask members opposite not only to support the motion but for goodness sake to get on the phone to their Federal colleagues in the Liberal Party and for the member for Flinders to talk to his colleagues in the National Party and say, 'Let us forget ideology. Let us worry about youngsters getting jobs and let us work together to turn the thing around.'

**Mr Ferguson:** A bipartisan approach.

**The Hon. T.H. HEMMINGS:** As my colleague, mentor and friend the member for Henley Beach said, a bipartisan approach. Since I made that speech there has been a cut of 1 per cent in interest rates. That is very good, especially for the home building industry. It will give a further kickstart to the economy and to the building industry, which is a most important and sensitive area of economic growth in this country, so that we can get things going.

I am not picking out the member for Bragg in particular on this—the member for Bragg and I have always kept our lines of communication open in this regard—but I would like the member for Bragg to give me a personal assurance (not in the House, but out in the corridor) that he will ring

Dr Hewson, with whom I understand he has a close relationship, and pass on the comments that I have made today.

I believe that there is still room for a further substantial cut in interest rates. Although the effect will not be felt fully for some months, it will help to ensure that the economic recovery does not falter in the early stages and give a clear message to the business community that it can invest in Australia's future with confidence, knowing full well that if we all pull together we can turn things around. I urge the House to support the motion.

Mr INGERSON secured the adjournment of the debate.

### ABORIGINAL LANGUAGES

Adjourned debate on motion of Hon. T.H. Hemmings:

That this House supports a major strategy to save and revive those Aboriginal languages unique to South Australia that are in danger of being lost unless a comprehensive Aboriginal culture and language program is developed.

(Continued from 29 August. Page 608.)

**The Hon. D.C. WOTTON (Heysen):** I am pleased to support the motion put forward by the member for Napier. I am also pleased that the Minister at the front bench at the present time happens to be the Minister of Aboriginal Affairs. I have not been in the habit of agreeing with much of what the member for Napier has had to say in recent times, but on this occasion I hope that we are heading in the same direction. Like the member for Napier, I, too, was pleased that earlier this year the Government announced a campaign to work towards saving several local Aboriginal languages from extinction.

There is no doubt that Aboriginal language is a very important part of the culture of this country. Of course, it is a vital link in regard to the culture of the Aboriginal population in this State and throughout Australia. Australia is a timeless land. The Aboriginal people have seen themselves as the custodians of the Australian land mass for thousands of years and, in an intimate way, their culture reflects the timelessness and spirit of our land of Australia. That is why I believe Aboriginal culture has a very special place in the mosaic of our heritage because of its uniqueness, history and status as Australia's indigenous culture.

Having said that, I will continue to add my support for the motion, I look forward to seeing the results of the program introduced by the Minister. I have raised in this House on previous occasions the concern expressed a couple of years ago regarding the teaching of Aboriginal language in this State, particularly in primary schools. I refer to a statement in the *Advertiser* of 8 February 1990 under the heading, 'Cash drought hits school Aboriginal language courses'. The article states:

Teaching of Aboriginal languages in South Australian primary schools is being severely squeezed as a result of the Education Department's new languages policy.

It indicates that the department's Aboriginal Education section was urgently seeking funds to halt the slide. The article continues:

According to Education Department and Aboriginal sources, at least eight people who were last year teaching Aboriginal languages full or part-time have lost their jobs. . . . At least three part-time Aboriginal teachers at Point McLeay and Murray Bridge have lost their jobs. In the Adelaide area, five salaries for people who were either teaching or helping to preserve Aboriginal languages in a form suitable for teaching in classrooms have been stopped.

Much was said at that time about the very real need to assist the Aboriginal community in being able to maintain its culture through its own language.

It was pointed out that Aboriginal languages have been decimated since European settlement. At that time those people were saying that we had some very real work to do to retrieve what we had and to put it into curriculum form, particularly for young people with Aboriginal backgrounds, and that it was necessary for us to continue to work on obtaining funds to employ people to do exactly that. Again I suggest that we are going back two years, but concern was expressed at that time that there were no salaries to carry out that work. It was seen very much as a social justice issue, and it still is. It was stated at that time that then in South Australia only about two languages could be taught as complete languages—Pitjantjatjara and Adnyamathanha. Other southern languages just did not have enough words for them to be taught but there is no question, as was stated at that time, about there being a need to do more for Aboriginal cultural studies, including what was there in the languages.

So, having recognised the concern that was expressed at that time, I am more than pleased to be able to support what the Minister is now putting forward in this State and to support the motion moved by the member for Napier. I agree with what the member has said in moving this motion, when he says that South Australia is in danger of losing some of our unique heritage and our unique languages, which are a very vital part of our heritage, extending back many thousands of years. We are told that originally up to 270 distinct Aboriginal languages, comprising some 600 to 800 dialects, were spoken in Australia, and it is a concern that today we are told that there are only 50 nation-wide and that most are under threat. Linguists and Aboriginal leaders predict that by the year 2000 no more than 12 languages will still be spoken in Australia. It is on record that some experts predict that as few as three Aboriginal languages may still be thriving nationally, that is, being acquired by children and being used throughout the whole community.

I do not want to take up the time of the House to speak on this subject at great length. I have indicated to the House previously that, since being given the opportunity to work more closely with Aboriginal people through this portfolio, I have come to appreciate very much the concerns of Aboriginal people in this State, particularly as they relate to the preserving of their own culture. As I have said on a number of occasions, one of the biggest concerns that I have in talking to elderly traditional people in particular is that they are quite convinced that, within a matter of decades or, in some cases, as has been put to me, within this decade, it is quite possible that many of the cultures known to Aborigines in South Australia may be lost.

I recognise the concern that for many Aboriginal people language is the one thing that is left to them from their traditional past, in a world where everything else seems to have passed from them. As the member for Napier indicated in talking about that, we can refer to land, to ceremony and to the dreaming traditions. I do not wish to say any more on this subject other than to support what the member has said previously. I can assure the Minister that I will be watching this matter very closely indeed. It is of significant importance to the Aboriginal community; it is of significant importance to the people of South Australia and Australia that this should continue, and I have pleasure in supporting the motion put forward by the member for Napier.

**The Hon. T.H. HEMMINGS (Napier):** I thank the member for Heysen for his support and his kind words. I am sure that the concerns he has expressed about future briefings and so on will be considered by the Minister's office.



I would also like to assure the honourable member that, as far as our relationship is concerned, there is more common ground than he realises. In fact, some members on this side of the House have told me that they think the member for Heysen is a closet socialist, but that has nothing to do with this motion. I also thank the member for Stuart, who wished to speak on this motion given that she has such a large Aboriginal community in her electorate: I would like to place on the record that the honourable member kindly stood aside from making a contribution so that the vote could be taken. I urge all members—

**The Hon. D.C. WOTTON:** On a point of order, Mr Speaker, for the record, I want to assure the House and the public of South Australia that I am not a closet socialist.

**The SPEAKER:** Order! The honourable member will resume his seat. There seems to be an increasing practice in this House of the raising of frivolous points of order. The Chair considers that point of order to be frivolous; it has nothing to do with the Standing Orders of this House. The Chair will take action if the frivolous points of order continue. The honourable member for Napier.

**The Hon. T.H. HEMMINGS:** I would like to thank everyone for their contributions, and I urge that they support this motion.

Motion carried.

#### ENTERPRISE BARGAINING

Adjourned debate on motion of Mrs Hutchison:

That this House applauds moves by the Government to ensure that trade unions are involved in the development of enterprise bargaining arrangements and declares its opposition to any attempt to implement legislation similar to the Employment Contracts Act recently introduced in New Zealand and, further, this House calls on the Federal Parliament to resist any moves to implement such legislation at the national level.

(Continued from 29 August. Page 610.)

**Mrs HUTCHISON (Stuart):** Prior to the previous adjournment of the debate, I said that the New Zealand National Party had taken two actions that were actually a prelude to an all-out assault on workers' wages in New Zealand. It was virtually a sledgehammer approach to crush the trade unions. The mechanism for this assault was the Employment Contracts Bill. This Bill is aimed at encouraging employers to force employees out of the national award and agreement system, which sets wages and working conditions for almost 60 per cent of New Zealand's work force.

Prior to the election there was a promise that a vote for the Nationals in New Zealand would be a vote for better pay. However, it turned out to mean a Bill that forced unions, under the threat of non-recognition and an end to national awards and agreements, to concede on existing pay and conditions, even before it became law. The Employment Contracts Bill replaces awards and agreements with contracts, either individual or collective, between workers and employers. It repeals the existing provisions entitling workers to penalty rates and overtime; it denies unions access to the workplace and forces workers to renegotiate with employers a whole list of existing conditions not covered by legislation. These include sick leave, bereavement leave, travel pay, shift breaks, long service leave, allowance payments and rest breaks.

Employers are given near total control of the wage bargaining process. An employer does not even have to bargain with a so-called 'bargaining agent', even if that agent is appointed by the workers to bargain on their behalf. Work-

ers who enter into individual contracts will lose all access to personal grievance procedures for things like unjustified dismissal or sexual harassment, and changes to the Labour Court make dismissals harder to appeal. The capacity for compensation has been drastically reduced. Once the Bill passed, the only protection for wages would be the minimum wage and, in New Zealand, this is a mere NZ\$6.15 an hour and does not apply to a worker under 20 years of age or to any worker in part-time employment.

One industrial relations commentator described the Bill as being simply designed to 'allow employers to exploit the recession'. I believe all the evidence suggests that this in fact is so. Employers are forcing unions, such as those in the hospitality industry, to scrap or reduce overtime and penalty rates for new employees under threat of derecognition.

Such derecognition effectively enables employers to place workers on individual contracts, thereby enabling them to renegotiate wages and conditions on an individual basis. Some workers were laid off and told that they would be rehired once the Bill became law at reduced rates of pay and conditions. While we were in New Zealand we heard of many instances where this was happening. The Labour Opposition has exposed some employers who seek to exploit workers in the new industrial climate. One woman told of how she was offered a wage of \$60 a week for working from 8.30 a.m. to 4.30 p.m. She said that the employer told her to take it or leave it because, once the Bill becomes law 'You will be grateful you took this job.'

That is a nice thing to be telling someone about to be employed. One contractor required a promise by employees not to be part of any industrial unrest—that was part of the contractual agreement—and 'to obey all instructions from the supervisor', irrespective of what those instructions were. For any breach of employment conditions, the employee agreed to 'the automatic dissolution of my employment' and 'I will not challenge or have any other party challenge the termination of my employment'. It is anticipated that more of these sorts of contracts can be expected once the Employment Contracts Bill comes into full operation in New Zealand.

There is no doubt where the State Liberal Party stands on this issue. In fact, in an address to a convention of the New Zealand Employers Federation on 22 May 1991 the Leader of the Opposition made his feelings about unions clear and about the New Zealand contracts employment legislation and, indeed, the whole economic philosophy. In that address to the New Zealand Employers Federation, the Leader of the Opposition said:

For decades, New Zealand and Australia tried to insulate themselves from competition in the rest of the world by erecting massive tariff barriers. The result was that both countries slipped from being among the richest per capita in the world to middle ranking also-rans. This highly protected environment fostered special interest group deals with favoured businesses and with a radical union bureaucracy with disproportionate power and influence, at the expense of consumers, exporters and taxpayers generally.

The Leader makes his feelings about unions quite clear. Further in his address, the Leader states:

But it seems to me that, where Keating failed to follow through with his proposals for a consumption tax, tariff cuts, privatisation and micro-economic reform generally, New Zealand kept up the pace of change until Prime Minister Lange lost his nerve and dumped Douglas and his proposals for labour market reform.

In a further section the Leader states:

In both our countries, a primary reason for this disastrous position was that Labor Governments were not permitted by their union movements to undertake essential enterprise-level workplace reforms which had relatively long lead times before making other sweeping structural changes.

That is a very worrying comment indeed. In another section of the report the Leader states:

But whereas Australia faces the terrible prospect of another two years of a directionless Labor Government federally, and up to three years in States like South Australia, New Zealand formally began its historic workplace reforms last week. What this means is that New Zealand is positioned to start travelling the long road to recovery and growth which, after a rocky and colourful start in which vested interests are challenged, should serve your employers and citizens well in the medium to long run and will enable you to steal a march on Australia.

I repeat: '... will enable you to steal a march on Australia'. This gives the New Zealand legislation the imprimatur of his approval. The Leader goes on to state:

Your Employment Contracts Act should in time give you the same competitive head start and edge that your rugby team currently enjoys against Australia and indeed all international opponents.

I think that might be a little bit out of date. The Leader continues:

So, as a patriotic Australian, I can only rue the fact that you are getting in first because of the blinkered vested-interest union movement pressures on our current Labor Governments.

That is a very clear indication of the Leader's thoughts on the union movement. He goes on to state:

Let me take a few moments to explain to you what employers and indeed all Australians are having to put up with in the current labour market in Australia. The cornerstone of the Hawke/Keating Government's industrial relations and wages policy is their deal or accord with the trade union movement, or more particularly with a couple of powerful union officials from the ACTU. We are now up to Accord Mark 6. What the accord does is to centralise all wage decisions to maximise the power of union bureaucrats and then have them ratify them in the Australian Industrial Relations Commission, the parties to which are known as the 'industrial relations club'. The accord process has been a disaster for working people who have suffered an 11 per cent fall in their real wages and now endure a 10 per cent unemployment rate which is still on the increase and it has been a disaster for employers.

I would venture to say that the decrease in employees' wages would be substantially more than that under the Employment Contracts Act, which the Liberal Opposition in this House and in the Federal Government support. The Leader of the Opposition goes on to state in his address:

And the Labor Government's stated desire is to further worsen the situation by creating a Labour Court which would place union actions above the common law and prevent employers from seeking legal remedies for secondary pickets and the like. I understand just how important these employer rights are since I was involved in the wide comb shearing dispute, the meat workers dispute and in the live sheep dispute, before I entered politics. These were cases where the common law was used successfully to bring to brook union intimidation and bullying.

Again, this makes very clear the Leader's feelings about trade unions in Australia, and trade unions in Australia under a Liberal Government will face the same thing that the New Zealand trade unions are currently facing under the National Party Government. The Leader goes on to talk about the industrial scene, stating:

... the IRC failed to endorse all elements of Accord Mark 6 and went further to say that neither employers nor employees were mature enough to move towards enterprise wage bargaining. Of course, what the ACTU and the Government mean by enterprise bargaining is totally different from the way it is understood in your Employment Contracts Act.

I would heartily say, and be very happy indeed to think, that that is so. The Leader further states:

They mean applying pressure on key industry groups like the Australian Metal Industry Employers and passing on the wage increases across that industry. This is tantamount to encouraging a wage blow-out unrelated to the productivity or profitability of individual firms.

Further, the Leader says:

When the Federal Parliamentary Liberal Party, and State Parties like my own, win office in the next few years, all this nonsense

will be over. We will introduce comprehensive reforms to the labour market. The key elements will be voluntary unionism and freedom of association, and creating an alternative industrial relations stream of enterprise-based voluntary agreements alongside the existing system which will be enforced [I repeat 'enforced'] outside the Industrial Relations Commission by the common law.

This is basically the same as the contracts employment legislation in New Zealand, and there is obviously support by both levels of Opposition in Australia for that system. The Leader also says:

It is as obvious to members of the Australian Liberal Party, as it is to you, that to become really competitive we have to get rid of all the uncompetitive award baggage accumulated over decades.

That means get rid of all those things that have been worked so hard for by the trade union movement in Australia for Australian workers.

*Mr Venning interjecting:*

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

**Mrs HUTCHISON:** The Leader continued:

So, in the midst of all the present unrest over your new industrial legislation—let me suggest that this upheaval is worth it if it is the price of becoming internationally competitive. Without this change New Zealand, like Australia, will continue to decline relative to the rest of the world.

This is nothing but approval for the New Zealand system. I urge all members of this House to support my motion if they do not wish that sort of system to come into effect.

**Mr INGERSON** secured the adjournment of the debate.

#### UNITED STATES WHEAT SUBSIDIES

Adjourned debate on motion of Hon. T.H. Hemmings:

That this House supports the action by the Australian Government over its strong criticism of the United States Government's decision to further undermine the viability of Australian wheat farmers by subsidising that country's wheat exports to China and the Yemen.

(Continued from 29 August. Page 615.)

**Mr LEWIS (Murray-Mallee):** I seek to amend the motion—and I have circulated my amendment to those members who are interested—because, quite clearly, my amendment more accurately covers the subject matter contained in the contribution of the member for Napier. I therefore move:

Leave out all words after 'supports the action' and replace with 'of the Australian Government in advocating a "fairer playing field" in world trade in the Uruguay round of GATT negotiations, and regrets the consequences of the trade war now being waged by the United States Government against European Economic Community and other subsidised agricultural export producers which has had a detrimental effect on the viability of Australian farmers by weakening the markets for their products, and calls on the Australian Government to abandon the "high relative interest rate/high dollar" fiscal policy, allowing the Australian dollar to fall to its natural lower exchange rate, thereby restoring higher farm gate prices and viability to our farmers'.

By his own admission (*Hansard*, page 433) the member for Napier acknowledges that it is a trade war between the European Economic Community, the United States Government and other subsidised wheat producers that is causing the problem. Therefore, I am astonished that the thrust of his statement in the motion should be different to the extent that it simply targets the United States of America.

**The Hon. T.H. Hemmings:** Well, why not?

**Mr LEWIS:** Because the United States of America, by the admission of the member for Napier in his contribution, as I have just said, is not the only villain or, for that matter, the instigator of the villainy from and about which we now suffer and complain.

*Mr Groom interjecting:*

**Mr LEWIS:** I am unable to understand what the member for Hartley is prating about whilst he chews his cud in his place, Mr Deputy Speaker. So, I cannot help him understand more clearly what I have just said. Everything that the amendment sets out to say is contained in the substance of the debate put forward by the member for Napier and in the remarks of the member for Custance and the member for Henley Beach. I suspect that the member for Napier was rather more simplistic in his targeting of the United States than he really intended, and that he knows, as is illustrated by the remarks he has made, that the United States is not the villain of the piece: it is the malpractice of engaging in international trade by using subsidies on the prices offered with the goods for sale. The member for Napier, quite properly and accurately, said:

There was a world record crop in 1990-91 and that was in response to the existence of subsidies which induced greater production than would otherwise have been the case.

Given that there is a world record crop, it has to be sold. Those people who have it cannot keep it forever. It is a perishable commodity, albeit over a longer time frame than, say, strawberries and lettuces. To have money tied up in the form of income forgone through failing to sell that product incurs a notional interest cost on that money that could otherwise have been invested in the nation's economy that met the expense, enterprise by enterprise in the micro sense, of producing that macro bulk from its efforts.

So, the object of the economy in which the subsidised production has occurred is to get its cash back again from that commodity so produced as quickly as possible, and in a situation in which supply exceeds demand at existing price levels clearly the average price for the commodity so offered must come down. That subsidised production would not have been undertaken had it not been for the European Economic Community's subsidy of such production in the first instance. That is where the villainy began, not with the United States at all. We ought not, therefore, seek to offend, through our own inadequacy, our strongest ally in the world—the United States—by bucketing it for a couple of subsidised sales of a few hundred thousand tonnes in a world market to which there are about 600 million tonnes supplied in total.

We are griping about 300 000 tonnes in one instance and 100 000 tonnes sold to Kuwait in another instance, a total of 400 000 tonnes, out of a total of 600 million tonnes. That is the order of difference upon which the member for Napier has mistakenly targeted the United States with the proposition. It is much wiser for us as a Parliament, if we are to be taken sincerely as meaning what we say by not only our advocates in our own grain marketing structures but also by the rest of the world's grain markets, to identify the cause of the problem, the villains involved, the reasons why that has caused the problem and say what we can do about it.

The motion does that by calling on the Federal Government to do its bit, since it is the Federal Government that currently pursues this policy of having higher relative interest rates than the rest of our trading partners and competitors. We are about 6 percentage points at the present time in this country above United States interest rates for comparable risk, and 6 percentage points for comparable risk is a very high relative interest rate. That rate is at least 1½ times if not two times higher than that of countries such as the United States or some EEC countries.

Consequently, our currency is seen as a haven for investment of hot cash on the spot money market in roll-over bills of 30, 60, 90 or 180 days, or even up to nine months or 12 months. The spot money market brings hot cash into

Australia, and that is the basis upon which the Federal Government has been able month by month to continue to finance payments for imports in excess of the value of exports. The end result of that has been that the Government continues to con the workers of this country and their trade union representatives into believing that we can continue to pay ourselves a wage that enables us to consume at a rate greater than the rate at which we produce.

That is at the nub of the Federal Government's economic policy, which is causing this problem of a high dollar and the damage that it is doing to Australian farmers as a consequence. If we were to allow our interest rates to find their real level after deregulating our labour market, they would fall to the sorts of rates payable in similar economies that are as resource rich as our own, and to a level much lower than they are now. This would mean that all the hot cash that we have at present would go offshore and the dollar would fall to its real level. As the dollar was sold off to recover the international currencies into which these short-term investments were then transferred, we would find the dollar falling to about 50c American and its equivalent in other trading countries, such as the yen and the mark, hard currencies that are trusted within the international money market.

The consequence of this lower dollar would be that farm gate prices would rise because our contracts are written in those external hard currencies and not in our own. If the Australian dollar falls against the US dollar from 80c to about 50c, that will be a fall of 60 per cent. Consequently, the current prices being cited for Australian wheat on the world market (that is, FAQ or ASW, as it is now known) would rise by about 60 per cent—60 per cent of \$140 is about \$84, so the price would increase to over \$220 a tonne. After internal freight costs were deducted, Australian farmers would again find themselves viable.

**Mr Venning:** It's as easy as that.

**Mr LEWIS:** As the member for Custance said, it is as easy as that if the Government is prepared to be honest with each and every one of its citizens and with each and every one of its markets, whether it be the market for grain, labour or dried fruit. I mention the latter because, immediately upon adopting a more sane and rational economical policy in relation to the fiscal policy area, we would find that dried fruit imported to this country and the \$2 billion of foodstuffs that are imported annually would increase in price to the point where the Australian product would again be in demand and could be sold locally. Import substitution would become profitable and employment in import substitution and export industries would expand immediately.

That is exactly what we need to do, because total employment would expand and, therefore, the unemployment problem and demands being made on Australian taxpayers would go away. The high level of taxation collected and required to underpin that welfare would reduce the effects of inflation. That is the way the Government has got to go. That is what this motion needs to say. We need to point to the way in which we can act and to the way in which we expect other people in the affairs of world government to act at the same time. It is not good enough to attack just any one particular person for doing something that we think is wrong because it has an adverse effect on us. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

#### SELECT COMMITTEE ON PRIVACY

Adjourned debate on the question—That the report be noted.

(Continued from 29 August. Page 617.)

**Mr S.G. EVANS (Davenport):** Since the select committee reported to the House there has been a lot of comment in the various sections of the media, such as the electronic media and, in particular, the print media. I would have to say that I am amazed at the variety of groups and organisations that have come out of the woodwork to express concerns in relation to the report from the select committee and some of the matters contained in the Bill. The select committee hearings were advertised throughout the State and people were invited to come forward and give evidence before the committee, and this especially relates to people who are in the media or part of quite responsible community groups, with their varying community interests. It is disappointing that in many cases people did not come forward to give evidence. In some cases, they came forward, gave only a little evidence and then said later that they objected to what was in the report and that they had other points of view that they would like to have put.

To my knowledge, there has never been such a concerted campaign, in particular on the part of the print media, to get a message across about not liking a Bill. I can understand their concern. I do not say, though, that it is all justified. However, I can understand it, and I suppose it is fair to say that, had the report said that the media was exempted from the legislation, one would have seen some headlines about this being a very important matter, that the right to privacy on the part of each individual is important and should be protected, and as well that people's privacy and personal grief should be respected. That would have been the sort of headline we would have read and the sort of comment that we would have heard on radio talk-back programs or community discussion programs.

However, the Bill does not stipulate that the media is exempt and so one has to feel a bit disappointed about what has occurred. As an individual, I support the report from the select committee and, in the main, I support the Bill. It may be that, as a result of some of the discussions that are taking place, some minor amendments could be made to the Bill. One of the concerns seems to be that individuals or companies or organisations could take out an injunction to prevent an investigative journalist from carrying out an inquiry or investigation into an activity that is against the law or an activity that is detrimental to society, or perhaps in relation to corruption in the Public Service or the Police Force, or in some big organisation.

I know that no member of the committee believed that should or would be the case. If the Bill does not prevent that sort of action—I am sure that in future another Bill will come before the House—we may need to look at something that makes it more difficult for that to occur; in other words, injunctions will be more difficult to take out.

What disappoints me is that I cannot get a clear indication from people who have made representations to me that they believe the right to privacy is important to the individual. I should have thought that journalists would think that their right to privacy was as important as every other citizen's right. I think personal grief is important and should not be bandied around the community for the sake of some gory story in an attempt to obtain more community interest, sell more newspapers and thereby have more people spending money on advertising because a particular newspaper has a better rating than others.

The Liberal Party has not fully discussed this matter yet, but it will be discussed because we know that we have time. I have not been thrilled by the sort of attack that has been made. I remember only too well, to draw a comparison, the

methods that were used to convince both major political Parties in this place why they should amend the Evidence Act to make it easier to publish people's names or make it more difficult to have them suppressed, quite often before they were even given the opportunity of making a statement in the court that might end up having to judge them. If certain other sections of society did that and the media knew about it, there would be headlines to the effect that people were being blackmailed, bludgeoned or threatened into changing the law.

Therefore, when people come to me now and say with regard to this Bill, 'Trust us, leave it to self-regulation, we will do the right thing', I am not sure that I can believe or accept it. If they can prove to me that I should accept it by some other method, that is down the track. However, at this stage I am of the strong view that the committee did a good job and brought down a good report. I accept that the member for Mount Gambier had reservations about one aspect and he has made that point clear to the Parliament. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

*[Sitting suspended from 12.59 to 2 p.m.]*

#### **PETITION: HILLCREST HOSPITAL**

A petition signed by 3 746 residents of South Australia requesting that the House urge the Government not to close the Hillcrest Hospital was presented by Dr Armitage.

Petition received.

#### **PETITION: COIN OPERATED GAMING MACHINES**

A petition signed by 38 residents of South Australia requesting that the House urge the Government to provide for the administration of coin operated gaming machines in licensed clubs and hotels by the Liquor Licensing Commission and the Independent Gaming Corporation was presented by Dr Armitage.

Petition received.

#### **PETITIONS: PROSTITUTION**

Petitions signed by 371 residents of South Australia requesting that the House urge the Government not to decriminalise prostitution were presented by Messrs S.G. Evans, Ingerson, Oswald, Trainer and Venning.

Petitions received.

#### **PETITION: WATER RATING SYSTEM**

A petition signed by 1 502 residents of South Australia requesting that the House urge the Government to revert to the previous water rating system was presented by Mr Ingerson.

Petition received.

#### **PETITION: PRAWN BOAT OPERATORS**

A petition signed by 75 residents of South Australia requesting that the House urge the Government to reinstate the ban on netting in waters greater than two metres deep

and close Hardwicke Bay to prawn boat operators was presented by Mr Meier.

Petition received.

#### MINISTERIAL STATEMENT: NATIONAL PARKS AND WILDLIFE SERVICE VEHICLES

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

Leave granted.

**The Hon. S.M. LENEHAN:** Yesterday the member for Heysen asked if consideration is being given by the National Parks and Wildlife Service to the purchase of two fully imported four wheel drive industrial loaders at a cost of \$430 000 when equipment that can be used for the same purpose with at least 50 per cent Australian content can be supplied by a South Australian firm at half the cost. Members will recall that I undertook to provide the member for Heysen with a report. The honourable member must have also raised the issue with the Leader of the Opposition as the same suggestion was made in a press statement issued by the Leader later in the day.

I am pleased to inform the House that the suggestion that local manufacturers and suppliers are being overlooked in favour of imported machines is incorrect. Tenders closed on 7 October 1991 for the supply of two front end loader integrated tool carriers. These machines will replace a range of existing plant items involving a grader, four wheel drive loader and tractor. It is critical that the machines are able to perform the specified functions to avoid the purchase of additional expensive plant. I am advised that the tenders have not yet been assessed and, while there is no point in purchasing equipment which cannot carry out the required work, I can assure the House that if a machine is available with local content at half the price it would obviously be selected. As the member for Heysen is apparently aware of the details of at least two tenders, I would be happy to receive any information that indicates that a conforming tender at a lower price will be overlooked.

#### MINISTERIAL STATEMENT: ABORIGINAL LANDS

**The Hon. S.M. LENEHAN (Minister of Lands):** I seek leave to make a statement.

Leave granted.

**The Hon. S.M. LENEHAN:** The owners of building allotments comprising section 59 in the Hundred of Youngusband about 17 kilometres upstream of Mannum recently received letters from the Aboriginal Heritage Branch advising that the area is part of a registered Aboriginal site. The department's letter was unfortunately insensitively drafted and contained far too little information. This understandably caused distress to recipients as it arrived without warning, and this is most sincerely regretted. In 1976 section 59 was approved for subdivision subject to known archaeological sites being fenced off. Subsequent to the evidence relating to archaeological material, an Aboriginal burial site was discovered in the area. The Aboriginal Heritage Act was then enacted in 1988. The Act significantly strengthened the level of protection afforded to Aboriginal sites and Aboriginal skeletal remains.

Earlier this year an estate agent inquired as to any Aboriginal heritage interest over the section 59 lands. The inquiry was part of the formal section 90 particulars of the Land Agents, Brokers and Valuers Act 1973. Having advised the agent of this matter, the Aboriginal Heritage Branch of

the Department of Environment and Planning on 1 October 1991 advised the allotment owners of land within section 59 of the same information given to the agent. The Aboriginal Heritage Branch will now carefully examine the Aboriginal sites within section 59 with a view to accurately defining the extent of archaeological and remains material. The site may be redefined to exclude areas from the current boundaries in accord with the provision of the Aboriginal Heritage Act. Landowners are now being advised that this additional site identification will be undertaken, and I sincerely apologise for any concerns that may have been caused by the original letter.

*Members interjecting:*

**The SPEAKER:** Order! The Leader of the Opposition.

### QUESTION TIME

#### ECONOMY

**Mr D.S. BAKER (Leader of the Opposition):** What new action will the Premier as Treasurer take following today's record 10.5 per cent unemployment result and the record bankruptcies which at current rates will exceed 2 000 this year?

**The Hon. J.C. BANNON:** The Leader of the Opposition draws attention both to the unacceptable level of high unemployment and to the fact that we are in the middle of a very difficult and damaging recession. He asks what the State Government should do. I would point first to what we have done in the course of the budget that has been debated in this House, remembering the enormous pressures in a recession on revenue and other areas.

*Mr Ingerson interjecting:*

**The Hon. J.C. BANNON:** From his interjection the member for Bragg obviously would have liked us to have gone down the tax route. I reject that as unacceptable. In fact, what we did was relieve the pressure on business by, amongst other things, reducing the rate of payroll tax. On the other side of the ledger, while we accept that we must trim back public employment and ensure that we have a tight constraint over our expenditure, we did not have a slash and burn approach. We did not cause drastic losses in employment or destroy the capital works program; in fact, we were able to maintain it. That is totally responsible in these present circumstances—totally justified.

Would the Leader of the Opposition want to add another couple of per cent to the number of unemployed in these circumstances? Not at all; he knows very well indeed that Government has a responsibility in those circumstances to ensure that there is some economic activity and that sectors of the economy are not simply dumped. We will discharge that obligation and we will afford it; we will do it within a long-term strategic and financial plan that ensures that we can manage it. So, that is the first answer.

At the national level, since as far back as April and May this year I have been urging the Commonwealth to do a number of things to bring forward a series of major infrastructure projects to take advantage of the lower capacity of our economy and to ensure that a number of fundamental things are done that will see us bounce out of the economic recession much faster than we should.

That does not necessarily mean extra public expenditure. What it does mean is looking at things like the tax treatment of major projects and a number of other things. At that stage I was rejected. A number of Federal Ministers suggested that it was irresponsible. There was a deafening silence from the Leader of the Opposition; he was certainly

not going to join in my calls, because it might benefit South Australia and by benefiting it somehow that would adversely affect his diminishing chances of becoming Premier of this State. Indeed, he is under an enormous time constraint—a constraint which means that he has to get in there as quickly as he possibly can before he is dumped by his own Party, as all the speculation of the past few days suggests.

*Members interjecting:*

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

**The Hon. J.C. BANNON:** He feels the member for Coles breathing down his neck—indeed, talking down his neck with her book of eloquent speeches. He knows that he does not have much time, so any good economic news is obviously to be rejected. However, I would like to see support from the Leader of the Opposition in some of those things. It is interesting to note that in the past few weeks suddenly the ideas and propositions that I was suggesting have become acceptable and fashionable. They have been picked up strongly by the ACTU and they have been supported by employer organisations. We have actually had a number of Federal Government Ministers—including as recently as this morning Senator John Button—saying that this is the sort of thing that should be looked at.

Secondly, in relation to interest rates in this country, I have been consistently saying that the real rate of interest is too high, that inflation has reached a level and the economy's recession has reached a depth that means we should be seeing those rates coming down. At the time of the Federal budget I said that we should see a reduction in interest rates; it came some weeks later. I believe there is now room for a further reduction in interest rates. It is the responsibility and the prerogative of the Federal Government to determine when and to what extent they come down. But, in saying that, I am now joined by a number of commentators, business people and those who want to see this economy stimulated. But, we will get nowhere if people in South Australia, such as the Leader of the Opposition, insist on trying to wallow in the bad news of our economy, of trying to pretend that it is somehow different from the rest of Australia.

*Members interjecting:*

**The Hon. J.C. BANNON:** Well, it is: in some respects we are doing better. We do not at the moment, as we did in the Tonkin days, have the highest unemployment level in the country for two years or more consistently.

*The Hon. Jennifer Cashmore interjecting:*

**The Hon. J.C. BANNON:** It is unacceptably high, and I agree with the member for Coles on that. She is quite right and she would probably have a better and more positive influence if she were on the front bench, rather than having to chirrup away on the back bench. Having said that, if we continue to look at the negatives and emphasise them, as the Leader of the Opposition does, there is no way that we will lift ourselves from this recession. Confidence is a vital factor, and it is confidence that we need. Questions like this are not aimed at doing anything about the economy of South Australia or, indeed, the nation. They are aimed at trying to get the heat off the Leader as quickly as possible and to give him some vague hope of sitting on this bench. That is all he is on about; he is interested in nothing else.

*Members interjecting:*

**The SPEAKER:** Order! The member for Mount Gambier is out of order.

## UNEMPLOYMENT FIGURES

**The Hon. T.H. HEMMINGS (Napier):** Will the Minister of Employment and Further Education inform the House of today's unemployment rate in South Australia?

**The Hon. M.D. RANN:** South Australia's unemployment rate for September rose slightly by .2 percentage points to 10.5 per cent, as we have just heard. Nationally, the unemployment rate rose by .4 per cent to 10.2 per cent. There are three States with unemployment rates higher than South Australia: Tasmania with 11.4 per cent; Western Australia with 11 per cent; and Victoria with 10.9 per cent. As the Premier mentioned, today's South Australian unemployment figure is too high. I am also disappointed at the South Australian unemployment rate of 26.4 per cent for 15 to 19 year olds who were looking for full-time work. It is no comfort for our teenagers that there are four States with worse figures.

We must again stress that, although key economic indicators are pointing to a patchy recovery in the economy, employment is a lagging indicator, and a recovery in the labour market may be some months away yet. It is a tragedy that the national unemployment figure has reached its highest level in the eight years since the 1982-83 recession, and this underlines our call for a comprehensive national job strategy. It is time for the Federal Government to pull its finger out in this regard and to rethink seriously its commitment to job creation. On numerous occasions I have called, with the Premier, for national action in areas such as bringing forward important infrastructure projects. This was a key proposal in the State Government's 12-point plan for action on the jobs front, issued in June.

It is interesting to hear the Leader of the Opposition, who opposed the national employment summit back in May and June. He opposed the 12-point jobs recovery plan, and he opposed the doubling of prevocational places under the KickStart scheme. He opposed the Buy Australian campaign, but that is not surprising, as he brags openly that he flies to Hong Kong to buy 10 suits. The only job that the Leader of the Opposition is interested in is saving his own job; he is like a carcass swinging in the breeze as each of his mates takes a swipe with a pick axe. Let me say this: he can help today by giving a mate a job and promoting the member for Coles to the front—

*Members interjecting:*

**The SPEAKER:** Order!

**Mr OSWALD:** I rise on a point of order, Mr Speaker. The Minister has obviously finished now, but he was completely out of order.

**The SPEAKER:** Order! There is no point of order. I spoke this morning about frivolous points of order and, if members rise without a valid point of order, the Chair will take a dim view. The Deputy Leader.

## STATE GOVERNMENT INSURANCE COMMISSION

**Mr S.J. BAKER (Deputy Leader of the Opposition):** My question is directed to the Treasurer.

*Members interjecting:*

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

**Mr S.J. BAKER:** Following the written warnings to the Treasurer from the then Under Treasurer in April 1990 concerning SGIC's \$1.4 billion in credit and financial risk insurance what are the guidelines which the Treasurer approved and which allowed SGIC to take on a further \$1

billion of risk insurance over the next three years in respect of property mortgages, 90 per cent of which are interstate?

The Treasurer's answer to Opposition questions in the Estimates Committee about SGIC taking even more exposure to credit and financial risk insurance referred only to the first year of the deal covering \$250 million and stated that the transaction fell within the guidelines established by the Treasurer. Given that Mr Prowse's warning came well before this new transaction, those Government guidelines need to be examined.

**The Hon. J.C. BANNON:** No further property puts are being undertaken, but credit risk insurance is a legitimate area of insurance business. It is also one of those issues that was examined in some detail by the Government Management Board study, and I am awaiting at the moment a report from the working party I established in order to provide advice on whether or not, in what way and how such credit risk insurance should be written.

I come back to the point that it is a legitimate area of insurance business and, therefore—

*The Hon. Jennifer Cashmore interjecting:*

**The SPEAKER:** Order!

**The Hon. J.C. BANNON:**—while certainly, as I have already said in the area of property puts, no more of that is being conducted, under instructions from me, there are other areas that may indeed be reasonable in the circumstances.

*The Hon. B.C. Eastick interjecting:*

**The SPEAKER:** Order! The member for Light is out of order. The member for Albert Park.

#### ROAD-RAILWAY CROSSINGS

**Mr HAMILTON (Albert Park):** Will the Minister of Transport request officers of the Department of Road Transport to investigate complaints that the design of the Morley Road and Alma Terrace road-railway crossing has impacted adversely on the viability of small businesses on Alma Terrace, Woodville West? The Minister will recall the two tragic deaths at these crossings, which brought about their subsequent realignment and upgrading. When talking to a constituent this morning I was advised that shops in this location are suffering. One businessman says that he is down at least 50 customers a week. He went on to say further that his view was that people prefer to steer away from using the crossing because of the hold-ups and difficulties experienced there, especially by older people who come out in their cars only once or twice a week to do their shopping. He said that the traders are hurting.

**The Hon. FRANK BLEVINS:** I thank the member for Albert Park for his question. This problem has been drawn to my attention, and I have asked the various officers from the Department of Road Transport and the STA to look at the configuration of the crossing to see whether anything can be done to alleviate the problem for traders. Of course, it is not our intention to disadvantage anyone but, inevitably, in some of these reconstructions that take place, conflict arises as to the need for safety. There was a very real safety issue in this case; as the member for Albert Park said, at least two people have been killed at this location so, clearly, there was a need for some action.

However, whilst we have tried to make the crossing as unobtrusive as possible, it is inevitable that, on occasions, that cannot be done without members of the community who live in that region being disadvantaged. We must balance the rights of people who use the area, who work and live in it, and who are attempting to run businesses there

with the need for a safe crossing for pedestrians, motorists and travellers on the trains. It is very difficult to reconcile those various competing interests. We believe we have achieved that balance at this crossing but, clearly, some businesses are not happy with the end result. I can assure the member for Albert Park that the officers will look at this crossing to see whether there is anything we can do to relieve the inconvenience to local traders whilst, at the same time, maintaining the integrity of the crossing to protect the public from what was a very serious accident black spot and a very dangerous place for people to be relatively unprotected, as they were before the crossing was redesigned.

#### WORKCOVER

**Mr INGERSON (Bragg):** My question is directed to the Minister of Labour. In view of the fact that Workcover's payments since 1988 to former AWU office secretary Ms Helen Vlahiotis are the direct result of alleged actions by a member of the Workcover Board, can the Minister assure the House that Mr Les Birch disclosed his personal interest to the Workcover Board at the time compensation began to be paid to Ms Vlahiotis and has been involved in no breaches of the disclosure required by the Act since that time?

**The Hon. R.J. GREGORY:** I cannot advise the House of what undertakings Mr Birch gave to WorkCover, but I would advise the House that he is not an employee of the Australian Workers Union at the moment and, indeed, has not been for some time. My advice from the Chief Executive Officer of WorkCover is that the matter is being opposed by WorkCover, and I think that is where the matter ought to rest at the moment, because it is a matter that will be challenged in the courts.

#### HOMESTART

**Mr McKEE (Gilles):** Will the Minister of Housing and Construction provide details of HomeStart's refinance loans, the number of loans and the dollar value of the loans that have been settled?

*Members interjecting:*

**The Hon. M.K. MAYES:** I think that is a very important question in regard to refinancing, because many people in our community have benefited from the refinancing package offered by HomeStart. Members protested when the question was asked about its being answered today. In fact, that was in relation to the overall loans arrangements, the number of loans, which I think was 8 171, and the total amount lent, which was \$548 million. This is in relation to actual refinancing. I want to share this information with the House so that members can inform their constituents, and I am sure there are times when members on both sides and in the other place receive inquiries from the community regarding refinancing.

The package that is offered to the community by HomeStart is based on a number of criteria. Mortgage payments must represent a proportion greater than 30 per cent of gross household income. That is one of the criteria that is required in order to meet refinancing. The loan balance must be less than \$90 000. No other residential property can be owned by the applicant. The difficulties in which people find themselves might be due to a number of reasons, such as a drop in income, increased interest rates or a family break-up. In regard to income testing, income must be below

\$625 a week for a couple, plus \$50 per week for the first dependant and \$25 a week for each subsequent dependant.

It is important that people in the community know these facts. Obviously the message is getting through, because 1 145 people have had their houses or their properties refinanced through HomeStart. That involves a total amount of \$67 million for the period that HomeStart has operated, with an average of \$58 500 per loan. The service offered to the community through HomeStart is very valuable. Certainly, several of my constituents have benefited from this, with difficulties arising through family break-up or because of a drop in income, due to events outside their control. I am pleased with the help that is being offered through HomeStart and I thank the honourable member for his question.

### HOUSE SITE

**Mr LEWIS (Murray-Mallee):** My question is directed to the Minister for Environment and Planning. Following the ministerial statement just given to the House by the Minister, will she give the date when the inquiry was made about any Aboriginal heritage interests in the said land at Younghusband? Further, what assurances will she give all other South Australians who have bought land, on which to build homes, anywhere, that their blocks will not be deemed Aboriginal sites after construction has already started?

On Tuesday this week, one of the several families involved received a letter from the Aboriginal Heritage Branch of the Minister's department, wherein it was pointed out that, under section 23 of the Aboriginal Heritage Act 1988, it is an offence to 'damage, disturb or interfere with any Aboriginal site'. The penalty is \$10 000 or imprisonment for six months. But in seeking clarification from the department, the family on more than one occasion this week was told that anyone in that branch who could help them would be away until next Tuesday. The family is concerned that, when their freehold block was excavated, with proper approval under State law and under council by-laws, in preparation for the building of the home, and the footings were laid, no indication of the presence of Aboriginal occupation or remains was found. Nor is there anything on the certificate of title to indicate that the land was part of a registered Aboriginal site. Where do they stand now that they have spent their money?

**The Hon. S.M. LENEHAN:** In answering the honourable member's question, I will refer back to my ministerial statement. I pointed out that, as far back as 1976, approval was given for a subdivision in section 59 and it was approved only subject to known archeological sites being fenced off.

*Mr Lewis interjecting:*

**The Hon. S.M. LENEHAN:** I did not interrupt the honourable member when he asked his question. Subsequently, evidence was presented that showed, in terms of the archeological material, that in fact it was an Aboriginal burial site. I understand it was of some great significance to Aboriginal people. The Aboriginal Heritage Act was, of course, enacted after that time. But it was clearly indicated at the subdivision stage that there were certainly some significant and important archeological sites and that they would be fenced off subject to the actual subdivision.

*Members interjecting:*

**The Hon. S.M. LENEHAN:** I am going to answer the question, if the Opposition would just show a little patience. I do not have the details with me, but I can get the exact date of application. It was some time earlier this year that

an agent inquired as to Aboriginal heritage interests over section 59 of this particular land. The inquiry formed part of the formal section 90 particulars which are required under the Land Agents, Brokers and Valuers Act. The land agent was advised by the Aboriginal Heritage Branch of the department on 1 October of the requirements in terms of the various—

*Members interjecting:*

**The Hon. S.M. LENEHAN:** What relevance does that have? The question was asked when the information was provided: as I said in the ministerial statement, the information was provided on 1 October.

**The SPEAKER:** Order! The Minister will direct her remarks through the Chair. Interjections are out of order. The honourable Minister.

**The Hon. S.M. LENEHAN:** It is quite clear that the Aboriginal Heritage Branch has undertaken to carefully examine the particular sites in section 59 with a view to more accurately defining the extent of these archeological sites and the skeletal remains found to be there. It may well be that some boundaries will be redefined in accord with the provisions of the Aboriginal Heritage Act. Of course, landowners will be involved and consulted in this process. I have apologised sincerely to those landowners for the fact that they received these letters which quite obviously did not contain adequate information.

Having been made aware of the situation, I have now taken a personal, if you like, responsibility and interest in this matter, and I have communicated with two of the members of this House who had the courtesy to approach me. In fact, I have got back to them almost immediately in terms of their request. I will have the matter thoroughly investigated. I will resolve the matter in the interests of both the landowners and the requirements I have as Minister responsible for the Aboriginal Heritage Act. That responsibility was given to me and to my predecessor by this Parliament, and I will resolve this matter in the best and most commonsense way possible. I do not believe that the way the member for Murray-Mallee is behaving will in any way resolve this issue. Rather, it will exacerbate the concern and fear of the landowners, because it seems to me that other members had the common courtesy—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. S.M. LENEHAN:** —to approach my office and seek a resolution of this matter. I give the House my assurance that I will do everything possible to successfully, if you like, ensure that landowners are informed and consulted, and that the matter is resolved to the satisfaction of all interests involved.

### CRIME STATISTICS

**Mrs HUTCHISON (Stuart):** Can the Minister of Education, representing the Attorney-General, provide an analysis of the level of crime in different areas of the State, separating adult crime rates from juvenile crime rates?

**The Hon. G.J. CRAFTER:** I will be pleased to consult with my colleague the Attorney-General and seek from the Office of Crime Statistics the information that is available on this important topic.

### MARION TRIANGLE

**Mr BRINDAL (Hayward):** My question is directed to the Premier. In the light of the involvement of his department,



the SGIC and the Marion council, will the Premier instigate an investigation by the Auditor-General into property dealings and the planning process associated with the area known as the Marion triangle? There has been repeated media speculation about potentially grave irregularities with respect to land purchases in the Marion triangle area. I have been informed that, were the parties involved listed on the Stock Exchange, they would almost certainly have breached the rules against insider trading. The current investigation by the Police Anti-corruption Branch cannot consider all the factors that a wider inquiry by the Auditor-General could consider.

**The Hon. J.C. BANNON:** I know that the honourable member has raised this issue on a number of occasions and in a number of contexts. I am not sure that he has always done it in a way which is appropriate or which is aimed at finding solutions.

**Mr BRINDAL:** On a point of order, Mr Speaker, I object to the fact that the Premier is impugning my motives, and I ask him to withdraw.

**The SPEAKER:** The Chair does not uphold the point of order. Any member of this House has the right to express a point of view. I do not believe that saying something was not done in a correct manner is imputing improper motives. The honourable Premier.

**The Hon. J.C. BANNON:** I was certainly not impugning the honourable member's motives; I was simply questioning his competence in the matter. In support of what I was saying I would point to a report submitted to the Marion council at the meeting of 7 October which referred to the considerable publicity following the statements made by the member for Hayward and a councillor of that council. In this report reference is made to the possibility that some of the statements may be defamatory. It goes on to say:

... that they have been, and still are, very damaging to the image and reputation of both the council and the individual members of the council at that time—

referring to statements made previously—

It is considered that the council should take the strongest steps possible to clear its name and, at the same time, the reputation of individual members. Statements such as 'a den of thieves'—

I do not think the honourable member made that particular statement—

certainly reflect on all members. It is suggested that the most suitable course of action would be to demand a public apology from Mr Brindal for his statements which involved the council. Should an apology not be received legal action for defamation should be instituted against him.

I know that the honourable member basks in the notoriety he is rapidly gaining; on the precept that any publicity is good publicity, he is certainly getting plenty of it. I would suggest that it is appropriate for me to say that, in the way in which he has pursued this matter—and I am certainly not suggesting that he should not pursue it or ask questions about it—he has at times been quite reckless and, unfortunately, he is probably making it more difficult for those who want to have the truth of the issue properly reported. If there are particular problems that the Auditor-General should examine, he is perfectly capable of doing that, and I am sure he would. If there are other areas of appropriate investigation, no doubt equally they will be undertaken. I am not aware—I have no information before me that indicates—that there has been underhand or other than proper commercial practice involved in this case on the part of the council, on behalf of its ratepayers, or on the part of the SGIC in pursuing its commercial interests and in ensuring the best possible use of that land.

## BUS SERVICES

**The Hon. T.H. HEMMINGS (Napier):** Will the Minister of Transport assure residents of the Stirling area that the ring route which services the Stirling and Heathfield areas will not be closed on Friday 11 October 1991? I have been advised through a constituent's aunt that strong rumours are circulating in the Stirling area that this service will cease from tomorrow, and these rumours are causing great distress to commuters relying on this service.

*Members interjecting:*

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

*Members interjecting:*

**The SPEAKER:** Order! The member for Mount Gambier is out of order. The honourable the Minister of Transport.

**The Hon. FRANK BLEVINS:** I am in a position to advise the honourable member on this situation as the matter was raised with me on Wednesday by my colleague in another place, the Hon. Ron Roberts. As I have not as yet responded to the honourable member in writing—

*The Hon. D.C. Wotton interjecting:*

**The Hon. FRANK BLEVINS:** The interjection from the member for Heysen suggests that I have not responded to him, either. I have no—

*Members interjecting:*

**The SPEAKER:** Order! Private conversations across the Chamber are out of order. The Minister will direct his remarks through the Chair.

**The Hon. FRANK BLEVINS:** The member for Heysen makes a fair point: I do not play those kinds of games. The honourable member knows that if I had any knowledge of his letter to my office on the issue, I would have dealt only with him on it. I have no memory of seeing the letter, but I will check. Nevertheless, I am sure that the Hon. Ron Roberts, the member for Napier and his relatives and the member for Heysen, who is the local member, will be pleased that I am able to assure the residents of the Stirling area and this House that, whilst the 828 bus route will be temporarily stopped as of next Tuesday, it will be resumed as soon as possible.

The temporary closure of the bus route is necessary because of work being done by the E&WS on Avenue Road. The road is being blocked to all traffic, not just buses. Unfortunately, the 828 bus cannot be rerouted because other roads in the area cannot accommodate buses. The E&WS Department anticipates that it will complete its work in four weeks, and the bus service will then be resumed. The STA will issue passenger bulletins to let people know what is going on.

## BREAK-INS

**The Hon. JENNIFER CASHMORE (Coles):** Does the Minister of Emergency Services concede—

*Members interjecting:*

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

**The Hon. JENNIFER CASHMORE:**—that, with South Australia having the highest rate of break-ins per capita, his strategy to reduce crime has failed and, if so, what new plans does he have to reverse the escalation of crime, which is so worrying to the community?

**The Hon. J.H.C. KLUNDER:** I thank the honourable member for her question. Certainly, the rate of break-ins in South Australia is intolerably high. That is why the Government has introduced a number of things to try to do

something about it. As the honourable member knows, because I have told her often enough, we have the highest number of police per head of population and, indeed, we have the best equipped police in any of the States. That is a fact, even though a lot of people have been trying to challenge it. The way in which the police are deployed is, of course, determined by an Act of Parliament and is not under my direction but under the direction of the Commissioner of Police. We have also increased sentences in a general drive against criminal activity over a number of years. We have also introduced a number of crime-prevention measures, of which the jewel in the crown is Neighbourhood Watch.

*Members interjecting:*

**The SPEAKER:** Order! The member for Albert Park is out of order.

**The Hon. J.H.C. KLUNDER:** If the member for Coles wishes to argue that Neighbourhood Watch is not an effective mechanism for dealing with break-ins and other local crimes, she is entitled to do so. However, there are 7 000 volunteers involved in Neighbourhood Watch who, by their presence in the system, do not believe that it is not a success: they believe that it is very successful. There is a number of other things that the Attorney-General is introducing under a scheme that has been allocated \$10 million over five years. A number of these crime-prevention schemes are already operating. Indeed, it would appear that, over the past few years, a reasonable cap has been put on break-ins involving domiciliary dwellings as a result of Neighbourhood Watch. When one accepts that the scheme now covers one-half, or perhaps a bit more, of the metropolitan area and a percentage—

*An honourable member interjecting:*

**The Hon. J.H.C. KLUNDER:** Yes, 'homes' would have been better.

**The SPEAKER:** Order! The Chair cannot hear the answer. The Minister will direct his remarks through the Chair.

**The Hon. J.H.C. KLUNDER:** You are quite right, Sir. A number of schemes have been put in place, and the number of homes that have been broken into has not significantly increased over a number of years because of the activities of Neighbourhood Watch and the fact that it now covers just over half of the metropolitan area and a percentage of the country area through groups such as Rural Watch. I think the system that we have in place is not only working reasonably well at the moment but shows great promise.

### COGENERATION

**The Hon. J.P. TRAINER (Walsh):** My question is directed to the Deputy Premier. Is the South Australian Health Commission considering cogeneration as a basis for future energy needs for public hospitals and, if it is, how soon will the savings from such an initiative be available to further improve service delivery?

*Members interjecting:*

**The Hon. J.P. TRAINER:** I did not ask you: I asked the Minister.

**The SPEAKER:** Order! Several times today the Chair has had to warn the House about interjections, and I will not caution anyone again.

**The Hon. D.J. HOPGOOD:** Of course, cogeneration is a means whereby using an energy source, usually natural gas, one generates as a result of the one process both electrical and thermal energy. I guess it is the result of that unshakeable but dismal foundation of classical physics, namely, the second law of thermodynamics which says that you cannot

break even. It does have some prospects and, in fact, the Health Commission has been looking at it as a fairly large-scale project as opposed to the reasonably localised projects that have been looked at for some time.

The advice we have from SAGASCO is that, based on the four largest hospitals in the metropolitan area, we could have a total generating capacity of about 4.8 megawatts and total cost avoidance of about \$2 million a year. The problem is that the capital investment requirement is about \$8.6 million and the bean counters tell me that, to justify something like this, we want to look at about a 20 per cent return on investment over a 20-year period. We can make it but it is not a great bonanza. However, it is sufficiently promising for us to continue down this path.

With the work being done on the redesign and redevelopment of the Adelaide Medical Centre for Women and Children, Jeffries Consulting and Engineers were asked to look at the project and, as a result, the cogeneration capacity requirement has been scaled down from about 1 800 to 1 200 kilowatts. That is likely to be a feature of the redesign and rebuilding of the facility. Generally speaking, we are interested in the prospect and it does seem to be promising, but we are proceeding with some degree of caution for the reasons I have outlined.

### POLICE HEALTH FUND

**Mrs KOTZ (Newland):** My question is directed to the Minister of Emergency Services. Is the State Government's decision to introduce a 3 per cent tax on the Retired Police Officers Association Health Fund contributions an attempt to defray the costs of funding police pay increases of up to 7.5 per cent which are outside the budget? An article in the latest *Police Journal* complains that the State Labor Government's decision to tax health fund contributions shows that retired police officers are being forced to pay through the nose to cover the huge losses made by politicians' blunders.

**The Hon. J.H.C. KLUNDER:** That scheme is the same as all other schemes, I understand, and really the question should be addressed to my colleague, the Minister of Finance, because he has the carriage of that item.

### TELEMARKETING

**Mr HAMILTON (Albert Park):** Will the Minister of Education, representing the Minister of Consumer Affairs in another place, investigate a constituent's complaint that some security firms are engaging telephone canvassers to ring home owners to determine whether or not their homes are secure from burglars or unlawful entry? My constituent alleges that recently he received a telephone call from a canvasser saying that he was ringing on behalf of a security firm seeking information about what type of security devices, if any, my constituent had installed in his home. My constituent advised me that he refused to provide any information on the following grounds: he did not know whether the caller was legitimate, whether such canvassers were acting for legitimate firms, whether such information, once provided to a caller, was treated with the utmost confidentiality or whether innocent people would, inadvertently, give information to would-be burglars. Hence my question.

**The Hon. G.J. CRAFTER:** I thank the honourable member for his question and for bringing this matter to the attention of the House. I am sure that all members would have received comments from their constituents from time

to time about the tactics used by telephone canvassers, organisations and individuals in the community who prey upon the fears of people, particularly those who live alone, who are elderly or who are infirm in some way. It is timely that a warning be given to people not to divulge information of this type to telephone canvassers. There is no way of proving the *bona fides* or the identification of canvassers, so the safest course of action is not to divulge information of that type over the telephone and, indeed, to be very careful at the doorstep as well.

However, the tactics used by some individuals and corporations in conducting their businesses along those lines, as I said, preying on the fear of individuals and families in our communities, are to be deplored. I will be pleased to have the matter more fully investigated by the appropriate authority and bring down a report for the honourable member.

#### POLICE PAY RISE

**Mr MATTHEW (Bright):** My question is to the Minister of Emergency Services. Will the Minister identify in the budget papers the round sum allowance which he said twice during the Estimates Committee will pay the estimated \$4.5 million cost of the police salary rise in this financial year?

**The Hon. J.H.C. KLUNDER:** I think that I have already answered that question, but I used the round sum allowance as a shorthand term to indicate that the money would not have to be found within the police budget, and that is something that 3 600 police officers in this State are reasonably happy with, because it means that the rise in pay that they have received has not resulted in a decrease in either their numbers or their equipment.

#### CYCLING VELODROME

**Mr De LAINE (Price):** Will the Minister of Recreation and Sport inform the House about progress of the cycling velodrome, which was given recent media coverage in regard to the types of timber to be used in its construction?

**The Hon. M.K. MAYES:** I thank the member for Price for his question. He has a long-standing interest in the velodrome through his interest and involvement in cycling. Of course, he was a top cyclist. I am very pleased to be able to say that, in fact, the stanchions and support cross-beams that will be used for the velodrome track will be of South Australian timber, grown by the Department of Woods and Forests. Radiata pine will be used for the trusses and stanchions in the construction of the velodrome. I am very pleased to say that the timber is being tested in a program conducted by the department; it has come up to standard and its use will meet what the timber industry, the Government and unions have wanted, that is, the use of an Australian product.

I would like to point out that this issue was somewhat blurred in the press this morning, because it was reported that the surface of the track would be constructed of afzelia, timber that comes from virgin forest in West Africa. Let me correct that. We will not use afzelia; we will use a finished spruce which grows in plantations in Finland and which is replaceable, not being from virgin forest. It is also important to note that this meets with our requirements. The contract for the fabrication of the trusses was let to the Adelaide-based company Cowells Building Products, a division of Email, and this is another clear example of our Government's initiative to use locally made products wher-

ever possible. That is contrary, I might say, to the statement yesterday from the member for Murray-Mallee, who attacked me about the doors on the Entertainment Centre. When he was asked on 5AN about the Opposition's policy, and whether it has a preference for South Australian products, he could not answer the question. He asked, 'Are you going to take into account the cost?' He could not answer the question.

It is interesting that, when the member for Murray-Mallee makes these allegations, we must ask him, in fact, what the Opposition's policy is, and we find that it does not have one. But this Government has a policy, and we have worked to ensure that products manufactured in the South-East of South Australia will be used as the main stanchions, cross-beams and trusses for the new track. I believe that is an excellent move and one which I am sure all South Australians will support.

#### STATE BANK

**Mr BECKER (Hanson):** I direct my question to the Premier and Treasurer. Were the Treasurer and the State Bank involved in approving the out of court settlement made between the bank of New Zealand and the Remm Group in June this year, which led the bank of New Zealand to withdraw its wind-up action against Remm? Did the settlement impact on the finances of the State Bank or the State and, if so, to what extent?

**The Hon. J.C. BANNON:** I will have to take that question on notice and see what information I can provide the honourable member with.

#### METROPOLITAN SEWAGE TREATMENT WORKS

**Mr FERGUSON (Henley Beach):** Will the Minister for Environment and Planning say what progress will be made in rehabilitating the Glenelg, Port Adelaide and Bolivar sewage treatment works in 1991-92? Has the Government maintained the level of expenditure on this work, bearing in mind the importance of the performance of these works in protecting the environment?

**The Hon. S.M. LENEHAN:** I am delighted to tell the honourable member that more than \$10 million will be spent in the current financial year to upgrade both sewers and sewage treatment plants throughout the State, with a further \$8 million to be spent on projects that will provide a positive contribution to the enhancement of the environment. Members might recall that I recently provided to this House details of the environmental enhancement program. These programs will ensure that the Government continues to provide a high quality service to the community for the collection, treatment and disposal of human and industrial waste waters, for the purpose of protecting both public health and the environment. As I have said, over \$8 million has been allocated for rehabilitation projects at the three major metropolitan sewage treatment plants situated at Bolivar, Glenelg and Port Adelaide. I am also pleased to be able to tell the honourable member that this is some \$2.5 million more than was allocated in last year's budget.

#### BEVERLEY BASKETBALL STADIUM

**Mr SUCH (Fisher):** Will the Minister of Recreation and Sport say whether the Government intends to grant a general entertainment licence for the soon to be completed

Beverley Basketball Stadium, or will it retain the present monopoly situation for the Adelaide Entertainment Centre? I understand that the Government is reluctant to grant a general entertainment licence for the new basketball stadium, because, with its 8 000 seating capacity and larger car parking facilities (2 500, whereas the Adelaide Entertainment Centre has only 1 000, with a seating capacity of 11 000), it would pose a real threat to the viability of the Entertainment Centre.

**The Hon. M.K. MAYES:** It would probably be more appropriate to direct this question to the Premier, but in regard to this matter I have had some discussions with the BASA people, as has the Minister for Environment and Planning. The current planning permission allows for the sporting use as proposed at that facility. It appears that the ambitions of the Basketball Association are now to extend that to some degree. That matter is with that organisation and it is going through the proper processes, I understand, to seek to have that planning provision permitted within the use as it currently stands under the regulations. So, it is following the appropriate course of action. We have had discussions to assist and provide advice. However, as far as the matter of final approval, that is a matter that the association is obviously in charge of and responsible for, and I am sure it is competent to manage this.

#### SMOKE-FREE ZONES AT FOOTBALL PARK

**Mr HAMILTON (Albert Park):** Will the Minister of Recreation and Sport advise whether he and his department support the proposed smoke-free zones at Football Park? A recent article in the *Messenger Press Weekly Times* headed, 'Smoke ban idea for Footy park', states:

The South Australian National Football League will consider smoke-free zones at Football Park if spectators demand them. Mr Whicker said the SANFL would monitor the attitudes of spectators through its association with Foundation SA to assess whether the no-smoking zones were needed.

The article further states that the Norwood Football Club supported the concept of smoke-free zones and that would be considered at its ground. My question is prompted by a response from a constituent who wanted to know whether the Government and Foundation SA would support such a proposition.

**The Hon. M.K. MAYES:** It is appropriate for the member for Albert Park to ask this question, because this facility is located in his electorate. This issue is under the jurisdiction of the SANFL; it is the league's responsibility to administer. Given what is occurring in the rest of the community, including in this Parliament, the time is coming when smoke-free zones will be allocated for those spectators who support football and who want to be free of the invasion of their privacy or environment by others who smoke.

I can recall attending a Crows match and sitting on the northern boundary immediately behind a very active smoker; we moved to another seat. It is a reasonable suggestion that supporters have access to a smoke-free zone. I would certainly support that. However, the matter is under the jurisdiction of the SANFL. Given the responsiveness of Mr Whicker, evident from the article in the *Messenger Press* newspaper, I am sure the league will move in the not too distant future to institute zones where people can sit without having their own area invaded by smokers and, likewise, areas for smokers to enjoy what is obviously their right. Being a non-smoker, and speaking personally and not on behalf of the department, I certainly support the concept, and make that public statement. I am sure many constituents feel likewise.

#### FEDERAL HEALTH POLICY

**Dr ARMITAGE (Adelaide):** Has the Minister of Health contacted the Federal Minister for Community Services and Health in relation to the deliberations presently occurring in Canberra about the Federal Government decision to charge patients \$3.50 for doctors' consultations? If so, what view did he express and, if not, why has he not done so, given the obvious importance of this issue for the provision of health care in South Australia?

**The Hon. D.J. HOPGOOD:** The Federal Minister and I had a meeting a week or so ago at the West Beach airport, no less, when amongst other things the 'Better Cities' program was discussed, because I am the designated Minister in South Australia for that whole program, although I am working very closely with my colleagues, particularly the Minister for Environment and Planning. The matter of co-payment was also discussed at that time. I have never made any secret of my opposition to co-payment—none at all—and have expressed as much in this Chamber. A motion, moved by my colleague the Minister of Transport, was passed by the recent Convention of the Australian Labor Party.

It is quite clear where I stand, where the Government stands, and where the South Australian Branch of the ALP stands. We are awaiting a decision on the matter, as is the rest of Australia. We are aware of some decisions that will have to be taken in the wake of the sort of decision canvassed in the Federal budget, particularly in relation to our own Accident and Emergency Department. We cannot make that decision until such time as we know exactly where we stand. So, the Commonwealth well knows our position in this matter, and I think that is really as much as we can do at this stage.

#### HILLS SEWAGE TREATMENT

**Mr McKEE (Gilles):** My question is directed to the Minister of Water Resources. What progress is likely to be made in 1991-92 in dealing with sewage collection and treatment in the Adelaide Hills?

**The Hon. S.M. LENEHAN:** We are certainly making a great deal of progress in sewerage the Adelaide Hills. I thank the honourable member for his ongoing interest and concern in providing a very healthy environment in the Adelaide Hills, and I am delighted to inform him that appropriate sewage collection, treatment and effluent disposal in water catchments is an integral component of the supplementary development plan proposed as a result of the Mount Lofty Ranges review. As a result, urban waste water disposal facilities serving a number of towns require assessment and possible upgrading.

This year \$1 million has been allocated for sewer construction in the Mount Lofty Ranges township area, to be funded from the environmental levy. A pumping system to pump sewage from the Woodside Sewage Treatment Works to the Bird-in-Hand Treatment Works located outside of the water supply catchment was put into service in March 1991, and the Woodside Sewage Treatment Works has now been decommissioned.

Investigations into options to reduce the impact of the discharge of reclaimed water from inland sewage treatment works have commenced for Gumeracha and Myponga, and a consultant will review the upgrading requirements for the Victor Harbor Sewage Treatment Works. Indeed, I have even more news to provide for the honourable member. Detailed design and drawings are currently being prepared

at Hahndorf to upgrade the Hahndorf Sewage Treatment Works to accept additional load, as well as to reduce nutrients in the effluent. The capital allocation for this project for the 1991-92 financial year is \$375 000.

The Government is committed to progressing the provision of sewage treatment plants and treatment works in the Adelaide Hills. We believe it is vitally important to move forward with these proposals. I am sure that the shadow Minister will provide support to both arms of my department because of the importance of the water catchment area and of ensuring that we do everything possible to preserve the integrity and quality of the water catchment area, namely, the Mount Lofty Ranges.

#### MINISTERIAL STATEMENT: ENTERTAINMENT CENTRE

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

Leave granted.

**The Hon. M.K. MAYES:** I make this statement in response to the outrageous and inaccurate allegations made by the member for Murray-Mallee, as Liberal spokesman on State Services, on the Susan Mitchell Show on 5AN on 4 October, which were repeated yesterday by his Leader, the member for Victoria, in a media release, regarding the use of imported, substandard doors at the Entertainment Centre.

These allegations are yet another attempt by the Opposition to undermine the success of this magnificent facility. They are unconstructive and create unwarranted concern in the public's mind regarding the standard to which the facility has been constructed, which is world class and in accordance with all relevant local safety codes.

My colleague in another place, the State Services Minister (Hon. Anne Levy), has already commented publicly on the issue of preference for Australian products saying:

The State Supply Board only buys from overseas suppliers when the items they need are not made in Australia or there's not a value for money Australian (equivalent) product.

SACON also operates under this principle. As far as the Entertainment Centre is concerned, Jennings, the lowest tenderer for the project, was responsible for supplying doors, and all other materials incorporated into the project, to meet specification requirements. The 640 doors to which Mr Lewis and Mr Baker have referred were supplied by Combild Manufacturing Pty Ltd—

**Mr LEWIS:** On a point of order, Mr Speaker, is it not appropriate for the Minister to refer to members in this House by the names of the electorates they represent?

**The SPEAKER:** Order! Yes, I uphold the point of order. The Minister will refer to all members by the electorate they represent or the portfolios they hold in this Parliament.

**The Hon. M.K. MAYES:** I repeat that the 640 doors to which the member for Murray-Mallee and the member for Victoria have referred were supplied by Combild Manufacturing Pty Ltd of Woodville Park. The first sample offered to Jennings by Combild was Australian made but did not meet code requirements and was therefore rejected. The accepted sample incorporates a core material imported from New Zealand and meets the Australian codes. No cost penalty was incurred as a result of using the imported core.

In order to allay any fears regarding the safety of the centre I would also put on record that fire doors are installed in addition to the 640 doors referred to above. The supplier for these doors was United Doormakers (SA) Pty Ltd of Somerton Park. The core for these doors is imported from either the USA or Europe and then assembled with facings and edge strips locally. The imported core gives far superior

fire rating at an equivalent cost to local cores. Of course, the installed fire doors also comply with the Australian code.

This is another case of the Liberals being unable to see past the end of their noses. I was amazed to hear of the member for Murray-Mallee's comments on this issue on 5AN yesterday. He very wrongly claimed that the doors for the Entertainment Centre were imported from New Zealand and did not meet the Australian code. He said:

We bought inferior quality doors and put them on the Entertainment Centre, and they don't even comply with the Australian standards.

When asked to explain the Liberals' policy on the use of Australian-made goods, the member for Murray-Mallee was unable to do so. The honourable member simply said he would publish a shopping list of items they bought overseas!

In fact, as I have mentioned, the doors were made locally, using some New Zealand materials, in order to meet the required standards. If we had used the purely Australian product, the doors would not have passed the test. So we were impelled to purchase doors containing some imported product in order to meet code requirements, and ultimately for the safety of all South Australians who visit the centre.

However, it does not stop with the member for Murray-Mallee. The member for Victoria saw fit to spread this falsehood through a press release, claiming the doors do not meet Australian standards. Such a simple fact, and they manage to get it wrong! The doors meet the standard, and imported goods were used to ensure that was the case. If the Liberals want to advocate the use of products which do not meet standards, so be it, but as a responsible Government Minister I will not be drawn into such a precarious position.

It is obvious the Liberals are rubbed raw by the success of the Entertainment Centre and will make any claim they can to try to take the gloss off it. Well, it is time they face up to the success of the Entertainment Centre and get their facts right, instead of misleading the public, and spreading falsehoods.

**The Hon. JENNIFER CASHMORE:** On a point of order, Mr Deputy Speaker, I do not believe that ministerial statements are occasions for debating topics. That is precisely what the Minister is doing. He was denigrating the Opposition very substantially in what was purported to be a statement of fact.

**The DEPUTY SPEAKER:** Points of order are not an opportunity for debating the question either. I ask the Minister to confine his statements to the topic at hand, or has the Minister concluded?

**The Hon. M.K. MAYES:** Yes, Sir.

**The DEPUTY SPEAKER:** The Minister has concluded his statement. The Minister for Environment and Planning.

**Mr LEWIS:** On a point of order, Mr Deputy Speaker, the Minister imputed improper motives to me in the statements I made which were truthful, and I ask that you direct him to withdraw and apologise.

**The DEPUTY SPEAKER:** I was not present during the course of the statement, so I will have to ask the honourable member to indicate which statements the Minister made that concern him.

**Mr LEWIS:** At the conclusion of the ministerial statement, if you peruse it, Sir, you will see that the Minister calls into question my motives for making the truthful statements that I made and the personal explanation I gave this morning to clarify them. The very last sentence of his statement seeks to impugn my reputation.

**The DEPUTY SPEAKER:** The honourable member has still not told me what it is that he is concerned about.

**Mr LEWIS:** Mr Deputy Speaker, I point out to you that the Minister, referring to me, said:

It does not stop with the member for Murray-Mallee. The member for Victoria saw fit to spread this falsehood through a press release . . .

In other words, he alleges that I misled this House. Further on he said:

If the Liberals [speaking about me—having named me—and others] want to advocate the use of products which do not meet standards, so be it, but as a responsible Government Minister I will not be drawn into such a precarious position.

That is untruthful. Finally, he said:

It is obvious the Liberals are rubbed raw by the success of the Entertainment Centre and will make any claim they can to try to take the gloss off it.

That is not true.

**The DEPUTY SPEAKER:** No point has yet been brought to my attention to show that improper motives are being implied. The Minister may make statements about the honourable member's conduct that are not improper.

**Mr LEWIS:** Mr Deputy Speaker, in the concluding sentence he says:

Well, it is time they face up to the success of the centre and get their facts right instead of misleading the public and spreading falsehoods.

I was not misleading the public nor spreading falsehoods.

**The DEPUTY SPEAKER:** Order! The Chair is unable to uphold the point of order. No point that the honourable member raised can be regarded as an improper motive.

#### MINISTERIAL STATEMENT: ABORIGINAL HERITAGE INTERESTS

**The Hon. S.M. LENEHAN (Minister of Lands):** I seek leave to make a statement.

Leave granted.

**The Hon. S.M. LENEHAN:** Earlier in Question Time the member for Murray-Mallee asked me, as I understood it, when an estate agent, who had inquired about Aboriginal heritage interests over section 59 lands, was provided with that information. I can now inform the member for Murray-Mallee that the estate agent was advised on 4 September 1991 of the Aboriginal heritage interest over the section 59 lands and the Aboriginal Heritage Act protection provisions.

#### PERSONAL EXPLANATION: MARION TRIANGLE

**Mr BRINDAL (Hayward):** I seek leave to make a personal explanation.

Leave granted.

**Mr BRINDAL:** I make this personal explanation because of the outrageous and inaccurate allegations imputed to me by the Premier in answering a question on the Marion triangle earlier today in Question Time. In his reply the Premier quoted from a report of the Chief Executive Officer of the Marion council prepared for consideration of the elected members of that council. Had the Premier's officers been more careful in their briefing of him, and had he acted honourably in this matter, he would have informed the House—

**The Hon. J.P. TRAINER:** I rise on a point of order, Mr Deputy Speaker. In the course of a personal explanation members are not permitted by the House to make reflections on other members which could then lead to further personal explanations.

**The DEPUTY SPEAKER:** Order! The Chair was listening to the explanation to determine where the point which was

required to be explained was coming from, and I ask the member for Hayward to get to it fairly quickly. The honourable member for Hayward.

**Mr BRINDAL:** I will, Sir. I respectfully point out to the Chair that my words were a direct copy of the words just used by the Minister in referring to the member for Murray-Mallee.

**The DEPUTY SPEAKER:** But the Minister was not making a personal explanation and the member for Hayward is, and I would ask him to get on with it.

**Mr BRINDAL:** Yes, Sir. In making his statement the Premier implied that the Marion council was asking me for an apology under threat of legal action. The council met on Monday night and, in a very close vote, it has asked me to apologise but it has declined to take any legal action regarding the matter. I think that that was a misrepresentation by the Premier. The Premier also said clearly that I had exacerbated rather than cleared up the situation. The Premier accused me of some impropriety in the way that I have acted. I point out to the House that I have taken very careful part in all aspects of the SDP process with the council and have made representations to it.

Following that process, on 26 September I wrote to the Premier outlining my concerns. Following that I contacted the Anti-Corruption Squad, which is conducting an investigation and, as a result of the Premier's actions. I will be contacting the Ombudsman to further see whether any administrative impropriety has occurred in this case. I contend that in this case I have done nothing at any time that was either improper or ill considered, which was the allegation the Premier made. I contend that my actions and words at all times have been temperate and in the public interest of the electors I represent. I resent strongly any implication that any member of this House, however exalted, may like to make on the matter.

#### PERSONAL EXPLANATION: ENTERTAINMENT CENTRE

**Mr LEWIS (Murray-Mallee):** I seek leave to make a personal explanation.

Leave granted.

**Mr LEWIS:** During Question Time and more particularly just after it the Minister of Housing and Construction misrepresented me in the course of his statement to the House. He stated that I misled the House. He also said that I made a statement that the doors on the Entertainment Centre comply with Australian standards. He is mistaken: the doors on the Entertainment Centre do not comply with those standards. Let me make it plain to the House that the best information available to me, which I researched for the past three months, makes it clear that the doors do not comply. However, my complaint is not about that aspect but about another matter upon which the Minister misled the House, that is, his assertion that neither I nor the Liberal Party had any policies on whether or not we would buy South Australian goods or imported goods. The Minister acknowledged that he would buy and has bought New Zealand goods.

**The DEPUTY SPEAKER:** Order! The honourable member must confine himself to showing the Chamber where he has been misrepresented. He must not debate the Minister's statements about the matter.

**Mr LEWIS:** The Minister misrepresented me by saying that the Liberal Party had no policy. We do, and I stated to the public in the course of that interview—

**The DEPUTY SPEAKER:** Order! It is not a misrepresentation to claim that a Party does not have a policy on a matter: it must relate to the honourable member's position personally.

**Mr LEWIS:** It does, Mr Deputy Speaker. My position personally and the statement which I made publicly and which the Minister has not accurately reported to the House was that the Liberal Party would buy South Australian—

**The DEPUTY SPEAKER:** Order! It is not a matter of relevance.

**Mr LEWIS:** He said we would not—

**The DEPUTY SPEAKER:** Order! The Liberal Party's policy on the matter is not relevant. It is the member for Murray-Mallee's statement—

**Mr LEWIS:** I said, when asked whether I had a policy, Mr Deputy Speaker, 'Yes, the Liberal Party would buy South Australian goods in all circumstances, all other things being equal.' I pointed out that the Minister—not this Minister, but the Hon. Anne Levy—could not provide us with a list of the items that the State Government purchases overseas at that time contrary to what the Minister said to the House. It was the Government and not the Liberal Party that could not produce the list—

**The DEPUTY SPEAKER:** Order!

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**The DEPUTY SPEAKER:** Call on the business of the day.

#### LAND TAX (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.  
(Continued from 29 August. Page 636.)

**Mr S.J. BAKER (Deputy Leader of the Opposition):** The Liberal Opposition opposes the Bill vehemently. The Bill seeks to do what I would say is unconscionable in the economic circumstances facing the State. The Bill contains two major provisions. The first increases the rate per \$100 from \$1.90 to \$2.30 for holdings with a site value over \$1 million. The second provision attempts to increase the penalty for late payment, which is currently 5 per cent after 30 days, by applying 10 per cent after six months and a further 10 per cent after 12 months.

In the Estimates Committees the Treasurer revealed that the higher charge would produce about \$8 million in revenue. The total revenue take estimated for this year from land tax is \$76 million, which is the same amount as last year. As members would fully appreciate, the \$76 million is made possible this year only by the increase in the tax at the higher levels because there has been a 20 per cent decrease in the value of properties. We have heard much about that in recent times with respect to the State Bank failure and the failure of other financial institutions. It is important to put these changes in the context of the position we are in today and, importantly, in respect of what we are attempting to do with this Bill.

In response to a question about why he was increasing the cost to business, the Premier said that the major impact of the property downturn has been at the top end of the market. Therefore, to ensure that he obtains the same level of revenue from the top end of the market, he will increase the rates.

The Premier also said in his second reading contribution to the debate that he will maintain the increase in land tax at or below the expected levels of inflation for the next two

financial years. However, given the record of the Premier's promises, we do not believe that he will ever keep that promise. So, for a number of reasons we intend to attempt to amend the Bill and, ultimately, it can be presumed that we will vote against the measure because it is not in the best interests of South Australia. South Australian business or South Australian tenants. The best interests of the Bill relate only to propping up the State Bank following its financial disaster. We have another victim in the system, and the Premier deems that it will be the victim's responsibility to pay some of the \$220 million annual interest charge on the State Bank bail-out.

When we look at land tax, it is interesting to note the extent to which it has escalated in recent years. When the Premier came to power in this State in 1982-83, a mere \$23.7 million was collected in land tax. Until last year, 1990-91, \$76.5 million was collected in land tax. That is an increase of 223 per cent, while at the same time inflation increased by a mere 76 per cent. If we do allow the measure to go through, it will not compensate for what is happening in the marketplace. People who paid this escalating fee whilst their property values were increasing are not allowed to at least get some respite when property values are falling.

The Premier wants it both ways: when it is on the way up, he does not mind collecting the very large sums that accrue to him as a result of escalating property values; and when it is on the way down he says, 'No, we cannot let that happen, and we must increase the rate of taxation to compensate the Treasury for the loss of revenue.' I find that very difficult to understand under the current economic circumstances. We must remember that we are dealing in a very difficult climate. The gross domestic product figure for Australia (the figure for the gross State product is not available) for the June quarter 1991 was \$62 148 million, and in the June quarter 1990 it was \$63 653 million. In an almost historic sense there has been a dramatic decrease of \$1.5 billion in real terms over that year.

It is quite dramatic, and it means that the loss of gross domestic product this year could be as high as 3 per cent or 4 per cent. It is an extraordinary figure that is reacting right through the economy, and we can see that in today's unemployment figures. Today unemployment figures were released of 10.5 per cent for South Australia and 10.3 per cent for the nation. We were also informed today that, if the bankruptcy figures continue, we will have a record 2 000 bankruptcies this financial year. On all fronts, the economy is in dramatic decline, yet the Premier wishes to increase the rate of taxation on people or organisations with holdings of over \$1 million.

The Premier seems to hold the view that he is doing the State a favour by taxing the top end, but he does not really understand or appreciate—or perhaps does not even wish to consider—what has happened in the marketplace. In the past three years South Australia has had a very large and sustained boom in non-residential buildings.

Looking at the latest figures, there has been a dramatic decline in the level of approvals in South Australia. Members should note that non-residential private sector approvals in 1988-89 were \$698.7 million; in 1989-90 they were \$652.8 million; and in 1990-91 they were \$407.5 million.

Over a period of only two years the level of approvals for the very buildings that the Premier is thinking of taxing has dropped by about 70 per cent. We know what is happening in the marketplace: we can see it in the vacancies and in the level of building approvals. There is simply no dynamic there and, if we took a guide from the vacancy rates that exist in the market today, we would be very optimistic to assume that there will be any uplift in com-

mercial and industrial buildings in the next four years because the vacancy rates are simply too large.

The State faces a difficult economic situation, but it also faces circumstances which affect almost every landlord in the State, whether they be personal, individual, a company or a very large organisation such as a Westfield. The effects of the economic decline impact across the board. When the Premier says that he will increase the rates at the top end, he simply does not understand that, if he does that, the tenants of those properties will be the ultimate sufferers.

As a result of a Question on Notice the Premier revealed that, as at 1 September 1991, 11 113 properties in 877 ownerships would be affected by the land tax rate attributable to properties with a site value in excess of \$1 million. According to those bland figures, there is a probability of at least 11 113 tenants who may, if occupancy rates improve somewhat, pay the increased bills relating to this measure. But those 11 113 properties are not the total, because we know that, in the very large shopping centres—for example, Westfield at Marion—the number of shops does not equate to the number of titles.

I have been informed that there are about 18 titles over the Westfield Shopping Centre at Marion, yet there are about 150 shops. The number of tenants affected by this measure could be well in excess of the 11 113 properties mentioned in the Premier's response to the Question on Notice. We are talking about a large number of people in the community who are suffering and who pay the bills. There was an amendment in the past session which provided that the landlord shall be responsible for the payment of land tax. Of course, that will affect a certain number of people who have new arrangements, such as those taking up leases. I assure members that not too many people are doing that today. Very few people are taking up leases as new tenants this year, for obvious reasons.

The majority of people about whom we are talking, who are leasing premises from large corporations or from people with large holdings, are normal people who will cop the lot, and they will cop it directly. They will not pay it through their rent: they will continue to pay it as an up-front charge as part of their leasing arrangements.

They will be charged that proportion of the total bill that befalls their particular premises and they will be responsible for that amount. At that top end, the Premier and Treasurer of this State has increased the cost that those people will have to pay, and at a time when we have record vacancies in Adelaide. In my memory, I have never seen so many vacant premises in Adelaide. I presume the same situation exists in many country towns. I have been to one or two and have seen vacant shops, although not at the level that one sees in Adelaide. Perhaps they have not over-provided as has occurred in Adelaide—but that is another question.

Along any of the major arterial roads that feed the Adelaide city centre, one sees vacancies of the order never seen before. I was not here in the Great Depression, so I cannot comment whether, relatively, the same vacancies existed then as is the case today. Along Unley Road I can count 40 vacant business premises. There are no tenants and they are accumulating costs in rates and taxes. There are no tenants so there is no income to the landlord. These premises are idle and are a sign of the problems that have beset this State as a result of the Bannon Labor Government policies. I suspect that this is the case along all the major roads leading into Adelaide. It is a picture of blight, of economic recession and of neglect.

Over a period, as we know, the Premier of this State has bled these premises dry and has imposed costs on them that are unconscionable. These costs cannot be met by tenants.

In the current market one would expect that people could pick up bargains, but this cannot be because the rate of land tax applied to these premises is just too high. So, we have this scene on Unley Road and on all the other routes into Adelaide, and then there is Adelaide itself. Every street in Adelaide has vacant premises. I walked down North Terrace to West Terrace a month ago and I counted 13 premises that were either vacant and up for lease or in the process of being reconstituted. In all parts of Adelaide there are many vacant premises.

Who pays the bills on these properties? The Premier might say that it is these big, rich corporations or these people with massive capital behind them. However, the fact is that it is the same people who are going broke. It is the same organisations that have caused a few problems for the State Bank. It is the same people who are struggling out there to save their investments. They are not necessarily the big corporations or the people with a vast amount of capital backing. Many are just good South Australian entrepreneurs who have believed in the State, have wanted to invest here, have done so, but are now paying the price because of the current recession.

Eventually, when these properties do become tenanted, many of the in-built costs and charges that have been imposed on these premises will be passed on to the tenants, and it is the tenants who will pay for the increased charges as provided in this legislation. So, it is for very sound reasons that the Liberal Opposition rejects absolutely the legislation that we have before us. It provides no incentives at all and actually is a further retardant on the economic growth of this State. I refer to a submission from the Building Owners and Managers Association of Australia Limited, as follows:

We refer to your letter dated 6 September 1991 in which you seek BOMA's comments in respect to the Land Tax (Miscellaneous) Amendment Bill 1991.

In response to your request, we submit the following comments.

The amendment increases the land tax rate on properties with an unimproved value assessed at more than \$1 million. This will affect most larger commercial and retail premises such as shopping centres.

The Government has attempted to protect itself from political fallout over further increases in land tax by the recent amendments to the Commercial Tenancies Act. However, this will only protect a very small percentage of tenants as most tenants are on older leases where land tax is still passed on.

The Government is therefore caught by its massive further increases in land tax which will create an additional crippling impost on small business with increases up to in excess of 20 per cent over last year.

We are concerned that the amendment is also retrospective and is backdated to 1 July 1991.

The increased tax will not only hurt many small business operators in South Australia but will be an additional major disincentive to investment in property when that sector of the economy is facing the most devastating collapse of confidence in 60 years.

**I emphasise that: the most devastating collapse in confidence in 60 years. It continues:**

At a time when the property market needs stimulation to reactivate investors and thus protect the values of both large and small properties, many of which are owned by superannuation funds, property trusts and insurance companies, the proposal will no doubt have the opposite effect.

In view of our foregoing comments, we are naturally not supportive of the Bill and recommend that every action be taken to ensure that it is not enacted.

A copy of this letter is to be forwarded to the Minister responsible for this proposed legislation, the Hon. Frank Blevins.

Those comments underscore the problems created by this legislation. In the current circumstances, this legislation is a disgrace. It revolves around this myth about all those rich capitalists who are somehow benefiting from the poor people of this State. I dispute whether that was ever true but,



even if it was 20, 30 or 40 years ago, it is certainly not the case today. The major owners of some of those establishments, as quite rightly pointed out in the letter, include the superannuation funds and insurance funds, in which we all have a share and from which we would all like to receive a return. They are also the product of endeavour that we would wish to see repeated time and again in this State.

Perhaps they got it wrong this time; perhaps they did build too much and overwhelm the market and, in the process, affect the market, as did the recession. Irrespective of how the catastrophe occurred—and I have my own point of view about how investors and financiers should invest their money—the fact of life is that, at present, this is before us and we should not be doing anything to worsen the current situation. It will take at least four years for current surpluses to be eliminated from the marketplace. In that time we will see some very depressed conditions prevailing, and with the additional imposition of more taxation that situation will not be improved.

The Opposition will obviously be attempting to reject the Bill in the strongest possible terms. We will move an amendment to the Bill, which will canvass the Premier's promise, and, through the amendment, we will be instructing the Premier to not only promise something but to live up to it by means of amending legislation to ensure that the revenue take through land tax provisions does not exceed the estimated rate of inflation in any one year. I would like to see a more permanent provision, and that is what is in our proposal.

The landholders of this State are seen as an easy place from which to get some money. One can understand why more money is needed, because of the State Bank collapse and the parlous state of the economy, but if the Premier ever wants South Australia to be able to hold its head up high he must reduce taxation. The Government must look to itself and reduce its own costs. It cannot expect South Australia to hold its head up high and stand tall in Australia if the sensitive areas of this State are continually hit, to the detriment of our citizens. I oppose the Bill.

**Mr INGERSON (Bragg):** I support the Deputy Leader in opposing this Bill, and will make a brief contribution supporting the arguments put forward by him in a very eloquent way. One thing that stands out in this Bill regarding the treatment of business in this State by this Government is that in 1982-83, \$26 million was collected in land tax, and in 1990-91, \$76 million was collected. As the Deputy Leader pointed out, that is a massive increase of over 200 per cent, in the collection of tax on business. No-one else in this State pays land tax other than businesses. It is a direct ideological push by the Bannon Government to make sure that employment is kept down in this State.

I will explain that because, every time another \$1 is added to the expenses of business, it is almost certainly guaranteed that fewer people will be employed in this State. Payroll tax, land tax and FID tax are all examples: businesses pay all the payroll tax, they predominantly pay FID, and almost certainly pay all the land tax. We need to recognise that, if we want to reduce the terrible 10.5 per cent unemployment rate, as recorded in a headline in today's *News*, we need to do something about all these taxes on business. As that *News* article pointed out, the biggest unemployment growth area is made up of women seeking full-time work, and is principal in retail businesses, which are directly affected by this tax, where most of the women would be employed. So, this tax has very direct influence on one group of people who are seeking employment today—the one group that is so dramatically affected by any significant change in the cost to business.

Last evening, in another debate, I referred to labour on-costs. Under this Government, there have been significant increases in labour on-costs created by Government pushes. Payroll tax, WorkCover—involving a massive increase in the cost to businesses—FID and land tax are all examples. We have this whole basket of business taxes, which are imposed deliberately by this Government to make sure that it raises its income, but from one source—business. I cannot emphasise enough the problem of unemployment in this community and the problems that taxes such as this create. For the second week in succession, I have had four young people come to my office, sit down with me for half an hour at a time and want to have explained to them why this country is in a mess and why they are the major losers in this country under a Government which is supposedly looking after young people and the future of our country, and why there are no opportunities for them in terms of future employment.

As we all know, the unfortunate part about it is that approximately one in three young people are unemployed. However, the tragedy is that nearly 40 per cent of young women are unemployed. Not only is it true that more women are seeking employment than anyone else, as announced in the *News* today, but we take that one step further to the fact that nearly 40 per cent of young women under the age of 25 are unemployed. It can all be traced back to the interest rate policy at the Federal level and the taxing of business by this Government at the State level.

As the Deputy Leader pointed out, one of the worst things that the Government has done in this area is to increase from \$1.90 to \$2.30 the rate of tax for properties valued in excess of \$1 million. That has a significant effect on businesses with property valued at over \$1 million. As the Deputy Leader so rightly pointed out, many small businesses are involved in this higher echelon charging because of the way we multiple bill ownership in relation to land tax. It is not just the so-called wealthy landowners who are affected by these increases in rates: a large number of small businesses are affected right throughout our suburbs.

As the Deputy Leader rightly pointed out, there are vacancies in the retail area throughout the metropolitan area, indeed the country, and this tax is one of the reasons. It is not the sole reason. I have referred to others earlier, but this is one aspect of a major push to virtually keep under control the growth of business in this State. When I came into this House approximately eight years ago, I had principally a small business background. It is an area in which I had spent 25 years of my life, one in which I have been an employer of about 50 people at one stage. Unfortunately, we are now down to 35 staff, running the same businesses in the same premises, because of the cost of business and the cost of operation. The land tax component of our charges in the eight years I have been in here, as the Deputy Leader has pointed out, has risen approximately 200 per cent.

People can do only one thing in business if their retail sales are down and if they are affected by economic decisions. If the costs are increasing, they must reduce employment. That is all they can do, because all these other costs are fixed. They must be paid the day they decide to open the front door of their business. They cannot walk away from them. What they can do, and what they are forced to do (and what these taxes do), is to create unemployment.

There are some 55 000 small businesses in our State. On a daily basis I hear from the Minister of Small Business of the importance of small business. It is an absolute joke what this Government is actually doing. It gets out into the community and announces that it will look after small business. It does not care one iota for small business. What

is more important, as far as I am concerned, is that it also does not care about the employees. That is the end of the line. The biggest losers with all the tax increases that have occurred under this Government in the past eight years are the employees—the workers whom members opposite say they are looking after. All they have done is to tax business and to increase unemployment. The two run hand in hand, and members opposite cannot walk away from the deliberate policy they are creating. That is why we on this side are opposed to this tax in principle and to the continuing increase in rates.

As the Deputy Leader rightly said, because the cost of property is reducing, the only way the Premier can maintain this line is to increase the rate of tax, and that is scandalous. It is a significant increase in a rate of tax at the top end. As was stated, that effect is not only at the top end but spreads right through all the businesses concerned.

It was also pointed out by the Deputy Leader that we passed a Bill in this House some 12 months ago that provided that in new leases the owners cannot pass on this tax. One of the problems with the Government and members opposite is that they live in absolute cuckoo land. They do not understand the reality of trading out there. Sure, this cost will not be passed on in a direct sense as a cost, but what will happen to the rents? Members opposite are living in absolute cuckoo land.

Anyone who has to negotiate leases as I have had to over 25 years knows that the landlord will get his fair share of the investment return and, if one of his arms is cut off, he will make sure that the other arm that is left gets a bigger share in some other way. He will not lose his return, and neither should he or she or whoever owns the property. When this Government is so naive and says that this practice will not get past the system and that we now have a law in place that will control this and keep it in its rightful place and keep it with the landowners, it has no idea or no comprehension of how the real trade works. This increase in rates will have a direct effect on business and will be passed on.

As I have said, property values in almost every district in the metropolitan area have come down. The landlord of my electorate office pointed out to me only the other day that, for the first time in the eight years in which I have been a tenant through SACON, there has actually been a drop in property value, but he was very quick to point out to me that the tax he would be paying this year had increased. So, whilst he thought he was on a good deal when he was notified earlier in the year that there would be a reduction in tax, he did not realise that this sleazy Premier and this sleazy Government would impose this increase in taxation, which will affect all landlords.

I know that, under the lease that is held over the building in which I am a tenant, that cost will be passed on. It will be very interesting to see what will happen when this lease is renegotiated in about 12 months. I would predict now that, whilst the land tax component will not be passed on, there will be a very significant increase in rent that will compensate well and truly for the land tax component, which this Government so cleverly put through by legislation some time ago.

As I have said and as the Deputy Leader has pointed out, nearly 12 000 properties and 800 owners are directly affected by this increase in tax. As I have pointed out, it is much broader than that because, while there are 12 000 properties, there is this multiple effect of ownership, which means that probably anything up to 20 000 or 30 000 tenants will be directly affected. There is no doubt that, as a result of what I call this cover-up budget of a Government that is not

prepared to go to the people and tell the people what it is really doing, we have all these sneaky tax increases that just slide into the system, unless the Opposition brings them to the attention of the House.

We see these media articles that state that it was not really too badly balanced a budget and that the Premier had to borrow only about \$300 million to balance it (if we call that a balanced budget, we accept the headline); and, with regard to the \$2.2 billion that was borrowed to rescue the State Bank, all we have to do is pay \$220 million in interest every year. Further, the total interest bill is nearly \$700 million a year: 40 per cent of every tax dollar that is collected must go toward paying that interest bill. If we look at those things quickly, we see that we have a reasonably balanced budget. This is another sneaky way to slip through unnoticed an impost on the business community so it will once again carry the bill. Unfortunately, today's newspaper headline referring to 10.5 per cent reflects this sneakiness and, unfortunately, the South Australian people will have to pay. I oppose the Bill.

**The Hon. B.C. EASTICK (Light):** Other than in the context of the budget debate (and this is really a follow-through as a result of the announcements made by the Premier when presenting the budget), along with my colleagues, I would be seeking massive amendments to this Bill. It is easy to ask why we should not do it on this occasion when the matter is before us. I point out that I recognise the budget aspects of the measure. I raise the question because of the major deficiencies that are showing up in the taxation method based around the land tax.

There is no argument but that it is a lucrative income for the Government. It has always been lucrative and a number of amendments have been made through the years to reduce the amount of take. When I first came to this place we often argued about the value of rural land and the special dispensation under section 12c of the then Land Tax Act in relation to the amount that would be paid. That disappeared after time, but on this occasion we also run into the difficulty that it has been used as a massive growth tax.

My quick checking shows that the increase in land tax between 1988 and 1989 was 11 per cent, and the same increase of 11 per cent applied between 1989 and 1990. It was expected that \$64 million would be raised in 1988-89, up \$7 million on the previous year. There was an intake of \$76 million, up \$8 million for 1989-90. Because the Auditor-General's Report is presented in a different way this year, I cannot be certain of the circumstances for 1990-91, although I note in the document that highlights the receipts from land tax that only \$76 million plus about \$46 000 was raised in 1990-91, and that was only a small sum above what was expected. According to the budget last year, \$76 million was to have been raised but, in fact, the figures show that it was \$76 million plus approximately \$46 000. A stopper was placed on it in 1990-91, and the public generally appreciated that situation.

We are told that on this occasion, by going from \$76 million that was raised to an expected \$80 million in 1991-92, we are going up 5.7 per cent, and that is not much different from the CPI increase. Certainly, it is above the expected inflation increase and above the figure that has been utilised by the Government elsewhere in its budgetary documents of a fraction over 3 per cent.

I said that it is a lucrative income for the Government: it is so lucrative that local government has its eye on taking over property taxation. Over a period, local government has sought from the State Government the right to raise the property tax and for the Government to ease itself out

of this type of activity. Local government's representations on this matter have not been accepted by the Government, but it does not stop local government from still having it on its policy documents. It does not stop local government seeking to raise funds through property taxation and having the Government moving away from land tax. It recognises it as—and constantly states that it is—a growth area. Local government needs a growth in income and it sees itself achieving that growth by taking over property taxation.

The Liberal Party's position—which was referred to by both the Deputy Leader and the previous speaker on this subject, the member for Bragg—is that it is the impact of the higher rates that causes the problems. Whilst in one place we talk about 5.7 per cent and we then talk about the figure that will be raised per \$100 above \$1 million, we do not give that a percentage, but it is 20 per cent. We will go from \$1.9 to \$2.3 for every \$100 over \$1 million. That is a 20 per cent increase. The impact is on those areas where there is heavy capitalisation of property and land for those who are providing for the housing industry and commercial industry. Those people who have a quite considerable aggregate of funds will be paying a 20 per cent increase this year over last year on all of those funds over \$1 million. We do not hear a word from the Government about that impact—not one word.

I indicated that in other circumstances I would be looking at other amendments, one of which relates to the position in which people may be concerned about the valuation of their property, which impacts on their land tax (it may involve a site value or a land value for local government purposes), and those people seek redress. If the value of the property on appeal is increased or reduced by more than 10 per cent there is an alteration to the tax payable. It might not have been such a bad situation when we were talking in years gone by about fairly small figures relative to the value of the property, but 10 per cent on larger properties is now a very large sum. If a property is valued at \$1.2 million and on appeal that valuation is reduced to \$1.08 million—and I am not plucking those figures out of the air—there is no advantage of a reduction in land tax or, indeed, in the other directly associated taxation. I believe that at this stage we ought to be looking at 5 per cent as the appropriate figure before the tax to be raised can be reassessed. That is one area the Liberal Party would like to see considered.

One cannot argue about the fact of an increase in the percentage to be levied on unpaid accounts. If we are going to have a level playing field for everyone in the community everyone is required to pay their just dues. If the tax is legitimately raised against a property and is not paid, the interest needs to be appropriate and everyone ought to be able to meet that requirement. However, at this stage, even a one cent increase in the dollar on the valuation of a property is against the best interests of the community, whether it affects, as my colleagues have pointed out, the ability to employ or to keep the doors open and therefore help the community of which the people concerned are a part. Any increase at the moment is having, and will continue to have, a disastrous effect on the community. Whilst I am prepared to accept the reasonableness of seeking to get a proper return on moneys outstanding, I draw attention to the lack of finesse in moving into this area at this stage because of the impact it is likely to have in increasing closures and the number of bankruptcies, and so on.

The Government makes great play of the fact that over a period, and more particularly in the past four years, \$41 million of taxpayers' money has been forgone by virtue of amendments to the Land Tax Act. I do not resile from the

fact that that has been a distinct benefit to the people who have not had to meet that \$41 million requirement. However, I come back to the fact that that additional \$41 million that would have been raised without the changes that have been effected by the Government has been raised because of the way valuations have been carried out. Certainly, in the past 18 months that method has not really been reflective of valuations.

When we recognise that the decision on the valuation of a property is quite often taken as early as November or December and leading up through the other months to 1 July in each year—and that is the valuation given to the property for the next financial year—suddenly we find that at 1 July the figure used in 1990, 1991 or 1992, as the case may be, is not necessarily reflective of the circumstances prevailing at that time. If one looks at the information that has come to light in recent times from a number of local government bodies, including the City of Adelaide, where up to 15 to 20 per cent of properties have been reduced in value on challenge and, in some areas, it is greater than that—

**The Hon. Jennifer Cashmore:** It makes one wonder about the ones that are not challenged.

**The Hon. B.C. EASTICK:** Yes, it makes one wonder very much about those that are not challenged and what the true figures are because of the inequity or the fictitious amount being utilised to extract funds from the public. I am not unmindful of the fact that the Government must have money to fulfil its commitments, but I pick up the point—

*The Hon. Frank Blevins interjecting:*

**The Hon. B.C. EASTICK:** It does not matter to me whether it is in Whyalla, Gawler or anywhere else.

*The Hon. Frank Blevins interjecting:*

**The Hon. B.C. EASTICK:** I will debate that matter in the proper place on another occasion, Mr Speaker. The point I want to make is that the Government must have funds to function. I will not go into the information already provided by other speakers, which is very relevant at this time, but when the Government is pouring it down the gurgler, whether it be from the State Bank, SGIC, the Timber Corporation or anywhere else, the raising of money becomes more important to Government, and it is even more detrimental to the public from whom it is raised. I rest on that point. We are in a regressive situation in being asked to support this measure at this stage when the Government ought to be more responsible to the public and in its cost cutting in those areas that are not productive.

**Mr FERGUSON (Henley Beach):** I support the Bill. I have been surprised by the debate we have heard thus far from members of the Opposition. I understood the lead speaker of the Opposition to say that he intends to oppose the Bill, despite the fact that it was put together on the advice of fairly prominent members of the Liberal Party in conjunction with the land tax review, which members well recall, and their advice at least has been partly accepted in the proposition in the Bill. Therefore, I am surprised at this outright opposition.

I can understand members of the Opposition moving amendments as they do to nearly every Bill that comes before the House, but to oppose the Bill outright is something that I find difficult to understand. One reason why I find it difficult to understand their logic relates to the bald statement that land valuations will be reduced by 20 per cent this year. That statement is a nonsense. It might be the proposition—

*Mr S.J. Baker interjecting:*

**The DEPUTY SPEAKER:** Order!

**Mr FERGUSON:** Thank you, Sir, I thought I was being very gentle in my remarks, unlike the way I normally debate matters. Members of the Opposition say that they are opposing the Bill because they believe that land values will decline by 20 per cent. That might be true in respect of the central business district, and I can understand why Liberal Party members would want to represent those entrepreneurs and high fliers of the CBD, but it does not and will not apply in respect of the area that I represent along foreshore areas in this State where land values have been rising.

Last year land values in those areas rose by about 12 per cent. Members will be aware of the way houses are selling in those favoured areas on the western side of Adelaide along the beachfront where sensible people want to live and be represented by a fairly good member of Parliament.

*The Hon. Jennifer Cashmore interjecting:*

**Mr FERGUSON:** The member for Coles interjects, 'We're not talking about the principal place of residence': neither am I—I am talking about those people who have invested in houses and units in my area on the beachfront, often adjoining houses. Many of those people have been in the area for a long time and, believe it or not, they actually pay land tax. I am talking about people who pay land tax in my electorate and who will benefit from the Bill. The second reading explanation states:

The Government has therefore decided to respond to these concerns by restricting land tax receipts in 1991-92 to the same nominal amount as was collected in 1990-91—that is, to an amount of \$76 million. Furthermore, we will give an undertaking that receipts for 1992-93 and for 1993-94 will increase by no more than the estimated increase in the consumer price index for each of those two years.

We know that the consumer price index—

*Mr S.J. Baker interjecting:*

**Mr FERGUSON:** Fancy the Deputy Leader talking about someone ruining their own argument! Goodness, after what we had to listen to last night and today, I wonder how he can possibly make such comments. This proposition will benefit those people. It might not benefit the owners of big shopping centres and central business district properties so far as a prediction of a 20 per cent reduction in valuation is concerned, but it will certainly help the middle class, those people whom the Liberal Party purports to represent in certain areas, the people who are negatively gearing and those people who are able to sell or let large homes, especially where they have divided their homes. That certainly would be the case in my area along the beachfront if this proposition goes through.

I hope members of the Opposition know what they are doing. In recent months in this place we have been hearing how Opposition members are not happy that the Federal Government has been helping the so-called high fliers. There could not have been a better example of that than the proposition in this Bill. The member for Bragg put forward one of the most ridiculous propositions that we have heard and, because he advances his propositions in that quiet and steady tone, he believes that everyone in this House and outside it will swallow the garbage that he puts to us.

The member for Bragg suggested that the number of employees in his business had declined from about 55 to 35 because of the impost of land tax and similar taxes. If members accept the argument that taxes are the reason for reducing employment—and I do not accept that argument, but I will come back to that in a minute—if his argument was to hold water, the member for Bragg ought to be employing 65 or 70 people now, because all members know of the huge reduction in business taxation.

We have had a total reduction in taxation on businesses, with the business rate having declined from 51.5 per cent

to 39 per cent, a huge reduction especially for small business. I am not arguing that business does not deserve such a reduction, but all members know that the level of employment depends on the level of profit. If the 1991-92 level of land tax is maintained, it should not affect employment at all. The argument that I have heard so far has been the false argument that this is a tax increase. It is not a tax increase. The proposition is that the land tax rates be held at the same level as in 1991-92, and I do not see how anyone can argue that that is a tax increase.

I have been waiting for the Opposition to tell us how it would fill the void in the State budget if its proposition is successful and it tosses out this Bill. The Opposition has said that it is opposed to it. How will it fill the gap? What is its policy? Where will the money come from? If the Opposition is successful and it reduces the land tax bill to nothing, or if money is unable to be provided to top up the taxation dollar from land tax, what is the proposition? It will certainly not help small business, because I assume that, if that happens, the State will be faced with some sort of crisis. The shortfall would have to be made up by further reducing employment in South Australia. I can assure the House that that will not help small business at all. I saw what happened in New Zealand when the Government there so reduced the economy that many small businesses could not survive, and it placed large numbers of middle-class, business-class and small business operators in grave difficulties.

The only possibility that I can think of is that the Liberal Party may be prepared to put up in its place the proposal put forward by the Leader of the Opposition in the budget before this one; that is, that the State Government introduce a goods and services tax. We know that the Liberal Opposition is committed to introducing a flat rate consumption tax to be levied on all goods and services. The new tax has been put forward by the Liberal Party as a kind of cure-all to solve a range of economic ills. The doctor's prescription goes something like this—

*Mr S.G. Evans interjecting:*

**Mr FERGUSON:** The honourable member says, 'What has that got to do with this?'

**The DEPUTY SPEAKER:** Order! The Chair was about to ask the same question.

**Mr FERGUSON:** I think the Chair was distracted, Sir. In fact, I know that the Chair was distracted and in deep and important conversation.

**The DEPUTY SPEAKER:** Order! Speculation about the state of mind of the Chair is inappropriate. Would the honourable member like to return to the subject matter at hand?

**Mr FERGUSON:** Yes, Sir. The proposition that I was putting to you, Sir, when you were otherwise engaged, concerned the possibility of the Opposition's being successful in defeating the proposition before the Chair. I have been waiting to hear the Opposition's policy in respect of how the gap would be filled. We know from past debates in the House that the only proposition that the Opposition has put up thus far—and, as you may well remember, Sir, this was put up by the Leader of the Opposition—is a goods and services tax to produce—

**The DEPUTY SPEAKER:** Order! The honourable member for Davenport has a point of order.

**Mr S.G. EVANS:** On a point of order, Sir. The honourable member is referring to a previous debate, and I do not believe that that is allowed under Standing Orders.

**The DEPUTY SPEAKER:** Order! The Chair is not yet sure that the honourable member is referring to the current debate, let alone a previous debate, so could we please return

to the very limited terms of the Land Tax (Miscellaneous) Amendment Bill.

**Mr FERGUSON:** Thank you, Sir. I was rebutting, to a certain extent, the member for Bragg, who ranged over an extremely wide area of the taxation debate. Mr Deputy Speaker, I thought that, given the latitude that you extended to the member for Bragg, you might extend the same kind of latitude to me. However, I take your point, Sir, and I will now return to the debate. I thank the member for Davenport for his interjections, and I can assure him that I will be of the same assistance to him during his debates in this House. I have a long memory.

I wish to repeat that this proposition will be of assistance to many people, particularly those in suburban areas and in the western suburbs where land valuations will not be reduced, in the same way in which the Deputy Leader of the Opposition has suggested will happen in the central business district. I do not necessarily agree that there will be a 20 per cent reduction in valuations. There may be such a reduction in some areas, but there will not be a general overall reduction in other areas.

I was extremely interested to see the Land Tax Review group set up. That group was strongly supported by members of the Opposition at the time, though memories grow dim. Some of the propositions put forward to the Premier by the Land Tax Review group have been accepted, and the propositions have now come before this Chamber and have been put up in different circumstances. We have now seen an opportunist-type attack on this legislation. People should remember that, not only those who are involved in the central business district—the high fliers—but also those who are out in the suburbs, will be severely affected if the Opposition is successful in opposing this measure. I support the Bill.

**The Hon. JENNIFER CASHMORE (Coles):** The arguments of the member for Henley Beach in supporting this Bill are unconvincing to say the least. I would not mind for one moment doing a doorknock along the Esplanade at Henley Beach to invite his constituents to express their support in the same glowing terms that he has done on their behalf. I suspect that I would find a group of people very reluctant to endorse the remarks of the member for Henley Beach on behalf of the property owners in his area.

The member for Henley Beach called on the Liberal Party to propose its policy in respect of this matter, and I am very pleased to oblige him. Before the last State election, the Liberal Party undertook to institute an inquiry into the land valuation system. I am not talking about the Government's inquiry into the land tax system, the result of which it has chosen to implement in a highly selective and minimal manner. I am talking about an inquiry into the land valuation system, which is the fundamental upon which land tax is based.

We also undertook to divorce land tax from the site value of the land for property valuation; again, a fundamental issue that has been neglected by this Government. In addition, we undertook to ensure no land tax increases were greater than the CPI. Members opposite may claim that that will be the outcome of this Bill. That is certainly an undertaking in the Minister's second reading explanation, but we have now had so many undertakings from so many Ministers in this Government that have not been fulfilled that, unless we see those undertakings enshrined in the form of provisions in Acts, we are no longer inclined to believe them. And our disbelief and our lack of confidence is very much shared by the electorate of South Australia. In his second reading explanation, the Minister claims:

We will give an undertaking that receipts for 1992-93 and 1993-94 will increase by no more than the estimated increase in the consumer price index for each of those two years.

Frankly, looking at the record—and that is what I propose to do in my speech—we can have no confidence whatsoever in an undertaking of that nature unless it is a requirement enshrined in the Bill. At this stage it is not, and if that requirement is not in the Bill by the time the second reading is put to this House, then there is no way the Opposition can support it.

Since 1979-80, the South Australian Government receipts from land tax have risen from \$21.3 million to \$57.5 million, in 1987-88, and further since then, while the number of land tax payers has fallen from 319 900 to approximately 20 547. That was as at March 1990. In that time, the average land tax bill has risen from \$66.60 per taxpayer to approximately \$2 800 per taxpayer, over the period.

The large increase in the average land tax assessment took place during two particular periods. One was from 1979-80 to 1980-81 and the other was from 1984-85 to 1985-86. For each of these periods there were significant falls in the number of land tax payers, following the introduction of exemptions. One of those exemptions, of course, the principal one, was the 30 January 1980 exemption brought in by the Liberal Government, which was the exemption of the principal place of residence from the imposition of land tax. That change caused a dramatic drop in the number of land taxpayers, from 319 900 to 82 943.

In his speech, the member for Light gave some interesting percentage increases in the value of land tax over a period. I seek leave to have inserted in *Hansard* a purely statistical table demonstrating the increase in land tax in South Australia between the years 1979-80 and 1987-88. It is the most recent table that I have to hand.

Leave granted.

LAND TAX—SOUTH AUSTRALIA  
1979-80—1987-88

Year	Amount (millions) \$	No. of Taxpayers	Average Tax Per Taxpayer \$	% Increase Since 1979-80
1979-80	21.3	319 900	66.60	—
1980-81	17.3	82 943	208.58	213
1981-82	19.3	81 992	235.39	253
1982-83	23.7	82 574	287.02	331
1983-84	28.1	85 511	328.61	393
1984-85	33.2	90 256	367.84	452
1985-86	38.4	21 611	1 776.87	2 568
1986-87	44.2	20 547	2 151.17	3 130
1987-88	57.5	20 547	2 798.46	4 102

**The Hon. JENNIFER CASHMORE:** This table shows a percentage increase over that eight-year period of 4 102 per cent. In the light of those figures, the Government asks us to believe that the proposition before us now will ensure that there will be no increase beyond that of the CPI. I propose to demonstrate that that undertaking cannot simply be taken at face value. Let us look back just over the past 12 to 18 months. Last June, despite falling values, the Valuer-General increased the capital values of some city properties by as much as 34 per cent. Last year's land tax revenue was \$72 million. In its June 1989 assessment, the Government exploited the peak of property values to the absolute hilt. It was the failure to review those valuations that meant that Adelaide's land values remained marooned at a very high level, at a level that reflected the boom but not the bust.

Since then, rates in the dollar have only decreased marginally, with very large increases in values in relation to

land valuations in the past two years. If members want a statistical table they should refer to Jones Lang Wootton's capital value indicator for the Adelaide central business district, dated June 1991, which shows that capital values for prime buildings completed between 1970 and 1976 had fallen from \$2 149 per square metre, in March 1990, to \$1 899 in March this year. That is a drop of 14.4 per cent. The value for prime buildings completed during the 1980s fell from \$3 000 per square metre to \$2 619—a drop of 13.25 per cent. Not only have those values fallen but more than 15 per cent of total commercial retail stock in the central business district in Adelaide is vacant. In fact, I am told that, if all the empty buildings were accommodated on flat land on a single site rather than in multi-storey buildings, we would have a vacant area of approximately 45 acres.

In this climate we have a Government that says it is going to just keep things down to no greater than CPI—but no statutory requirement whatsoever to fulfil that obligation, and it seems to me that that is simply not good enough. The fact is that the whole structure of land tax is so badly flawed that amendment of the kind that is proposed is scarcely going to bring any benefit. Abolition is probably desirable. Recognising that there is no alternative source of income at this stage, then abolition is not on the cards in the immediate future. But the fact is that this tax is based on the site value of land and, as such, it bears little, if any, relationship to the capacity of the land owner to pay, or to the capacity of business profitability.

It impacts very differently according to land valuation movements—usually reflecting potential rather than actual land use. We have seen that most dramatically over the past two or three years. For many businesses that are located out in the suburbs, land tax is simply not an issue, whereas for others located in the city, particularly in the prime business district, it is a critical issue, and one that can be literally a make or break issue for those businesses. The rate of tax is progressive, so not only do the owners or the tenants of the more valuable land pay more but they pay proportionately more, and the Liberal Party believes that such a system is wrong.

There is another aspect of the Bill that I think deserves attention, and that is the issue of penalties for unpaid land tax. Clause 4 of the Bill sets out a schedule of fines that will ensure that, if land tax is unpaid at the expiration of 30 days from the day on which it fell due, the amount of land tax will be increased by a fine of 5 per cent of the amount in arrears—and so on—increasing to 10 per cent for 12 months deferral of payment.

That provision prompts me to raise the issue of the Teringie landowners in my electorate who, at the moment, are having their case investigated—that is, the case of unpaid land tax which was not apparent upon the transfer of titles from the land developer to the purchasers of the land and the subsequent builders and buyers of houses on that land. I am not in a position to comment on the detail of that case, beyond saying that it appears to me that a system which permits liability for land tax to escape notice at the time of transfer of the land is a system which needs reform of some kind.

At the time of transfer, any outstanding liability is required to be met, and that is done by brokers at that time. In this case, the brokers who were acting for some of the buyers ensured that the clients got clear title, but not all the land brokers involved in the sales of the various allotments made sure that clear title existed. Whether that is a question of ethical approach for land brokers or whether it is a question that needs to be examined to ensure that, in law, such an

event cannot occur again is something that is to be decided. I raise it because, if this matter cannot be resolved, and if my constituents are found to be liable for that tax, I would certainly hope (and I seek an assurance from the Minister) that the provisions of this Bill in respect of fines for outstanding amounts are not imposed upon my constituents.

As far as I am aware, the Commissioner of Lands is doing his utmost to ensure that this matter is resolved. I am certain that the Premier wants to see it resolved but, in the meantime, I seek the assurance that the provisions of this Bill in respect of fines will not be applied to those Teringie landowners if the matter is not able to be resolved, either in or out of court or through administrative means, and that those people will not be affected by the enactment of this Bill.

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

That the time for moving the adjournment of the House be extended beyond 5 p.m.

**The Hon. FRANK BLEVINS (Minister of Finance):** I thank all members who have contributed to the debate. I can answer the last question first. I understand that the member for Coles has already been advised by the Taxation Commissioner that the position she has adopted in this instance is one with which the Taxation Commissioner has a great deal of sympathy. No action will be taken in the case concerned until the matter is sorted out, and it is certainly not our intention, as I understand it, to pursue people in the way that the member for Coles outlined could occur.

With respect to other speakers, the Deputy Leader opened the debate for the Opposition and outlined the increase in the take of land tax over the past few years. I point out that in most years the Government has either adjusted the tax scale or introduced rebate arrangements so that landowners were shielded from much of the impost of rising land values. The Government did not sit pat, as other Governments have done—particularly the New South Wales Government—and say, 'Here is a stroke of luck; land values are increasing enormously. Thank you very much. We will take the increase in value.'

In 1988-89, by way of example to support what I have just said, the benefit to taxpayers of the action taken by this Government was \$11.5 million, whilst in 1989 it was \$41 million—that is, had the Government just allowed the money to flow in from the increased land values. They are just two examples of how much additional money we would have taken. The cumulative effect of the action taken by the Government and the resultant benefit to land tax payers has been estimated at well over \$100 million. Had we just sat pat, our receipts would have been about \$100 million better off.

Through this Bill we are merely restricting land tax receipts to the same nominal amount as collected in 1990-91. There will be no increase. For years the Government has taken action to ensure that increases were not excessive, when quite properly we could have just sat pat with the legislation that went through this House and collected the increases. That demonstrates the good faith of this Government, particularly to businesses and with respect to this area of land tax. In the second reading explanation we have given a commitment that we will not increase land tax in the next two years by an amount larger than the CPI. We will ensure that that is the maximum. Since I have been dealing with land tax, the taxpayers have been asking the Government to restrict the level to the CPI, and we have given that undertaking in the Bill before the House.

The member for Bragg claimed that tenants will have to pay. I point out that, since 15 November 1990, the Landlord and Tenant Act has prohibited the passing on of land tax on renegotiated leases. More and more tenants are being protected by that provision of the Landlord and Tenant Act. Nobody likes taxation. I think I have made this speech before! Nobody likes taxation, least of all Governments who cop the flak for imposing it and collecting it. However, as the member for Light said, Governments must have funds, and the funding situation has been restricting the Government in a whole number of areas for a whole number of reasons. If the Government is to maintain any kind of public sector program, obviously taxes such as this must be imposed on the community.

I would also point out, as I have on measures such as this in the past, that South Australian taxpayers pay considerably less than those in most other States. I refer to the

I would also point out, as I have on measures such as this in the past, that South Australian taxpayers pay considerably less than those in most other States. I refer to the total of taxation paid. Coupled with our average level of services, which on average is higher than that in most other States, that is quite an achievement for this Government over the past decade or so. So, whilst we do not like taxation, we also recognise it as a necessity; in this State we manage to keep it lower than in almost any other State. This measure is an integral part of the budget. Quite clearly, if the Parliament was of a mind (and, I would argue, irresponsible enough) to reject this measure, which is part of the budget, it would do two things: it would obviously reduce the amount of funds available to the Government and therefore reduce Government services—which would be a pity—and it would also be a further lesson for future Parliaments that rejection of budget measures was legitimised. It has already been legitimised in some other measures to do with motor registration. I think that is a great pity.

By and large this State has escaped that kind of acrimony around budget measures. I suppose that, working on the basis that the Government wants to put on these imposts, the Government will have to wear it out in the electorate. I have a very strong belief that that is the principle on which Parliament ought to operate, because that is why we have elections. However, I was also prepared to take the motor registration matter as a one-off and hope that future members of Parliament would not research the issue and use that as a precedent, because I think that would be unfortunate. Now that it is clear that that was not a one-off, and if the nature of the game now is that budget measures can just be tossed out willy-nilly, I fear for the ability of future Governments to finance their programs and also for the stability of future Governments in that area. I think that is a great pity. However, that is just my own view and it may well be that at some time in the future somebody will quote that. I just want to make perfectly clear that that is my view. However, I thank members opposite for their contributions and I thank the member for Henley Beach for his support for the second reading.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Scale of land tax.'

**Mr S.J. BAKER:** As the Minister would be well aware, the Opposition opposes this clause. I have just one question. As at 1 September 1991, the number of properties that would be dragged into the provision was 11 113 under 877 ownerships. Does the Minister have any approximate estimate of how many individual tenancies would be involved in that number?

**The Hon. FRANK BLEVINS:** I do not know off the top of my head, but I will see if that information can be found and I will relay it to the Deputy Leader at some future time.

**Mr S.J. BAKER:** I think that the debate has certainly highlighted our point of view on that measure. We oppose the proposition; we do not believe it is appropriate to top up when businesses have been failing at a record rate and when the economy has been falling apart. We do not believe it is appropriate for any Government to load up this area of taxation simply to retain its revenue base. The people who will be caught under these provisions and who will be paying the bills do not have the same capacity to increase their revenue and to increase their chances of surviving. We thoroughly reject the proposition, because we believe it is not the rich people who will be caught but those who are out there battling for South Australia and for their own survival. For that reason, we oppose the proposition.

**The Hon. FRANK BLEVINS:** I ask the Committee to support the measure that is before us. It is important that the record be made clear once again. This is not an increase; it means that payers of land tax will pay exactly the same, in nominal terms, as they paid last year. That important point needs to be made, particularly when in the past land tax payers have asked the Government to ensure that land tax does not increase above the rate of inflation. We have gone one better; we have kept it the same in dollar terms as last year.

**Mr S.J. BAKER:** In response to that, I would ask the Minister what he regards as an increase. Does not the rate change from \$1.90 to \$2.30 represent an increase?

**The Hon. FRANK BLEVINS:** If it is permissible, I would like to ask the Committee a rhetorical question. If the sum that was to be taken this financial year were identical in nominal terms to the sum that was taken last financial year, would the Committee agree that that was not an increase in nominal terms but in fact a decrease in real terms?

The Committee divided on the clause:

Ayes (22)—Messrs L.M.F. Arnold, Atkinson, Bannon, Blevins (teller), Crafter, De Laine, Ferguson, Gregory, Groom, Hamilton, Hemmings, Heron, Holloway and Hopgood, Mrs Hutchison, Mr Klunder, Ms Lenehan, Messrs McKee, Mayes, Peterson, Quirke and Rann.

Noes (22)—Messrs Allison, Armitage, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker and Brindal, Ms Cashmore, Messrs Eastick, S.G. Evans, Goldsworthy, Gunn and Ingerson, Mrs Kotz, Messrs Lewis, Matthew, Meier, Oswald, Such, Venning and Wotton.

Pair—Aye—Mr Trainer. Noes—Mr Chapman.

**The CHAIRMAN:** There being an equality of votes, I give my casting vote for the Ayes.

Clause thus passed.

New clause 3a—'Special Rebate for 1992-93 and 1993-94.'

**Mr S.J. BAKER:** I move:

Page 1, after line 16—Insert new clause as follows:

**Insertion of s. 12a**

3a. The following section is inserted after section 12 of the principal Act:

12a. (1) The Treasurer must, during each of the financial years 1992-93 and 1993-94, as soon as practicable after the rates of land tax that are to be applied under this Act for the particular financial year are, in the opinion of the Treasurer, fixed, on the recommendation of the Under Treasurer, by notice in the *Gazette*, make—

- (a) an estimation of the total amount of land tax levied under this Act in respect of the preceding financial year (and that amount will, for the purposes of this section, be designated as 'LT<sub>1</sub>' for the particular financial year);
- (b) an estimation of the total amount of land tax that will, on the basis of the rates of land tax that are

to be applied for the particular financial year, be levied under this Act in respect of that financial year (and that amount will, for the purposes of this section, be designated as 'LT<sub>2</sub>' for the particular financial year);

and

(c) an estimation of the rate of inflation, (expressed as a percentage) that is expected to apply for the particular financial year (and that rate will, for the purposes of this section, be designated as 'RI%' for the particular financial year).

(2) If, on the basis of a notice published under subsection (1) in respect of a particular financial year, the following is true:

$$LT_2 > LT_1 + (LT_1 \times RI\%),$$

a taxpayer is entitled to a partial remission of land tax in respect of that financial year equal to X% of the land tax that would, but for this subsection, be payable.

(3) In subsection (2)—

'X' means an amount (expressed as a percentage), published by the Treasurer in the notice under subsection (1), determined as follows:

$$X = \frac{LT_2 - (LT_1 + (LT_1 \times RI\%))}{LT_2} \times 100$$

(4) For the purposes of this section—

(a) an estimation of total land tax levied under this Act must be made to the nearest multiple of \$100 000;

(b) the rate of inflation will be based on an estimation of changes in the Consumer Price Index (all groups index for Adelaide);

and

(c) any percentage will be expressed to one decimal place (rounding up or down to the nearest such decimal place).

(5) An estimation or determination of the Treasurer under this section may not be challenged or called into question in any legal proceedings.

This proposed new clause will ensure that the Premier's commitment is kept by inserting an inflation cap on land tax receipts. It is a workable solution and demands that the Premier and Treasurer of this State does not exceed his—

**The CHAIRMAN:** Order! There is too much audible conversation in the Chamber. The honourable Deputy Leader.

**Mr S.J. BAKER:** This proposed new clause ensures that the Premier and Treasurer of the State cannot take more from land tax than the rate of inflation allows. The Premier has already given that commitment to the House; it was contained in his speech. However, in the past his promises have not been kept. We intend that they be kept and that the principle of limiting increases in land tax to the rate of inflation remain as a permanent part of the legislation. That means that all Governments have to look to their revenue raising capacity in the light of the fact that the total revenue take shall not exceed inflation. There are some very good reasons for that; we have outlined them previously and we have put forward policies on the issue. We believe it is absolutely imperative that the small tenants and the people who cannot afford to pay the massive increases that have been a feature, at least in the Premier's mind, of past land tax revenue takes will no longer suffer that imposition and that increases will be kept within the bounds of inflation. Indeed, we are inserting the Premier's provision in the legislation.

**The Hon. FRANK BLEVINS:** I oppose the proposed new clause. It is likely to create great difficulty in terms of billing. For example, what will happen when a new property is added to the ownership or an existing property is subdivided? Unfortunately, it is not a practical proposition. We would obviously need to consider it in some detail; I will have to take technical advice. Perhaps you, Mr Chairman, could advise me, because what is proposed would require a significant and costly re-write of the entire land tax system—if, indeed, that were possible with computerisation. I am advised that it would be a nightmare.

The Government has given a commitment in the second reading stage and that is on the record. I am very happy to give that commitment again: receipts for 1992-93 and 1993-94 will increase by no more than the estimated increase in the consumer price index for each of those two years. That is totally consistent with the Government's response to the land tax review group. So, the commitment is there. I thought the Deputy Leader was being particularly ungenerous in his remarks about the Premier. I am here giving this commitment and I am quite sure that the Deputy Leader would not be so ungenerous as to say that about me.

**Mr S.J. BAKER:** That was a valiant attempt by the Minister of Finance. However, he is well aware of the number of promises that are broken, particularly after an election. The Minister of Finance has no control of the budget; he merely assists the Treasurer. In fact, he has his hands full with GARG, and I can understand why he does not understand the implications of land tax. He has been thrown in at the deep end at the last minute to shore up the shaky position of the Government's finances. For those very good reasons and knowing that the Minister of Finance will not be able to keep his commitment under these circumstances, and realising that the Premier and Treasurer of the State has broken almost every commitment he has made in the past nine years of government, I commend the amendment to the Committee.

**The Hon. FRANK BLEVINS:** Until now the debate has been conducted in a fairly civilised manner. However, when members start impugning the integrity and the word of the Treasurer and, even worse, of me, I am afraid that a response must be made. There is no practical way of legislating for the commitment. If there were a practical way of doing it, clearly it would have been considered by the Government. What I can do is to place that commitment on the record on numerous occasions. It is a commitment that the land tax revenue group would welcome, because it was one of its proposals during the examination of the land tax system. We have given that commitment and we stand by it. I urge the Committee to reject the amendment.

The Committee divided on the new clause:

Ayes (22)—Messrs Allison, Armitage, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker and Brindal, Ms Cashmore, Messrs Eastick, S.G. Evans, Goldsworthy, Gunn and Ingerson, Mrs Kotz, Messrs Lewis, Matthew, Meier, Oswald, Such, Venning and Wotton.

Noes (22)—Messrs L.M.F. Arnold, Atkinson, Bannon, Blevins (teller), Crafter, De Laine, Ferguson, Gregory, Groom, Hamilton, Hemmings, Heron, Holloway and Hopgood, Mrs Hutchison, Mr Klunder, Ms Lenehan, Messrs McKee, Mayes, Peterson, Quirke and Rann.

Pair—Aye—Mr Chapman. No—Mr Trainer.

**The CHAIRMAN:** There are 22 Ayes and 22 Noes. There being an equality of votes, I give my casting vote for the Noes.

New clause thus negated.

Clause 4—'Fines for unpaid land tax.'

**Mr S.J. BAKER:** We do not believe it appropriate to continue to impose a penalty on those people who cannot afford to pay. In other circumstances we do not believe the penalty would be overly harsh but in these current economic circumstances we believe that that is the case. We are approaching it pro forma and we will not be dividing on the clause.

**The Hon. FRANK BLEVINS:** We believe the provision is perfectly reasonable. It is neither more nor less onerous than what happens in the other States. Obviously, with the minimum penalties that apply now, there is a great incentive for people to make money by delaying paying their taxes.



A 60 day grace period applies in any event and we believe that that is most generous.

Clause passed.

Title passed.

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

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

The House divided on the third reading:

Ayes (22)—Messrs L.M.F. Arnold, Atkinson, Bannon, Blevins (teller), Crafter, De Laine, M.J. Evans, Ferguson, Gregory, Groom, Hamilton, Hemmings, Heron, Holloway and Hopgood, Mrs Hutchison, Mr Klunder, Ms Lenehan, Messrs McKee, Mayes, Quirke and Rann.

Noes (22)—Messrs Allison, Armitage, P.B. Arnold, D.S. Baker, S.J. Baker (teller), Becker, Blacker and Brindal, Ms Cashmore, Messrs Eastick, S.G. Evans, Goldsworthy, Gunn and Ingerson, Mrs Kotz, Messrs Lewis, Matthew, Meier, Oswald, Such, Venning and Wotton.

Pair—Aye—Mr Trainer. No—Mr Chapman.

**The SPEAKER:** There are 22 Ayes and 22 Noes. There being an equality of votes, I cast my vote for the Ayes.

Third reading thus carried.

#### ADJOURNMENT

At 5.24 p.m. the House adjourned until Wednesday 16 October at 2 p.m.