

HOUSE OF ASSEMBLY

Tuesday 8 September 1992

The House met at 2 p.m.

The CLERK: I have to advise the House that, owing to absence overseas on Commonwealth Parliamentary Association business, the Speaker will not be able to attend the House this week.

The Hon. FRANK BLEVINS (Deputy Premier): I move:

That, pursuant to section 35 of the Constitution Act 1934 and Standing Order 18, the member for Elizabeth (Mr M.J. Evans), Chairman of Committees, do take the Chair of this House as Deputy Speaker to fill temporarily the office and perform the duties of the Speaker during the absence from the State of the Speaker.

Motion carried.

The DEPUTY SPEAKER (Mr M.J. Evans) took the Chair and read prayers.

STAMP DUTIES (RATES) AMENDMENT BILL

Her Excellency the Governor, by message, intimated her assent to the Bill.

PETITIONS

BUS ROUTES

A petition signed by 30 residents of South Australia requesting that the House urge the Government to reinstate STA bus routes 171 and 172 at off-peak periods was presented by the Hon. M.K. Mayes.

Petition received.

FISHING NETS

A petition signed by 31 residents of South Australia requesting that the House urge the Government to ban the use of monofilament gill nets in South Australian waters was presented by the Hon. H. Allison.

Petition received.

SCHOOL COUNCILS

A petition signed by 91 residents of South Australia requesting that the House urge the Government not to transfer responsibility for schools from the Education Department to school councils was presented by Mr Atkinson.

Petition received.

STATE BANK

A petition signed by 83 residents of South Australia requesting that the House urge the Government not to introduce a special tax to repay the State Bank debt was presented by Mr Lewis.

Petition received.

COLONY STIMULATING FACTOR

A petition signed by 568 residents of South Australia requesting that the House urge the Government to license for colony stimulating factor as a treatment in Australia was presented by Mr Quirke.

Petition received.

REYNELLA POLICE STATION

A petition signed by 51 residents of South Australia requesting that the House urge the Government to establish a police station in the Reynella area was presented by Mr Such.

Petition received.

CRAIGBURN FARM

A petition signed by 47 residents of South Australia requesting that the House urge the Government to preserve Craighburn Farm was presented by Mr Such.

Petition received.

PROSTITUTION

A petition signed by nine residents of South Australia requesting that the House urge the Government not to decriminalise prostitution was presented by Mr Such.

Petition received.

BEECHWOOD HERITAGE GARDEN

A petition signed by 1 049 residents of South Australia requesting that the House urge the Government not to sell Beechwood Heritage Garden at Stirling was presented by the Hon. D.C. Wotton.

Petition received.

QUESTIONS

The DEPUTY SPEAKER: I direct that written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: Nos 2, 5, 6, 7, 9, 10, 12, 15, 18, 21, 22, 23, 24, 27, 28, 34, 40, 47, 48, 50, 51, 52, 53, 54, 62, 92, 93, 94, 97, 98, 99 and 103.

AUDITOR-GENERAL'S REPORT

The DEPUTY SPEAKER laid on the table the Auditor-General's Report for 1991-92.

Ordered that report be printed.

PAPERS TABLED

The following papers were laid on the table:

By the Minister of Education (Hon. G.J. Crafter)—

By-Election for Alexandra District, 9 May 1992—Statistical Return of Voting

By-Election for Kavel District, 9 May 1992—Statistical Return of Voting

- Regulations under the following Acts:
 Classification of Films for Public Exhibition Act 1971.
 Subordinate Legislation Act 1978.
- By the Minister of Housing and Construction (Hon. M.K. Mayes)—
 Housing Improvement Act 1940—Regulations.
 Urban Land Trust Act 1981—Regulations.
- By the Minister for Environment and Planning (Hon. S.M. Lenehan)—
 Regulations under the following Acts:
 Adelaide Festival Centre Trust Act 1971.
 Planning Act 1982.
- By the Minister of Water Resources (Hon. S.M. Lenehan)—
 Waterworks Act 1932—Regulations.
- By the Minister of Forests (Hon. J.H.C. Klunder)—
 Forestry Act 1950—Proclamation—Penola Forest District—Land ceasing to be Forest Reserve.
- By the Minister of Marine (Hon. R.J. Gregory)—
 Harbors Act 1936—Regulations.
- By the Minister of Employment and Further Education (Hon. M.D. Rann)—
 Local Government Act 1934—Regulations.
 Corporation By-laws—
 City of West Torrens—No. 7—Public Conveniences.
 District Council of Crystal Brook-Redhill—
 No. 5—Caravans and Camping.
 No. 6—Animals and Birds.
 District Council of Warooka—
 Amendment to No. 11—Camping Reserves.
 No. 12—Fire Prevention.
 District Council of Yorketown—No. 3—Foreshore.

OIL SPILL

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

Leave granted.

The Hon. R.J. GREGORY: On Sunday 30 August 1992 at around 9 a.m. the Australian oil tanker *Era* proceeded to berth at Port Bonython. At about 10.50 a.m. the *Era* reported an escape of heavy bunker oil into the sea. This escape of oil continued until about 2.12 p.m. It has been estimated that about 296 tonnes of heavy fuel oil escaped into the sea. Before the escape ceased, workers began spraying dispersants from small craft. This apparently caused the greater part of the oil to disperse.

In addition, determined efforts to contain or disperse the remaining oil using booms, boats and skimmers were hampered by stormy weather and rough seas. This remaining quantity of oil, in a partly broken patch, moved overnight into Germein Bay, north of Port Pirie. The patch remained in the bay and continued to break up by natural means. Despite the efforts of clean-up workers, a small quantity of unknown size was washed into a mangrove area, east of the entrance to Port Pirie shipping channel. Due to the continuing poor weather and strongwinds, the oil recovery procedure had to be called off until the weather improved.

The clean-up response was managed by the State Committee of the National Plan to Combat Pollution of the Sea by Oil, chaired by the Director of Marine Safety of the Department of Marine and Harbors. Assistance was provided by the oil and shipping industries and a number

of other Government and semi-government bodies. Expert technical assistance was also provided by the Australian Maritime Safety Authority in Canberra with specialised equipment from the Oil Spill Centre in Geelong being utilised.

Two investigations will be undertaken on the incident. Under provisions in the Pollution of Waters by Oil and Noxious Substances Act, experienced officers from the Department of Marine and Harbors and the Attorney-General's Department have been appointed to investigate the cause of the spill and determine whether appropriate action was taken to ensure the spill was contained as much as possible. This investigation has already commenced.

The second investigation will be carried out by members of the State committee of the national plan to assess and review the effectiveness of the response to the spill and how it may be improved if necessary. The State committee has the responsibility for coordinating South Australia's response to oil spill incidents as part of the agreed national contingency plan. Membership consists of officers from the Australian Maritime Safety Authority, Department of Marine and Harbors, Department of Fisheries, Department of Environment and Planning, South Australian Police and representatives from Santos and Port Stanvac Oil Refinery, on behalf of the oil industry.

Besides these investigations, the Department of Fisheries is working with the Department of Environment and Planning and through the State committee of the national plan to establish monitoring programs to ascertain the rate of dissipation of the remaining oil and any impact on mangroves, intertidal areas and seagrasses.

The Department of Fisheries with the assistance of the Spencer Gulf Prawn and West Coast Prawn Fishermen's Association has begun sampling of western king prawn, flounder and blue crabs from areas adjacent to Port Bonython and has taken sediment samples from the channels and deeper water areas. I would like to acknowledge the efforts of the people who participated in the clean up of the spill. Many, including Government and local council employees, State Emergency Service members and volunteers, had no connection with the spill but assisted with the collection and clean up of bird life.

ECONOMIC AND FINANCE COMMITTEE

Mr GROOM (Hartley): I bring up the second report of the Economic and Finance Committee entitled 'Inquiry into the Acquisition by the Electricity Trust of South Australia of 1 Anzac Highway, Keswick, and the disposal of 223 Greenhill Road, Eastwood' and move:

That the report be received.

Motion carried.

DISTINGUISHED VISITORS

The DEPUTY SPEAKER: Order! My attention has been called to the presence of distinguished visitors in the gallery, members of a visiting United Kingdom parliamentary delegation. On behalf of the House, I welcome the delegation and I invite Mr Alan Howarth, CBE, MP, leader of the delegation, to take a seat on the

floor of the House. I ask the Premier and the Leader of the Opposition to conduct Mr Alan Howarth to the Chair and accommodate him with a seat on the floor of the House.

Mr Alan Howarth was escorted by the Hon. Lynn Arnold and the Hon. Dean Brown to a seat on the floor of the House.

QUESTION TIME

STATE BANK

The Hon. DEAN BROWN: As the Premier has given an assurance that he had no knowledge of the \$2 million State Bank interest rate subsidy before the last State election, can he assert that the agreement between the former Premier and the State Bank was never discussed in Cabinet, and when did he first become aware that the arrangement had been made?

The Hon. LYNN ARNOLD: I thank the Leader of the Opposition for his first question to me, and it was a very predictable question, one that has already been answered in a number of places. I would simply refer the honourable Leader to those answers but, given the fact that he perhaps does not have an interest in reading the daily papers or listening to the media, I might refer him to some other points. For example, the comments I made last week were the comments I talked about—what should be discussed about Cabinet discussions. I made the point very clearly that it is not my role to discuss internal Cabinet discussions but, on the issue of whether or not I knew about the interest rate subsidy, the answer was quite clear. The answer was 'No'.

I also note the report by my colleague the member for Ross Smith on this matter. Again, I would have thought that the staff available to the Leader would make him aware of these self same comments. Saturday's *Advertiser* reported the following:

Mr Bannon yesterday said the \$2 million subsidy did not require a Cabinet submission. 'The arrangement was one which was determined and finalised between the South Australian Financing Authority, Treasury and the bank,' he said. 'It required, ultimately, a general endorsement from me as Treasurer and that was obtained and the matter has been fully canvassed before the (State Bank Royal) Commission.'

That is precisely what the situation is. This was a matter that did not need to be referred to Cabinet and as a consequence all the other issues raised by the honourable member are frankly irrelevant to the issue. In the fullness of time we have all become aware of this matter but, in terms of connecting this with the key decision-making points, I was not aware of this matter; this is quite clear. I made that point and I stand by those comments. At this stage, all members of the House have been aware of the issue, because it has been canvassed before the royal commission and in the public arena. As a result of that, I too became aware of the issue.

ENVIRONMENT PROTECTION

Mr HAMILTON (Albert Park): My question is directed to the Minister for Environment and Planning. What measures are there in the draft Environment Protection Bill to stimulate action to prevent pollution

and minimise waste? The Conservation Council of South Australia has publicly welcomed the Government's decision to establish an environment protection authority. A spokesperson for the council has since expressed concern in the *Advertiser* of 3 September that 'the EPA will be a revenue earner for the Government which will then not try to curb the level of pollution'.

The Hon. S.M. LENEHAN: I thank the honourable member for raising this matter, because I think it is important to set the public record straight with respect to exactly what the environment protection legislation will do and indeed the EPA itself. The whole thrust of the Environment Protection Bill is to shift away from simply licensing harmful air emissions and discharges to water courses and the marine environment. Indeed, the draft Bill charges the EPA with a number of key tasks, as follows:

To limit harm to the environment by measures to prevent and minimise pollution at its source;

To anticipate and reduce risks of environmental harm; and

To encourage companies and Government agencies to progressively move to improve their environmental performance.

In other words, rather than the Act and the body just permitting discharges into water courses and into the environment, they will give positive incentives to companies to employ the latest technologies to reduce such discharges. To this end, the EPA will be able to negotiate environmental improvement programs, particularly with those not meeting the current standards.

In conclusion, I also point out, for the benefit of the spokesperson for the Conservation Council, that the EPA will be financed by the measures announced in the State budget and will not be a Government revenue raiser. The revenue measures, which have been very clearly outlined in the budget process, will in fact pay the operating costs of the EPA and finance the environment protection fund that is proposed in the Bill.

STATE BANK

Mr INGERSON (Deputy Leader of the Opposition): My question is directed to the Premier. Was the Auditor-General notified of the arrangement between the former Premier and the State Bank to keep interest rates down before the 1989 State election and, if not, why not?

The Hon. LYNN ARNOLD: The matter to which the honourable member refers was in fact an arrangement effected by SAFA forgoing \$2 million of debt incurred by the bank and the increase in the Treasurer's indebtedness to SAFA by a corresponding amount. All those figures appear in the accounts of the relevant bodies accordingly, and therefore are figures that were before the Auditor-General.

WORLD ENVIRONMENTAL MARKET

Mr FERGUSON (Henley Beach): Can the Minister for Environment and Planning indicate the estimated value of the commercial world environmental market for equipment and services? Following the United Nations Conference on Environment and Development, and the acceptance by nations of sustainable development as the

only path to the future, there is a growing global market for a broad array of environmental products and services.

The Hon. S.M. LENEHAN: The magnitude of this potential market is in the vicinity of approximately \$70 billion, of which 50 per cent is in North America, 25 per cent in Western Europe, and 13 per cent, or \$9 billion, in the Asian/Pacific area. These demands, which as the honourable member points out will flow as a result of decisions taken at the United Nations Conference on Environment and Development, will mean that there is enormous potential for those countries that seek to look for new industries and new ways of employment in areas which are environmentally sound.

The demands are being created by the development of increasingly stringent standards for air emissions, effluents and waste disposal, and also by the broader legislative coverage of both pollutants and polluters. Apart from these regulatory pressures, there is also a growing demand for more advanced non-polluting technology. The environmental management business offers the potential for very high growth and long-term demand, and South Australia is very well positioned to seek a much greater share of this business within our own region. I refer members to the Arthur D. Little report on new directions for South Australia's economy which strongly recommends that we pursue these markets, and outlines a number of strategies for international success—

Mr Olsen interjecting:

The Hon. S.M. LENEHAN: I hope that the honourable member opposite is agreeing with this, as it is very important.

Members interjecting:

The Hon. S.M. LENEHAN: No, the budget is not silent on this; in fact, quite the reverse. It is most interesting that—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. S.M. LENEHAN: —the honourable member interjects by suggesting that money has not been set aside by this Government for these particular advances. It is most interesting to see that the Arthur D. Little report has very clearly set out for South Australia a blueprint for the kind of development which is environmentally sound development—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. S.M. LENEHAN: —and picks up on a number of initiatives in terms of the treatment of our water, looking at land information and highlighting a number of other strategies.

Members interjecting:

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

The Hon. S.M. LENEHAN: In addition to these environmental industries such as those dealing with contaminated land sites which we see happening at the multifunction polis, involving water pollution control and arid zone agriculture, the development at Gillman, as I have said, as the core site for the multifunction polis, will advance these technologies for export. I will be looking with great interest to see the level of support that comes from the Opposition with respect to these directions—

The DEPUTY SPEAKER: Order!

The Hon. S.M. LENEHAN: —which have been given in the Arthur D. Little report.

Mr S.G. EVANS: I rise on a point of order, Mr Deputy Speaker. It is more appropriate for this information to be provided by way of ministerial statement than as a reply.

The DEPUTY SPEAKER: I do not uphold the point of order. I assume the Minister for Environment and Planning has concluded her remarks. The member for Mitcham.

STATE BANK

Mr S.J. BAKER (Mitcham): Does the Premier agree that deducting \$2 million from a SAFA loan as a secret commission to the State Bank in 1990, following an agreement with the State Bank to keep interest payments down before the 1989 State election, should have been declared in the SAFA Annual Report rather than being deliberately hidden?

The Hon. LYNN ARNOLD: I think the issue of the interest rates subsidy in many ways has been fully canvassed at the royal commission and will be commented on by the Royal Commissioner in due course, and I think it is appropriate that we wait for that to happen. In any event, the very question about the interest rates subsidy and the arrangements that the then Premier made with the State Bank were matters that resulted in the State Bank's requesting that the matter not be publicly canvassed. In fact, there would have been nothing wrong at all with publicly canvassing that: it would have been a preferred position. It should have been publicly canvassed but, because of the request from the State Bank at the time that it not be publicly canvassed, the then Premier (the member for Ross Smith)—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: —accepted that recommendation. As the member for Ross Smith himself has commented, it would have been better had it been able to be publicly canvassed.

Members interjecting:

The DEPUTY SPEAKER: Order!

YOUTH TRAINING

Mrs HUTCHISON (Stuart): Can the Minister for Youth Affairs inform the House what measures the Government has taken to assist young people to make choices about their future education and training? I am frequently asked to assist young constituents who want information about courses available to them. They want to know what is available, what are the best job prospects and so on. Young people inform me that these are some of the most important decisions they have to make.

The Hon. M.D. RANN: I thank the honourable member for her continued interest in this area. Of course, members opposite will realise that the member for Stuart was the President of Port Augusta TAFE, and we are certainly seeing some of the fruits of that presidency with the new TAFE College at Coober Pedy being one of the architectural marvels of the north of the State, as well as being an important place for learning.

Young people have a range of choices when leaving school and it is vitally important for their future for them to make the right decisions. They need to have all the information available in terms of those choices, and I am pleased to announce that this week sees the running of the second TAFE Fast Forward Hotline, the first having occurred at the beginning of the year. Young people often wait for their results before considering their options as to joining the work force or undertaking further study. These important decisions need to be made on the best possible information and time is obviously needed for the people concerned to consider all the options and all the alternatives.

We all know that TAFE has a lot to offer young people, and the hotline is one of the best first line access points for school leavers. TAFE has also published a 200-page booklet with information on more than 250 courses to help people choose their goals. Members will be interested to know of the \$14 million injection from the Commonwealth Government to offer a further 4 400 places for students in the coming year. I urge members on both sides of the House to commend young people in their constituencies to take advantage of this special hotline that is running this week from 9 am to 8 pm daily until Thursday night.

STATE BANK

Mr OLSEN (Kavel): Will the Premier give a guarantee and commitment that no arrangement will be made by his Cabinet in future to subsidise State Bank interest rates to meet political objectives?

The Hon. LYNN ARNOLD: Mr Deputy—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: The member for Kavel ends his question by referring to 'political objectives'. Let us remember exactly what took place—

Members interjecting:

The Hon. LYNN ARNOLD: It was a case of ensuring that the State Bank of South Australia was not disadvantaged in the banking area—

Members interjecting:

The Hon. LYNN ARNOLD: —and in the housing arena around this State—

Members interjecting:

The DEPUTY SPEAKER: Order! The Premier will resume his seat. The House will come to order. Question Time is being conducted in a very important manner today with the new Premier, and I believe the House should show him the dignity he deserves rather than that last sort of outburst, which the Chair will not tolerate again. The Premier.

The Hon. LYNN ARNOLD: I am coming to the point that what actually happened was intended to provide for a situation that the State Bank was not going to be disadvantaged compared with other banks in this country which had already been the recipient of assistance from the Federal Government in that matter. If we want to talk about the concept of political advantage, if one really wants to get into political advantage, the best situation for the Government at the time would have been for the Government to be seen pressuring, levering down,

lowering interest rates and being active in trying to keep interest rates down.

I would have thought that is a more effective political message to the electorate at large rather than the situation that took place where, at the request of the bank, the matter was not publicly canvassed. The actual arrangements that took place will be commented upon by the royal commission, and I think it is appropriate to hear what the royal commission has to say about those particular matters, but I certainly think that the experience—

Mr Olsen: Answer the question!

The Hon. LYNN ARNOLD: Well, the member for Kavel's question was about political expediency and political advantage, and I have answered that question. I will not see a previous situation tarred with a brush with which it does not deserve to be tarred. As to what will happen in the future, the experience of recent years clearly shows that it would be much better for the situation to be publicly canvassed. I have already said that in answer to an earlier question. I cannot imagine such circumstances arising, but if they do we will deal with them appropriately.

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Albert Park.

HEALTH FACTS SHEET

Mr HAMILTON (Albert Park): Will the Minister of Health advise the House of the content and availability of the information sheet 'Health Facts'? Recent media publicity about this sheet has resulted in a number of inquiries being directed to my electorate office.

The Hon. D.J. HOPGOOD: I hope that one of the points of availability for this publication will be the honourable member's electorate office, as it will be distributed through the electorate office of every other member. It will also be available through hospitals, community health centres and the surgeries of general practitioners, if they are happy to make this compendium of strictly factual information available to their clients. It consists of a series of very interesting facts and figures about the health system in this State, and that will perhaps bring home the size of the system that we operate.

The information that the honourable member will find in it includes, for example, that over 1 000 people on an average day attend the accident emergency departments of our hospitals, over 500 people receive surgery, \$3.4 million is spent per day on the system, about 150 women have tests for breast cancer and about 30 pensioners receive their choppers under the pensioners denture scheme. So, that is some sort of indication of the size and extent of the system. It is very informative and I commend it to all members.

STATE BANK

Mr SUCH (Fisher): Will the Treasurer identify the 'Bastards in the Bank' who, according to the Treasurer, 'got' the former Premier, and were they the same State

Bank directors who were appointed by the former Premier and his Cabinet?

The Hon. FRANK BLEVINS: I thank the member for Fisher for his question. I think they are in the process of being identified by the Auditor-General and the royal commission. I have my own views on who they are, but they are too numerous to mention.

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Fisher has asked his question. The Treasurer.

The Hon. FRANK BLEVINS: I would point out—

Mr D.S. BAKER: On a point of order, Mr Deputy Speaker. We would be very happy to extend Question Time so that the Deputy Premier can name them.

The DEPUTY SPEAKER: There is no point of order. The Treasurer.

The Hon. FRANK BLEVINS: I will not do that, but will point out that the management is, of course, appointed by the board. There was an interjection suggesting that we appointed the management. Of course, that is nonsense.

Members interjecting:

The Hon. FRANK BLEVINS: Well, I know that the names of the members of the board of the State Bank are public knowledge.

Members interjecting:

The DEPUTY SPEAKER: Order! The Treasurer will ignore the interjections and proceed with the answer.

The Hon. FRANK BLEVINS: It is difficult, but I will do my very best. The names of the members of the board are public knowledge. I do not want to go through them. Suffice to say that a number of them were appointed by the Tonkin Liberal Government, of which the present Leader of the Opposition was a member. So, if blame—

Members interjecting:

The Hon. FRANK BLEVINS: Yes, and the honourable member for Kavel, the honourable member for Coles, and the honourable member for Heysen.

Members interjecting:

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

An honourable member: And the member for Light.

The Hon. FRANK BLEVINS: No, he was the Speaker.

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Adelaide is out of order. The Treasurer.

The Hon. FRANK BLEVINS: If the rule is being laid down that those who appointed the board are to blame, I think that members of the Opposition should think that through very carefully before they establish it.

AUTOMOTIVE INDUSTRY

The Hon. J.C. BANNON (Ross Smith): Will the Premier advise to what extent, if any, and in what way, current investment plans of automotive manufacturers and component producers in South Australia are dependent on Australian industry assistance and development policy? For some years now the automotive industry in Australia has been operating under a national Federal industry plan. Major investments have taken place in South Australia. The two manufacturers—Mitsubishi and General-Motors

Holden's—have invested in such things as new models for export and paint facilities and so on. Similar investment has taken place in component areas. In the past week—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. J.C. BANNON: There is no comment. In the past week, Toyota and Mitsubishi have expressed alarm at the Liberal Party's policy on tariffs and its plans for the future of that industry.

The Hon. LYNN ARNOLD: I thank the member for Ross Smith for asking me this question because I know of his deep and personal commitment to the manufacturing industry of this State and, in particular, the significant work he did during his tenure as Premier in reinvigorating the automotive industry in this State and also playing a nationally leading role in ensuring the automotive industry was recognised for its key value in manufacturing. That will not be forgotten by the automotive sector, nor will it be forgotten by the manufacturers in this country. What will also not be forgotten is that it was the member for Ross Smith—a member on this side—who asked this question about a very important issue of the day.

It was predictable that there would be a question on the interest rate subsidy matter, but one would have guessed that the Opposition would want to test me as the new Premier on other major issues of the day. There is no doubt that, given the comments, for example, in today's press, by one of the key manufacturers in this country about its deep concern—and almost desperation—the Opposition would have said that it was its job and its obligation to ask me as Premier what I would do to ensure that this company does not pull the plug on its major investment plans.

I want to remind members of what Mitsubishi Motors said today on this matter. That company has said that, if we moved to a zero tariff regime, it would abandon plans to invest \$600 million in South Australia; it would abandon plans, if the coalition Government imposed its zero tariff policy on the car industry; and it has indicated that not only its investments but other investments would be at risk as well. Mike Quinn warned that, under a coalition plan, Mitsubishi would walk away from a \$100 million engine plant expansion and would not proceed with the new Magna model. It is really desperate for South Australia if that kind of investment decision is on the verge of being made. That requires the unity and fora of this House to fight that issue. I can add that, for example, there are similar comments on that matter from Toyota.

It will be recalled that only yesterday Dr Hewson intensified his attack on the car makers—so much for supporting the industry—accusing them of, pardon the language, 'screwing our consumers' with over-priced cars. In response, Mr Johnson of Toyota said:

I do not like this talk of screwing the consumer. I don't like it. I don't like people being treated like idiots. These politicians, farmers, economists, lawyers, none of them businessmen, don't listen to what the industry tells them.

As Premier of this State and Leader of this Government, I am here to say that we do listen to what they tell us; we do listen to the points they want to make. That is why my predecessor appointed the automotive task force, which has taken a nationally leading role in trying to

ensure that the automotive industry responds to the challenges that we face.

What is the alternative on this matter? The alternative is the Federal Liberal policy of decimation of the automotive industry, a policy supported by the State Liberal Opposition. The Leader of the Opposition himself, in July this year, when talking about the Fightback package, which includes the whole recipe that brings about the zero tariff, said:

Sure, some people might not like some parts of it and there are some difficulties that need to be worked through, but they are minor compared to the benefits.

That is his response to Mike Quinn of Mitsubishi and to Bob Johnson of Toyota, and that response is not good enough.

MINISTRY

The Hon. JENNIFER CASHMORE (Coles): My question is directed to the Premier. Has he put the Deputy Premier and the Attorney-General in charge of an operation to secure the appointment of the member for Elizabeth or the member for Hartley, or both, to his new ministry; and, if so, has he told ministerial aspirants within his own Party, particularly the members for Walsh and for Henley Beach, why he lacks confidence in their ability to serve in the ministry?

The Hon. LYNN ARNOLD: With all the very serious and pressing issues facing South Australia at the moment, it seems that the only ones on which the Opposition can focus its mind are issues within the Labor Party or the Government. The honourable member will see what happens over time, but my view has been that the Government must ensure that it has as good a relationship as possible with the members of the House on whom we have relied for support. That was precisely the situation that applied post-1989, and that was the situation that I identified with the Independent members last Friday—that I looked forward to as good a relationship as possible—and beyond that situation I had no further discussions with them on that matter.

We will see what time ahead brings, but I want to make the point that I am pleased and proud to represent a Party, such as we have in this Parliament, which I believe has shown itself to be an excellent Government in South Australia and which has represented a great combination of talent on the front and back benches. There are a great many members on the back benches. The honourable member talked about a couple of members who I believe are distinguished in the service that they have given to this Party, but there are many others likewise on the back benches who, I would say, have given significantly to South Australia and contributed to Government in this State. What happens over time will have to be seen, because it will be determined by other circumstances. The member for Coles would do better to get on with real issues at hand, of interest to the public at large.

The Hon. Frank Blevins interjecting:

The Hon. LYNN ARNOLD: That is right. We could ask questions about what happened in relation to the particular arrangements regarding the member for Kavel that fell apart.

The Hon. Frank Blevins interjecting:

The Hon. LYNN ARNOLD: Yes, it was the kiss of death. I really do not see that questions like this do anything to advance a real understanding of how we are to meet the challenges in South Australia. I suggest we get on with real business in this place, not this kind of spurious nonsense.

HOUSING TRUST TENANTS

Mr HOLLOWAY (Mitchell): Will the Minister of Housing and Construction inform the House how the South Australian Housing Trust plans to accommodate 8 000 new tenants this year? In a press statement released two days ago, the member for Heysen accused the trust and the Government of incompetence in its forward estimates for this financial year. The member for Heysen is mystified that the Housing Trust will house 8 000 new tenants when it will have net additions of only 390 dwellings. Can the Minister enlighten the House?

The Hon. M.K. MAYES: I thank the member for Mitchell for his question, because it is important to clear up this issue for the public and also to offer some help and assistance to the member for Heysen. He has had problems with his memory regarding how he voted on the Entertainment Centre, but he has some difficulty in understanding basic numbers. An extraordinary press release was made on the weekend; it was brought to my attention via ABC radio that the member for Heysen had released a report stating that there was a re-run of the State Bank fiasco and that housing figures were all at odds. It is quite obvious that the honourable member does not understand how the trust operates, and I offer him the opportunity for a briefing so that he can ascertain how the trust operates and how we offer a transfer to trust tenants.

The honourable member went on to say in his press release that we had to fit 8 000 new tenants into an extra 390 houses. I point out that every year we transfer approximately 8 000 tenants; people leave trust houses and others accept the invitation to become tenants, so we will be housing 8 000 plus new tenants in Housing Trust dwellings, not in 390 houses but, as in the normal process of the trust, in the offering. Again, the honourable member has embarrassed himself by not bothering to get a briefing before asking the question.

Members interjecting:

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

The Hon. M.K. MAYES: This press release died on Sunday night before it got too far, but it is important for the public to understand that each year as a process we offer to approximately 8 000 plus new tenants the opportunity to take up Housing Trust tenancy. Not only that but, in the process of addressing the waiting list, we are offering a number of other opportunities, all as part of the package of making offers to people who might not, through normal credit arrangements, be able to purchase their own home. For example, I refer to HomeStart.

Members interjecting:

The Hon. M.K. MAYES: The honourable member scoffs at that. This has been criticised by the Liberal Party for several years: from the outset there was criticism. It has been a great success and has offered

more than 10 000 South Australian families the opportunity to have their own home. Moreover, I invite the honourable member to ask the building industry about the success of HomeStart. At one stage during the early part of the recession, HomeStart represented about 45 per cent of the current domestic housing market. That was very significant, and the statistics that were released showed clearly that South Australia's performance was good compared with that of many other States; for example, Queensland and Western Australia showed reductions of around 28 and 25 per cent in the number of new starts. That is part of the package we are offering.

We believe we have offered to about 2 000 new applicants who are Housing Trust tenants the opportunity to buy their own home. In addition, we have sold 500 homes in the past year. Those houses were part of a new sales program that offered trust tenants the opportunity to buy their own home. That has succeeded very well. In addition, we have offered \$12 million and \$6 million in relief assistance through rent.

Mr BRINDAL: On a point of order—

The DEPUTY SPEAKER: Order! The Chair is aware that the Minister is starting to stray somewhat from the point of the question. Was that the point of order?

Mr BRINDAL: Yes, I was going to ask you to rule on relevance.

The DEPUTY SPEAKER: Will the Minister of Housing and Construction please return to the question.

The Hon. M.K. MAYES: The honourable member has made a very public criticism of the Housing Trust and of the figures. I invite him to come and be briefed so that he actually understands how it operates, and I suggest that he stand where his Leader stands and distances himself from the Federal Opposition's policy. If he reflects on what the Federal Leader of the Opposition (Dr Hewson) suggests, he will realise we are facing a disaster in housing if the Opposition's policy is introduced. It is suggesting that over \$475 million be cut from public housing in this country, and that would be devastating to South Australia. It would put people in a situation where we would have to sell housing—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. M.K. MAYES: —in order to maintain the stock.

The DEPUTY SPEAKER: The Minister has concluded his remarks, I assume. The member for Morphett.

OIL SPILL

Mr OSWALD (Morphett): I direct my question to the Minister of Marine. Why were not sufficient tonnages of dispersal agents held in reserve by the Department of Marine and Harbors at Port Bonython to cater for the chance of a major oil spill from a ship, and why was it necessary to utilise a tug on its dash to Port Pirie to bring back additional dispersal agents to assist the clean-up operation to get under way, thus wasting valuable time? I am advised that the Port Bonython terminal operators keep limited supplies of dispersal agents and other equipment sufficient to cater for emergencies relating to oil spills which affect their part of the operation of the

jetty out to the connecting point. However, I have been advised that Marine and Harbors had no reserves of dispersal agents or other boom equipment available, other than at Port Pirie and Geelong, and the time delay enabled the slick to be moved by the winds and heavy seas towards fish breeding grounds and bird sanctuaries.

The Hon. R.J. GREGORY: I draw the honourable member's attention to the ministerial statement I have made today, because that explains in some detail what happened. As I indicated in that statement, there will be an assessment of how the plan worked in South Australia. If the member for Morphett had read that plan, he along with other members of the Opposition would have noticed that part of the State plan is part of the national plan, and the people concerned determine what ought to be available where there is a possibility of oil spills, and where it ought to be located. Following the clean-up of the spill, there will be an assessment of how effective that plan was. I am sure that the member for Morphett, who I believe has held the rank of officer in the Army, would understand that, after every exercise conducted, a debriefing is held to work out whether the planning worked and to learn from any mistakes that may have been made. That is precisely what will happen in this instance. When that assessment has been made, the results will be made public.

SACON

Mr De LAINE (Price): Will the Minister of Housing and Construction inform the House of details of a national award recently won by SACON? In a radio report yesterday afternoon, it was announced that SACON had been awarded a national employer award.

The Hon. M.K. MAYES: I thank the member for Price for his question because it is a very significant award. In fact, SACON has won the Prime Minister's Employer of the Year award for 1992. Not only did it win—

Members interjecting:

The Hon. M.K. MAYES: The member for Victoria sniggers at that. I invite him to find out what SACON does, rather than making cynical, snide comments. This award recognises SACON's achievement with regard to job opportunities for those employers of over 100 people with disabilities. It is very heartening, and involves not only SACON's but also the State Government's policy with regard to offering opportunities for the disabled. It is important to record also that it was nominated by the Construction, Forestry and Mining Employees Union, which is one of the unions involved on the shop floor at SACON. From my point of view, it is particularly heartening to see employee representatives nominating their employer for this award. Not only did we pick up the national award but, to get to the national finals, we had to win the State award, so we were also recognised at a local level.

Members interjecting:

The Hon. M.K. MAYES: No, it was an independent body that made the choice, in reply to the member for Murray-Mallee. It is important to recognise this award for the work that SACON has done, in particular, in providing job opportunities for the disabled. I want to

thank SACON staff and recognise their work in flying the flag for the disabled in the construction and maintenance areas of the public sector. This sets a great standard not only for other Government departments but also for the private sector. I want to congratulate SACON for that and I am delighted that we have been recognised at a national level for our work.

OIL SPILL

Mr BRINDAL (Hayward): My question is directed to the Minister for Environment and Planning. Why has the Marine Environment Protection Act not been proclaimed nearly two years after being assented to, and what are the likely consequences of this failure in any action to be sought as a result of the recent Spencer Gulf oil spill? On 14 October 1990 in this House the Minister described the Marine Environment Protection Bill as 'vitaly important' and said it should be passed without delay. The Minister argued that the Bill was vital because the Pollution of Waters by Oil and Noxious Substances Act 1987, to which he has already alluded today in the House, did not apply to oil which escaped from a ship 'in consequence of damage, other than intentional damage', and thus did not go far enough. I am reliably informed that, because the Marine Environment Protection Act has not been proclaimed, it is highly unlikely that effective punitive action can be taken over the recent spill, should there be a need to do so.

The Hon. S.M. LENEHAN: I am delighted to advise the honourable member that he has been ill advised in this case. First, the Act covering this incident is the Pollution of Waters by Oil and Noxious Substances Act—

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Hayward has asked his question.

The Hon. S.M. LENEHAN: That is most interesting. The honourable member asks a question but he does not wish to hear the answer and the answer is that, with respect to this particular accident/incident, that is the relevant Act covering this case. That is why my colleague the Minister of Marine is the person dealing with this matter, because he is the Minister to whom the legislation is applicable.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. S.M. LENEHAN: I am very happy to answer the question asked, Mr Deputy Speaker, if the gaggle opposite are willing to allow me to do so.

Members interjecting:

The DEPUTY SPEAKER: Order! The Deputy Leader is out of order and the Minister will not respond to interjections.

The Hon. S.M. LENEHAN: Thank you, Mr Deputy Speaker. With respect to the other matter, which is not related to the incident to which the honourable member refers, I refer members to the Marine Environment Protection Act and the fact that in the first week of the sitting of this Parliament I tabled the regulations under that Act in this House. I am not sure where the honourable member is, because the regulations were tabled. I made it clear, and I have made it clear publicly,

that we were going to seek feedback from the community about those regulations, and I am happy to answer the question.

Members interjecting:

The Hon. S.M. LENEHAN: Mr Deputy Speaker, I will take as long as you permit to answer the questions so that I can provide the full and free answer that has been sought.

Mr Olsen interjecting:

The Hon. S.M. LENEHAN: I will give a very accurate answer, as you well know—

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

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. S.M. LENEHAN: I always knew he was a little strange, but self-flagellation was not one of the things I would have thought he was into.

The DEPUTY SPEAKER: Order! The Minister will return to the topic.

The Hon. S.M. LENEHAN: Excuse me, Mr Deputy Speaker, for that slight diversion. Members will recall that during the passage of the Marine Environment Protection Bill through both Houses it became clear that the Opposition and the Democrats in another place demanded that there be a committee that would personally oversee the establishment of standards, licences and licence conditions.

As the Minister responsible for this Act, I can tell the Parliament that I have carried that out to the letter and that the committee, which was appointed under the Act by the Parliament, has done that in a very comprehensive way. Getting the regulations to the present stage—and I will obtain a copy for the honourable member because, obviously, he is unaware of what is going on in the Parliament and of what went on some four weeks ago—has required very extensive investigation. First, the department—and, indeed, the committee—had to identify every one of the discharges in South Australia. From memory, in excess of 120 companies or instrumentalities discharge into the marine or riverine environment.

Each of those particular companies or Government agencies must be licensed, and before they can be licensed we must ascertain what they are discharging into the marine environment. The regulations were formulated not only to meet those requirements but to be in keeping with the national standards so that the South Australian regulations are of national conformity and so that we do not have one set of standards and regulations in South Australia and a completely different set in the rest of the country.

There are some very valid reasons why the committee—not the Minister—took its time to ensure that it got it right. If the honourable member wants to criticise the hard work of the members of the Marine Environment Protection Committee, let him stand up in this House and criticise those individuals who have given their time and expertise to ensure that the letter and the spirit of that piece of legislation was carried out. I think it highlights the abysmal ignorance of members of the Opposition when they get up in this place and try to make some cheap political mileage—

The **DEPUTY SPEAKER**: Order! The Minister will return to the substance of the question and complete her reply.

The **Hon. S.M. LENEHAN**: It just shows that they do not understand that it is not even this particular Act of Parliament that is relevant in this case. I think it shows appalling ignorance and a lack of understanding.

MOUNT GAMBIER PRISON

The **Hon. T.H. HEMMINGS (Napier)**: Will the Minister of Correctional Services advise the House of the next step in plans to build a new prison in Mount Gambier?

The **Hon. FRANK BLEVINS**: Members would be aware that this institution has been the subject of a great deal of controversy. It is to be located about seven kilometres from Mount Gambier. Some members of the community in that area did not want the prison located there. I always thought that was a great pity because most communities realise the value in employment terms alone of having a prison located within their area. I also could not understand the argument that the prison would somehow be a danger to the community given that the prison it is to replace is situated in the middle of Mount Gambier's residential area and alongside a primary school. So, I always thought those arguments were somewhat odd.

An honourable member interjecting:

The **Hon. FRANK BLEVINS**: Yes, I know that the member for Mount Gambier also thought so, too. Despite that, we negotiated the purchase of land within the area, and construction will commence this financial year, probably in November. It is expected that the prison will be completed in 1994. During that entire construction period we will have very strong contacts with the Mount Gambier community.

Members interjecting:

The **Hon. FRANK BLEVINS**: With all of the South-East community.

Members interjecting:

The **Hon. FRANK BLEVINS**: Some, but not many. However, we will have a 52 bed prison. It will be appropriate for male and female prisoners. Some of it will be relatively high security and some of it will be more in the cottage style, such as we have at Northfield, Port Lincoln, Port Augusta and Cadell. I think some members opposite have taken an interest in this area, but I do not include those members opposite who have been shadow spokesmen for this portfolio; apparently they have not shown much interest in the prisons in their area. Some members opposite who have taken an interest in prisons in their area—and I acknowledge that the member for Flinders has shown an interest in the Port Lincoln area—will agree that a modern prison, including cottages and particular provisions for Aboriginal prisoners which comply with the Aboriginal deaths in custody report, is an asset to any community.

I look forward to the opening of that prison early in 1994. I know that the whole of the community in the South-East will appreciate that facility, despite some of the reservations expressed by one or two people. I thank the member for Napier for asking the question and,

hence, allowing me the opportunity to draw the issue to the attention of the House.

ELECTRICITY TRUST

Mr **D.S. BAKER (Victoria)**: Will the Minister of Mines and Energy accept responsibility for the failures of ETSA, identified in the report of the Economic and Finance Committee tabled this afternoon, to sell its Eastwood headquarters by public tender; to allow public scrutiny of this deal by resort to confidentiality clauses; to investigate properly the financial status of guarantors for the purchase of the ETSA headquarters; and to ensure a deposit was paid at the proper time? If the Minister has read the report and will not accept responsibility, who is responsible?

The **Hon. J.H.C. KLUNDER**: It is an interesting situation. About two minutes ago a copy of the report was put in front of me. I have looked through the presiding member's foreword, which states:

The committee finds the purchase by ETSA of 1 Anzac Highway, Keswick to be soundly based both in terms of price and ETSA's future needs.

That is about as far as I have read. If the honourable member managed to get hold of a copy of the report from the committee, he is either a much faster reader than I am—

Members interjecting:

The **Hon. J.H.C. KLUNDER**: —or he got hold of it—

Members interjecting:

The **DEPUTY SPEAKER**: Order! The Minister of Mines and Energy has the floor.

The **Hon. J.H.C. KLUNDER**: Alternatively, he got hold of it a lot earlier than I did. It would be interesting to find out whether his question is typewritten or handwritten. It would be fascinating to find out. However, given the fact that the presiding member's foreword to that extent clears ETSA's involvement in the situation and, given that under the rules I now have four months to reply to the Economic and Finance Committee's report, I do not think that I need respond to the honourable member immediately.

DISTINGUISHED VISITOR

The **DEPUTY SPEAKER**: Order! My attention has been called to the presence of a distinguished visitor in the gallery in the person of Mr Antony Newton, OBE, MP, Lord President of the Council and Leader of the House of Commons. On behalf of the House, I welcome him and invite him to take a seat on the floor of the House. I ask the Premier and the Leader of the Opposition to conduct Mr Newton to a chair and accommodate him with a seat on the floor of the House.

The Right Hon. Mr Newton was escorted by the Hon. Lynn Arnold and the Hon. Dean Brown to a seat on the floor of the House.

MOUNT NANGA PARBAT

The Hon. T.H. HEMMINGS (Napier): Will the Minister of Family and Community Services advise the House of the exact height of Mount Nanga Parbat?

The Hon. D.J. HOPGOOD: From memory, 26 660 feet, but what that is in metres I would have a great deal of difficulty with because I am not all that familiar with the metric system. However, I thank the honourable member for asking a real question.

Members interjecting:

The DEPUTY SPEAKER: Order! It is a question which the Chair doubts relates to public affairs.

ELECTRICITY TRUST

Mr GUNN (Eyre): I should like to ask the Minister of Mines and Energy a question. We know that he is a slow reader, but I will try.

The DEPUTY SPEAKER: Order! The member for Eyre will refrain from commenting in his explanation.

Mr GUNN: Certainly, Mr Deputy Speaker. When will the Minister reveal how much ETSA is estimating it will have to pay to fit out No. 1 Anzac Highway? The Minister was asked on 20 August whether ETSA would be spending up to \$11 million to move into No. 1 Anzac Highway on top of the purchase price of just over \$14.6 million. The Minister has not responded to the question, but information in the report of the Economic and Finance Committee tabled this afternoon shows that the trust has received an estimated \$11.4 million for this cost, which will include the revamping of the lower ground floor for canteen services.

The Hon. J.H.C. KLUNDER: I note that the honourable member's question was in fact type-written, and it worries me a little that a Minister of the Crown cannot get hold of information at the same time as can members of the Opposition. It is a concern that I have and will take up in the proper places.

Members interjecting:

The DEPUTY SPEAKER: Order! The Minister will resume his seat. I would ask the House to come to order. The Minister is attempting to offer an explanation to the House, and I ask that he be heard in the appropriate manner. The Minister.

The Hon. J.H.C. KLUNDER: Thank you, Mr Deputy Speaker. Having got that off my chest, I can indicate that I tried very hard this morning to get from ETSA an indication of the fit-out costs. ETSA was intending to get it to me before 2 o'clock, so I should have no problem in getting that information to the House tomorrow.

PORT AUGUSTA HOSPITAL

Mrs HUTCHISON (Stuart): Can the Minister of Health give the House any updated information with regard to a proposal for a private hospital development in Port Augusta?

The Hon. D.J. HOPGOOD: I shall have to obtain that information for the honourable member. I know there were some discussions a year or so ago. Nothing has

recently been brought to my attention, but I will obtain the information for the honourable member.

CONFLICT OF INTEREST

Mr BECKER (Hanson): I direct my question to the Premier. Why has the Government failed to avoid conflict of interest situations involving directors of statutory authorities and Government controlled companies? Arising out of the dealings between the Electricity Trust and the State Government Insurance Commission over No. 1 Anzac Highway, the Economic and Finance Committee has advised the Government that persons holding office in statutory authorities and Government controlled companies should not, as a rule, deal commercially with such authorities and companies. This major issue has also been raised as a result of various dealings between the State Bank group and some of its directors, but there appears to be no Government policy on the matter.

The Hon. LYNN ARNOLD: I do not intend to make a statement on as major a matter as is implicit in the honourable member's question on the basis of his reporting excerpts from a report which has just been tabled today and which I would much rather see in its totality to find out all the comments that are made in that report and give due consideration to all the issues involved, including matters that allegedly, by the honourable member's own words, are involved. Those issues of conflict of interest are very important, as we know. They have been canvassed in a number of ways in this Parliament, and it is important that there be a coherent policy on those questions. However, I shall not give any answer on that matter until I have had a good chance to read the report with respect to the issues at hand and take it into account with other such issues as may be relevant.

SUPERDROME

Mr QUIRKE (Playford): My question is directed to the Minister of Recreation and Sport. Will school groups be programmed into the velodrome usage? The velodrome, which is in my electorate, has captured the imagination of all of South Australia. Schools in my electorate have asked whether they can use this facility and take advantage of training opportunities.

The Hon. M.K. MAYES: I am delighted to have this question from the member for Playford and I thank him for it. Obviously, as the velodrome will be sited in his electorate, it is a matter of great interest to him and his constituents. I am delighted to advise him that it will involve a school program and, in particular, initially the program will target those schools immediately around the velodrome. I point out that we now call it the superdrome. The member for Playford will have the opportunity to liaise with all the schools in that region. Enfield High School, Hillcrest Primary School, Gilles Plains High School, Para Hills School, Salisbury Park Primary School and Banksia Park High School will all be

approached as part of the program regarding schools within a 10 kilometre radius of the superdrome.

In addition, I believe that the contractor, Mr Ron Webb, who is an expert in this and who will be laying the track, will be putting forward to me a proposal to strategically target schools, initially within the metropolitan area but spreading throughout the State, to offer an opportunity for us to develop our cycling programs. So, the honourable member's area will be the forerunner of that and he will be able to communicate to his schools and his community that they will have the first opportunity to test this new program. I hope that, following that target group, we will be able to develop the program so that both primary and secondary school children will have the opportunity to use the facilities and learn to enjoy riding on the track in the superdrome. I thank the honourable member for his question and I hope we can work together—I am sure we will—to see the superdrome facility accessed by schools throughout the State.

GRIEVANCE DEBATE

The DEPUTY SPEAKER: The question is that the House note grievances.

Mr FERGUSON (Henley Beach): I wish to bring to the attention of the House some of the problems that have arisen in my electorate as a result of storm damage following the rather wild weekend the one before last. Not only was there flooding in the Fulham Gardens area of my electorate but at the same time as we had an extraordinary amount of rain we also had what is known as king tides. The tides along the metropolitan area were so high that the stormwater was unable to get out to sea. In years gone by the problems with storm damage in my electorate would have been much greater than they were, given the ferocity of the storm. But, because of the good management undertaken by the Coast Protection Board, in conjunction with the local councils along the seafront, the damage that normally would have been sustained certainly was not sustained this time. I extend my congratulations to the engineers and those people who have been involved in sand management on the seafront.

There is a particular problem now, because the beach fronts are exposed. All the sand that had been built up over the previous years, because of the influence of that storm, has been washed away to a certain extent, and I fear what might occur should we have another storm. I am anxious that the Department of Environment and Planning reconsider getting back into the sand management program. Unless that happens, I have grave fears that we will be faced with very severe damage. My predecessor, the Hon. Mr Broomhill, was the person who established the Coast Protection Board, and for a very good reason: he represented a seaside electorate for about 15 years.

He understood all the problems and the financial burden placed on seaside councils with respect to maintenance of the seafront. It was obvious that everyone using beachfront areas should be prepared to pay for the

facilities provided there. So, the sharing of costs by the Coast Protection Board (which, after all, is a State instrumentality) and the seaside councils themselves did become a very fair proposition.

At the moment councils are very fearful that we may have another storm like the one we had a fortnight ago and they will be facing severe damage. The bill for that damage will have to be met by the local council and ratepayers, and I find this a most unfortunate situation. It is most unfair that ratepayers in my electorate should have to foot the maintenance bill for the seaside when the whole of the metropolitan area uses the seaside more or less as a national park. We need to come to some better financial arrangements than exist at the moment in order to rectify this problem. I believe that the Hon. Mr Broomhill was on the right track when he set up the Coast Protection Board, which has done a marvellous job over the years.

The ACTING SPEAKER (Mrs Hutchison): Order! The honourable member's time has expired. The member for Hayward.

Mr BRINDAL (Hayward): I have an apology for the House and the Minister for Environment and Planning. In Question Time today, I discourteously interjected when she was replying to my question and, in order to explain to the House, I did so because unfortunately the Minister for Environment and Planning was so busy rushing to speak with the Minister of Marine that she did not bother to listen to the question that I carefully put to this House as a matter of great public importance. Therefore, I will spend a few minutes explaining this situation and not try to explain it away as the Minister for Environment and Planning carefully sought to do.

The Hon. B.C. Eastick interjecting:

Mr BRINDAL: Certainly she was, as my friend interjects. The facts are that two years ago the Minister came into this House and described as vitally important a piece of legislation entitled the Marine Environment Protection Bill. It occupied much time and much considered debate, and I believe that you, Madam Acting Speaker, were one who made a thoughtful contribution to that debate. Two years later we have still to see that legislation proclaimed by this Parliament. It is all right for the Minister to say that she has bent over backwards and has been doing this and that. I would have thought that, if the Government were serious about a piece of legislation, it would have many of the regulations in an embryonic form at least before it brought the legislation into this House.

Frankly, two years is far too long, and no excuse that the Minister might proffer to this House will suffice. That is reinforced by the catastrophic oil spill that impinges on your own electorate about which you must have a great deal of concern, Madam Acting Speaker, since it involves not only the destruction of the environment but also potential damage to a most valuable primary industry in this State, namely, the prawn fishing, whiting and other activities associated with the gulf to which your district is closely tied financially. In my question I acknowledged that the Pollution of Waters by Oil and Noxious Substances Act 1987 was the primary Act. The Marine Environment Protection Act provides:

This Act does not apply in relation to any activity to which—

(b) The Pollution of Waters by Oil and Noxious Substances Act 1987 [applies].

I acknowledge that to the House. Part II of the Pollution of Waters by Oil and Noxious Substances Act provides:

Subject to subsections (2) and (4), if any discharge of oil or of an oily mixture occurs from a ship into State waters, the master and the owner of the ship are each guilty of an offence punishable, upon conviction, by a fine not exceeding—

(a) if the offender is a natural person—\$200 000;

or

(b) if the offender is a body corporate—\$1 000 000.

(2) Subsection (1) does not apply to the discharge of oil or of an oily mixture from a ship—

(b) if the oil or oily mixture, as the case may be, escaped from the ship in consequence of damage, other than intentional damage—

In other words, under this Act there is no offence if the damage is accidental and there is no encumbrance on anyone to clean up the mess.

The Hon. H. Allison: Unless you can prove negligence.

Mr BRINDAL: Unless you can prove negligence, as the member for Mount Gambier interjects. It is possible that, because what happened may not be an activity in terms of law to which that Act applies, had the Marine Environment Protection Act been proclaimed it may well have applied, because it provides:

The objects of this Act are as follows:

(a) to protect the marine environment and preserve or enhance its quality for beneficial use by the community by preventing, or controlling and mitigating the effects of, pollution;

It provides a penalty similar to that prescribed in the Act to which I have just referred of \$1 million. I would contend that it is a question of great importance to this House whether, in fact, this House has allowed a loophole by which no-one may be responsible for the cleanup operations for a serious mishap that occurred in Spencer Gulf. I, for one, deplore the Ministers who come to this House, who prate and neigh and do not listen to questions and who do not treat questions by this Opposition seriously. I am sure that the people of South Australia do and will judge the Ministers no matter how many times they may reshuffle the deck chairs according to their ability.

The ACTING SPEAKER: Order! The honourable members time has expired. The member for Albert Park.

Mr HAMILTON (Albert Park): There are some issues in the political arena that I am willing to understand and swallow but, as a member of the Economic and Finance Committee, I am not prepared to swallow the dishonesty of some members here today who have directed questions to my ministerial colleagues. There is no doubt in my mind that those prearranged questions came from members—and they know who they are—who provided information prior to the releasing of the relevant report. If that is the way the committee is to operate, then it debases the committee and the reason for its operation. It was set up as a bipartisan committee to address economic problems out in the community.

As you and my colleagues well know, Madam Acting Speaker, when I was Chairman of the Public Accounts Committee every report we brought down was critical of the Government and Government departments. I am not

prepared to cop this nonsense today of pre-arranged questions typed up and delivered only shortly after the report was handed down.

Mr Lewis interjecting:

Mr HAMILTON: I will not respond to the stupidity of that interjection. There are certain things that members of this House are prepared to cop, but I wish to go on record—and I will raise this matter in the committee—as saying that, if this is the way the committee is to operate, it will be a political committee and not a bipartisan committee. If it allows information to be released into the community prior to the report and its recommendations being tabled in Parliament, it will be a political committee.

Mr Lewis interjecting:

Mr HAMILTON: That is the case, and it is no good members opposite trying to convince me that that is not the case. I have been a member of this place for 13 years, and this is the first time I have exercised my right as a member of a committee to criticise the actions of some people in relation to a report that was tabled in this Parliament. Members opposite should look very closely at themselves. I have no problems with this Government's being scrutinised, as I believe every Government should be, but I am not prepared to wear that today.

It tests my tolerance to the extreme limit to see this sort of action taking place. When they asked those questions, members opposite were prepared to laugh and rubbish the Minister. I understand the political implications and why they would want to attack the Minister—it is the role of an Opposition to question, probe, criticise and put forward alternatives—but it is not appropriate, in my opinion, for portions of the report to be leaked to some members of the Opposition. If the Leader is fair dinkum and honest about the role of the Opposition, I ask him to enjoin the members of his own Party, whom he purports to control, to have a good look at themselves.

An honourable member interjecting:

Mr HAMILTON: That is a stupid interjection. We then had the criticism of Minister Mayes. Some members of the committee had the gall to attack him and demand an apology without the support of the committee. It is my understanding that there was no direction from the committee to seek a retraction by a particular member of the committee, but if that were to happen it should be through the Chairperson of the committee. I am bitterly disappointed with the actions of some members opposite and I will certainly raise this matter with the Economic and Finance Committee. What has happened today is reprehensible, and I hope it will not happen again.

The Hon. Dean Brown: The report was tabled before Question Time.

Mr HAMILTON: Don't tell lies.

The ACTING SPEAKER (Mrs Hutchison): Order! The Leader is out of order. The member for Light.

Mr HAMILTON: Don't tell lies.

The Hon. Dean Brown: It is not a lie; it is a fact. The report was tabled before Question Time.

The ACTING SPEAKER: Order! The Leader is out of order. I ask him to cease interjecting.

Mr LEWIS: On a point of order, Madam Acting Speaker, can the member for Albert Park, albeit after he

had finished his speech, assert that the Leader of the Opposition lied to this Chamber?

The ACTING SPEAKER: The honourable member cannot do that. If he did so, he should withdraw the remark.

Mr HAMILTON: I certainly will. The honourable member knew they were untruths.

The Hon. Dean Brown: The report was tabled before Question Time.

The ACTING SPEAKER: Order! Has the member for Albert park apologised unreservedly?

Mr HAMILTON: Yes.

The ACTING SPEAKER: I again call the member for Light.

The Hon. B.C. EASTICK (Light): One of the most important documents to be tabled in Parliament on any occasion is the Auditor-General's Report, and that took place this afternoon. It is not possible for everyone to have direct access to it, but I believe it is compulsory reading; it certainly is in the political arena. However, for those people who read *Hansard*, I would like to read into the record two or three aspects of the Auditor-General's Report tabled this afternoon that are pertinent to the very perilous state in which South Australia finds itself at the present time.

At page ii, under the heading 'Management of State public sector finances', the report states:

The management of the State public sector finances, rightly so, rests with the Government. Decisions relating to issues such as: the level of different types of taxation; levels and allocation of recurrent and capital expenditure; the sale of assets; borrowing requirements; and issues concerned with the local economy, are policy matters for the Government. Such financial policy matters will, of course, have regard to generally accepted principles of financial management and related factors.

One can very quickly read into the need of the Auditor-General to put that statement in the document tabled today an indication of many areas where the Government is not fulfilling its obligations to this Parliament or, indeed, to the people of South Australia. The disastrous document presented by the former Premier about 12 days ago is further testimony to that particular issue.

We need a Government which is mindful of its responsibility and which plays by the Westminster rules—something which this Government walked away from a long time ago. I also pick up the fact that on page xvii of the report, under the heading 'Management of statutory authorities', we find a very clear indication of the Auditor-General's concerns in relation to the problems directly associated with hiding in hollow logs and in statutory organisations large sums of public money without there being necessarily a proper accounting of those funds.

At page xviii we find a major heading—'Fraud prevention and detection.' The report states:

There is evidence of an increase in the number of cases of fraud being detected within the public sector. Some of this increase in detection is due to the greater awareness of the possibility of fraud occurring and the implementation of fraud prevention policies and detection procedures now in operation. There is no doubt, however, that the increase in the number of fraudulent practices being detected can also in part be attributed to the effects of the current economic times. The State Government Insurance Commission has in recent times made a number of public comments about the effect of fraud on the cost

to the community resulting from fraudulent practices perpetrated against the insurance industry.

We could also make some statements relative to the activities of SGIC, which defrauded the people of South Australia of large sums of taxpayers' funds and yet it has the gall to draw to the attention of the community the fact that it is walking away from responsibility for the real disaster it has left with us.

We have a situation which is out of control and which is in the hands of a very incompetent Government. I believe that on this occasion, if not in the past, the Auditor-General's Report requires a great deal of consideration. I trust that the Economic and Finance Committee, in association with the running of this Parliament today, will take very seriously the very clear messages contained in this document.

Mr ATKINSON (Spence): Since 1987 Barton Road at North Adelaide has been closed, denying access to North Adelaide to residents of the town of Hindmarsh.

An honourable member interjecting:

Mr ATKINSON: I am coming to that. This access had been available for more than 100 years, and the Barton Road exit had been part of Colonel William Light's original street plan. Barton Road ran from the junction of Barton and Mills Terraces down the hill to Hawker Street at Bowden. This road carried the tram from the city to Cheltenham and it is still the bus route to Port Adelaide, the buses using a special lane denied to other vehicles. The people of Ovingham, Bowden and Brompton used Barton Road to get to several places in western North Adelaide that were important in their daily lives. These included Calvary Hospital and the Mary Potter Hospice, St Dominic's Priory School, the Red Cross, the Helping Hand, Saint Laurence's Church and the specialist doctors and dentists whose consulting rooms abound in that area.

Adelaide City Council closed Barton Road without lawful authority in 1987 at the urging of a few powerful and wealthy individuals who stood to make a pecuniary gain in real estate values, such as the former Lord Mayor, Mrs Wendy Chapman. Mrs Chapman lives on Barton Terrace West. I should add that there were some defensible traffic management reasons for closing the road at that time—reasons that are no longer valid since the opening of the north-west ring route and the closure of North Adelaide Railway Station road in September 1990.

The closure of Barton Road was ruled unlawful by Mr Justice Duggan in the Supreme Court in July 1990 because Adelaide City Council had not gone through the proper procedure of public notifications and hearings under the Roads (Opening and Closing) Act. Almost five years after the closure, the council is now going through that procedure. That procedure had been conducted with vigour through protest gatherings, letters to the editor, petitions and formal objections. More than 600 formal letters of objection to the closure have been received, about 100 of them from the City of Adelaide.

There had been some good-natured banter between the 'nobs on the hill', who wanted to protect their real estate values and residential amenity, and who had the Adelaide City councillors in their pockets, particularly the heritage faction, and us at the bottom of the hill from the old working-class, Labor-voting town of Hindmarsh.

At last night's meeting of the Adelaide City Council, Michael Abbott, QC, representing those who want Barton Road to be closed permanently, gave the debate an ugly twist. Failing to justify the closure on current traffic management grounds, Abbott, QC, introduced new material, and I quote from the transcript that I have made:

There is a third argument that I should mention; information I have obtained from the Police Department suggests that there was a substantial decrease in criminal activity, particularly breaking and entering, when the road was closed. I hasten to add that I do not suggest that residents of the City of Hindmarsh and those residents west of Adelaide were necessarily responsible—
not much he doesn't!—

but the plain fact of the matter is that increased traffic means an increased number of people in the area and that in turn leads to opportunistic and spur-of-the-moment breaking and entering and vandalism to motor vehicles. The increased number of people I suggest leads irresistibly to that kind of behaviour.

This is an argument to be used when one has no argument. Mr Abbott did not quote any crime statistics, any particular police officer or even source his information to any particular police station. That is not what one expects from a Queen's Counsel, especially one who has just received hundreds of thousands of dollars from South Australian taxpayers as an attorney at the State Bank Royal Commission.

I do not believe that such crime statistic figures exist. Moreover, I find it hard to believe that residents of the town of Hindmarsh, riding their bicycles to mass at Saint Lawrence's, would see Mr Abbott's mansion and say to themselves, 'Oh! There's a good little earner. I'll nick in there and pinch some of his chattels.' Even if we did think that way, I do not think that the closure of Barton Road would deter us. Mr Abbott puts out of his mind the possibility that North Adelaide's crime could be generated in North Adelaide.

I do not agree with Mr Abbott that increased numbers of people driving their vehicles through Barton Terrace West and Hill Street will lead irresistibly—Mr Abbott's word—to increased crime, much less to increased spur-of-the-moment crime. Despite his disclaimer, Mr Abbott's words are a desperate group libel of the people of the town of Hindmarsh, the people he well knows who will comprise the vast majority of people using the road if it is reopened. He has introduced irrelevant material into a road closure debate.

The ACTING SPEAKER (Mrs Hutchison): Order! The honourable member's time has expired. The member for Goyder.

Mr MEIER (Goyder): Once again it has been brought to my attention by constituents who have to travel to Adelaide to receive medical or hospital treatment that, because they reside within the 200-kilometre limit, they are not eligible to apply for monetary assistance through the Patients Assistance Transport Scheme (PATS). In this latest case the person in question lives at Maitland and receives an age pension. Recently it was necessary for my constituent to be in Adelaide at 7 a.m. for treatment and she was not released from her hospital consultation until 6.45 p.m. This meant that she and her husband had to travel to Adelaide the previous day and stay the night before and the night of the day on which the consultation took place because the bus service to Yorke Peninsula does not travel to Adelaide every day and was not able to

accommodate them on this specific day. Obviously considerable expense was incurred in bus fares to get there and back and in overnight accommodation, because they live within the 200-kilometre limit and they are not eligible to receive any compensation through PATS.

This has occurred on several occasions with this particular constituent and with hundreds, if not thousands, of other people in country areas. My electorate is particularly affected because Yorke Peninsula cuts out in the 200-kilometre limit. I urge the Minister of Health—in fact, I have written to him on this latest matter—to take this up again with Federal authorities and to bring some fairness and justice into the scheme. It is difficult enough for country people to make ends meet in rural areas; it is increasingly difficult when benefits are given to some people but not to others simply because they are a few kilometres either side of the boundary.

The second point that I wish to bring up relates to personalised numberplates. A constituent recently brought to my attention the fact that he changed cars and, other than the expense of changing his car, it cost him \$32 to have his personalised numberplates taken off the old car and \$32 to have them put on to the new car. That expense was imposed not by his garage but by the State Government through the Registrar of Motor Vehicles. After carrying out further investigations I have discovered that personalised numberplates now vary in price from \$120 to \$250, depending on whether one has a combination of letters and numbers or has virtually all letters or all numbers, with one exception in the latter case.

I have found from the information given to me that it should cost only \$32 to take the numberplate off a previously registered car and only \$19 to put it on to a new car. I shall follow this matter through further for my constituent. However, the issue of personalised numberplates becoming a major revenue source for the Government is clear. When people have to pay \$64 simply to transfer them over, it shows that the Government is interested only in money.

The last point that I wish to bring up relates to the new system of driver licence testing in country areas. My electorate, in zone 4, has lost five driver licence testing stations, those being Ardrossan, Edithburgh, Minlaton, Port Victoria and Port Wakefield. Many of my constituents now have to travel long distances to have their licence test. If a person fails, it means a repeat of that distance. It is a tax on country people that makes living in the country that much more difficult. The only testing stations in my area now are at Kadina and Maitland. This has to change. At the very least, southern Yorke Peninsula must have another testing station somewhere between Kadina and Clare. The Government must start to recognise country people. It has not done so in the past, and it is quite disgraceful.

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

SUMMARY OFFENCES (ROAD BLOCKS) AMENDMENT BILL

Second reading.

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill amends the Summary Offences Act 1953 so that the Police will be able to use road blocks to facilitate the apprehension of persons illegally using motor vehicles.

Section 74b (2) of the Summary Offences Act as currently worded allows the Police to establish road blocks in order to apprehend a person suspected of having committed a major offence or who has escaped from lawful custody. 'Major offence' is defined as an offence attracting a penalty of life imprisonment or imprisonment for at least 7 years.

The maximum penalty for using a motor vehicle without the owner's consent is 2 years for a first offence and imprisonment of not less than 3 months and not more than 4 years for a subsequent offence. Clearly, as the law presently stands, road blocks may not be established for this offence.

The Police Commissioner has reported to the Government that the establishment of appropriate road blocks is one of the most apparent and basic means of assisting in stopping and apprehending persons illegally using a motor vehicle.

Accordingly, this Bill inserts into the definition of 'major offence' an offence against section 86a (1) of the Criminal Law Consolidation Act 1935 (section 86a deals with using a motor vehicle without consent).

It is not suggested that road blocks will be necessary or appropriate in all cases where Police are attempting to apprehend persons illegally using a motor vehicle. The power will be a useful addition in these circumstances. In determining whether to establish a road block in a particular situation much will depend on the location, the isolation, the time of day, the amount of other traffic on the road and other factors. The existence of the power to establish road blocks for this offence will enable the Police to plan ahead using local knowledge of the 'usual routes' taken by persistent offenders and to limit the need for prolonged high speed pursuits.

This measure will give the Police an additional tool to apprehend persons who illegally use a motor vehicle.

I commend this Bill to honourable members.

Clause 1 is formal.

Clause 2 amends section 74b of the principal Act by extending the definition of 'major offence' in subsection (1) to cover an offence against section 86a (1) of the Criminal Law Consolidation Act 1935 (interfering or using a motor vehicle without the owner's consent).

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

EQUAL OPPORTUNITY (EMPLOYMENT OF JUNIORS) AMENDMENT BILL

Second reading.

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill amends the Equal Opportunity Act to allow employers to advertise for employees at junior rates of pay.

Amendments to the Equal Opportunity Act, dealing with discrimination on the ground of age, came into operation on 1 June 1991. Under the terms of the Act, an employer must not discriminate on the ground of age in the offer of employment. However, if a junior is appointed to a position and the relevant award provides for a junior rate of pay, then the employee may be paid at that junior rate of pay.

Two-thirds of the total complaints to the Equal Opportunity Commissioner for the period 1 June 1991 to 30 November 1991 about age discrimination related to employment, and of these, 75 per cent relate to the complainant being too old. In the majority of cases these complaints involved an allegation that employment had been refused because adult rates would apply when employers only wanted to pay junior rates.

Inquiries were at about the same level as complaints. In most cases employers expressed confusion and concern over the age provisions which on the one hand allowed them to pay award rates of pay based on age, but on the other hand made it unlawful for them to advertise to recruit employees using the same criteria.

Employer associations allege that the age provisions have made employers more reluctant to fill positions normally occupied by juniors. Reasons given include the uncertainty of attaining the desired outcome (the employment of a junior), the increased administrative work load and cost (e.g. having to deal with much larger fields of applicants), and the real possibility of a complaint being lodged with the Equal Opportunity Commission by an adult applicant who misses out on a job if a junior is appointed to the advertised vacancy.

At the time the amendments to the Act dealing with discrimination on the ground of age were before Parliament there was considerable debate regarding junior wages at a State and national level. It was mooted that a training wage would replace a junior award rate of pay. This issue is once again in the public arena but junior rates of pay are still with us.

The amendment recognises that it is anomalous to prohibit advertising for a junior so long as junior rates of pay continue to be included in awards and provides that employers are able to advertise for juniors where the work to be performed is covered by an award or an industrial agreement, and such award or agreement contains junior rates of pay.

Honourable members will note that the amendment does not expressly allow an employer to advertise for persons to fill positions that will be subject to special rates of pay under an award or industrial agreement. However, the effect of the amendment in combination with section 103 of the Act is that an employer can advertise specifically for a young person to fill such positions.

It is considered that the amendment will have a finite life of its own as age based rates in awards and agreements are replaced by training wages.

Clause 1 is formal.

Clause 2 provides for commencement on a day to be fixed by proclamation.

Clause 3 amends section 85f of the Act in relation to the employment of young persons. Section 85f (4) presently provides that the provisions of the Act relating to discrimination on the grounds of age in relation to employment do not render unlawful an act done in order to comply with an award or industrial agreement. However, the provision does not allow an employer to advertise for persons to fill positions that will be subject to special rates of pay under an award or industrial agreement. The amendment, when coupled with the operation of section 103 of the Act, will allow an employer to advertise specifically for a young person to fill a position that is subject to a reduced rate of pay by virtue of an award or industrial agreement.

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

APPROPRIATION BILL

Adjourned debate on second reading.
(Continued from 27 August. Page 470.)

The Hon. DEAN BROWN (Leader of the Opposition): There are three fundamental issues that must be highlighted about this budget. They are as follows. First, it is a document of disguise and deceit. It gives a quite false picture about interest payments, the true deficit and the level of expenditure. The true situation is much worse than we have been led to believe by the Labor Government. Secondly, if the South Australian Government was a company, it would be placed into the hands of a receiver due to the alarming blow-out in the true deficit between sustainable income and levels of expenditure, and to the decline in our State's economy, which is the tax base. The Labor Government is taking this State on a dangerous and damaging path that will cost us all dearly for many years to come.

Thirdly, the budget fails to satisfy all five objectives it sets for itself as being fundamental to the economic recovery of South Australia and the sound financial management of government. In particular, it fails to provide the new direction outlined by the Arthur D. Little report and the opportunity to create real jobs. Each of these three issues has a huge impact on the long-term future of South Australia. I will return to them shortly.

Thursday 27 August 1992, when this budget was introduced, was widely acclaimed as the 'blackest day in South Australia's history'. The key features of the budget which led to this judgment were:

- the need for a further \$850 million as a fourth bail-out of the State Bank, against which only \$300 million has been provided;
- a second bail-out of \$314 million for SGIC, bringing this taxpayer funded rescue to \$350 million;
- a 10.4 per cent increase in tax revenue, despite a declining tax base;
- a 3.5c per litre fuel tax, a doubling of the BAD tax, an 18 per cent increase in the rate of liquor taxes, and increases in the tobacco tax and stamp duties;
- a substantial increase in the State debt to almost \$7 300 million before this year's borrowings are taken into account;
- economic predictions pointing to a further decline in gross State product;
- the creation of fewer than 2 000 jobs in South Australia in 1992-93, when we will have 16 000 school leavers looking for work and already almost 90 000 people unemployed; and
- investment by the private sector lower than that in any other mainland State.

Understandably, there was outrage in the South Australian community at such economic and financial mismanagement, incompetence and negligence. When the disguise and deceit are stripped from this budget, it can be seen as a confession of total Government failure. We are dealing here with much more than the massive State Bank losses. The State Bank is in fact only symptomatic of mismanagement across a whole spectrum of economic, financial and social policy administration. Immediately after the introduction of this budget, I said it revealed the State Bank as the biggest financial disaster in the history of government in Australia. Respected financial commentators quickly agreed with me. It is a disaster which means that this Labor Government is already spending the money of our children and their children.

The government has mortgaged our future and that of our children. In short, this budget is seen as destroying South Australia's future.

Despite a defiant stand lasting about four days from the time he brought the budget Bills into this House, last Monday afternoon the Premier was forced to tell his Cabinet colleagues that he could not continue in the face of community outrage. He resigned in disgrace. He was pushed as the 'fall guy' for the collective guilt of a Cabinet of 13 and the Labor Party. Only 12 days after the introduction of this budget, we have a new Premier and a new Deputy Premier. But the Premier is the same person who has presided over the sharp economic decline of the State for the past few years. Over the past two years alone, more than 38 000 full-time jobs have been lost. He has fiddled while fundamental structural economic problems have gripped South Australia—as the Arthur D. Little report confirms.

The Deputy Premier, the architect and promoter of WorkCover, was instrumental in developing this budget. The former Premier acknowledged that in his budget speech, although this was like appointing one's own executioner. The Deputy Premier's only response since the introduction of the budget he largely wrote has been to slam and abuse employers and blame the State Bank directors, who were appointed by the same Cabinet of 13 members who approved this budget. Despite the warnings about the State Bank first voiced to him in 1988 by his departmental head, who was a director of the bank—warnings which were repeated in 1989 and 1990—the new Premier is trying to blame even the former Premier for the bank's collapse, as shown in the *Advertiser* on Saturday. But, just as much as the member for Ross Smith, the new Premier has the billions of lost taxpayers' dollars stuck to his hands.

This budget epitomises everything that is wrong with the Labor Party in South Australia. It is based on excessive expenditure and taxation, on waste, inefficiencies and economic decline. There can be only one alternative to this Labor made crisis. The budget should be withdrawn and an immediate election called, so that South Australians can have a say in how their State is managed for the future. I challenge the new Premier to call an election now, for the sake of South Australians.

The calling of an immediate election has received wide support across South Australia and in other States. Editorials in the *Advertiser*, the *Herald Sun* in Melbourne and the *Sydney Morning Herald* reflect very wide public concern about the future of a State which once had a very high reputation across Australia and in other countries.

I turn now to further consider the three key issues that must be highlighted from this budget. This budget is a masterly example of disguise and deceit. It does this not only in what it says but for what it keeps hidden in the deep recesses of its financial statements. Consider the following examples. The budget papers record the current State debt at \$7 300 million. But they do not go on to clearly explain that this is before the raising of funds needed to cover \$450 million of the State Bank's losses last year and this year's \$317 million budget deficit. In fact, the State debt is likely to be at least \$8 000 million based on this budget. That is a debt of at least \$5 502.06 for every man, woman and child in South Australia—or

\$12 545.08 for every employed person in South Australia.

Interest costs have been escalating each year. I have highlighted this during recent months. During 1991-92, 47c in every tax dollar has been paid for interest on the State debt through the Consolidated Account. On initial examination of the budget papers, this appears to drop to 45c per dollar in 1992-93, until it is found that many of the interest payments have been removed from the Consolidated Account and effectively hidden under special deposit accounts. Using the standard ABS accounting format, the real cost of interest payments in 1992-93 is \$978 million rather than the \$698 million shown in the Consolidated Accounts. On this basis, the equivalent of 63c in every tax dollar collected by the State Government goes to pay for interest alone on our State debt.

Mr Meier: Sixty-three?

The Hon. DEAN BROWN: Sixty-three cents. This compares with 54c in 1989-90—a rise of almost 17% in a mere three years. Only 37c in each dollar is available this year to provide the services the public expects, not to mention paying back the principal on that massive debt of \$8 000 million. This \$978 million includes interest for the general Government sector. If interest paid by public trading enterprises such as ETSA is also included, the total public sector interest bill is \$1 133 million.

A third example of the deception in this budget comes from the impression which the former Premier's speech intended to give that recurrent (or operating) expenditure has fallen slightly this year. In fact, there is a significant increase in recurrent expenditure. But much of the increase has been taken 'off the profit and loss statement' by removing it from the Consolidated Account and placing it in special accounts. We have heard before about off balance sheet accounts and how they can hide losses. This Government is now raising this fraudulent technique to an art form to hide from taxpayers the true cost of its financial failures.

In addition to gross Consolidated Accounts payments of \$4 860 million, a further \$3 000 million of total outlays is to be spent through special deposit accounts—in other words, basically hidden as far as possible. Most of this \$7 900 million is recurrent expenditure. Of course, all this was known by at least the former Premier and the present Treasurer when the budget was introduced. They chose to disguise and deceive in an attempt to save their political necks. They decided to use the move toward accrual accounting to hide the true cost of interest payments on our debt from this Parliament and the public. They are desperate to prevent the full exposure of the real cost of their financial mismanagement. This interest time bomb will go on ticking for as long as this Government is in office.

This budget makes the situation worse, when the situation should have been stabilising while interest rates were falling by such an amount. This means that South Australia is locked into a vicious circle of more debt, more interest on higher debts, more taxes to pay interest on the higher debt, more lost jobs because of higher taxes, and more debt as our economic base shrinks. If the South Australian Government were a company, it would be placed into the hands of a receiver in a bid to avoid

inevitable bankruptcy. By the end of this budget, SA Inc. will involve a current real debt of about \$8 000 million.

Members interjecting:

The ACTING SPEAKER: (Mrs Hutchison): Order!

Mr Olsen interjecting:

The ACTING SPEAKER: The member for Kavel is out of order.

Mr Ferguson interjecting:

The ACTING SPEAKER: The member for Henley Beach is out of order.

Mr D.S. Baker interjecting:

The ACTING SPEAKER: And the member for Victoria is out of order. He is taking up his Leader's time.

The Hon. DEAN BROWN: By the end of this budget, S.A. Inc. will involve:

- a current real debt of \$8 000 million;
- a borrowing of the equivalent of almost all of this year's interest bill of \$978 million and adding this to the State debt. In other words, the Government is using its bankcard to pay for the interest on its debt;
- total liabilities of over \$14 billion;
- a starting point for next year's budget of a gap of \$600 million between spending and revenue if further major support for the State Bank losses is necessary and there are no major policy changes. I will develop this point later;
- a lowering of the credit rating, down from triple A to double A with a negative outlook;
- a declining revenue base (that is, declining South Australian economy) even though it is squeezing an increase of 10 per cent in tax revenue from that declining base;
- a tax level on small business so high that small businesses are closing by necessity or moving to other States—and I have recently visited one of those small businesses;
- assets said to be worth \$24 billion (based on recently escalated valuations despite the falling property market) with many of these assets, such as roads and water pipes, difficult if not impossible to liquidate by sale;
- by comparison with other mainland States of Australia, it runs a large, expensive and inefficient business in South Australia; and,
- the company that should be placed into receivership has taken no remedial action to change direction and correct the fundamental imbalances in its financial operations.

In these circumstances, the board would be calling in the receiver, forced to do so by its bankers and financiers. However, instead, the Labor Government board of South Australia has decided to mortgage the future of South Australians. Only a change of Government can now achieve that change of direction, which would refocus the priorities of Government to achieve real and lasting economic growth in this State. The key indicator of the real financial crisis facing the South Australian Government is the substantial and still widening gap between revenue and expenditure. It cannot continue for long. It is like water being sucked down the bath hole. The swirls become more and more intense, having started as a very gentle ripple. Much, but by no means all, of this can be blamed on the State Bank losses.

To blame all this on the State Bank, as the Government tries to do, ignores the significant structural deficiencies in the South Australian economy exposed in the Arthur D. Little report. The Little report shows:

- it costs 5 per cent more than the Australian average to deliver the same amount of public service in South Australia;
- other State Governments are reforming their operations at a faster rate than in South Australia;
- the South Australian public sector is consuming more of the State's financial resources, against the trend in other States where Governments are spending less.

Figures in the budget papers show that the public sector is expected to consume 22.9 per cent of our gross State product this financial year. In New South Wales, Victoria and Queensland, the public sector takes less than 18 per cent of the GSP.

Mr Ferguson interjecting:

The Hon. DEAN BROWN: I am pointing out to the honourable member that, in this State, his Government consistently for a number of years has spent approximately 25 per cent more on running its State Government than other Governments in Eastern Australia. Under Labor, South Australia has been devoting more and more of its gross State product to the public sector. At the same time, that GSP has been declining. The budget papers imply a GSP of \$28 billion this financial year. This will be a real reduction of \$3 200 million since 1990, despite inflation. That is almost a 10 per cent decline in our GSP. This equates to another State Bank disaster.

It means that the Government is spending more, taxing more, borrowing more, when the economic base which must fund this growth in Government is shrinking. But this direction is going to continue. As a result, the public sector drag on our economy will put our industries at even more of a competitive disadvantage when this budget, according to the Arthur D. Little report, should be working to enhance, rather than erode, a competitive edge in world terms.

The failure of this Labor Government, for 10 years, to give incentive to the private sector has produced an alarming drop in employment. We have lost our national share of jobs, of population, of retail trade and other economic activity which gives business the incentive to invest and to employ more people. If we had retained our 1982 share of national full-time jobs, there would be work for another 24 400 South Australians today. Instead, full-time employment in South Australia has fallen by 38 300 over the past two years. If we had retained our share of population, an additional 66 300 people would be living in South Australia.

Over the past 10 years, the erosion of our national population share is equivalent to losing the combined populations of Whyalla, Mount Gambier and Port Augusta—our three largest provincial cities. In motor vehicle registrations, our share of national activity is 233 cars a month below what it was in 1982. In retail trade, our share is down by more than \$1.2 million a day. These trends are not about to improve. Hidden in the budget papers is also an admission that South Australia's investment outlook is the worst of the mainland States.

There can be only one result from these 10 year trends of, on the one hand, increasing Government spending

relative to the other States—and, on the other hand, a shrinking tax base from the decline in jobs, population and general economic activity. As I have already pointed out, that result is bankruptcy. Consultants to the Arthur D. Little Study have reported:

We believe there is a substantial problem relating to the financial unsustainability of the current public sector in this State.

It is a problem this budget does nothing to address. Instead the budget makes the problem even worse. Indeed, this budget strategy is unsustainable. The Government has turned its back on its responsibilities. It hopes to limp through to the next election, hiding the magnitude and cost of the State's growing debt. The losses of the State Bank alone are—on a per capita basis—more than triple those inflicted on Victorians by the failure of the State Bank of Victoria. They are more than twice as high as the total losses of WA Inc. and double those from the savings and loans scandal which devastated the United States financial system.

This budget will require the Government to borrow another \$317 million to fund the difference between payments and receipts this financial year. But this is likely to be an underestimate given the continuing recession in South Australia and upward pressure on interest rates. The budget will require the Government to borrow a further \$450 million to fund the losses made by the State Bank last year, and possibly a further \$100 million to fund further bad bank losses this year. The budget papers suggest that the \$450 million loss not provided for may be deducted from the good bank's capital, but only \$125 million of the bank's capital is free capital provided by the Government. The rest is effectively borrowed. Providing fully for the bank and funding this year's deficit will take the State debt to at least \$8 000 million. And this does not include—

- public sector superannuation liabilities—they increased by another \$303 million last financial year to almost \$3 500 million
- long service leave liabilities—up another \$90 million to \$560 million at June this year
- the \$150 million unfunded liability of Government workers compensation on top of the currently reported \$135 million in WorkCover
- and a yawning gap between accounts payable and accounts receivable.

This means total public sector liabilities approaching \$13 billion (\$13 000 million) at June this year—a rise of almost 20 per cent in just one year. Members should imagine that: a 20 per cent rise in our liabilities in one year alone. Inevitably, under a continuation of the present strategy, these liabilities will go on increasing—putting future generations of South Australians into even more debt. This budget is funded by an injection of more than \$700 million from SAFA. Almost half of this contribution is the result of one-off abnormal accounting fiddles.

I refer here to the \$247 million restructuring of debt to the Commonwealth and the writing back to income of \$86 million of provisions for general contingencies which last year were said to be needed because of 'increased volatility and uncertainty generally in the financial climate in Australia and overseas'. And SAFA is left to wear a further \$64.7 million conversion of Woods and Forests debt to equity. The SAFA contribution will

include \$95 million grabbed from ETSA in backdoor taxation—cynically described as a return on the Government's \$110 million capital injection in ETSA. It is not a bad sort of return: \$95 million in one year on an original capital injection of \$110 million. I wish I could make investments like that. Using ETSA as a branch of the tax office—

Members interjecting:

The Hon. DEAN BROWN: It is interesting that the honourable member opposite should interject, because he seems to be willing to inflict on South Australian consumers of power the additional taxes now being collected. Over \$95 million in extra tax has been collected by his Government, and he sits there with a smile on his face. This is the member for Henley Beach, who sits there with a smile on his face as if he is enjoying the hardship endured by electricity consumers.

Mr FERGUSON: I rise on a point of order, Madam Acting Speaker. I was not in the remotest bit interested in what the honourable member was saying because I was sharing a joke with my Leader. The smile on my face comes from sharing a joke with my Leader.

The ACTING SPEAKER: Order! There is no point of order.

The Hon. DEAN BROWN: Using ETSA as a branch of the tax office in this way has cost power consumers more than \$200 million since 1990. The Arthur D. Little report has identified that South Australia has the second highest electricity tariffs in Australia and that ETSA should not be raided in this way for general revenue. Higher power tariffs are another factor eroding the competitive edge of business in South Australia. This revenue raid to pay for this Government's financial mismanagement will add to the jobs South Australia is losing every day. This year's budget is in deficit to the tune of more than \$300 million. Under no policy change, the starting point for next year's deficit will be at least \$300 million, plus additional interest on the higher debt, plus other unfounded spending such as any further support for the State Bank which must be found in lieu of the one-off contributions from SAFA this year.

In relation to funding, the bad State Bank, the Government's own financial statement at page 79 warns, 'even after all the action to date, considerable uncertainties inevitably remain given the very slow climb out of the recession—which is now expected and the continued depression in property markets'. The State Bank itself does not believe that commercial property values have yet bottomed out. Another inevitable factor in next year's budget will be the failure to allow for any wage and salary increases in 1992-93. There is no provision in this budget even though the Government is estimating growth in average weekly earnings in 1992-93 of 2.8 per cent. The cost to the budget in a full year would be more than \$45 million.

Another significant cost of employment is the superannuation guarantee levy. The cost this year is \$22 million. With the rise in the rate, next year it will cost \$34 million. A general uncertainty overhanging future budgets is the continuing examination by the Grants Commission of relativities between the States. If the equalisation principle is abandoned—and there is talk of that occurring—South Australia will have to raise even more of its own revenue to fund current levels of

spending. Taking all these factors together, the gap between levels of spending implicit in a continuation of this Government's policies, and the capacity of our economy to fund that spending, is increasing significantly and rapidly. This gap threatens to become a very massive black hole under this Government, causing even more serious damage to South Australia for many years to come. Indeed, it implies a real deficit by 1994 of \$600 million without either further tax rises or major public sector reform.

The 10 budgets of this Government have spent almost \$3 300 million more than the revenue available to fund them. Of this financing requirement, almost \$2 300 million has been borrowed. When this Government came to office, interest payments on State debt amounted to a little over \$180 million a year. As I have explained, in 1992-93 the interest cost will be \$978 million. The Consolidated Account fund's net interest payments total \$698 million, but there is a further \$1 422 million of debt serviced through special deposit accounts. I repeat: the total interest bill of \$978 million is equivalent to 63 cents for every dollar of tax to be collected this year by the State Government. With the large hike in debt likely this year, next year's interest bill for the general Government sector will exceed \$1 billion. This Government has attempted to rationalise growing debt by pretending it is paying for assets to benefit South Australians in the future.

This is no more than another accounting fiddle and, more than ever before, we are now incurring debt to pay for financial mistakes such as the State Bank. We will soon receive reports from the Auditor-General and the Royal Commissioner that will identify the mistakes involving the State Bank. This budget identifies others which are also very costly; for example, with just two property transactions—333 Collins Street in Melbourne and the Terrace Hotel, which is just across the road from our Parliament House—the SGIC has lost well over \$300 million. The SGIC is even into the business of breeding cattle and goats, losing \$1.2 million over the past two years. I see members smiling at the fact that the SGIC cannot even run a sheep and goat farm.

This budget provides another \$17.5 million to purchase the East End Market site. It allocates a further \$700 000 to meet the Government's contribution to the ASER project, which has escalated because of the massive \$160 million blow-out in the construction cost due to poor Government administration. This comes out of the tourism budget, which is also helping to prop up the Remm project with payments for Tourism SA to move into that building. I understand from my deputy that that extra payment this year is about \$500 000 just for the rent to move into the Remm building. While South Australians must go on paying for failures like these there is now an orchestrated attempt not only by this Government but also some of its servants to rewrite recent history.

No doubt in anticipation of the reports of the royal commission and the Auditor-General, SAFA has its say in the annual report released with this budget. The report states:

Difficulties in other State financial institutions have raised more general issues about the role and activities of public sector financial bodies. For its part, SAFA is confident that the traditional public sector values on which it has been built—a

conservative approach to risk and emphasis on the long-term benefit of the State rather than apparent short-term success or personal rewards—will continue to stand it in good stead.

This is quite clearly an attempt by SAFA, following the example set by the Deputy Premier and the Attorney-General last week, to place all the blame for the State's disastrous financial position at the feet of State Bank management. SAFA wants South Australians to overlook that it played its part in encouraging the bank to grow by offering it unlimited amounts of capital. SAFA did this while failing to follow the statutory duty imposed upon it to monitor the performance of investments it makes.

Attempts by senior Ministers and others to pre-empt the findings of the royal commission and the Auditor-General are not only outrageous but demonstrate that, even with the resignation of the Premier, this Government has not learned basic lessons in public accountability. The Attorney-General pretends that only the Opposition caused the royal commission to be called, yet the former Premier told this House on 12 February last year that the Government had always contemplated that such an inquiry would have to be called. Is the Attorney now saying that nothing should have been done to determine the causes of the State Bank Group's \$3 billion loss? Is he saying that nothing should be done to ensure such a catastrophe is never again inflicted upon the taxpayers of South Australia? Does the new Premier support him in the attitude he takes?

The attempts in recent days by senior Ministers to develop sympathy for the former Premier demonstrate contempt of the taxpayers. With such attitudes, it is no wonder that we have yet another budget before us which transfers the burden of this Government's appalling financial administration to taxpayers. The real increase in State taxation in this budget amounts to 10.4 per cent or almost \$114 million. This is despite a 10 per cent increase in Commonwealth payments to South Australia. So, they cannot squeal if they are not getting enough money from Canberra.

Translated into jobs, this growth in taxation means that the Government, by taking this money out of the economy for its own purposes, is denying business the resources to create more than 3 000 extra jobs. When this Government came to office, State taxation was the equivalent of \$7.22 a week for every man, woman and child in South Australia. It was at the lowest level of all the States of Australia. It is now \$20.69 a week for every man, woman and child, and this level of taxation is being imposed, as I have pointed out, on a contracting tax base relative to the other States. The 10.4 per cent increase in State taxes flies in the face of A.D. Little's recommendation to reduce taxes and to help generate private sector jobs.

This budget does nothing to contain taxation by holding down recurrent expenditure. In fact, recurrent spending on Consolidated Account increases in real terms by \$89 million when account is taken of the \$45 million less the Government says it will cost in 1992-93 to fund the borrowings on the State Bank bail-out because of reduced interest rates and the \$39 million reduction in salaries which flows from reduced public sector employment. Using the uniform ABS format, the budget papers admit to a \$121 million increase in general Government consumption spending.

Continuing real increases in recurrent spending are being achieved at the expense of spending on capital works to fund infrastructure for the future. Capital spending is being cut by a further \$90 million on Consolidated Account this financial year to only \$238 million. That is about a third of the cost of capital works of three years ago. Non-budget sector institutions like ETSA have been forced to make large borrowings to fund capital spending because the Government is milking them of cash. On the point of Government spending, I return to the Arthur D. Little report.

The advice of its consultants is that it costs five per cent more to deliver the same amount of public sector services per individual in South Australia than the average of the other Australian States. The impact of this inefficiency translates to a cost of \$157 million in this year's budget alone. Page 17 of the financial statement sets out what is called the 'Principal Budget Objectives of the Government in 1992-93.' These objectives are:

... secure an improvement in the State budget position despite the effects of the cyclical downturn in the State economy; to reduce recurrent expenditure in the overall level of budget borrowing; assist employment in the State's economy through an expanded capital works program and payroll tax relief for industry; share the burden of restraint in an equitable way; and begin the process of restructuring the State's economy for long-term growth and development.

On each objective the budget clearly fails. Let me reinforce this point: far from securing an improvement in the State's budget position, it will get worse. There is much higher debt and a shrinking economic base to support that debt. Recurrent expenditure is increasing in real terms and massive increases in borrowings have been concealed.

Employment will not be assisted by an overall tax increase of 10.4 per cent. The total number of jobs in South Australia is projected to rise by less than 2 000 this year. Restraint is not being shared equitably for the State's almost 90 000 unemployed. The restructuring of the State's economy for long-term growth and development has been put into the too-hard basket.

Having released the Arthur D. Little report less than a month ago, the new Premier has turned his back on its key recommendations by supporting this budget strategy. Over the past two years, under the industry policies that he has been driving, manufacturing employment in South Australia has fallen by 21 000 jobs. That is under our present Premier—we have lost 21 000 jobs in the past two years in the manufacturing industry alone. He stands in the House today as though he is the 'prince almighty' and talks about the potential loss of another industry because the Opposition has not raised the matter. He has not mentioned, or did not mention in his answer today, the fact that over 21 000 manufacturing jobs have been lost in the past two years. That is the real issue about which we should be concerned: the jobs already lost, and not some fictitious loss that may occur in this State.

Trends like this cause consultants like the Arthur D. Little organisation to write:

Until now the Bannon Government has not seen the need to implement an industrial policy that fundamentally addresses economic restructuring. By and large, the policy has been one of shooting any bird that flies past rather than planning for the future economic well-being of the State, which gives thought to both attracting strategic industries as well as to nurturing and fostering local business.

It is this policy paralysis, for which the new Premier must accept major responsibility, that has put South Australia so far behind.

We have issues such as WorkCover, Marineland, Scrimber, the failed multi-million dollar purchase of the timber mill in New Zealand, 333 Collins Street in Melbourne, The Terrace Hotel in Adelaide, escalating STA losses and service cuts, the failure of our education system to educate and train our young people for tomorrow's jobs—a system that, incidentally, the new Premier administered for three years before moving into his present portfolios, which has also failed—worsening public hospital queues—over 9 000 waiting now—rising crime levels as the police are diverted to activities to raise Government revenue rather than fight real crime, record levels of unemployment and falling investment in our State. This is an appalling record of failure by this Government. The Government has failed to give South Australians any leadership. It has failed to give a lead in industrial policy because there has been no strategy behind its operations.

In examining the role of the public sector—the largest single entity operating in our State economy—the Arthur D. Little consultants reported that it had no strategic directions. It is not driven by any long-term strategy. There is no sense of understanding in the public sector about where it is heading or what it is trying to achieve. It has no clear set of goals. This is akin to the management of Mitsubishi admitting that it does not know why it is manufacturing cars. This situation is an outrageous indictment of the Government, which has been in office for almost 10 years.

For the past 20 minutes the Member for Henley Beach has been asking what a Liberal Government would do. I will now answer his question. The Arthur D. Little report is clear in its advice. I will read that to him, because I am sure he has not read it. It states:

Significant changes in both the activities and delivery of public sector services is required within one to three years to ensure that economic initiatives outlined by Arthur D. Little are not weakened and to ensure the Government's financial situation is stabilised.

With this budget we will lose at least a year in implementing those changes because it does nothing to address the issue. The report continues:

In our view it is inevitable that, unless the South Australian public sector strives to achieve world-best practice, export and import competing industries in this State will struggle . . . It is essential that an overall direction for this sector be agreed and any transformation of the sector be strategically driven . . . No such clearly defined strategic framework exists . . . (public sector trading) enterprises tend to lag behind, in general, the best performers in the State, in part due to the earlier start on the reform process in some other States . . . The existing pace of change in the South Australian public sector needs to now be considerably hastened.

In most areas it has not even started. In short, I refer to the conclusions of the report relating to the public sector. It states:

It must achieve targeted withdrawals from non-core services and this requires the Government to specify its core business.

There is widespread acceptance in the public sector that this must be done. There is a very serious morale problem, particularly at the middle levels of management, because the public sector has been allowed to drift for so long without any strategic focus. This budget again ignores what is a very serious problem for South

Australia's future. However, in the face of the bleak economic and financial situation faced by South Australia, I am confident there is a positive future provided we make fundamental changes.

The Liberal Party has been saying for a very long time that our public sector must become a facilitator rather than a doer. It must create an environment for private sector growth rather than continue to impede the private sector with higher taxes, more regulation and more competition from Government-owned enterprises. That is the underlying thrust of the Arthur D. Little report. It is a thrust that the Liberal Party will continue to embrace. It is the thrust of our seven strategic directions for South Australia on which we will base the restructuring of our State economy.

Our strategy is based on, first, giving first priority to economic development and the creation of real jobs. That is something about which the Government knows nothing. Secondly, it is about establishing a competitive edge for South Australian industry with the Government leading by example by reducing taxes and charges it imposes on our businesses; for example, changing WorkCover and deregulating here in South Australia. Thirdly, it is about delivering essential Government services to the community to improve the quality of life. Fourthly, it aims to increase productivity and incentive for better work practices; that is, we will introduce enterprise agreements within the workplace—not only within the private sector but also within the public sector.

Mr Ferguson interjecting:

The Hon. DEAN BROWN: The Member for Henley Beach says that they are already in. The President of the Industrial Commission pointed out that there are only four operating under State awards in the whole of South Australia and that the legislation alone tends to act as a barrier to the introduction of enterprise agreements. The fifth point is that we need smaller and more efficient Government. Sixthly, we need increased Government accountability. I was delighted to see in the Auditor-General's Report tabled this afternoon the fact that the Auditor-General talks about the need for better Government management of statutory authorities and better accountability. Finally, it is time that we started to tackle this State's total debt, a debt now of \$8 000 million.

Mr Hamilton interjecting:

The ACTING SPEAKER (Mrs Hutchison): Order! The member for Albert Park is out of order.

The Hon. DEAN BROWN: Flowing from these directions a Liberal Government will—

Mr Hamilton interjecting:

The Hon. DEAN BROWN: If the member opposite would like to listen to what a Liberal Government would do he might learn so that, when he goes to Caucus, he can tell his new Premier what he should be adopting in South Australia. Flowing from these directions a Liberal Government will stabilise and, in the long term, reduce public sector debt and stop using ETSA as a branch of the State Tax Office in the way that the present Government has. We will introduce industrial relations reform to facilitate flexible enterprise bargaining agreements in both the private and public sectors. We will change industrial laws which give union officials too

much control over our work force, particularly in the construction industry. We will reform WorkCover to reduce premiums.

We will reduce the queues for surgery at our public hospitals. We will sell, at an appropriate time and in an appropriate manner, the State Bank and sections of SGIC to maximise returns to taxpayers and to reduce the debt. We will remove unnecessary licensing regulations and charges against small businesses following the current record level of small business bankruptcies. We will relaunch the MFP and make Adelaide a focal point for high technology, research and development and the attraction of new technology industries.

We will ensure that South Australia develops a strong oriented business attitude beginning with our education system so that our economy can grow based on sustainable and credible business philosophies. We will reform our education system so that it recognises excellence and insists on standards of literacy and numeracy. These are some of the strategies that should have driven this budget. Unlike Labor, the Liberal Party has been prepared on a consistent basis to advocate economic restructuring along the lines now recommended by the Arthur D. Little study.

An honourable member interjecting:

The Hon. DEAN BROWN: The Arthur D. Little report did talk about education.

The Hon. G.J. Crafter interjecting:

The DEPUTY SPEAKER: Order! The Minister of Education is out of order in interjecting, and the Leader of the Opposition will address the Chair.

The Hon. DEAN BROWN: Mr Acting Speaker, the Minister of Education has just interjected across the House that it did not talk about education. In fact, two of the specific points that I have made have been about education.

Mr FERGUSON: On a point of order, Mr Deputy Speaker, I think your title is 'Deputy Speaker', not 'Acting Speaker.'

The DEPUTY SPEAKER: Order! The member for Henley Beach, while correct, has taken a not very relevant point. The Leader of the Opposition.

The Hon. DEAN BROWN: The Liberal Party has urged major public sector reform, but every step of the way the Government has opposed these policies. Now, after 10 years of inaction, the public sector faces the prospect of a slash and burn approach under the present Government because of the crisis that it has created. Only a Liberal Government can be trusted with the challenge of change now facing South Australia.

Members of this Parliament who are interested in this State's future more than their own must now ask themselves whether they can go on supporting a Government which has turned its back on South Australia's future. Can they go on supporting a Government which, with this budget, hopes to hide the real magnitude of its financial and policy failures until after the next election? Can they go on supporting a Government which is destroying jobs now and for the future? Can they go on supporting a Government which has mortgaged the future of thousands of South Australians yet to be born?

This is the alarming reality that this State now faces. South Australia's future cannot be put on hold for

another 18 months until after the next election. We are falling behind and we will fall further behind. The introduction of this budget was a black day for South Australia. The former Premier has put up his white flag. Now his successor has raised a red flag on any change of direction. South Australians deserve much better. They deserve a chance now to say who they want to guide their future at this critical time for our State.

After 10 years of Labor budgets the choice is more of the same or a new Government which will help to create jobs by rebuilding our economy and confidence in the future of our State. This House should reject this defeatist and desperate budget strategy. It is a budget for the past for the past; it is not a budget for the future. Only a change of direction through a change of Government can turn South Australia towards a better future.

Mr S.J. BAKER (Mitcham): The budget is totally dishonest; it is a fraud; it is deliberately misleading; and it is a lie. We know who has cooked up the budget. We know that the Premier was otherwise engaged with the royal commission, so the responsibility for this budget lies fairly and squarely with the now Premier of this State and the Minister of Finance. We know that the dishonest measures contained in this budget were put in with the complete concurrence and active assistance of those members and the other members of Cabinet, because I am sure that any Cabinet must have discussed some of the underlying assumptions in this budget and its future direction.

When I listened to the budget speech by the then Premier, the member for Ross Smith, I was appalled. But, when I looked behind the budget and looked back into the budget papers themselves, I had a feeling of overwhelming anger at what the Government is doing to this once wonderful State and total anger that it should be allowed to govern this State. If I had my way and if the people of South Australia had their way, it would not be able to do it for one minute more because it is destroying our future. Unless we get hold of this budget, unless we stop the rot that has been put in place by this budget, our children and their children will be the main bearers of the problems created.

Before going into the serious debt situation that we face, which is understated in the budget, I should like to refer briefly to the budget outcome and the dishonesty which has been consistent for the past two years in the way that budgets have been framed. We remember that in last year's budget there was an expectation that the net financing requirement would be about \$330 million. Of course, that was never going to be met and the then Premier knew that. The \$330 million net financing requirement grew to \$470 million due to the twin influences of over-expenditure and less revenue than was estimated. Therefore, we had a shortfall in receipts from taxation and expenditure levels that blew out well beyond expectations.

In any budget there should be a contingency provision, but that was not the case with that budget. The State debt, as at 30 June 1991, which was \$6.6 billion in the previous year's budget papers, re-estimated at \$6.7 billion, is now much higher at \$7.268 billion. What we have seen with this budget and the previous budget is that the figures have been used continually to hide the

truth. I seek leave to have inserted in *Hansard* a table which is of a statistical nature only.

Leave granted.

Table 2.3
Net Financing Requirement on Consolidated Account

	Nominal \$m	Real(a) \$m
1984-85	214.4	347.0
1985-86	301.2	450.2
1986-87	406.3	555.2
1987-88	309.8	395.7
1988-89	199.0	237.1
1989-90	180.5	201.3
1990-91	359.2	377.1
1991-92	470.0	481.2
Average over eight years 1984-85 to 1991-92	305.1	380.6
1992-93 (Estimate)	317.0	317.0

(a) Constant prices in 1992-93 values

Mr S.J. BAKER: This is table 2.3 of the Financial Statement. Looking at that table, members will find that the net financing requirement on the Consolidated Account for 1990-91 was \$359.2 million and for 1991-92 it was \$470 million. There is no reference to the State Bank bail-out. It is almost as if it did not occur. I ask whether that is an honest statement of what has happened.

I would also ask the House whether it is an honest statement that the \$220 million a year interest rate has suddenly been downgraded to \$175 million a year. Any student of mathematics would say that the interest rates associated with the bail-out should be closely aligned to the common public sector interest rate or that the common public sector interest rate be discounted for the 1 per cent margin that SAFA rips off departments and authorities. If we multiply the State Bank bail-out, using

the old figures, we see that it is not \$2 200 million as everyone would understand: it is much, much higher than that figure, yet the budget papers suggest that there is a special arrangement with the State Bank and that the State Bank suddenly has cheaper money available to it, so that the ultimate cost in interest bills was \$175 million a year. That is totally dishonest.

I would also like to use the \$2 200 million bail-out as another indication of the dishonesty of this Government. Members will well recall that last year that bail-out was put back into the 1990-91 financial year. What could be more dishonest than that, when the major part of the raisings for that occurred in August 1991, in the 1991-92 financial year? It was obvious that the Government was attempting to set back its problems and say, 'Look, we will have a clear year, and we are hoping that the budget outcome will have no reference to the State Bank, because we think, or we hope, we have it under control.' Nothing could be further from the truth, because we and the Government know that the real bail-out figure was always going to be \$3 000 million—another piece of dishonesty by the Government.

When Nobby Clarke took over the reins of the State Bank and was first told about the \$1 billion, he said, 'According to my accounting terms, \$1 billion will become \$3 billion.' That was initially, and we have already seen a letter that was produced for a scheme or an arrangement to handle \$3 billion of debt from the State Bank. So, the Government was well aware but hoped otherwise. The former Premier of this State and his Cabinet have been totally dishonest with the Parliament and the people of South Australia. I seek leave to have inserted into *Hansard* a further table of a statistical nature.

Leave granted.

Table 8.8
General Government Sector—Outlays, Revenue and Financing Transactions

	1989-90	1990-91	1991-92	1991-92	1992-93
	\$m	\$m	Estimate \$m	Actual \$m	Estimate \$m
Current Outlays					
General Government final consumption expenditure	2 958	3 219	3 461	3 434	3 555
Interest payments	694	708	880	978	978
Other current payments					
Subsidies paid	230	242	246	240	245
Other	389	430	- 473	513	486
Total Current Outlays	4 247	4 600	5 060	5 165	5 264
Capital Outlays					
Gross fixed capital expenditure	451	449	395	392	529
Capital grants	123	112	85	105	82
Advances	88	531 ^(a)	1 740	2 059 ^(a)	118
Total Capital Outlays	662	1 091	2 220	2 556	728
Revenue and Grants Received					
Taxes, fees and fines	1 351	1 525	1 717	1 653	1 807
Property income and other revenue					
Interest earnings	492	446	369	495	489
Other	175	312	196	214	273
Grants received	2 572	2 673	2 827	2 830	2 953
Total Revenue and Grants Received	4 590	4 957	5 109	5 191	5 522

	1989-90	1990-91	1991-92	1991-92	1992-93
	\$m	\$m	Estimate \$m	Actual \$m	Estimate \$m
Financing Transactions					
Provisions	13	40	14	31	24
Net advances received	- 156	- 282	- 250	- 234	- 209
Net domestic and overseas borrowings	361	779	2 170	3 850	433
Other financing transactions					
Reduction in cash and investments	53	350	221	- 1 210	211
Other ^(a)	74	- 152	15	92	10
Total Financing Transactions	343	734	2 170	2 529	470
Deficit^(b)	330	694	2 156	2 498	445
Net Financing Requirement (NFR)^(c)	486	977	2 407	2 732	654

Note: Totals may not add due to rounding.

(a) Includes errors and omissions.

(b) Total financing transactions less provisions.

(c) Deficit less net advances received from the Commonwealth. The NFR is higher than the deficit because net advances are negative, ie the State is making debt repayments to the Commonwealth.

(d) Includes advances to State owned financial institutions of \$500m.

(e) Includes advances to State owned financial institutions of \$2 067m.

Mr S.J. BAKER: The table shows that, for the general Government sector, the budget outcome last year was not of the order expected, but let us look at what was aimed for. We find that it was hoped to increase total current outlays from \$4 600 million to \$5 060 million, or an 11.5 per cent increase in budget outlays—a big spending Government. At the same time, the Government had collected \$1 525 million in taxes in the 1990-91 financial year, and in the 1991-92 financial year it was aiming to collect \$1 717 million, an increase of 12.6 per cent. What we have seen is no control on expenditure, paid for by increases in taxation. The final outcome of the budget was as expected: it was never going to meet the \$330 million net financial requirement specified originally. As I said previously, the \$330 million became \$470 million, due to the mismanagement of this Government.

I would now like to refer to the taxing effort, because this is one of the most important items that has to be considered by future Governments, and future Liberal Governments in particular. The 12.6 per cent increase in taxation, which became 6.2 per cent when the final figures came out, because of the recession, was scandalous. To all members on this side of the House, it was scandalous that the Government should be attempting to take that amount of taxation out of the pockets of people and businesses in South Australia. There was no thought whatsoever that it should reduce its outlays to meet the stringencies that it should have applied at the time. I seek leave to have inserted in *Hansard* a further table of a statistical nature.

Leave granted.

Table 2.2
Consolidated Account Receipts 1991-92 and 1992-93 (estimates)

	1991-92		1992-93		
	\$m	% Change Adjusted ^(a)	\$m	% Change Unadjusted	% Change Adjusted ^(b)
Commonwealth Grants					
General Purpose	1 517.1	3.2	1 579.4	4.1	4.1
Specific Purpose	693.8	11.3	453.8	- 34.6	9.5
Sub-total	2 210.9	5.6	2 033.1	-8.0	5.3
Taxation					
Land tax	75.8	-0.3	78.0	2.9	2.9
Gambling	129.7	6.1	129.7		
Payroll tax	485.8	2.7	496.6	2.2	2.2
Financial institutions duty	104.1	12.8	105.4	1.2	1.2
Stamp duties	320.1	4.9	356.7	11.4	11.4
Debits tax	28.2	2.2 ^(c)	41.0	45.4	45.4
Business Franchises					
Gas	8.2	5.1	8.5	3.7	3.7
Liquor	44.3	4.0	44.6	0.7	0.7
Petroleum	86.3	23.1	129.9	50.5	50.5
Tobacco	92.2	8.1	129.9	40.9	40.9
Business Undertakings					
Levies and payments in lieu of taxes	41.9	-11.8	43.9	4.8	4.8
Sub-total	1 416.6	6.2	1 564.2	10.4	10.4

	1991-92		1992-93		
	\$m	% Change Adjusted ^(a)	\$m	% Change Unadjusted	% Change Adjusted ^(b)
Non-Tax Receipts					
Regulatory fees and fines	40.4	40.3	40.0	-1.0	14.9
Contributions from State undertakings	14.9	58.5	18.1	21.5	21.5
Recoveries	771.9	36.7	741.7	-3.9	-2.8
Fees and charges	16.3	-2.4	14.3	-12.3	14.4
Royalties	70.8	-10.9	67.9	-4.1	-4.1
Repayment of advances	39.3	— ^(d)	54.2	37.9	37.9
Sale of land and buildings	5.8	34.9	2.7	-53.4	— ^(e)
Sale of plant, equipment and motor vehicles	8.6	2.4	7.3	-15.1	-2.7
Sub-total	968.0	27.9	946.2	-2.1	0.4
Total Receipts	4 595.5	9.8	4 543.5	-1.1	5.9

NOTE: Components may not add to totals due to rounding.

(a) Adjusted to make 1990-91 comparable with 1991-92.

(b) Adjusted to make 1991-92 comparable with 1992-93.

(c) Adjusted for the full year effect of the transfer of the debits tax from the Commonwealth.

(d) A low base in 1990-91 makes the growth rate misleading.

(e) A low base in 1991-92, after adjustment for accounting differences, makes the movement between years misleading.

Mr FERGUSON: On a point of order, Mr Deputy Speaker, your predecessor made a ruling that we were allowed to insert only a certain quantity of statistical material. Does this rule still apply or is it now open slather for anyone to have inserted as many statistical tables as they like?

The DEPUTY SPEAKER: Obviously, in consultation, the Chair would need to ensure that only relevant and reasonable amounts were inserted. Obviously, *Hansard* cannot cope with hundreds of pages of documentation. There are practical limits to the system, but the Chair is not aware that the member for Mitcham has exceeded those. If it becomes aware of that, upon inspection of the material later, obviously some arrangement would need to be made. I am sure members will exercise responsibility in what they seek to have incorporated in the record. The member for Mitcham.

Mr S.J. BAKER: I would point out that the tables are not available to the general public: they are statistical representations which form part of the budget and which are not available to the populace at large. Table (2.2), to which I referred as a further insert into the budget, shows that the taxation increase expected for this year is 10.4 per cent. We have already debated some of the Bills, the implementation of which is being attempted in order to reach that level, and I know that members would be particularly interested in the impacts and where they occur. For example, we know that the debits tax (\$28.2 million) is to become \$41 million in this financial year, and we know also that the petroleum tax of \$86.3 million last financial year is to become \$129.9 million this financial year. The increase in the tobacco tax is of a similar order.

So the story goes on but, importantly, people should recognise that in at least two of those areas—debits tax and petroleum tax—we are taxing business and reducing its capacity to compete with interstate counterparts. Petroleum tax will mean that in South Australia petrol will cost more than in other States, and the debits tax will

also take South Australia to the top of the tree. So, this Government is putting an absolutely extraordinary effort into taxation at a time when business needs a great deal of relief.

I refer now to another area of dishonesty, that is, the change in accounting processes. The House should note two major changes. First, there has been a movement to special deposit accounts, and I presume that this is to hide the real budget figures. We know, for example, that some of the revenue which was previously going into consolidated revenue and which was fully accounted for is now going into a special deposit account, and we presume that some levels of expenditure are being hidden in the same fashion and debit balances are accruing interest. I would point out to the House that the special deposit accounts are a means of hiding the truth, because they are not separately accounted for in the budget papers that we have before us; it takes a great deal of searching to ascertain the truth.

In particular, I draw members' attention to the fact that, whilst there is a \$7.3 billion net debt, which has been shown in the budget papers, we know that the interest rate applying to that net debt will be a SAFA average of 10.8 per cent, according to the SAFA report. If we multiply \$7.3 billion by the average financing rate of 10.8 per cent, we come to a figure of \$788 million as the absolute minimum net interest that will be required to meet the budget requirements.

So, there are some hidden figures which we have not been told about and about which we require further information. The second issue relates to the way in which the budget formulation attempts to reduce the impact of the budget. I seek leave to have inserted in *Hansard* Table 1.1 of the financial statement.

The DEPUTY SPEAKER: Is leave granted?

Mr FERGUSON: Could I have your assurance, Sir, that you will examine the amount of material that the honourable member—

The DEPUTY SPEAKER: Order! Is the member for Henley Beach refusing leave?

Mr FERGUSON: No, I am not refusing leave, Sir. I am just taking a point of order, asking whether you would be prepared to examine the amount of material that the honourable member is inserting with a view to your being even-handed to all members?

The DEPUTY SPEAKER: Order! If the honourable member is dissatisfied with the nature and substance of the material that is being offered for incorporation in the

record, like every other honourable member he has the right to refuse leave. The Chair always assumes the responsibility of examining these things to monitor output, but the Chair is not prepared to give an assurance on each individual occasion that it will examine them.

Mr FERGUSON: Thank you, Sir. I just wanted to see an even-handed approach to all members.

The DEPUTY SPEAKER: Order! The member for Henley Beach has made his point.

Leave granted.

Table 1.1
Consolidated Account Summary ^(a) 1991-92 and 1992-93

	1991-92 Actual	1992-93 Estimate	Unadjusted	Nominal	Percentage Charge Comparable Basis Real
	\$M	\$M	%	%	%
OUTLAYS					
Departmental Allocations (net)	3 097.2	3 139.5	1.4	0.7	-1.6
Interest (net)	686.5	698.5	1.8	1.8	-0.6
Superannuation (net)	153.7	161.7	5.2	5.2	2.7
Sub-Total Net State Outlays	3 937.3	3 999.7	1.6	1.1	-1.3
Commonwealth Specific Purpose Funds . . .	693.8	453.8	-34.6	8.0	5.5
Total Net Outlays	4 631.0	4 453.5	-3.8	2.1	-0.3
RECEIPTS					
Commonwealth Grants					
General purpose	1 517.1	1 579.4	4.1	4.1	1.7
Specific purpose	693.8	453.8	-34.6	8.0	5.5
SAFA Contribution	400.0	410.0	2.5	2.5	0.1
Other State Sources	1 550.1	1 693.3	9.2	9.6	7.0
Total Receipts	4 161.0	4 136.5	-0.6	6.7	4.2
CONSOLIDATED ACCOUNT					
FINANCING REQUIREMENT					
Borrowings	470.0	317.0			
Consolidated Account Cash Surplus/(Deficit)	—	—			
Accumulated Surplus/(Deficit) at 30 June . .	-12.2	-12.2			

(a) Totals may not add due to rounding

Mr S.J. BAKER: He abuses his right to this House. I refer members to Table 1.1 and the sum shown there, \$4 453.5 million, as the expected net outlays for the 1992-93 financial year. Importantly, if a comparison is made with the gross outlays, without the net amounts being shown, the real expenditure from this budget is of the order of \$7.8 billion. It is not a small budget. It is being artificially reduced by the special accounting

methods being adopted by the Treasurer and his counterparts.

Obviously, the most important item is debt. We have been notified already that the official net debt for the public sector is \$7 268 million, but that is only part of the story. I seek leave to have inserted in *Hansard* a table dealing with the net assets. This is the final table for which I seek leave.

Leave granted.

Table 4.4
Estimated Net Assets of Total SA Public Sector^(a)
as at 30 June 1991
(Provisional and unaudited)

	\$ million	\$ million
ASSETS		
Infrastructure	19 243 ^(a)	
Land, buildings and other improvements	13 887 ^(a)	
	33 130	
Accumulated depreciation	10 815 ^(b)	
		22 315
Net assets of SA Government financial institutions		
SGIC	47	
SAFT/SAFTL Group	10 ^(c)	
State Bank Group	360 ^{(c) (d)}	
HomeStart Finance	92	
		509
Accounts receivable		321
Inventories		100
		23 245
LIABILITIES		
Net indebtedness of Public Sector		6 642 ^(e)
Accrued superannuation liabilities (net of external superannuation assets)		3 184
Long service leave		470
Government workers compensation		n.a.
Accounts payable		609 ^(f)
		10 905
Net assets		12 340

- (a) The value of infrastructure, land, buildings and other improvements as reported to Treasury by agencies, predominantly on a replacement cost basis, but also including some items at historical cost and Valuer-General's valuation.
- (b) Provisional estimate subject to further review of asset life assumptions. Asset life assumptions in some areas have been reduced from those implicit in provisional estimates published previously.
- (c) Excludes value of SAFA capital investments in State Bank and SAFT/SAFTL included in calculation of net indebtedness of Public Sector.
- (d) Reflects indemnity payments amounting to \$2.2 billion to State Bank with effect at 30 June 1991.
- (e) Adjusted for significant post balance date events, in particular payments to State Bank pursuant to the Government's indemnity agreement with the Bank.
- (f) Includes accrued interest expense and unrepresented cheques of cash accounting sector.
- (g) Excludes WorkCover unfunded liability (\$150 million as at June 1990).

Mr S.J. BAKER: Those tables indicate quite clearly—and the Leader referred to them in his address—that the liabilities of the State now stand at \$13 012 million compared with the previous year of \$10 905 million. I would recommend that members look at those tables, because the large figure representing accounts payable last year stood at \$609 million but now stands at \$1 547 million. That has not been brought to account in this budget, and it must be brought to account at some stage during this financial year. So, the \$7.3 billion that is represented as the official debt situation of this Government is only part of the story. It is well over \$8 billion. Members should look at those tables and understand what is being done deceitfully with the figures

in order to reduce the impact of the burgeoning debt. We have an underlying debt of over \$8 billion, and it must all be brought to account very shortly.

It has been said that there is a \$317 million budgeted deficit, but the \$850 million net bail-out of the State Bank is yet to be reckoned with and brought to account. I have also said that the other accounts payable, of at least \$500 million in the liabilities column, also have to be brought to account. Members would be mindful that the debt is now 25.7 per cent of gross State product (GSP) compared with 15.5 per cent two years ago.

We are still receiving 10.1 per cent of Federal outlays, and it will never get better, so we have some real problems that must be sorted out right now. We do not

have too many options available. We have to stop the debt; we have to stop the expenditure. We have to reverse the debt; we have to reverse the expenditure, otherwise this State does not have any future. There is a lack of capacity to continue to tax the population and the businesses of this State. We will have people fleeing this State.

Mr OSWALD (Morphett): This budget is the culmination of a series of events that started 10 years ago when the then Bannon Government commenced taking an active interventionist role in all aspects of business and community life. It is interesting to sit back and read the Arthur D. Little report and see what tragedy has been wrought on the economy of this State and then examine the defeatist budget that is before the House this afternoon. It is a budget that does not contain the wherewithal to address the difficulties with which we are faced. Ex-Premier Bannon is now gone, but there is no reason to believe that there will be any change of direction in this State whatsoever. We have the same decision makers sitting in the chairs: all they have done is moved the chairs around the Cabinet table.

Over the past 10 years the State Government has not been content to be just a regulator or even an interested speculator in the market place. It has been a major player in the field in all counts. As a result, we have a State ready for the liquidators to move in, something of which every member of the Labor Party should feel proud. We on this side of the House certainly do not feel proud, but it is quite obvious from the way that no member opposite has stood and criticised the budget in any respect that they are quite content with the direction in which it is heading.

Mr Deputy Speaker, the people of South Australia see your role, and that of the other two Independents, more than at any other time, as the umpire on the field when an infringement has taken place. The Government is one of the teams participating. The public is asking each of the Independent members to judge what sort of player the Government really is. Has it really kept its eye on the ball over the past 10 years? Would it have won the best and fairest award? The answer to each of those questions is 'No'; there is no question about it. There is a growing impatience in the community that the Independents exercise their role and move to vote this incompetent team out of office.

It is my personal view that the departure of ex-Premier Bannon does not alter the responsibilities of every member of this House to examine carefully the budget and pass judgment on its authors, they being the new Premier and the new Deputy Premier. Both of these men played a key role in the drafting of the budget—in all the deliberations that led up to it over the past two or three years. Both men played a key role in the period before and after the bail-out of the State Bank. They are both well aware of what was happening in the bank. Both the member for Ramsay (the Premier) and the member for Whyalla (the Deputy Premier) have sat in this House throughout Question Time over the past couple of years when members on this side have given warning after warning that the State Bank was in trouble.

Both these men were involved in a decision-making process which led to members of the State Bank being

lined up and told by the Government that the bank had to keep down interest rates to help the Labor Party get through three elections, one of those being a Federal election. It is no good the Premier standing up here in Question Time this afternoon and expecting anyone to believe that he was not aware of the deliberations and discussions that had been going on behind the scenes to set in train such a dramatic directive to the bank. The Premier might like to think that the public believe him. However, I can assure the House and you, Sir, that the public do not believe him. It is beyond belief that anyone could think that the new Premier and the new Deputy Premier were unaware of those manoeuvres behind the scenes.

Whereas 10 years ago we enjoyed a high standard of living, an enviable lifestyle and a relaxed pace of life here in South Australia, after all the rhetoric surrounding the departure of John Bannon has died down, we will find that we have been left with a Grand Prix, a submarine project and a stressed-out public, worrying about the future. We will also find that we are left with a State almost in liquidation and this budget depicts that.

The people of South Australia are tired of the way that John Bannon kept talking about the economy, always pointing to the light on the hill and then, at the end of the day, never delivering the goods. There are some very worried people in this State, concerned about the direction we are taking. Both the member for Ross Smith, the new Premier and his deputy have contrived for years to hide the disaster that has beset South Australia, hoping that it would not be exposed, hoping that it would go away. That is not to say that they did not know what was happening, and the royal commission will establish that beyond any doubt.

In 1991-92 the budget deficit was originally estimated to be \$330 million, but it deteriorated further by \$140 million to \$470 million. At the same time the Government deliberately understated its estimates of expenditure in last year's budget by failing to provide a contingency to cover increases in wages and costs, and in that we can include separation packages. Our new Premier and his deputy were part of that decision making process. In June 1990 the State debt was \$4 303 million; in June 1991 it had soared to \$6 637 million; and in June 1992 it has rocketed up to close to \$8 billion or \$5 502.06 per head of population. This is 25 per cent of the gross State product and the highest in Australia. It is an absolute tragedy for the people whom we seek to represent in this House. This does not take into account the latest additional assistance of \$1 450 million announced for the State Bank and SGIC. It is a tragedy in anyone's language.

When the member for Ross Smith first became Premier the per capita taxation in South Australia was only \$7.22 a week. Our new Premier took a leading role in every Cabinet decision made, and that has now led to this Government's charging every man, woman and child \$20.69 a week, an increase from about \$7 up to about \$20 a week. Despite this and despite the massive tax hike of over 10 per cent this year alone—I remind members that this is four times the CPI—the State debt has escalated out of control to about \$8 billion.

I represent a pretty average electorate in the suburbs of Adelaide, comprising many new families with young

children moving into the area. We have middle-income families in private and Housing Trust accommodation, we have many single people and particularly many single women in the upper and middle-age bracket. I also represent a number of pensioners, and all these people are dramatically affected by this budget. They have been dramatically affected more so as the years go on and I would not be at all surprised, based on my reading of the budget figures, if in a year's time the next budget is not worse.

For example, in respect of electricity, the Government intends to rip \$95 million out of ETSA this year to prop up its budget. Added to what the Government has already extracted since 1990, a total of \$217 million comes out of the pocket of every constituent represented by members here today. That is all because of decisions taken by the new Premier, the new Deputy Premier and Government members. Also, I note that the Government has told the E&WS Department to contribute \$18.3 million to general revenue. From where will that sum come? It will come from the pockets of our constituents.

Have Government members absorbed the contents of the Arthur D. Little report? What will happen if the implications of its worst case scenario are played down in South Australia and we lose another 130 000 jobs over the next 10 years? The people I represent are worried about their declining standard of living, high inflation, high taxation and record unemployment, yet this budget does not redress these problems.

There is no question that the Independents have a responsibility to take this Parliament to the polls. I know that the Independents are sitting back saying that the heat is off and that this is no longer an agenda item, but it is an agenda item in the minds of the people of this State. Never let it be forgotten that the people of South Australia, despite the fact that we have just changed Premiers, know that the team and the decision making processes are the same, the problems and the debts are the same and nothing is going to change.

The responsibility today and next week is the same as it was last week, that is, to ensure that the people of South Australia can decide who is going to be the Government of the future, whom they can trust, and they should be able to exercise that right in the ballot box. Until that right is given to them, I do not believe that the Independents and the rest of us are discharging our responsibility here. It is a furphy to expect the public to think that the situation is totally different or changed simply because we have a new Premier. It is no different, and we should be clear about that.

Does anyone think for even a minute that, by replacing John Bannon with the Minister of Industry, Trade and Technology, our reasons for high unemployment and business failures will suddenly evaporate overnight? Of course they will not. If we are to do anything to turn South Australia around, do something for the economy and the future of our children and bring back investor confidence, this budget is not the instrument to bring that about. Under the member for Ramsey, the new Government has already put plenty of rhetoric into its directions but it has no vision for the future any more than the discredited Bannon Government had.

Members on this side of the House will be interested to see where any new ideas will originate, but I predict that

I will be standing here on a regular weekly or monthly basis pointing out that we are having more of the same. At least the Liberals are prepared to put some new ideas forward to come to grips with the problems of this State and to make some hard decisions.

Only last month our Leader released another direct strategy to help the State. Certainly, it was not his first and I know it will not be his last, but it demonstrates that the Liberals, as an alternative Government, have policies and ideas and are willing to take the hard decisions and put their ideas on the public record. I would like to refer to a few of those objectives advanced by my Leader. The first is to give first priority to economic development and the creation of real jobs. Compare that with the budget document before us this afternoon. There is absolutely no light at the end of the tunnel for anyone who reads that document. They cannot say it will do something about economic development and the creation of real jobs. That is not covered in the document at all.

The second Liberal objective is to establish a competitive edge for South Australian industry with the Government leading by example through lower taxes and charges, reform of WorkCover, reducing other impositions on business and scrapping unnecessary red tape and regulations. I invite the House to compare that with Labor Party policy. Every one of those items has been proven over the past 10 years to have caused many of the problems raised in the Arthur D. Little report. The Liberal Party has solutions. The Labor Party has produced a budget document that is devoid of any of direction at all.

The third Liberal direction involves delivering essential Government services to the community to improve quality of life, the key services being education, training, health, community security and public transport. This will include facilitating services which broaden community culture. Compare that with the objectives in this budget. Is there going to be any increase in education, training, health, community services and public transport? No. There will be more of the same: more subsidies and more Government intrusion into the running of those services which, as we all know, at the end of the day mean more costs to the taxpayer.

The fourth objective is increased productivity and incentive for better work practices through major industrial relations reforms. It has been well established now in all debates that unless we have major industrial relations reform this country will continue to go backwards; yet, at the State and Federal levels we hear nothing at all on this question. Until such time as the Government does something about industrial reform and improved productivity within the public sector, this State and this country will continue to go backwards.

The fifth objective is for smaller and more efficient Government so that taxes and charges can be kept lower. What has this Government done about reducing the size of Government performance? I concede one point here today: there is some ongoing reduction of personnel numbers in the Public Service, but we await with great interest—

Mr Olsen: Mostly in the State Bank.

Mr OSWALD: Of course. They have certainly dropped off in the State Bank, but it is a very small number. It is a question that we will look at in great

detail in all portfolios during the Estimates Committees. The sixth objective is for increased Government accountability with greater community input to decisions and more individual freedom. The seventh objective is to stabilise and then reduce State debt and ensure that the Government lives within its finances so that we can keep taxes and charges down in the long term. Compare that objective with this latest blow-out in debt under Labor of \$8 billion.

This budget has demonstrated that the South Australian Government is in a state of terminal decline. It has about as much life and initiative as a stunned fish. In fact, I believe it would be better to say that this Government is comatose. It has lost its sense of direction, and that is demonstrated by this budget. We on this side of the House can now sit back and look at a Government that has presided over the worst financial debacle in Australia's history, something about which members opposite seem to be smug but which is a tragedy. Every Labor member in this House is to blame. Any Caucus member could have stood up and spoken out at any time—

Mr Olsen: They should have done.

Mr OSWALD: They should have done, but of course they have not. The member for Hartley spoke out at one stage. Because he recognised the folly of the WorkCover legislation, he stuck up his head and had it kicked off. The member for Ross Smith ran a Caucus in which no-one was game to stick up their head and criticise. He ran it with purely psychological blackmail just as he applied psychological blackmail to his public performances. It is well known that no Caucus members would stick up their head because they were frightened of being accused of being anti-Labor, anti-South Australian and disloyal. They were all frightened to speak out, and we saw South Australia go quietly down the gurgler into a situation where, as the Leader of the Opposition pointed out, we are almost in a state of liquidation.

At a time of great sorrow in this State members opposite jest at my remarks, but they know jolly well that in the Caucus room no-one would stick up their head except the poor member for Hartley. When he tried to talk some commonsense and say that the Premier was wrong and was leading the State in the wrong direction, he was given the proverbial big A, put into cobweb corner and eventually pushed by the Labor Party machine into Independent status. Now, of course, they are in desperate trouble and are trying to get him back. It is interesting that they are now trying to get him back as their saviour after kicking him out of their Party, because he alone was the only one with enough sense to stand up in Caucus and say, 'We are wrong with our policies; we are going the wrong way.'

He criticised Premier Bannon and he suffered for it. It is a shame that more Government members did not stand up and criticise the then Premier and stop the direction in which the State was going. It is interesting that even the new Premier is trying to distance himself from decisions that were taken by the Cabinet of which he was a member by saying that he was not involved in the decision-making. He could have stood up and told the rest of the Caucus that the former Premier was wrong, but he was not game. Because of that, this State has drifted into a state of liquidation.

It is a great travesty for this State that we will have to roll along potentially for another 18 months. I think it is only because of a matter of conscience that the three Independents cannot now come to grips with their responsibility and take this Parliament to the people and let them decide the future direction of South Australia, whether the Government continues with this socialist dogma that has brought us to our knees or whether it is time for a Party that has some new ideas, new light and new initiatives.

The ACTING SPEAKER (Mr Blacker): Order! The honourable member's time has expired. The member for Kavel.

Mr OLSEN (Kavel): In September 1992, the State deficit is \$7 billion and the State Bank has chewed its way through \$3 billion so far of taxpayers' funds. I stress 'so far' because there are doubts that the neatly labelled 'bad bank' has had all of our taxpayers' dollars that it needs. So, my traditional Opposition reply to the Government's priorities for finance during its last year in office seems hardly relevant to the depth of the stability of all South Australians, but I believe it is surely time to be analytical about the past rather than perhaps antagonistic and retaliatory about the budget specifically, albeit that such a response is deserved by this Government.

We live in a time when political commentators across Australia are referring destructively and ignorantly—yet, I suppose, understandably—to our State as an economic basket case. I do not know about everyone else in the Chamber, but it made me wince when even Jim Waley used that expression as his main introduction to his *Business Sunday* program at the weekend. It is a State to which all of us on both sides of the Chamber, I am sure, have a deep commitment, and I hope we share a hatred of being so ridiculed.

We could stand here and dissect the budget all week, but in the end do the words going backwards and forwards give back anything of value to the people of South Australia whom we serve? The electorate wants its politicians to do something about this State, to fix it up and move it forward not just to argue about it or take political sides. In this crisis, people are not interested in that. What they want is action and policy direction for the future.

The financial hurt being felt by the majority of families must make it more prudent, at this point in the debacle, to look at just how we have reached this state of the State, including this dreadful budget and the question as to how the proper workings of this Parliament can stop it happening again.

John Bannon's resignation last week made me think for a long time about how a man and a Government which came to power almost 10 years ago with such high ideals, such plans for the State and its people, could have ended up being the architect for such economic devastation, such a negligent, deficient, custodian of the purse and our State's future. However much Labor and Liberal may dislike, even despise, each other's policy direction, I am sure I would find no politician in this Chamber who would accept that Governments deliberately gain power with the aim of demolishing a State's economy.

I think it would be fair to say that there has been little love lost between John Bannon and me since we took our seats across the Chamber in 1982 but, despite philosophical differences in our political beliefs and despite our personality differences which have seen us remain virtual strangers even after spending seven years as close adversaries, I have to say that in the early days of the Bannon decade I had some regard for some of the work he and his team were tackling. Knowing what John Bannon set out to achieve for the benefit of South Australians, it seems incomprehensible that the workings of Government could go so wrong as to leave us, finally, with such a State deficit, such a State Bank debt, such a budget and, as the recent Arthur D. Little report said, so many years wasted.

I have thought carefully about saying some of the things that I am about to say in terms of apportioning blame for where we are now in South Australia in September 1992. However, having made up my mind that these things need to be said, in the cold hard light of my after life as an ex Leader, I certainly do not resile from them. It is my view that the Bannon Government, after its first term of office, which culminated in the Grand Prix, the Casino and a landslide election victory in 1985, assumed an arrogance that was its downfall. It saw itself as indestructible and acted accordingly. In particular, the Premier surrounded himself with minders who pushed this point of view—and not always gently, I might add—and he created a wall of advisers around him who generally refused to give him bad news.

It was an arrogant approach which saw the Executive blatantly and seemingly without guilt downgrade steadily the value of the Westminster democratic system. The Executive reigned supreme while Parliament was treated increasingly with contempt, even vocal hostility at times, as was the electorate. For example, Ministers misleading Parliament is no longer an offence. Even John Bannon, the former Premier, misled Parliament in relation to the State Bank; our Tourism Minister, Barbara Wiese, has also misled Parliament—that is indisputable. Ministers presiding over gross incompetence in their portfolios were protected and kept their portfolios: for example, the Minister of Forests, John Klunder, in relation to Scrimber and the New Zealand timber company, which led to a loss to taxpayers of some \$60 million or more; the Attorney-General, Chris Sumner, in relation to the justice information system, which cost some \$49.6 million—\$13 million more than budgeted, and a scaled-down version at that; there was also the Minister of Water Resources, Susan Lenehan, with the ongoing water rates debacle—

The Hon. G.J. CRAFTY: On a point of order, Mr Acting Speaker. The honourable member should refer to members by their portfolio and not by their name. The honourable member has been a member for a long time and knows full well that that is contrary to Standing Orders.

The ACTING SPEAKER (Mr Blacker): I accept the point of order: the honourable member will refer to members by their portfolio or electorate.

Mr OLSEN: Mr Acting Speaker, I said 'the Minister of Water Resources, Susan Lenehan'.

The Hon. G.J. CRAFTY: On a point of order, Mr Acting Speaker, I ask that the names be stricken from the record. The honourable member has now for the fourth

time referred to members by their name. That is quite clearly contrary to Standing Orders; they are to be referred to only by their portfolio or their electorate.

The ACTING SPEAKER: I am not sure that the names have to be struck from the record, but I ask the honourable member to refer to members by their title and/or their electorate and not by their name.

Mr OLSEN: I presume therefore that if we talk about the Premier we cannot call him 'Premier Arnold'. That is the extension of the point that is being made, which I think is absolute nonsense. However, I do not want to waste any more time. Earlier Premiers of both major Parties would have removed these people from Cabinet for presiding over such gross incompetence with respect to taxpayers' money. But not the member for Ross Smith; instead, he and his Ministers displayed open aggression or fury at the suggestion that they should be called to account to the very system that elected them. Instead, they shouted, postured and ignored it.

It seemed that the Bannon Government had lost the plot of a Government's role—a Government's responsibility to the valued system upon which it was elected. It obviously considered it had no need to explain its actions or inaction to Parliament or to the people. Commercial confidentiality was the excuse as it related to the Torrens Island Power Station, which has now proved to be a tax scam. So the list goes on.

After 1985, it was mostly inaction as developments, especially, all but stalled and interstate and international investors wrote us off as too difficult to deal with. The Executive made numerous costly non-decisions. In other words, if there was a problem, it would close the door and wait for it to go away. It does not work that way: the problem just compounds and becomes much more difficult. The Executive made these costly non-decisions—and not for the good of the electorate—with respect to jobs and the economy with increased tourism and investment.

The Executive totally ignored those commitments. It made decisions solely to keep pressure groups at bay. Any group that threatened the Government's hold on power was placated at the expense of the State's economic future. The electorate at large was ignored to secure the power of the Government. But never was the former Premier's and his advisers' disregard for the Westminster system more evident than in the secret deal between the State Bank and the then Premier's office and the South Australian Government Financing Authority to provide the bank with \$2 million in return for keeping housing interest rates down before the 1989 State election. The main theme of that election campaign was high interest rates in this country and in this State.

When I first heard of that, to say the least, I was angry. After all, it is never great news to hear that your opponents won by cheating. Labor received only about 47 per cent of the vote compared to the Opposition's 52.4 per cent, but it won by cheating. When I heard last week that the deal had been hidden even from the proper constitutional procedures of State Cabinet, I was incredulous at the audacity of such a move. Not only did Labor cheat to get over the finish line first, the Premier clearly did not maintain the procedures of Cabinet.

I believe the now Premier when he says he did not know, because at the time that this was released some 12

months ago I know that he said that he was amazed that such a deal had been done—and I am referring to Premier Arnold. Who was it said that power corrupts and absolute power corrupts absolutely? That secret deal was, to me, the difference between power and absolute power and the increasing desperation to hang on to power no matter what it did to South Australia in the process.

Meanwhile, the State Bank was interstate and overseas on an out of control spending spree digging us deeper and deeper into debt. The reasons it could do so without being halted were because the Opposition, which by December 1989 represented some 53 per cent of the South Australian population, was not being accorded that which the Westminster system demands it is provided with—including truthful answers to questions in Parliament, even any real answers at all on some days.

The Government, wearing its armour of arrogance and disdain in Question Time, constantly mocked and ridiculed any questions on the bank, Beneficial Finance and SGIC. It labelled and dismissed the questioners as opportunistic and stupid, and accused them of wilful damage of the bank and the State's reputation. We heard the member for Henley Beach having another go today during the Leader's address, saying, 'All you are doing is trying to knock.' They said it for 10 years and the only difference is that time has proved the Opposition right. John Bannon admitted as much before the State Bank Royal Commission.

Meanwhile the bank was doing it all for us, driving itself and our State quietly, thoroughly, successfully, into the ground without the proper scrutiny the Westminster system demanded, yet which the State Government, the South Australian media and some sections of the business community failed to support. If we are to stop such a debacle happening again, South Australian Governments of whatever persuasion have to put priority and power back where it belongs—into Parliament, into Question Time, into the Parliamentary committee system. Absolute power is not for the Executive; it was never intended to be. But for the past few years that is where it has been concentrated in our State.

We may not all wish to admit it but, if just two of the questions on the bank and its subsidiaries and its exposure to Oceanic and Equiticorp had been answered honestly and comprehensively in 1989, there is absolutely no doubt the drain on the bank and the taxpayers could have been stemmed. I agree much of the damage had been done by 1987, but it was not terminal at that stage. There were some difficult but possible cures which could have been used—none of which would have added up to \$3 billion of taxpayers' money by August 1992. If further questions on the State Bank, REMM and SGIC had been answered truthfully in early 1990, instead of being treated with the same contempt as those in the previous year, perhaps the damage may still have been far less and consequently the burden on the taxpayers far less onerous than it now is.

The Government had almost two years of questioning from the Opposition—and latterly the Democrats have joined the queue—on the State Bank, SGIC and REMM—two years of stark, frequent warnings treated with contempt as opportunistic politicking. The media, now so righteous and indignant about the Government's inadequacy, must share some of the blame. Apart from

the *Advertiser*—and I will refer to two specific articles that it ran on its front page; I talk about a speech that I made in March 1989 in relation to the State Bank of South Australia having its heart in South Australia but losing an arm and a leg interstate and overseas and questions on Equiticorp which it reported—the fourth estate was far from fearless and intrepid in its reporting.

It did not appear to want to believe that Labor or the State Bank could be so wrong; it did not appear to want to accept that the Opposition was right. I well remember through 1989 being made to look disloyal to South Australia because we dared to question the State Bank, the supposed profits of the Grand Prix or who was footing the bill for REMM or other problem areas such as the Sports Institute, Scrimber and the justice information system.

I remember approaching the Chairman of the State Bank and asking him about REMM and seeking an assurance that there would be a syndicate of financial organisations so that the responsibility could be spread. I was assured that there was a syndication of the loan as it related to the State Bank—a spreading of the risk. That is not the case, but I was given an absolute assurance, as Leader of the Opposition, that that had taken place. Then it was Olsen being negative again—never the Opposition doing its duty as watchdog on behalf of the people of South Australia.

Now the problems have come home to roost. It would have been three years sooner or three years less costly if the Opposition had not been such a denigrated voice in the wilderness. I remember one reporter telling me that we must be desperate to have a go at the bank and another telling my staff, 'I am not running any of this rubbish,' and suggesting that we were asking questions to try to get our polling figures up. Other comments that I remember went along the line, 'When are you going to stop this stuff on the bank? It is getting boring. What are you trying to prove?'

Today some of the same reporters are giving Labor hell, because the pack mentality which persists in the media sometimes is, 'It's okay to have a go; all together now.' It was okay in 1989, too, but the media were either too gutless or too biased, and they can choose which adjective applies. They often failed to report our questions and that the Government would not reply to those questions. Often the Premier's irrelevant posturing non-reply was lauded as a put down of the Opposition's questioning. They reported the arrogance of the Government as strength; they occasionally reported the Opposition as doing its job, but usually just to show the Government saying that we were wrong or damaging South Australia.

I sometimes wonder how the Adelaide media feel today about their negligence—it was nothing less in my view—during 1989 and 1990. I must admit that a couple of the journalists have apologised, so I suppose I have had more success than John Bannon has had with his bank officials or others to whom he is now trying to shift the blame rather than where it ought to be stopping—at his desk.

In terms of the business community, pressure was brought to bear on both Dale Baker and me. Initially I thought that I understood it. I put it down to those issuing the cautions and the warnings not knowing the

extent of the bank's mess, but gradually, when in conversation I explained the depth of the bank's worries, I realised they were not interested in the truth and they had another agenda. They did not care what the mess was or how deep the bank's difficulties were or the cost; the priority was that the Liberal Party should not have a hand in making it a public issue in case it affected their business.

It was not just the bank. There are some in the business community who would come to the Opposition over the Bannon years and whinge on a regular basis about Labor, but they would run away if we suggested making an issue of their complaints or difficulties. It seemed that Labor had intimidated them and, by the time it got to the State Bank and REMM debacles, there were a couple of warnings from the same people that perhaps campaign funds would not be forthcoming. I do not know whether that was the end result, but it did not particularly interest me at the time.

What I want to do—and obviously time will not allow, but I will pick it up in the grievance debate—is read a letter from the former Managing Director of the State Bank of South Australia, Mr Tim Marcus Clark, written to me in March 1989. It is in reply to a speech that I made—

The ACTING SPEAKER (Mr Blacker): Order! The honourable member's time has expired. The member for Mount Gambier.

The Hon. H. ALLISON (Mount Gambier): As the Leader of the Opposition has so adequately and eloquently pointed out, and as has been reiterated by other Opposition members, it is patently obvious that the budget is a desperate document. It has no strategy and it gives South Australia no direction. The budget appears to have no aims and it has no plan for the future of South Australia. The people of South Australia, who have already been inflicted with massive increases in the State debt, surely deserve far better than what is being offered to them now by the present Government.

The deficit, which is publicly bruited abroad as being about \$7.3 billion, is in fact far worse. As the Leader of the Opposition has pointed out, the figure, as stated in the Government's own collective budget documents, is in excess of \$13 billion, and rising. The budget says that it has objectives, but it fails to meet them. The South Australian taxpayer is to be foisted with a 10.4 per cent increase in tax revenue for the current financial year despite the fact that the tax base—the group of taxpayers from whom the money will be collected—is declining by way of industries remaining in South Australia and of workers remaining in the State. The extra tax which will be collected by this Government is \$114 million, despite the fact that the Commonwealth Government has not been nearly as severe on South Australia as was anticipated and has given us a reasonable increase in Commonwealth grants. The former Premier, the Hon. John Bannon, has resigned, and I name him—

The DEPUTY SPEAKER: Order! The member for Mount Gambier will refer to members by their electorate titles.

The Hon. H. ALLISON: If we are going to have nameless Ministers and sanguinary faceless caucuses, who is going to run this State?

The DEPUTY SPEAKER: Order! The member for Mount Gambier is out of order. Standing Orders provide that members be referred to by their proper titles or by the title of their electorate. The member for Mount Gambier.

The Hon. H. ALLISON: I seek your ruling, Sir. Is or is not the former Premier the Hon. John Bannon?

The DEPUTY SPEAKER: Order! The name of the honourable gentleman is of no concern to the Chair. The member concerned is the member for Ross Smith. The member for Mount Gambier will refer to other members by the title of their office or of their electorate. Standing Orders are quite clear about that.

Members interjecting:

The DEPUTY SPEAKER: Order! The Standing Orders are the province of the Chair in the House in this respect; if the House does not like them, the House may change them. The member for Mount Gambier will comply with them in the meantime.

The Hon. H. ALLISON: The late and dear departed former Premier who shall be nameless but whose contributions to the State will most certainly live on, the now back bench member for Ross Smith, has resigned. He has been Premier of this State for a decade. He is now replaced by the new Premier who will also be nameless but who I am sure will be well known to all members of the electorate. He has long been responsible personally for State development. As we on this side have pointed out for many years, the Government has really ridden on the back of initiatives that were drawn up and put into force by the 1979-82 Liberal Government, not the least of which was the massive, world class Roxby development which the former Premier alluded to as a mirage in the desert but from which very substantial royalties are now collected, much to the advantage of this State.

So many other advantages were put into the Government's lap back in 1979-82 by the then Liberal Government. If we cast around for initiatives that have been brought to the State by the present Minister for Industry, Trade and Technology, who is telling us all that we simply have to get down and make sure that the State ticks over like a well oiled watch, we see that his personal track record over the past seven years leaves much to be desired. I fail to see the magic wand, which will be waved over the new Premier, or the new Deputy Premier, who was personally responsible for the finances of the State and who must surely have known about the debacle that was emerging over the past several years. I fail to see where the magic wand will come from that will change the countenance of either of those two new leaders.

Be that as it may, the facts are that, despite a fall in national interest rates, the State interest payments have now risen to \$978 million per annum. As the Leader said, this represents some 63c in every dollar—nearly two thirds of every dollar—going to pay past debts, without doing a single thing—

Mr Brindal interjecting:

The Hon. H. ALLISON: As my colleague says, that is going to pay the interest, not the debt. The debt still remains like a millstone around the necks of all South Australians, including the generations yet to be born. And the budget itself does nothing at all to address the needs

or the development of the State. It does nothing at all for business, large or small, which is simply crying out for assistance—crying out for the dead hand of this Government to be taken from its shoulders, in fact. In South Australia the cost of simply running government is 5 per cent higher than in any other State. It costs nearly 23 per cent, or 23c in every dollar, simply to run government, and that is quite apart from the interest charge. It really leaves very little left out of the tax dollar to do anything with at all. South Australia's gross State product has also declined by \$3.2 billion over the past couple of years under this Government.

Industries have been disadvantaged tremendously by the tax increases, and it is a strange fact of life that the Government commissioned a report (the Arthur D. Little report) that clearly asked for new directions to be taken, yet the Government has completely ignored that report and has simply resorted to another heavy borrowing budget, with no incentives for the individual taxpayer whatsoever and no incentives for industry and commerce. It is a sad state, and it is obvious that the Government—the members of Cabinet, the backbenchers and all of them collectively—are bereft of ideas for the salvation of South Australia. The Leader of the Opposition has outlined the directions to be taken by a future Liberal Government towards resuscitating this State.

An honourable member interjecting:

The Hon. H. ALLISON: It is not just the smelling salts to which the backbencher who is interjecting is alluding. State losses under this Government have exceeded those of the Victorian State Bank and the United States savings and loans debacle, which in themselves made world headlines. Our problems are far in excess of those, and even more borrowings are predicated—in excess of \$5 billion. We have pointed out the massive WorkCover shortfalls of around \$137 million; the total State liabilities in excess of \$13 billion; and the \$97 million which was taken from ETSA by the Government last year and which also increases the cost of power to possible new enterprises in South Australia, increasing the cost of running industry and commerce.

Mr Brindal: Twelve per cent of ETSA's revenue.

The Hon. H. ALLISON: Twelve per cent of ETSA's revenue, as my colleague points out. If that \$97 million return on the Government's original capital injection of \$110 million is not a usurer's rate of return on a Government enterprise, I have yet to see an accomplished usurer. SGIC and the State Bank deserve yet again a comment from me, and I have said this before; like the member for Kavel, who will read a document into *Hansard*, all members on this side received correspondence from the chief executive of the State Bank and the chief executive of SGIC, telling us two years ago that we should stop questioning and that we would run the two institutions into the ground, when they and their executives and the boards had already beaten us to it.

It was a *fait accompli*, yet they were cautioning the Opposition on the possible ill effects that would arise from our criticising those institutions in the House. If that is not duplicity, I have yet to see it. It really was an act of desperation on the part of the executives of those two institutions to treat the Opposition with such disdain and

to think that simple corresponded threats would stop us from carrying out our rightful task, that is, to question in the House. I seek leave to continue my remarks later.

Leave granted; debate adjourned.

[Sitting suspended from 6 to 8 p.m.]

RACING (DIVIDEND ADJUSTMENT) AMENDMENT BILL

Returned from the Legislative Council without amendment.

APPROPRIATION BILL

Adjourned debate on second reading (resumed on motion).

The Hon. H. ALLISON: Before the adjournment I was expressing grave concern about the letters which had been written to the Opposition by executives of the State Bank and SGIC in a most accusatory manner, saying that we were doing the improper thing in questioning the Government on the performance of those two organisations. I do not propose to develop that theme any longer. It is patently obvious to everyone in South Australia that the Opposition was moving along the right track in what it did.

I now refer to another issue; the Government has admitted in one way or another to having made representation to or having had representation made to it by the State Bank with regard to the possible increase in interest rates before the 1985 and 1989 State elections, and possibly also before one of the intervening Federal elections—it might have been twice or it might have been thrice. The Premier tried to pass that off rather glibly and smoothly in response to questions today by saying, 'Surely that was the sort of thing that was good for the people of South Australia,' but there is an inherent moral issue in that one does not use State taxpayers' money, possibly \$2 million on each occasion, to get a bank to waive a temporary increase and then to allow the increase to go ahead immediately after the election has taken place.

Even the most naive of electors in South Australia would have to develop a strong thread of cynicism at such actions being taken. The fact that it did happen has not been denied. It is just that it has been excused. There is no doubt about it: with the State Government having won those two elections in 1985 and 1989 by single seats and by just 300 or 400 votes in each case, the course of history in South Australia has been changed. Possibly, had the results been different and had Liberal Governments been returned, we would not currently be facing this \$13 billion deficit.

That is a huge deficit, and I am quite sure that Liberal Governments would have performed, as the Liberal Government did in 1979-82, with caution and with excellent financial acumen. We did not allow the deficits to mount. In fact, the deficit rose by \$100 million per annum, which was the rate at which it had increased for the preceding 20 years. However, when this Government

came into power, the rate of deficit increased three-fold: \$300 million in 1983, \$350 million in 1984, \$300 million in 1985, and rising to this record deficit that we have now. It has been a borrowing, borrowing Government, with no sign of any change of heart.

I will now refer to an issue in my own electorate. It continues to distress me that, since the 1983 bushfire, which was calamitous, the Woods and Forests Department has returned very little by way of revenue to the State Treasury coffers. In fact, only twice in that period has the Woods and Forests Department returned any revenue, and then only nominal, by way of the equivalent of income tax. This year, on a swift perusal of the Auditor-General's Report (page 196), I find that, despite a much higher turnover in forestry production than was achieved in the preceding two years, we have had a turnover of 352 000 cubic metres compared with 327 000 in 1991 and 309 000 in 1990. Once again, the department has turned over a loss, that loss being \$3.8 million compared with last year's declared profit of \$77.5 million. However, last year there was no return to the Government, because \$66 million of last year's profit was in fact a revised valuation of the growing forests themselves. This year the valuation has again been revised downwards—by \$19.5 million.

Mr Olsen interjecting:

The Hon. H. ALLISON: It is one of those remarkable things that we have to revalue the product; one is excessively upwards and one is considerably downwards in two successive years, but only after the Public Accounts Committee (or the present Economic and Finance Committee) gave the department a jolly good prodding. It has also given it a prodding on its *modus operandi* for its accounting.

Mr Olsen interjecting:

The Hon. H. ALLISON: I think we might give it a bit more during the Estimates Committees. The turnover in timber products also has shown a loss of \$13.2 million following a \$4.5 million profit last year. It is significant that the forest trade was up by \$2.3 million—that is, the sale of actual forest products to the Woods and Forests mill and to private enterprise mills was up by \$2.3 million. By way of ministerial *fiat*, the Minister increased the log royalties by 4 per cent last year, and that 4 per cent is approximately the increase in turnover in forestry products. So, the Minister can influence profit and profitability simply by saying that the log royalties shall move. Private enterprise does not have that sort of ability.

The other matter that distresses me is that the South Australian Timber Corporation, which wrote off the entire Scrimber operation last year, according to the Auditor-General's Report, is now showing Scrimber, which cost about \$65 million to bring to a state of non-productivity, at a value of just \$1.2 million. That means that the entire operation has been virtually written off. It is distressing that it cost \$1.4 million last year simply for Scrimber to do nothing. In other words, it cost more for it to do nothing than the plant itself is currently worth—a remarkable situation.

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

The Hon. D.C. WOTTON (Heysen): As has been said by my colleagues previously, the 1992-93 budget is

disastrous. It has been referred to as a deceitful budget; it is a budget that has been brought down by a tired Government, a Government that has lost direction. It is a Government that has brought havoc to South Australia and misery to South Australians. The opportunity will be provided during the Estimates Committees to home in on specific issues, and I certainly intend doing that in regard to the portfolios for which I have responsibility.

I wish to raise a significant number of issues before the Estimates Committees regarding those portfolio areas. At the outset I want to commend the Leader on his contribution to this debate and on the detail he provided. I would commend that contribution to all South Australians because it spells out clearly the disastrous state that we find South Australia is in particularly as a result of the 1992-93 budget that has been brought down. Time after time we find ourselves referring to South Australia's situation resulting from massive unemployment in this State.

We all realise that unemployment is now about 11.5 per cent with a significant percentage of about 45 per cent of young people in South Australia unemployed. I am sure that we all know someone, perhaps a member of our family or someone we know well, who unfortunately and tragically is now unemployed. I am particularly concerned about the number of young people unemployed in South Australia now, those of us who have young families and young adult children who are about to go into the work force would understand only too well the concern that exists about the uncertainty of their future. I really feel for young people who intend to look either to tertiary education or to going into the work force at this stage because of the uncertainties associated with that.

I do not know how many members had the opportunity to see *Four Corners* on ABC television last night. If members did not see it, I suggest they seek the opportunity to do so. I was not able to see it when it came directly to air, but I have seen a video of the program which I commend to all members of this House as it shows a significant number of programs being used successfully throughout the world to provide employment for young people, as well as people who are older.

We are talking about the effect of unemployment not only on young people but on those people who are in their 40s and 50s and who find regrettably that they are unable to continue working. They find they are on the unemployment queue and I feel greatly for those people as well. Several of the problems faced by young people were addressed in that *Four Corners* program last night. The South Australian Government lacks ideas and vision. It is a tired Government.

The Hon. S.M. Lenehan: You must be joking.

The Hon. D.C. WOTTON: I suggest that the Minister go out and talk to people in the community, including people in her own district—

The Hon. S.M. Lenehan interjecting:

The Hon. D.C. WOTTON: I know that it is totally inappropriate for us to be carrying on a conversation across the floor, but I would hope that any Minister in this Government would realise the concern in the community because of the lack of initiative, the lack of programs and the lack of direction being shown by the present Labor Government. Regrettably, that has been the case in this State for the past decade.

The Hon. S.M. Lenehan interjecting:

The Hon. D.C. WOTTON: I am not interested in carrying on this conversation across the Chamber, but I would challenge the Minister for Environment and Planning to a debate on this topic at any time. We only did it once and that was a most interesting debate on water rates, if I remember correctly, and I think I won on that occasion, too.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. D.C. WOTTON: It is a fact of life that the present Government has lost its direction and, as a result, we have the tragic unemployment statistics that are so obvious in South Australia at present. As I have said so many times in this place since I have had the privilege of being responsible for the family and community services portfolio—and I have had the opportunity to talk to people in welfare agencies, both government and non-government—the results of unemployment certainly seem to be tragic. The hidden list of casualties from increases in South Australian unemployment is frightening in its numbers and particularly in its social consequences.

Homelessness, petty crime, alcoholism, drug addiction, domestic violence, child abuse, family breakdowns, etc. can all be directed largely to the growth in unemployment in this State. The consequential demands on the State's welfare services, both Government and non-government, are incapable of being met. As I have related to the House before, and I do so again, many of the non-profit welfare organisations are reporting to me that more than 50 per cent of their welfare services now are directly responding to demands placed on them by unemployment.

Statistically the measure of the casualty list is inadequate because lists are out of date by the time they are collected and programmed but, in pure statistical terms, the unemployment position is frightening to say the least. The demand on the Service to Youth Council, for youth accommodation, for example, has increased by 49 per cent in the past two years. Youth suicides have reportedly increased throughout Australia by 100 per cent, and the demand for employment training with one non-government organisation in this State has increased by 270 per cent in the past two years.

The same organisation reports that for every person now being trained another is on the waiting list. It is well known that crime statistics have escalated in recent years. Petty crime, which is more directly linked to unemployment trends, has gone up by 20 per cent in the past year according to preliminary statistics. According to welfare organisations with which I have met in recent times, drug use and alcoholism have 'gone through the roof' (to use their expression) in the past 12 months, a tragic situation for South Australia and, while the statistics are not available and could be misleading anyway, welfare experts relate a significant proportion of this problem to unemployment and, according to court officials, an increase in unemployment creates increased incidences of domestic violence and child abuse.

This morning I had the opportunity of meeting with some of the agencies that are attempting to deal with this problem in this State—a significant problem. Again, this cannot be statistically supported, but this pattern is so consistent that the connection is quite obvious. The

tragedy and cost of unemployment is more than is reflected in the 89 000 to 90 000 people registered for benefits. It is more accurately reflected in the catastrophic long-term scarring that it has on families, on individuals and the community, which has to pay for the consequences. That is of concern to me because it is the community that has to meet those costs and the Government—

Mr Brindal interjecting:

The Hon. D.C. WOTTON: As my colleague the member for Hayward says, the Government tends to turn its back on these people. It tends to be quite useless in providing alternative programs to enable these people to regain their self esteem and be able to contribute effectively in South Australia.

These are sad days for South Australia. I agree with the Leader of the Opposition, who said that the introduction of this particular budget was one of the blackest days in South Australia's history. The *Advertiser* picked up that quote, and many of the editorials that we have read since in the *Advertiser* have reflected the South Australian community's concern about this budget.

Even sadder is the fact that it follows very closely on the disastrous Federal budget. It is not appropriate for me to go into detail about that budget, but in respect of the portfolios with which I am involved I have been staggered at the response to it from people in this State. Embattled retirees, already hit hard by falling returns on investments, are to be hit yet again by Treasurer Dawkins' budget increase in the Medicare levy. Mr Keating's Labor Government is still cheating and forgetting those people who have saved during their working lives to provide for their retirement. The Labor Government at the Federal level is to hit self-funded retirees yet again with an increase in the Medicare levy in order to provide more funds for the public hospital system.

The Government's plan to bring forward expenditure on public housing can only be described as a short-term dash for growth. Indeed, it is nothing but a cynical measure designed to make the Government look good in the lead-up to the next election. The increase for pensioners can only be seen as a sleight of hand. The increase of \$3 per week is, in actual fact, merely \$1 per week, the other \$2 being an expected March indexation increase which has been brought forward to January, while part pensioners will have to pay a higher Medicare levy that will eat up most of the increase. I could go on, but it is not appropriate for me to do so in this debate.

It is quite obvious that young people, in particular, in this State have nothing to look forward to, no hope under the present Administration. In recent days we have seen changes of face at the top, but no evidence at all—and I believe it is most unlikely that we will see any—of any change in direction. The Leader of the Opposition has called for withdrawal of the Bannon budget, but that request on behalf of all South Australians has been totally ignored: we are saddled with the same policies and the same disastrous budget.

Small and big businesses in this State are calling out for incentives. They want to employ, but they can employ only if they receive incentives to enable them to do so. We need growth in this State—growth from investment, and investment as a result of incentives. Incentives come

from such initiatives as the introduction of lower taxes and charges, which is what we desperately need in this State, but it is most unlikely that we will see them under the present Administration. A lot of lip service is paid by the Government to the Arthur D. Little report. One can only hope that the Government will consider that report and, instead of paying lip service, give real commitment to it.

The Chamber of Commerce and Industry of South Australia, in a letter to the former Premier (the member for Ross Smith), spelt out very clearly its requirements and, I believe, the need for restoring business and investor confidence, its number one consideration. The letter points out that it is an absolute priority that all policy pronouncements by the Labor Government add to the confidence of businesses in South Australia and goes on to say that expected economic growth is the only base on which confidence can be re-established and that the Government's commitment to this is essential although, unfortunately, it is most likely that that is not forthcoming.

In order to generate the right perception of South Australia, the Chamber of Commerce and Industry points out that we need to portray South Australia as a pro-business State and that we need a commitment to achieving in South Australia the lowest taxes and charges on business in any State in Australia. It refers to the need to cut State-based taxes and charges on business. It suggests the abolition of payroll tax and says—and I agree totally with this—that WorkCover in this State is a disgrace, and it refers also to the financial institutions duty.

Reference is also made to the need to reduce the size of the public sector, to reduce business regulation and red tape and to seek private sector growth. I could spend some time referring in detail to this letter, because I believe very strongly that we will be able to provide services in the welfare area only if we have a sound economy in this State. I have argued for a long time that, as far as the environment portfolio in this State is concerned, that should be the case. We will be able to spend money on protecting the environment in this State only if we have a sound economy to enable us to do so.

I realise that I have only two or three minutes in which to address this issue, but I was most impressed with the contribution made to the budget debate by the South Australian Council of Social Services. That organisation has written to members of other bodies that represent welfare groups in South Australia and brought to their notice two documents. The first document entitled 'Investing in the Community' points to the widening wealth-poverty gap in South Australia and seeks to redress that trend with a series of major recommendations which integrate social and economic policy. It says—and I agree—that SACOSS is convinced that the most important resources this State has are its people and its communities; hence the concept of investment in the community. I support that concept very strongly indeed.

The SACOSS budget working document, which has recently been released, expands on investing in the community. It contains three or four key recommendations in a number of major portfolio areas across the community, involving services and the health industry. It places particular emphasis on socio-economic

and employment development in this State. I commend these documents to the House and I hope that members will take the time to look at the information they contain. Regrettably, they have had to refer to the unemployment figures for South Australia, and that paints a very grim picture particularly for our young people and long-term unemployed. They refer to many other areas as well, and I commend that information to members.

Premier elect Arnold has been responsible for industrial development for seven years, during which time the State's industrial base has declined severely. Indeed, in the past two years alone, 38 000 jobs have been lost in South Australia. This record has been a major factor in the increasing dole queues and the reason why many young people are leaving the State in search of opportunities elsewhere. This State is at a crossroads. Only under a Liberal Government with a fundamental change in direction to generate investment and long-term jobs can this State take the right turn.

Mr MEIER (Goyder): It is indeed a rather bleak and dismal night when one must respond to this budget. This budget has not done South Australia any good at all. In fact, it was described in the *Advertiser* as heralding a 'black day for South Australia.' It is interesting that, within a matter of days of this budget's being handed down, the Premier of this State—now the member for Ross Smith—stepped down as Premier, and understandably so. It is understandable because he failed South Australia for the better part of 10 years and, unfortunately, he has bestowed upon the people of this State, the children of those people and, it would appear, the children of those children, a debt that they will have to continue to pay for countless years. It was a black day indeed.

So, after the former Premier's resignation, a new Premier was installed—the member for Ramsay, the Hon. Lynn Arnold. It is interesting to analyse questions about the member for Ramsay's past. We note that the honourable member, now the Premier of this State, was President of the Vietnam moratorium campaign in 1970. Our current Premier was arrested during major moratorium demonstrations in September 1970. At the time he was quoted in the *Sunday Mail* as saying that a revolution was coming and that parliamentary democracy would be overturned. In fact, he stated:

The way lies with popular support and civil disobedience. If people refuse to work in industry and withdraw their support for society's institutions then capitalism must fall. There is nothing else it can do.

That is a statement from the new Premier of this State. What an indictment on this State. We do not wish to see that happening to this State. It is a tragedy of the third degree.

However, this is the person we have leading South Australia: a person who would wish to see civil disobedience come to the fore, a person who would wish to see people refuse to work in industry and withdraw their support for society's institutions, thus leading to the fall of capitalism. That was back in 1970—some 22 years ago; not that long in real terms—but unfortunately that is the person we have with us today as Premier of this State.

Members interjecting:

Mr MEIER: We certainly hear the catcalls from Government members. They are decrying this that and the other thing. I would suggest that they are decrying the fact that they should relinquish Government and hand it over to the Opposition. That is the only honourable course for them to take. Of course, they do not have the guts to do that. We all know that and recognise it because we have seen untruth after untruth conveyed to this Parliament, and it continues. However, if that were not enough, we find that the second in command—the Deputy Premier—is a person who says that the business leaders of South Australia are ‘too stupid to cross the road.’ What sort of a person do we have as second in command in this State? We have a person who says that employers are too stupid to cross the road.

We know that the Government has bankrupted this State to the tune of \$8 billion. That is \$8 000 million! Yet the person who is second in command states that the alternative—namely, private enterprise—is too stupid to cross the road. Well, I am very thankful that the business leaders of this State have showered their distaste on the Deputy Premier. I condemn him and I hope that the Labor Party will see it as its role to dismiss the Deputy Premier as soon as it possibly can. He should be thrown out of office. It must have been embarrassing for all members on the Government side to have installed a Deputy Premier who, within minutes of taking office, absolutely ridiculed one of the key groups that employs people in this State. It is a reflection on the whole Government.

Mr Atkinson: Tell us about John Spalvins and what he can do for the State.

Mr MEIER: The honourable member is asking me to tell the House about what John Spalvins did for this State. He was an integral part of this State. As did this Government, he over-spent and over-indulged and ruined and wrecked this State. That is what has happened in simple terms and, if the Member for Mitchell does not recognise that, I have sympathy for him. It is a pity he does not seem to understand this truth.

So, we have seen that the Premier has a very dubious record, that the Deputy Premier has a very dubious record and unfortunately, therefore, this State has a very shaky future. However, this State has had a very dubious and very shaky foundation for some years. In fact, it was a very shaky Premier who handed down the State budget the week before last. It was a Premier who was condemned by the press, the Opposition and by anyone who had any knowledge of what it takes to run the State of South Australia. The day the budget was handed down, as the *Advertiser* stated, was a black day for South Australia. Unfortunately, it was a budget that offered no hope for the future.

It is interesting to look at the budget details as they are before us now. We see that the key features are as follows: first, the need for a further \$850 million fourth bail-out of the State Bank, against which only \$300 million has been provided; secondly, the bail-out of \$314 million for SGIC, bringing that taxpayer funded rescue to \$350 million; thirdly, the 10.4 per cent increase in tax revenue despite a declining tax base; fourthly, the 3.5 cents per litre fuel tax, a doubling of the bank account debits tax, an 18 per cent increase in the rate of liquor taxes and an increase in tobacco tax and stamp duties;

fifthly, the substantial increase in the State debt to almost \$7 300 million before this year's borrowings are taken into account; sixthly, economic predictions point to a further decline in gross State product; seventhly, there will be the creation of fewer than 2 000 jobs in South Australia in 1992-93 when we will have 16 000 school leavers looking for work and already almost 90 000 people unemployed; and, finally, investment by the private sector is lower than for any other mainland State.

Let us look at some of the key features. We well recognise that the State Government had identified \$2.3 billion of bad debt against the State Bank. That has now been increased further. We well recognise that there had been a second bail-out for SGIC. This has now been increased further. At a time when the Government has been bragging about CPI increases, we see a 10.4 per cent increase in tax revenue compared to about 2 per cent in CPI increases—a 2 per cent increase in inflation. It is an absolutely disastrous input for businesses and for everyone living in this State.

We see a massive increase in fuel tax. I shall have more to say about that because the RAA has sent me a letter detailing its concerns about the business franchise amendment to the present petroleum products fees. As it says, the hike in the metropolitan fuel tax from 5.5c per litre to 8.9c per litre represents an increase of 62 per cent. Have we heard anything like a 62 per cent increase in CPI costs? No, it is about 2 per cent. Have we seen an increase in inflation of 62 per cent? No, it is about 2 per cent. Yet we have this Government imposing a fuel tax increase of 62 per cent. It is absolutely diabolical. The RAA states:

This is an enormous increase and takes the State's fuel tax level to the highest in Australia.

As the RAA says, petrol and diesel are not luxuries, yet they are taxed as if they are. They carry one of the highest State taxes of 8.9c per litre. The sales tax rate equivalent for petrol is now a massive 112 per cent. The State budget tax increase will lift the costs of all goods and services and impact adversely on every household and business budget. The tax increase gives further credence to the proposition that every service station has become an agent for the State and Commonwealth tax offices.

The State fuel tax was introduced to provide revenue dedicated to road improvements when the tonne/mile tax on heavy vehicles was abolished in 1979. All the money was initially dedicated to roads, but since 1983 an increasing proportion has been siphoned off for general revenue purposes. The budget papers estimate collections of \$129.9 million in the current financial year, of which only 19.8 per cent will be credited to the Highways Fund. This is highway robbery.

I can only agree with every word that the RAA has had to say. It is atrocious that our petrol taxes are being put into general revenue and not being spent on the roads. In fact, I could refer to the table that the RAA provided me with. That shows that Queensland, compared to South Australia, has a zero per cent tax base for fuel taxes. We see the clown on the other side laughing about it. Is not this characteristic of the way that the Government acts in relation to all taxes?

Mr Olsen interjecting:

Mr MEIER: In fact, as the member for Kavel points out, in this table we see that, until the Labor Government took control of the Commonwealth, effectively 100 per cent was given to the Highways Fund. Now, of course, we have seen that decrease from 100 per cent to 66.7 per cent, to 53 per cent, to 55.4 per cent, to 38.1 per cent, to 36 per cent, to 29.8 per cent down to 19.8 per cent in 1992-93. Less than a fifth has gone to the Highways Fund. We wonder why our roads are in an absolutely diabolical state and why my Commodore, or the Apollo before that, virtually wore out because of the roads on which it was going! It is absolutely atrocious. It is a reflection on this Government and the way that it has handled the State's finances during the past 10 years.

There are other points that I wish to make in the short time remaining to me. The budget papers record the current State debt at \$7 300 million, but they do not clearly explain that this is before the raising of funds needed to cover \$450 million of the State Bank's losses last year and this year's \$317 million budget deficit; nor do they say that the State debt is likely to be at least \$8 000 million based on this budget. That is a debt of at least \$5 502.06 for every man, woman and child in South Australia, or \$12 554.08 for every employed person in South Australia.

During 1991-92, 47c in every tax dollar was paid for interest on the State debt through the Consolidated Account by taxpayers. On initial examination of the budget papers it appears to drop to 45c per dollar in 1992-93 until it is found that many of the interest payments have been removed from the Consolidated Account and effectively hidden under special deposit accounts. Therefore, using the standard ABS accounting format, the real cost of interest payments in 1992-93 is \$978 million rather than the \$698 million shown in the Consolidated Account. On this basis that means that the equivalent of 63c in every tax dollar collected by the State Government goes to pay for interest on our State debt. This compares with 54c in 1989-90—a rise of almost 17 per cent in three years. This budget is a disaster.

The ACTING SPEAKER (Mrs Hutchison): Order! The honourable member's time has expired. The member for Eyre.

Mr GUNN (Eyre): In participating in this budget debate we have to analyse the past record of this Government and determine whether, on its past performance, it deserves the confidence of this House and, therefore, of the people of this State and whether we should permit it again to manage the financial affairs of South Australia.

What we have been asked to approve is the expenditure of some \$4 800 million. As we know, and as the Government does not appear to know, Governments have no money of their own; the only money they have is what they raise by taxes or charges, or what they borrow. On this occasion the Government will borrow an extra \$370 million. Therefore, the House has to decide whether it is a worthy manager of the public affairs of the people of this State. I believe that, if we analysed the accounts of the past nine years, we would have to come to a very simple conclusion: the Government is no longer competent, nor should it be permitted, to continue to have

the authority to expend the taxpayers' money, because it has failed miserably. The question is very simple. Will this budget create the circumstances to make South Australia a better place for its citizens?

Mr Olsen: No.

Mr GUNN: Of course it won't. Will it create employment, will it assist business to employ and will it allow people to get on with their lives in a free and orderly fashion? On all those criteria, the answer is 'No'. Therefore, the question this House must consider is whether it should take the decision to force this new Premier and his Government to the people, because in our system of parliamentary democracy it is the people who should determine. The people were hoodwinked at the last election—absolutely hoodwinked. It was one of the most disgraceful exhibitions of public misinformation, and a swindle was pulled on the people; they did not know that a devious deal had been done with Marcus Clarke and that other clique that has so mismanaged the affairs of this State not to tell the taxpayers. Even with those sorts of criteria, we got nearly 53 per cent of the vote but still we are not in government.

On this occasion the people of South Australia are not satisfied. They want a future, not only for themselves but also for their children and their grandchildren. There is only one question that must be answered at the next State election and that is, simply, 'Do you want more of the same because, if you vote for this Labor Government, it will be more of the same: more mismanagement and more financial failures? Or do you want a change and a future for your children and grandchildren so that there is some hope that they will have a job?' That is what this House has to determine, very simply. The industries that can assist with employment and generating income are agriculture, mining and those other industries that have laid the framework for the people of this State. Those are the industries that should be encouraged; they should not continue to be harassed, controlled, interfered with, taxed and over-regulated.

As you would know, Madam Acting Speaker, in the northern parts of this State and in rural South Australia we are facing a decline in our services and a lack of job prospects. There are two industries—agriculture and mining—which, if they are assisted, can generate employment, with the right policies and with encouragement. Anyone who was lucky enough to see the interview a couple of weeks ago with the New Zealand Prime Minister would have seen that the spokesman for agriculture in that country said that it is difficult in New Zealand today to get people to work on farms, because the demand is so strong. That is because they have reduced their cost structures and now they are competing on world markets, on which we cannot compete.

I would like that situation to be achieved in rural South Australia—where people were competing, where there was a shortage of labour. If that was the case, many people who are unemployed today would be employed in a meaningful job. That is what is required, and that is a challenge to this Government and its colleagues. We can talk about affirmative action and all that sort of policy hype that this Government has been long on, but at the end of the day it does not mean a thing; it is not worth anything. There is only one sound policy that we should employ, and that is a policy of high employment and

business incentive. Those two things can create the economic conditions where we get social justice and equal opportunity, because there are long-term jobs. All this other nonsense we have gone on with is not worth anything: it is only people making themselves feel good. It is perception politics which, in real terms, means absolutely nothing.

Where are we going? What alternatives does the Liberal Party have? In the past 10 years we have set out alternative policies and, if they had been put into effect, we would not be in the economic straits that we are in today. It is not the Liberal Party that sat idly by and watched the State Bank mismanage the affairs of this State. It is a great institution, which was founded by people who had foresight for the future; a great institution that built homes for people and helped small business, and could still have done that on a profitable basis if it had had good management and if the Government of the day had been able to make sensible assessments.

The great problem with Labor socialist Governments is that they are poor pickers of people and they do not know when they are being conned, because most if not all of them have never been in a position where they have had to make decisions that affect their own livelihoods. It does not matter what it is; the great skill that competent managers have is in being able to appoint people to make decisions for them. It is very simple. We look at what has happened in this State and the evidence that has come out of the royal commission, and we read again in today's newspaper about the little clique of people involved in the Grand Prix—and Marcus Clarke was involved in that group. People have been able to use the system in an unfair manner.

I do not mind if we have a system where we pay \$4 stamp duty on \$400 000 but in my view it is all in, all out. Those in the know are able to exploit the situation, but the average home owner, people who want to own a home or people in my electorate who do not qualify for the old age pension but cannot afford to pay the stamp duty when they want to transfer their farms to their sons and daughters, cannot take advantage of these sorts of scurrilous and outrageous schemes put into effect by people on the public payroll. The Treasurer should move in and say either that no-one has to pay stamp duty or that we should all have to pay it—all in or all out. While we allow this group of people who have so mismanaged the affairs of this State to rot the situation, of course there will be public anger, dismay and concern.

They are just some of the problems. If we look a little further at what this Government has done, we see that it has appointed to Government boards and committees people of its own political persuasion who know nothing about business and commerce and who have basically a socialistic outlook. They have grown up in the politics of envy, they despise anyone who wants to achieve or do anything, so they have this natural antagonism towards industry and commerce. Organisations such as the occupational health and welfare group are causing havoc in the economy. I have recently had brought to my attention by a constituent in Andamooka a concern in relation to the mining industry, and I would like to cite his letter, because under this budget we will be spending

money to put into effect the sort of nonsense he is talking about. The letter states:

Recently I rang you from Andamooka regarding new regulations concerning ROPS (Rollover Protection Structures) on bulldozers. Enclosed is a letter I sent to Chief Officer Occupational Health and Welfare Commission. This is a very crucial problem which will drastically affect the working of all opal fields in South Australia—with the potential if the regulations are not more realistic to force hundreds of operators off the fields. Resulting in population decline and semi ghost towns because of no people to support businesses. I have in my 10 years in Andamooka never known a bulldozer to roll over. These regulations have the potential to decimate the opal mining industry as new regulations affect all types of machinery and all types of mining.

It appears, if the bureaucrats, to ensure themselves permanent work for years to come enforcing these draconian (proposed) regulations have no regard to their effects on the private people or the effects on the opal mining industry or the towns concerned.

This is a letter that my constituent wrote to this group. This is the Government that these people have supported, put into office and given a free hand. These are absolute fools masquerading as responsible people. Another letter states:

To Chief Executive Officer,
South Australian Occupational Health, Safety and Welfare
Commission, 1st Floor, Waymouth Street, Adelaide, 5000.

I wish to make comment on draft regulations relating to [rollover bars] on bulldozers.

(1) New bulldozers must have [rollover bars]—I agree.

(2) Older bulldozers must have ROPS fitted when regulations passed—more time must be given for people to comply if regulations passed.

(3) Older bulldozers which cannot be securely fitted with [rollover bars].

This is the section of which I am concerned. I have a D4 bulldozer fitted with a FOPS canopy in very good condition. I have recently spent a lot of money fitting all new line hydraulics. I have owned and operated this dozer for 6 years accident free working on Andamooka opal fields.

I believe as an owner/operator to get value for my investment cost (large number of people in similar position) we should be allowed to continue using the machines in conjunction with safe work practices for at least 10 years while maintaining the machines in good working condition. I am not in a financial position to be able to buy a new dozer. To be forced to cease working the dozer at the end of 1994 because of unrealistic regulations would mean an almost total loss of my investment (only able to sell for scrap value) forcing me out of opal mining. Many others will also be forced out of opal mining onto the dole queues if these regulations are implemented as drafted.

I believe if an owner/operator maintains his dozer or machinery in good working condition, uses safe work practices, has been accident free, he should not be forced out of business.

That is just one simple example of the sort of unrealistic approach this Government has taken. The worst aspect of these things is that Ministers should have more sense. Unfortunately, if it comes to a choice between their taking notice of someone involved in the industry or the public servant, the public servant comes first. It is as clear as night follows day that, if this practice continues, section after section of the industry will be wiped out of existence.

The Health Commission is now running wild. There is tremendous concern in places such as Leigh Creek that they are on the hit list because there has been a population decline. There has been no regard to the very large travelling public and the great tourism potential. I am being inundated with letters from concerned constituents. One such letter states:

We would like to bring to your attention once again that country hospitals and their funding are in jeopardy. Country

people are again being expected to be without a health service, which is the fundamental right of every Australian.

We know that all the basic commodities for our affluent lifestyle—be it dairy products, wheat, meat, fruit and vegetables, wool, coal, iron, uranium—are all grown and mined in the country and outback areas. Unfortunately, they don't grow or are mined by themselves. They need people and it would certainly make life extremely inconvenient and uncomfortable for our metropolitan counterparts to exist without them. So despite what our Government may think they need, the fact is, no-one would survive without us.

The letter continues to clearly point out that rural people are concerned that their hospital service is again being subjected to cutbacks and an uncertain future. Why is that taking place? Surely members opposite recognise that, if people are to be maintained in rural and outback South Australia, there are certain basic services that are not only desirable but essential.

I refer now to another situation where this Government has failed to administer properly and to stand up to the affairs of South Australia. I well recall many years ago talking with Sir Thomas Playford about signing agreements with the Commonwealth. He very briefly explained why he refused to sign the Snowy Mountains agreement; he believed that South Australia would not get a fair go. He stood out and was exceptionally successful. Recently, as you would know, Madam Acting Speaker, the State Ministers signed the NRC agreement, but they signed it without telling this House what would be the long and short-term future of Australian National, whether we would have any rail services left in this State, who would be responsible for carting the coal from Leigh Creek to the Port Augusta power station, and whether NRC would have control of the line between Broken Hill and Port Pirie.

We also know that a deal has been done with Morrison Knudsen to rejuvenate the locomotives at Whyalla. The South Australian Government was in a strong position to stand up to the Commonwealth and refuse to ratify that agreement or assign running rights to the National Rail Corporation regarding those tracks in South Australia over which the State Transport Authority still has control. I was given a copy of a letter that was sent to the Hon. Bob Brown, Minister of Land Transport. I think the House will be interested in it. The letter states:

As you may be aware AN General Manager, Mr Russell King, has recently signed a contract with the firm Morrison Knudsen for the rebuild of 24 number locomotives. This was done without any consultation with unions concerned and with complete disregard for the memorandum of understanding entered into by AN and unions.

Workshop employees concerned at the loss of a large part of their work imposed bans on the movement of the locomotives concerned to the Morrison Knudsen workshop in Whyalla until talks could be arranged between all parties concerned.

AN management has refused to arrange such a meeting and attempts by the CRU to contact Morrison Knudsen have fallen on deaf ears. Instead AN management has conducted a campaign of rumour, innuendo and threats of withdrawing work from Port Augusta workshops with the last straw being a threat to remove the refurbishment of the Indian Pacific from Port Augusta.

This action is counter productive and is causing divisions and distrust between management and employees that will not easily heal. It is our view that we must all work together and be honest with each other if AN is to prosper in the future. Therefore we would ask if you could help in the settlement of this dispute by convening a meeting of all parties concerned as a matter of urgency.

I sincerely hope that Mr Brown does that, because one of the interesting things in relation to the Morrison Knudsen

arrangement is that it was originally stated that Morrison Knudsen was going to purchase these locomotives on a lease-back arrangement. I have a copy of a letter which was sent to Mr Martin Ferguson and which states in part:

Morrison Knudsen Australia will undertake to re-manufacture these locomotives for the financier to the latest 'state of the art' technology which is proprietary to MKA.

That has put a new dimension on it. Who is the financier? We have already seen what has happened with lease-back arrangements with the Electricity Trust in this State. No-one has advised members of this House or the people of South Australia who is the financier. The public is entitled to know. I believe that the State Government should be seeking clear and definite answers from the Commonwealth as to the plans that NRC has for Australian National, because we all know that, if the profitable sections of AN are taken away, there will be a good excuse to run it down further in the future.

The other thing that has to be remembered is that the long-term employment analysis in the document, which was put out recently and which is headed 'An Economic Analysis of the Port Augusta Region', leads people to have some concerns. I believe that the figures used are particularly conservative.

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

Mr SUCH (Fisher): Once again we have been presented with a very interesting budget, which does little for this State. As the member for Eyre indicated, it represents the politics of perception: it is trying to create an impression in the community that this Government is doing something via the budget, but sadly it is doing very little. The former Premier, the member for Ross Smith, said recently that the buck stopped with him.

Unfortunately, in South Australia there are not many bucks left and that is because of the economic mismanagement of this Government. Despite some supposed changes in recent times involving new faces in the Government, basically we have the old bodies, the old philosophies and the old policies that have been in operation for the past 10 years in this State. There has not been any significant change. This budget is another manifestation of those tired old policies that have been inflicted on South Australia over the past decade. It is the culmination of 10 years of inaction, lack of direction and inability to provide an economic climate in which we will get genuine private sector investment to create real and permanent jobs.

Mr Meier: In other words, a dismal future.

Mr SUCH: Absolutely, as the member for Goyder points out: this Government and this budget constitute a disaster. The budget and the documents that come with it are strong on rhetoric. The phrases of the decade have to be the terms 'social justice' or 'social justice strategy'. For example, Financial Information Paper No. 4 states:

The 1992-93 social justice budget has been framed with a particular emphasis. The impact of economic conditions, both nationally and within South Australia has been quite severe for those who are unemployed or who are on low incomes. A major concern of the community is the growing unemployment amongst all age groups and particularly amongst young people. Aboriginal people continue to experience higher rates of poverty and unemployment.

That is a gross understatement. As a result of the actions of this Government and its Federal counterparts we have

had foisted upon the community an absolute disaster in terms of high levels of unemployment impacting on all sections of the community, both young and old, including Aboriginal people. The Budget and Social Justice Strategy Information Paper No. 4 goes on to list key priorities, as follows:

- the needs of aboriginal people;
- measures to address the effects of unemployment on key groups in the community;
- low income families with children, particularly single parent families;
- people newly arrived in Australia from overseas;
- people with a disability;
- the rural community; and
- the areas of locational disadvantage recognised in the Planning Review.

All members of the House and members of the community at large have heard the rhetoric related to those groups and others over many years, but those problem areas still exist and the problems facing those sections of the community and the total community still exist. Despite 10 years of rhetoric we have not seen social justice policies implemented to any extent when the best form of social justice would be a budget and a Government strategy that helped create permanent jobs.

This budget will do little to create jobs. I acknowledge in the payroll tax area there is a minor adjustment which may have some impact and positive benefit. However, that is likely to be marginal and there is nothing in this budget to instil confidence and encourage people living either inside or outside the State to invest in South Australia. The budget does not tackle the major issues of taxes and charges: indeed, it goes the other way and actually increases many of them and places a greater burden on business and thus acts as a disincentive upon business and those who would invest in South Australia.

The typical strategy of this Government in relation to its alleged commitment to social justice is an emphasis on money, for example, in relation to Aboriginal people. The Government believes that one can simply solve the difficulties faced by such people in terms of money. Time and experience have shown that that is not the case, that we will not solve major problems facing Aboriginal people or other disadvantaged groups in the community simply by throwing money at them.

In that respect and in respect of all other disadvantaged groups and the wider community, this budget does little that is positive. The budget lacks direction, is not enlightened and is a dismal failure. This is in the context of a State in which we have high levels of unemployment, of 11 per cent plus for adults, and for young people 40 per cent plus, but the Government is talking about phone-ins for young people to find out about careers. We do not hear or see the Government addressing the real problem of creating jobs and, sadly, young people who ring in to find out what their career options are will discover, if the operator is honest, that the job opportunities simply are not there.

Again, it comes back to the question of why people are not investing in South Australia and creating jobs. It is because this Government has been a dismal failure, and that has been reflected in the budget and in the rearrangement of personnel in the driver's seat. That will do little to change the situation because the current leadership of this Government is comprised of people who have been part and parcel of shaping the direction of

this Government for the past 10 years. What has changed? Very little. It is very much akin to a plastic surgery job: the substance and direction have not altered at all.

A significant feature of this Government is that it has few members who have expertise in economics, accountancy or management—indeed, in terms of business experience. Therefore, it is not surprising that the Government has been unable to perform in regard to economic management. Its philosophy is that anyone can do anything, and what we have seen is a tragic economic situation foisted upon this State. It represents the culmination of inexperience and a lack of knowledge in respect of economic and financial management.

This budget has increased the indebtedness of this State. It represents a mortgaging of the future of our children and grandchildren in a way that is tantamount to criminal neglect in terms of future South Australians, not to mention present South Australians. In this budget we have seen significant increases in debits tax, petrol tax, tobacco tax, stamp duty and liquor franchise charges, not to mention the fact that this Government has seen fit again to use some of the statutory bodies and service departments as areas for gaining extra revenue, for example, the Electricity Trust, the E&WS Department and the Department of Marine and Harbors.

This Government has not learnt anything about economic management in the past 10 years. It has just continued with this sorry saga of financial mismanagement and, sadly, it will be future generations who will be the ones who will have to pay the price. Other speakers will highlight various aspects, but I would like to focus for a while on Financial Information Paper No. 5: *The Budget and Its Impact on Women*. Members will appreciate that I have always been a strong advocate of increasing opportunities for women. I still believe that in our society we do not provide enough opportunities for women to utilise their talents. I have been a strong advocate, even as far back as the 1960s, in my youth, for such things as equal pay for women. In relation to this particular budget paper, I must raise the question of whether it serves any useful purpose.

Indeed, I believe it is rather demeaning and patronising, as far as women are concerned, to dish up within the budget papers a booklet which in many ways trivialises the role of women in the community. For example, on page 55 it refers to a project, the aim of which is to market and facilitate the role of women in conserving family heritage collections, the expected outcome of which is the utilisation of facilities by women in conserving family treasures, records and heritage collections in the home. The amount of \$5 000 is relatively small, but it is part of this approach which I believe is quite inappropriate and which trivialises and demeans the contribution of women in our community.

On page 58 under the heading 'State Library Oral History Collection' there is reference to the fact that in the 1991-92 financial year efforts continued to be centred around active involvement with oral history programs which record women's experiences in a variety of areas. Over 50 per cent of the material added to the oral history collection in 1991-92 comprised interviews with women representing a broad cross-section of the community including Italian and Indian migrants, contemporary

women unionists, members of a feminist lesbian soccer club and women recounting recent birth experiences. Once again, the expenditure is relatively minor, but I argue that nominating a feminist lesbian soccer club is quite irrelevant; it would not matter whether it was a non-feminist, non-lesbian soccer club.

I believe this document is totally unjustified in terms of the amount of money, time and effort that goes into producing and printing it. The best thing one could have in relation to opportunities for women would be sound economic management of this State rather than trivialising and demeaning women by spending a lot of time and effort on producing this sort of material. I believe that women would prefer to see money and effort, skill and expertise put into restoring the economy and creating jobs for women, male and female members of their family and their children.

I wish to highlight one further example, which is one of many. I refer to a program on page 83, the aim of which is to improve the health and well-being of older Greek women with arthritis in the Aldinga, Virginia and Riverland areas and to train Greek workers in the Riverland to conduct similar courses. That aim is quite laudable in itself, but it highlights the point that this is a very selective document that has been put together and printed at great cost. I do not believe we need a document such as this as part of the budget papers. It is time that we adopted a more mature and less patronising approach to women and treated them as mainstream members of our community and society rather than as a separate category that is treated in this unacceptable and patronising way.

I believe that women are interested in real economics and other issues, and if you ask them what they would like to see I am sure they would like to see this Government performing better in terms of economic management rather than going through this exercise in which Government departments have to try and justify what they are doing and come up with all these sorts of programs in order to create—and I referred to this at the start as part of the politics of perception—an impression that somehow this Government cares for women. This Government does not care for women or for men either; in fact, it does not care for the community at all, and that is evident from the way in which it has mismanaged the economy.

This budget, as has been suggested earlier, is not only a disappointment but a great disaster. It does not show any positive sign of change for a new direction. It is more of the same, tired old rhetoric, claims about social justice, but once again it does not deliver.

Mr Atkinson interjecting:

The DEPUTY SPEAKER: Order!

Mr SUCH: Members of the Government do not like to be reminded of their deficiencies and shortcomings when it comes to economic management. They are great on words but when it comes to actually delivering in terms of innovative policies, whether it be in the manufacturing or rural sector, they are sadly lacking. There is no evidence or indication that things are going to change. All we have had is a change in the driver's seat. All that the Government has done is recycle one of the passengers from the rear of the bus and put that person in the driver's seat.

The people of South Australia sadly can only look forward to more of the same from this Government. The alternative Government—the Liberal Opposition—has put forward some positive policies, and these have been clearly enunciated by the Leader. They provide a change in direction and new ideas and are very much in keeping with the thrust of recent reports such as the Arthur D. Little report. When the Opposition becomes the Government, this State will see investment and the creation of real jobs. The sooner that happens, the better for the people of South Australia.

I conclude by once again indicating my disillusionment with this budget and the fact that my children and other people's children and grandchildren will have to wear the mismanagement of this Government and the financial incompetence that has been reflected not only in the past 10 years but reinforced in this rather hollow document.

Mr BLACKER (Flinders): The budget that the then Premier brought down on 27 August was one of despair and something which the finance and business community of South Australia rejected quite strongly. I believe that the vibes expressed by the business community and financial sector of the State are the reason why the Premier of the day decided that enough was enough and it was time to call it a day. Had, on the other hand, the public's reaction been more favourable to the budget, I am sure he would have stayed on for another day.

This budget is a disaster for South Australia because it shows no direction. Every move that is proposed is anti-business and that, in turn, is anti-jobs.

Mr Such: And anti-country people.

Mr BLACKER: It is certainly anti-country people, as the honourable member said, because people who require services at the end of the line—in other words, anywhere where transport is required—will obviously be put to greater expense. Unfortunately for South Australia, in the main, the people at the end of the line are the predominant wealth generators of this State. They are the primary producers and representatives of the mining industry, the areas in which new wealth is generated, effectively farmed and recreated.

It is necessary to refer to some of the statements made by the Premier and Treasurer when he brought down the budget, because in the first two or three pages of his speech he gave an indictment of the failure of his own policies. The Premier stated that part of the problem was the deterioration in the net financing requirement and that it was as a result of the recession, of which taxable receipts accounts and, in particular, the private sector payroll tax receipts were \$26 million less than expected, the financial institutions duties were down \$11 million, gambling revenue other than poker machines was down \$9 million, and stamp duty revenue on conveyances was \$9 million less than expected. In addition to those shortfalls, which are directly attributable to the recession—in the Premier's words—tobacco receipts were down \$9 million, reflecting in part reduced consumption levels and the effects of the recession.

It is more than just reflecting the recession. We all know that we have a recession and many would call it a depression. However, the figures I have just quoted to the House are the barometer in respect of the health of the

business community of the State. Clearly, when the Premier's own estimates are down by that very large amount, it reflects an unhealthy state of business, an unhealthy state of consumer confidence and—in the Premier's own words—it is an indication of the failure of his own budget and his failure to manage the State's financial interests. The Premier goes on to state:

The shortfall in payroll tax receipts reflects both a lower than expected growth in average weekly earnings and a larger than anticipated fall in employment levels.

Of course, these figures all show that the downturn in the business economy means an increase in unemployment figures. That is the real tragedy of the whole situation: it is the tragic loss of job opportunities that our young people will not be able to take up that is the real barometer and indicator of the failure of this budget.

The Premier, in trying to rectify that situation, increased the fuel tax by 3c a litre in the metropolitan area on a graduated scale down to 1c a litre in country areas. Whilst I applaud the discretion that has been used in trying to relieve the burden on country areas, it nevertheless still adds 1c a litre to the cost of fuel in the country. In addition to that, there has been a doubling of the bank account debit tax. Of course, that is again a detriment to any business activity. It seems that the indicators are there that the Government's fiscal management and policies have affected the business community and they have therefore created more unemployment, but the Government's answer to that is to create even greater penalties and disincentives to the business community—those very same people whom we would like to see adding to the job opportunities and further improving employment prospects for all people throughout the State.

The Government's attitude is that, because it has made a loss, it needs to rectify it, so it imposes further imposts on those people who might be able to create additional wealth and job opportunities. The system is wrong; the direction is wrong; and the Government is not providing any incentive to help those people who will be able to create that wealth and those job opportunities. Of course, a lot of the problems emerge in the accounting figures. I draw members' attention to some aspects of the Auditor-General's Report, which was tabled in the House today. Whilst members would not have had an opportunity to peruse that report in great detail, I draw attention to parts of the audit issues that are raised in the report and make reference to some of them.

The Auditor-General claims that some of the deterioration of the financial health of the State has been, first, because of the economic recession that has been reflected by shortfalls of revenue; secondly, because of the State Bank indemnity arrangements; and, thirdly, the restructuring of the financing arrangements with respect to SGIC and the property known as 333 Collins Street, Melbourne. We all know that that is a political disaster. The sad aspect of the whole situation is that all of those losses have been created by just a few people in this State and the burden will have to be borne by this community—this current generation and future generations.

The two factors—namely, the State Bank indemnity and SGIC—meant that the financial assistance package that was required was some \$2.3 billion for the State Bank and \$350 million for SGIC for the financial year

1990-91 to 1991-92. In addition to that, another \$272 million needs to be provided on the interest on the borrowings for the State Bank indebtedness. That figure excludes a further commitment to the bank of \$450 million with respect to the bank's financial position as at 30 June 1992. It also excludes the \$21 million compensation to SAFA. There are additional liabilities and costs to the State that arise from the loss of revenue contributions and return on capital, the royal commission and the Auditor-General's inquiry and the reduced credit rating of the State. Further contingent liabilities relate to an ongoing liability arising from the bank indemnity and the potential for operating costs to exceed revenue at 333 Collins Street, Melbourne.

It is important to focus on the fact that the problems of the State Bank have resulted in an increase of \$2.3 billion to the South Australian public sector net indebtedness to 30 June 1992. In addition, the assumption by the then Treasurer of liabilities in respect of SGIC and SAFA added another \$314 million in 1991-92. This means that there is now a net public sector indebtedness totalling \$7.268 billion. Just to add some indicator of where we are in that scenario and how that figure has blown out, in 1989-90 the State's net public sector indebtedness was \$4.303 billion; in 1990-91 it was 6.73 billion; and in 1991-92 it was \$7.268 billion. In three years that indebtedness has gone from \$4.3 billion to almost \$7.3 billion—effectively an increase of \$3 billion in three years.

The interest burden on the additional debt is of a permanent nature and must be funded from the Consolidated Account. The interest cost arising from this over the past two financial years, along with economic circumstances, has contributed to the Consolidated Account recurrent payments exceeding recurrent receipts. The deficit has been funded by borrowings. That is indicated by a total of \$398 million.

When looking at the public sector gross and net indebtedness, the Auditor-General has been careful to mention that one must be aware of the level and nature of physical assets acquired as a result of incurring that indebtedness. I refer to table 3.6, financial paper No. 1, where it is indicated that the total assets are approximately \$12.7 billion. While this portrays a positive result, the fact remains that an amount of approximately \$3 billion has been added to the State's net indebtedness in a three year period. Of course, that is brought about primarily by the State Bank and SGIC.

Although the Government has presented what it calls a balanced budget, we should also take into account and recognise that in order to create that balanced budget significant borrowings have added to our net indebtedness. For example, last year \$470 million was borrowed to pay the shortfall and the indebtedness in the recurrent and capital accounts in order to 'balance' the books. I put 'balance' in inverted commas because it is a purely arbitrary figure which does not reflect the true position and in reality the loss was \$470 million. This creative accounting, as one could put it, whilst not questioning the legality, is not a true balanced budget as the Premier or the Treasurer would like us to believe.

One could go on and draw a number of other conclusions from the initial comments by the Auditor-General, particularly in relation to the State Bank, many

of which will no doubt be brought before the House at some later time. It is not my wish or desire at this time to mention that.

I should like to comment, first, on the Leader of the Opposition's contribution to this debate. He has set out a number of the things that have gone wrong with this State over the past 10 years at a minimum, and we could say even longer than that. I also want to mention the member for Kavel and his comments, because he outlined many of the issues that were brought up two or three years ago which at that time fell on deaf ears. If only the public and the Government had listened at that time the devastation that has beset the State may not have been as severe as it has turned out. However, one can always be wise in hindsight. Regrettably, the warnings that were issued at that time were not heeded.

We need an air of confidence. We need a Government that has the perception and the will to encourage business and those who have the desire and inclination to create new businesses and jobs. Unless we have an environment in which people are prepared to create those jobs, we shall further stagnate and not recover as we would like to see this great State do. We need to get back on the income-earning track, create new job opportunities, gain further employment and develop our natural attributes.

There are considerable advantages in developing some of the mining interests which are available within this State. Some developers would like to develop within this State, but they are given no incentive whatsoever. Most of the developers and potential developers to whom I speak are throwing up their hands in despair because of bureaucratic nonsense that is brought up from time to time, in some cases in the most irresponsible way. I cannot say that this Government is keen to encourage new business because of the restrictive practices that it has brought in.

It is obvious that the indebtedness of the State is a millstone around our neck. People do not understand the severity of the situation. If we divided our total indebtedness of \$7.3 billion by the number of rural enterprises in the whole of South Australia - that is every hobby and other farm—we would have a figure of well in excess of \$500 000 per rural establishment. I have used that or a similar figure in this House before. However, it needs to be said time and again because the actions of those two instrumentalities over the past three years have effectively mortgaged the whole of country South Australia, and that is in addition to any other borrowing, private or otherwise. That is the problem that is besetting us all and that this generation and future generations will have to address.

We want new jobs. We want a creative Government that is prepared to give some assistance and, at the very least, get off the backs of those who are prepared to give it a go. I ask the Government to give them a fair go. I am not asking for an open cheque book; I am asking only for a fair go. We need a Government with the appropriate departments and incentives to get behind potential businesses, particularly those businesses which have the ability to create jobs. We all know that if every small business were given the incentive to employ one additional person our unemployment problem would be solved. There are opportunities available. In my area fish farms have been opening up. They will create a large

number of jobs, a new industry and, hopefully, new dollars for South Australia.

The agricultural sector is potentially facing an all-time record. Within the past 24 hours I asked a senior grain handler for his estimate of this year's grain production. His comment was, 'If we have a reasonable October it will be an all-time record. If we have an average October it will be the third best year ever.' We are facing a good rural year. We need the Government to get off the backs of those who are able to create new industries and we need policies with incentives to encourage them.

As an indicator of where we are going, 20 years ago one tonne of grain would buy 2 000 litres of fuel. In 1992, 20 years down the track, one tonne of grain will buy 200 litres of fuel. Effectively, the purchasing power of a tonne of grain over 20 years has deteriorated to the extent where it will buy only one tenth of the amount of fuel that it would have bought in 1972. This is yet another indicator of the way that we are going and the problems that we need to address if this Government and Parliament are to look seriously at the future of South Australia.

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

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

Motion carried.

Mr BECKER (Hanson): The day that the budget was brought in, 27 August, was indeed a very sad day for South Australia. It was a very feeble attempt by the then Premier to convince this House and the people of South Australia that the budget that was being introduced was in the best interests of the State. In fact, it was not. It gave us an indication that now is the time to bring in the receivers. I say that very sadly because I hate to see my State put in such an economic situation as we have at present.

It has taken the Labor Party two decades to bring this State to its knees. The first decade was in the 1970s when we had Dunstan as the Premier - the great Dunstan decade that was to change the morals and the whole course of the history of South Australia. We were to get out of the old-fashioned conservatism, as it was described by those then liberal people at the time, particularly the legislators. That did nothing for the morals of South Australia. We had an education system for which today we are paying a very dear price considering the poor quality and standard of education of those young people, particularly in the primary area.

We then had three years of a Liberal Government under David Tonkin which attempted to rectify some of the wrongs and economic ills that were foisted on South Australia because of the Dunstan decade. Everybody got nervous and frightened. As I keep repeating, correcting the economic situation of this State is like going to the dentist: there is going to be some pain, and everybody fears the pain. They all want the benefits of good teeth and good health that follows from having good teeth, but they do not want to go through the pain.

Now we have had a decade of Labor, led by the member for Ross Smith, and what do we have? Sadly, we have a situation where, if this were a private

company, we would have to call in the receivers. We would have to call in the financial vultures, as I call them, because I do not like receivers. They come in and tear the whole place apart. They are the ones who prey on the demise of the businesses and people who get themselves into financial difficulties. They would just strip this place apart, because what is left is very little. We have been told that the State is not in a bad situation. The Premier said, 'We have liabilities of about \$14 000 million, but that is all right; that is backed up by assets of \$24 000 million.' But what we have not been told is what makes up that \$24 000 million, what is the valuation of those assets, what is the condition of those assets and what chance we have, if we must have a fire sale, of obtaining the \$24 000 million.

Mr S.J. Baker: None.

Mr BECKER: We have Buckley's; as the member for Mitcham said, 'None'. The Public Accounts Committee, the forerunner of the Economic and Finance Committee, quite rightly brought down a series of reports a few years ago about the maintenance of the State's assets. Very little money has been pushed into the protection, the upgrading and the improvement, let alone the maintenance, of the State's assets. As you, Mr Deputy Speaker, and everybody else knows, if we do not look after our assets, they will rot, rust, wear and tear. We will get to a situation where maintenance becomes very costly and, as the Housing Trust has found out, it is better to sell the properties rather than maintain them. So, the State is caught in a very dangerous web of not being able to maintain its assets yet letting its assets run down, at the same time increasing its public debt, so the whole thing comes to a situation where we are broke.

I would hate South Australia to have to go cap in hand to Canberra (and under the present Administration, that would be absolute dynamite) to get some relief because, as I understand it, the State did have a juggling problem in July this financial year even to pay the wages bill. In introducing this budget and in its explanation of the budgetary documents, this Government is now attacking private trading enterprises. This is a new phrase—a new in word—that the Public Service has dreamt up for our statutory authorities, and the Government will use the next 12 months to find the hollow logs to go to those statutory authorities and get them to borrow as much money as they can to pump into their general revenues, so the Government can turn around and take those general revenues in the way of dividends, commissions or whatever to keep the State afloat. That works only for a short period; after that, we are in all the trouble in the world.

We only have to look at the warnings given today by the Auditor-General. This amazes me. It is an excellent report by the Auditor-General; it is a wonderful warning and should be recommended reading for the 69 State members of Parliament and legislative councillors, and the public as well. On page 1, under the heading 'Audit issues. A focus on South Australian public sector finance', the Auditor-General states:

At 30 June 1992, information produced by the State Bank indicated that the level of non-performing assets was \$3 945 million including the Remm group exposure and other property assets. The level of non-performing assets is, of course, a fluctuating figure subject to changes in the status of the

particular asset which may, of course, be favourable or unfavourable.

First, no explanation has been given to Parliament at this stage; no explanation has been given to the people of South Australia that, when one has a non-performing loan in a bank, what one does is to cast aside that account and in the first financial year, the current financial year of that non-performing loan, one writes off 40 per cent. If there is no improvement and no attempt to pay the interest or any capital, and the debtor is making little progress, in the second financial year, one writes off 30 per cent. If there is still no progress in the third and final year, one writes off the remaining 30 per cent—the whole thing.

What we have not been told from day one is just what percentage has been allocated for the writing off of those non-performing loans. At one stage we were led to believe it was 100 per cent, but trying to work out a percentage was nothing but an educated guess. I believe it is a blight on the Treasurer, a blight on the Government and a blight on the current management of the State Bank that they have not informed the Parliament of exactly what ratio of those loans they have written off. All we know is that the non-performing loans and other property assets of the bank at one stage exceeded \$4 100 million in 1991. Let us not kid ourselves that the current management of the bank is doing us a favour at the moment. It has a lot of explaining to do, and this House should be informed. The Auditor-General went on:

The position is that at February 1991, the loss associated with the non-performing assets was estimated at \$990 million in present values (face value \$1 500 million), at August 1991 the face value estimate had risen to \$2 200 million and at August 1992 to \$2 750 million (which includes holding costs \$231 million).

So, they are capitalising the interest. The report continues:

The arrangements for the funding of the \$2 750 million are explained later in this part under the heading 'State Bank of South Australia—financing the Treasurer's indemnity'. In addition, at 30 June 1992, an amount of \$300 million has been set aside (from the 1991-92 SAFA surplus) in a special deposit account to assist the funding of indemnity obligations that may arise. It is proposed that a further \$100 million be credited to the special deposit account by increasing the Treasurer's indebtedness to SAFA.

I am particularly annoyed that for some 15 months I have had a question on the Notice Paper asking for an explanation as to what the Government did in relation to the Remm/Bank of New Zealand financing deal. I believe that this Government paid out the Bank of New Zealand in relation to the Remm Corporation. The Bank of New Zealand was one of the financiers involved in supporting the Remm group, but the Bank of New Zealand took the Remm group to the Supreme Court in Melbourne and sought to liquidate the company. Rather than let the thing go to court, this Government let the receivers come in on the Remm Corporation (or whatever it is called) and paid out the Bank of New Zealand; the bank received 100c in the dollar and the poor old South Australian taxpayer is now having to foot the bill to prop up the Remm group. That might be smart business; it might have been a good deal by the Government at that time, but it will make it a very expensive deal for the South Australian taxpayers.

But we have not yet been told what went on. The type of secrecy employed by the present Government will be

its downfall, because taxpayers are demanding accountability. They want to know what is going on. If we look through the budget documents, we extract all sorts of figures. We will extract from the South Australian Financing Authority a gross interest payment of \$1 700 million odd that is paid out by SAFA for borrowings, but we are told as far as the general revenue account is concerned that the South Australian taxpayers have an interest bill of \$978 million. For every dollar that the State raises in taxes, 63c goes towards that interest bill. The \$978 million paid out in interest is an amount greater than the allocation that goes to the South Australian Health Commission for the running of our hospitals. Try telling the taxpayers that the Health Commission will receive an allocation of \$789 million when the interest bill is far greater.

The spending on education this financial year will be \$916 million compared with the interest bill for the State of \$978 million. There is something drastically wrong in the housekeeping of this State when we are paying that huge sum in interest and we cannot properly finance our education and health systems. Taxpayers will never be convinced, if they become ill and need a hospital bed, that they have to wait for treatment or that they have to be put in a wheelchair or left on a barouche in a draughty corridor with people walking past looking at them while they are waiting to go into the operating theatre or the casualty section for assistance. It is simply not good enough.

Over the years we have been able to establish and maintain a superb health system and an excellent education system—although the philosophy of the Labor Government in relation to education leaves a lot to be desired. This State has provided many other services and systems for its taxpayers, and it has been able to afford to do so with a reasonable taxation base. However, from now on we will be unable to do that. One only has to drive around the suburbs to notice the terrible condition of the roads. Where will the money come from to maintain our road system? Where will the money come from to upgrade some of our roads and transport systems? Why do we have to carry a loss of \$500 million on the State Transport Authority over the past four years? In the past four years the State Transport Authority has accumulated losses of \$500 million. Someone has to pay for all these things. The figures just get bigger and bigger. It is time that we had a general accounting; it is time that we took stock of what is happening in South Australia.

In the past few years under the current Government, we have lost 38 300 jobs. Unemployment is at the highest level that we can remember in the history of this State. South Australia is almost in the situation it was in 100 years ago. The last time I made that statement, one Adelaide journalist laughed at me. Randall Ashbourne said that I was predicting bank crashes and God knows what. I was not far wrong. What was South Australia's situation 100 years ago? The State was facing bankruptcy. South Australian companies had tried to develop the State, but the bureaucrats of the day had got the State into a nice old mess. Thank goodness someone discovered copper. It was the copper discoveries in the new mines that got South Australia out of its mess. What do we have left today? Do we have uranium or oil? We

can forget gold and diamonds. We have the Mines Department at the present time trying to promote that there is two billion barrels of oil in South Australia, but nobody in Australia is interested in looking for it. It is in the Pitjantjatjara lands, and they are now looking to overseas speculators to come in and look for the oil.

What is wrong with incentive and initiative within our own State to try to do something to discover oil and other minerals? What is wrong with the incentive and initiative to create employment in South Australia? When I first came into Parliament, I was appointed as a member of the Industries Development Committee. In those days we took chances, I suppose. We backed people with initiative and gave them the incentive to create employment and do something for South Australia. I well remember a Canadian chap coming in—a real rough neck. He had been around the oil drilling fields for years. He had an opportunity to get a contract with Santos, and he needed a loan from the State or somewhere. We guaranteed it. He had two chances to strike oil. If he did not strike the second time, he would be broke and the State would end up with his rig. Fortunately, he struck oil the first time.

They are the chances one has to take as part of the growing up and the development of South Australia. However, they are not the gambles we expected the State Bank to take. I will never forgive the directors and executives of the State Bank who incurred those huge losses. Twenty-five per cent of the commercial loans granted by the State Bank are now non-performing loans. Any loans that involve those sorts of errors or misjudgments should be publicly exposed in terms of incompetence. One in every four loans of the State Bank is listed as bad and doubtful.

One would think that, with that track record, we would learn, but let us look at the annual report of the South Australian Superannuation Fund Investment Trust (SASFIT). Some of its investments are listed on page 48. Apart from investments in the ASER Property Trust of \$91.6 million, we find a loan to Babcock and Brown Lease Management Services of \$37.3 million secured by rentals against the New South Wales Department of Agriculture on a property in Orange, New South Wales. SASFIT has invested \$81.2 million in the Sydney Harbour Tunnel Company bonds. It has \$71.7 million invested in Victorian Housing Corporation bonds and it has money invested in a put option. I would have thought that, with all the mess SGIC had got into with put options, SASFIT would not be investing in a put option in relation to a \$35 million debt facility for the construction of premises of the Australian Taxation Office in Bankstown, New South Wales, and a \$15.2 million debt facility for the Footscray City Council.

Here again we have several hundred million dollars invested by another South Australian company in interstate companies. For goodness sake, if we cannot invest our own money in our own State, I suggest that we sack all these people—sack the board, sack the staff and put people in there who will go out, use a bit of initiative and invest the public servants' money in proper investments and real estate, be it normal housing loans in South Australia for South Australians. Just think: if the State Bank had remained the Savings Bank of South

Australia, what a lot of good it would have done for South Australia.

Dr ARMITAGE (Adelaide): The budget has been the subject of considerable angst on this side of the House, because it has not answered any of South Australia's problems. It is fair to say that, when the former Premier rose two weeks ago to read out the budget, there was some anticipation. There was an aura in the House as to what was to be South Australia's fate over the next 12 months, given that we all knew that the past two to three years were indeed the *denouement* of a decade of disaster. Well, the disaster befell us; this budget, which the former Premier brought down, has been a disaster.

It was certainly a disaster personally for the former Premier, because it cost him his job of leading the Government. He believed that it would be a circuit breaker. I am quite categorical in saying that it would not be such, if the input into my electorate since the former Premier's resignation is to be taken as a guide. In my electorate, the anger is still palpable at the sense of our being let down by a Government which had been in power for 10 years and from which the people of South Australia had hoped for much greater things.

The budget was also a disaster for South Australia. It was a disaster at this stage for South Australia because, in my view and that of many other people who do not have my clear political bias, the South Australian psyche is ailing at the moment because there is a lack of hope, a lack of flair and light (dare I say it) at the upper echelons in South Australia, and it is all pervading.

This malaise or lack of hope is affecting every man, woman and child in South Australia just as the State debt is affecting every man, woman and child in South Australia, and that malaise is related directly to ALP policies. There has been absolutely no contribution to South Australia's malaise by members on this side of the House. Every decision of economic import taken over the past 10 years has been attributable directly to members of the Government, led by the former Premier, the present Premier and the Deputy Premier.

Every time a South Australian service is cut, every time a schoolteacher goes, every time a hospital bed is closed and every time a home is robbed because there are not enough policemen the people concerned know only too well that those to blame for this malaise sit opposite me in this Chamber. As well as a lack of hope there is now a great fear of unemployment in South Australia.

Is it any wonder that people in South Australia are scared of unemployment when we have record levels of adult unemployment—and that is only if we take those people who are registered as unemployed, but we also have what is indeed a South Australian disgrace where 40 per cent of our youth are unemployed? As we are ostensibly in this place to set directions for the future and to make Australia a better place, what will happen to those generations in five, 10 or 15 years when they have grown up expecting and accepting unemployment?

Before I entered Parliament I used to be employed on a part-time basis in the school health area. I was distressed to visit a number of schools in this State and speak with students. What distressed me was that I used to ask these basically fine upstanding youth of South Australia aged 13 to 16 years, as an aside while I was seeing them about

a variety of matters to do with their health, what were their future aims. What distressed me was that a number of them glibly said, 'I intend to work for the Government.' 'Work for the Government', is not working in the Public Service: it is schoolboy/schoolgirl/youth of the day vernacular for going on the dole. That is what South Australia's youth aim for today.

That is not my saying it—it is people who are potentially the hope of South Australia: the employers/employees of South Australia in the next decade. What do they want to do? They want to go on the dole, but is it any wonder when there is 40 per cent youth unemployment? Is it any wonder that there are so many youth suicides today when there is no hope for the future and when a Government brings down a budget such as this that clearly provides no hope?

What did the budget do to alter the psyche of South Australians and change the lack of hope in South Australia? What did it do to change the fear of unemployment? What did it offer the youth of South Australia in terms of the possibility of getting a job, a career which can better them and through which they can aim to obtain the Australian dream of a home of their own? What did it offer them? What did it do to change the appalling state of the South Australian psyche? It did absolutely nothing, but it compounded fear on to fear: it compounded lack of hope on to lack of hope. Where was this much vaunted flair and light? In my view flair and light went out a long time ago and it did not take the former Premier long to go after it. Our State badly needed confidence. Other States have it in many ways but this Government offered nothing through this budget because it borrowed to pay our debt.

Mr Ferguson: What's your policy?

Dr ARMITAGE: I am coming to our policy, despite the fact that the member for Henley Beach interjects when he is not in his seat. This State badly needs confidence and it was not given it in this budget. It badly needs confidence because at the moment no-one is investing in South Australia. No-one is investing in South Australia now because it is all too tough. It is too tough not because we happen to be situated between Western Australia and Victoria; it is not too tough because we happen to be located near the Great Australian Bight: it is too tough because there are so many Government imposts.

The Minister of Labour sits opposite and I am delighted to relay a story to him. One of my constituents employs many hundreds of people but, because of the economic climate, he has (in the vernacular) 'downsized' his work force and now has two-thirds of his previous work force. He came to see me not long ago about WorkCover and some complaints about it which I am happy to address with the Minister in another debate, but what was really worrying was that he said, 'I have gone from 600 to 400 employees, as have many of my compatriots who are major employers in South Australia. What I have learned when I have only 400 instead of 600 employees in South Australia is that I have two-thirds of the WorkCover premiums, I have two-thirds of the 17.25 per cent leave loading, I have two-thirds of the superannuation guarantee and I have two-thirds of the union problems.'

He said, 'I like it. I am in business not to get beaten over the head with a big stick but to make a fair profit. If people are able to live lives of dignity being my employees, so be it. I do not like putting up with Government regulations. I do not like filling out forms or paying out money hand over fist. I have learned that having two-thirds of the employees is quite nice.' He said to me, which is the worrying thing for the future of South Australia, 'I will never again employ 600 people. I may employ another 50 or perhaps at an absolute stretch another 100 to do exactly the same work as 600 were doing, but I would expect them to work a lot harder.'

Where will we be in the future? Everyone is hanging their hat on the so-called reversal of this depression or recession. Having spoken with a number of the major employers in South Australia, it is my view that that will not be the panacea.

We will still end up with many people unemployed. Given that situation, what does the Government do? Does it offer hope, flair and light or a reversal of many of the imposts? It does nothing. It says, 'We have a political problem; we will go out and borrow to pay our debts.'

Mr Atkinson: What would you do?

Dr ARMITAGE: Let me tell all members opposite, who cannot wait to interject, the people in my electorate—and, I am confident, in theirs—know only too well that if you borrow to pay your debts the day of reckoning is at hand. That is what is happening in South Australia, and that is why investors are not coming to this State. They are saying, 'Look at the credit ratings and the Government's policies; let's go to other places.' Is it any wonder, given this budget which was framed, we are led to believe by the Government papers themselves, with the express input and enormous support for the former Premier of the present Deputy Premier. What is the first public statement of the present Deputy Premier, a hard working man I have no doubt, when faced with record levels of unemployment (youth unemployment of 40 per cent)? In the *Advertiser* of Friday 4 September he said:

None of our employers are geniuses, I can tell you; far from it. They are too stupid to cross the road, some of them. They need some intervention.

Mrs Hutchison: That's been used before.

Dr ARMITAGE: The member for Stuart says that it has been used before. I am happy to tell the honourable member that it will be used time and time again, not only by me and members on this side of the House but by employers. When they think about whether they will employ people here or go to Queensland, they will ask: 'What do the two Governments do? Does Wayne Goss encourage us? What does the Deputy Premier do? He says that we're too stupid to cross the road.' What encouragement to employ people, I ask you!

In my view, it is quite clear that South Australia lacks confidence, and this budget has done nothing to provide it. I honestly believe there is no other way in which South Australia can get back confidence at the moment than by going to an election. I say to members opposite: why do we not put ourselves on the line? As the member for Henley Beach so frequently interjects—and the member for Mitchell like a parrot occasionally says—'What are your policies?'; let us have an election, let us allow the people of South Australia to see what those policies are. Members opposite will see all our policies as will the community. Let us have an election

and put it all on the table, because the people of South Australia know that the Government's policies are abject failures.

We know that it is quite clear to the people of South Australia, because we practitioners of the so-called art of politics are fans of public opinion polls. I am quite sure that members opposite follow opinion polls with the same glee as I do, but I guess they do not have the same joy in them at the moment, because since the Liberal Party announced its priorities for Government and indicated that it wants to get employment up and running, and since it said it will make sensible changes to Workcover, will get hospital queues down and will address the issues that are concerning the people of South Australia, what has happened? The Liberal Party is way up in the polls.

Members interjecting:

Dr ARMITAGE: The members opposite prattle. That will be reflected only too well in a poll. I am surprised because members opposite seem to be throwing scorn on my suggestion. All I am saying is: let their constituents, whom they are so proud to represent, have a say; let them pass judgment on this most recent budget. Members opposite should let their constituents who do not have a job, who cannot get a hospital bed, who are worried about their children's education and who know what it is like to borrow to pay their debts have a say.

Mr Atkinson interjecting:

Dr ARMITAGE: The member for Spence asks me to challenge him in his electorate. I am looking forward to taking on his electorate secretary—I can't wait. Let me assure the member for Spence that I am rubbing my hands in glee at the prospect. His electorate secretary will have plenty of time to work in his electorate and she will need every bit of it.

The representatives of the various electorates know only too well that the people of South Australia would reject them out of hand, because they are appalled at having to pay 63c in tax in every dollar for interest on the State debt. No-one likes paying their bankcard debt or borrowing to pay a debt, and that is what this Government is forcing South Australia to do. In the past 10 years, the number of full-time male breadwinners in South Australia has increased by 3 600. Over the same period, the number of full-time male breadwinners in Queensland has increased by 355 000.

Mr Ferguson: They've got a Labor Government up there.

Dr ARMITAGE: And there's a Labor Government down here, and that seems to be the problem. What has happened in the last little while with the new Premier? In his department, in which he has had the responsibility for State development, we have lost 38 000 jobs. Indeed, in her speech at the opening of this session of Parliament, the Governor said that his department was to be dismantled. Is this the fate of a powerhouse of ideas, a generator of new jobs, a spawner of creative thoughts for South Australia's future? No; this is what happens to a dud. There is a large and ever increasing gap in South Australia between revenue and expenditure, an appalling feature for all South Australians. This Government prattles on about irrelevancies while South Australians suffer.

The ACTING SPEAKER (Mr De Laine): Order! The honourable member's time has expired. The member for Murray-Mallee.

Mr LEWIS (Murray-Mallee): It has been said by wiser men than me that South Australia has been seduced into the belief that it does not really matter what Governments do—everything will still go on regardless. That sort of view arose out of our position as a nation at the turn of this century of being second only to Argentina and being successful in making an outstanding contribution to the efforts in two world wars involving a large proportion of our young men and women and still, after the war effort was over, rebounding to produce levels of prosperity and adapting to increasing rates of change in technology and the equipment that new technique required at rates equal to the best on earth, second to none.

We believed we could have it all because we could do it all and that it did not really require us to pay much attention to what it was we did and how well we did it because we had both the wit and the will to do it the way it needed to be done with the vast natural resources at our disposal with which to get it done. We literally picked the eyes out of our opportunities such that we did only those things that yielded us the highest levels of profit with the minimal amount of discomfort and effort. We expanded our agricultural production not only by clearing native vegetation from millions of hectares but, more particularly, by developing the agricultural technology necessary to improve the yield from each unit area and to do it in a way that ensured that we did not waste our investment dollars—or pounds as they were until the early 1960s—pursuing those returns that were less than we could otherwise get.

South Australia, like Australia, developed in two separate communities or directions. There was the community committed to the self-employment, self-reliant approach to productivity and servicing the people engaged in it and another community involved in handling those goods and providing the service industries in society. This is very relevant to our present malaise because in the process of demanding more while we were handling that equipment, those goods and providing those services we forgot that the well was not bottomless. We forgot that there had to be a *quid pro quo*: if one wants wealth, one has to produce some effective output. The seductive belief was that because we had done it so successfully in the past we could simply continue to do it and expect that it would happen.

In other speeches I have made in this place since I have been here I have explained where we have gone wrong in the past 20 years because we did not rein in the excesses of service and manufacturing industries in their demands for a greater share of the GDP residing as spending power in the hands of employees, thereby reducing the share that went into the hands of the risk takers, the producers or entrepreneurial people who developed our mining industry and our rural production—the farmers of this world, the market gardeners and the horticulturalists.

We as a nation have continued to improve the technology with which we produce our primary products and, to a lesser extent, we have continued to improve the

technology in our manufacturing and value adding enterprises. However, as the recent Arthur D. Little report pointed out, in this State we have not paid enough attention to getting it right in the manufacturing and service industries in our efforts to value add and to provide ourselves with administrative infrastructure in a sufficiently efficient way to minimise its slice from the overall annual cake that we cook for our benefit.

There is no other person or group of people but ourselves to be blamed for the mess in which we now find ourselves. We have elected the Governments that have introduced the policies that have brought us to this sorry pass in which we find ourselves. Our total public liabilities are now more than \$14 billion, and 10 years ago they were not even \$2.5 billion. Next year we will find that the starting point for the budget has a \$600 million gap between spending and revenue.

Unless the Government changes the policy direction it has indicated it will follow in this budget, there will be a decline in the revenue base and the economy, even though the budget has increased taxation in this State by 10 per cent in gross take. The taxation imposed on small business is so high now that those businesses will continue to close down. Wherever possible, if they are involved in value adding, they will move out of South Australia. If they are service industries, we will require less of them anyway because we will not be able to afford so many of them.

We say that we have assets worth \$24 billion. However, many of those assets, such as roads, water pipes and so on, cannot be liquidated; no-one will buy them because they are fixed where they are. They are worth nothing whatsoever to anyone else. It would cost more to recover any of them than could be procured from their sale on the open market. So, it is not reasonable for us to argue that our assets exceed our liabilities in any liquidation context.

We are bankrupt! If we were a firm we would be placed in the hands of the receivers and liquidated—we could not trade out. However, because the State has a constitution, with laws and the ability to raise revenue, we will not be liquidated, but we can expect our credit rating to fall from where it has already fallen, probably to a B-plus rating.

Mr S.G. Evans interjecting:

Mr LEWIS: Many of the businesses in this State have been and will continue to be liquidated. I am not the purveyor of gloom and doom; I am simply telling the House the truth about our situation. Our immediate prospects are more parlous and devastating in consequences than any of us realised until a couple of weeks ago. The budget was introduced in this place just 12 days ago and a careful analysis has revealed what I have put to the House this evening.

A staggering 63 cents in every tax dollar will go towards paying for the interest on the State debt in this year's budget. Much of that is hidden from proper disclosure in the accounts. It was immediately apparent on a cursory reading in the first 24 hours or so after the budget's tabling that it would be 40 cents to 45 cents of every tax dollar we raise—that is despite the fact that we have increased the total tax take from the State's gross product by 10 per cent. We have done that, yet 63 cents of every dollar proposed to be raised by the

Government—if it gets every dollar it proposes to raise in the budget and if the economy sustains that level of output—will go towards paying that interest bill. This State budget to which we are addressing ourselves this evening is a document of disguise and deceit, because it hid that fact from all of us when we first read it. It requires careful and honest analysis to discover it, and it does that by what is called creative accounting.

However, it is nonetheless the truth that, as other States tighten their public spending, South Australia, in this national and State Labor-induced recession, is continuing to expand its expenditure when it should be reducing it. I cannot help what honourable members anywhere may think: we must reduce the amount that we are spending and learn to live within our means. Otherwise, the numbers of businesses in this community which carry the tax burden will so deplete in consequence of the increasing burden of taxation upon their viability that they will be unable to bear the ever-increasing burden of charges to be put upon them. We have reached the crucial point where each incremental increase in tax imposed by the Government will be an even greater increase on each remaining business, because there are very few left to carry the burden.

We see in this budget that the public sector will consume about 23 per cent of our gross State product in this financial year. That is just the State's public sector. In addition to the State's public sector, we have the Commonwealth and local government which will lift the amount of our State gross product taken and spent in the public sector to well over a third of the economy. That is more than we can expect any economy to sustain, and it is even worse in our situation because our population is falling. We should note that in New South Wales, Victoria and Queensland the gross State product which goes to the public sector is less than 18 per cent in each instance. Our GSP has declined in 1992 dollar terms by \$3.2 billion. The gross value of the work that we do every year has fallen by \$3.2 billion.

Mr Venning: We are going broke, are we?

Mr LEWIS: We are going broke at a rapid rate of knots, and the rate at which we are deteriorating is accelerating.

Mr Venning: They couldn't care less.

Mr LEWIS: Members in the Government and on the Government back bench do not understand the seriousness of this situation. The South Australian Government has been spending more, taxing more and borrowing more and hiding it, because it has used devices like the South Australian Government Financing Authority and it has continued to change the way in which it presents accounts to Parliament each year to disguise and deceitfully prevent us from understanding what has been done.

I know that the Government believed that it was okay for it to get involved in corporate activities competing with the private sector, believing that it could hire the entrepreneurial competence and management skills to look after those enterprises in which the Government invested money and from which it believed it would get profit and thereby reduce the amount of money that it had to collect from other private sources for its general revenue needs. But the lie and the mistake in that thinking and muddle-headed concept is that it fails to

acknowledge or understand that if the Government owns and runs a business it is preventing tax-paying enterprises in the private sector from producing that percentage of the cake. Therefore, the profits which the Government enterprise must get from that sector must equal and, indeed, exceed the amount of revenue that the Government would otherwise have got as taxes had its enterprise not been set up. In no case has that ever happened.

Governments are not, by definition, good risk takers. There is not the sting in the tail of getting it wrong. We have seen that illustrated by the examples of Scrimber, the State Bank and SGIC and the sort of things that the Government has been ill advised to get into like trying to develop recreation parks such as Marineland and the like. Invariably the managers from top level down to middle management level cannot be expected and will not be required to go back to work until midnight and return again at 5.30 in the morning to get the job done if the business is failing and going bad in order to get it sorted out and fix it so that it does not lose money. They know that their jobs will continue and their incomes will not be reduced. That is why Governments ought not to get involved in business where they compete with the private sector.

The Government's job is to administer a fair law which determines how people will treat with each other civilly, and when they do things wrong to their fellow citizens, whether bodies corporate or individuals, to prosecute them. The Government's job is to administer, not try to create, that situation. Communism and socialism in all their forms will not work, have not worked and cannot work because there is not the incentive upon any human being involved in the process to make it work and make it respond to the constraints within which everyone else who is taking the risk and running their own business makes it work.

We can look at what has happened to South Australia over the past two decades of Labor socialism. We have lost population share. There would have been an extra 66 000 people in this State if we had kept our share. In addition, we have lost 24 500 jobs that should have been here but are not. Indeed, full-time employment in South Australia has fallen by nearly 39 000 jobs in the past two years. That is the so-called proud record of the Labor Party since it deceitfully bought the last election by bribing the State Bank in a crooked deal.

Mr VENNING (Custance): South Australia is in a terrible malaise. We have arrived at the point where 10 years of Labor Government have been taking us. The Government is bereft of any financial expertise in its ranks. That has been proven over 10 years and is proved by looking at this document. South Australians are now totally desensitised to the State's huge problems—\$7.6 billion in debt. Most people cannot and do not visualise how much money this is. It is absolutely incredible that we have got to this stage and this Government is still in power. Paying 63c in every tax dollar that is collected in interest is a formula for bankruptcy—and this Government still clings to power.

What annoys me—a person who is not yet completely overtaken by this place—is that members of the Government, particularly on the back bench, do not seem

to think that it is their problem. They think that it is the naughty people in the State Bank or the people on their own front bench, but not them. They sit there completely disinterested, whether it be quarter to eleven at night or whatever.

I have a duty as a member of Parliament and as the representative of the people of Custance to say how it is. It absolutely amazes me that the average member of the Government thinks it is not their problem. They want to run away from it. They speak to us in the corridors, saying it is a terrible situation, but they do not seem to want to accept any responsibility for it. The history books will show that every member of this Government has to take their share of the blame for getting us where we are. I wonder if that is part of the problem; nobody is accountable, nobody has been watching the tools of Government in the State Bank, nobody was put in the position of saying, 'Look, we will be checking; we will be accountable.' In private business, the boss always watches; the financial manager, the Treasurer, the person who is in charge of counting the beans, will watch carefully, particularly at every financial period, and will look at the figures to see whether there has been a financial downturn. Adjustments are made quickly. If not, people lose their jobs quickly.

This Government has been in power for 10 years and there has not been a change in direction. I thought this budget at least would indicate that we have arrived at a position where we have to make changes. We must make changes, all politics aside, for the sake of South Australians and the future of all of us—for our families and our grandchildren. It is the future generations of South Australians who will be affected by these changes. Heaven forbid! This State should never be in the position it is in, when we consider the resources of this nation and the State of South Australia, not only the resources in agriculture and minerals but also the resource of our people. We see our people completely desensitised, with absolutely no faith in their Government. Members should get out there and ask any person walking in King William Street what they think of the people who work in this place, what they think of parliamentarians. Individually, members of the community respect their individual member but collectively we are absolutely scorned—all of us—for leading the State to where it is now.

It is an absolutely shocking situation. It is all very well members standing in this place and making all these speeches. We have heard them all before, but who will wear the blame? I am prepared to take my share of the blame. I have been in this place for 2 1/2 years as a member of the Opposition, and I will take my share of the blame for the fact that this Government is still here. I take the blame that I have not been effective and that the Government is still in office. That is my position. It is my job, as a member of the Opposition, to keep the heat on the Government and get it out of office, but I have not been able to achieve that, so I wear the flak that I have not been successful. This Government ought to look at its balance sheet and say, 'Well, the honourable thing to do is to go.' Members opposite—all seven of them—have suddenly woken from their sleep; they think I am getting a bit provocative. Honest to goodness, I wonder whether

members opposite have some credibility; what do they honestly think the people out there think of them?

Members interjecting:

Mr VENNING: The Burra to Morgan road is coming through; if members opposite are patient, they will hear about it. At least we will build something which lasts and which matters. The point I make is that the South Australian people are totally desensitised. They totally distrust this House and this Government, because in 10 years it has taken us to where we are now, and there is no excuse for it. As the Minister knows, we are full of resources out there; we have the greatest assets not only in minerals but also in the assets that previous Governments have provided for us, such as the extensive infrastructure, which is now ageing.

Members interjecting:

Mr VENNING: I will outline our policies shortly, if the honourable member is patient and listens. As I said, the \$7.6 billion debt is an absolute disgrace. It has to be repaid; that is what we have to realise. Debts have to be repaid, and every dollar that South Australia is stung to pay—every dollar that is put in—will not build a dollar worth of roads or wharves, because only 37c of that dollar is left. The interest grabs it up. That is not repaying any debt: it is just paying interest on money that we owe. People are completely desensitised to that, and it makes me extremely cross that people are so cynical now. We are now technically broke—bankrupt—and we pay 63c in every dollar purely on interest.

Mr Becker: Sixty-three.

Mr VENNING: Sixty-three cents in every dollar; we have 37c left to spend. It is a ridiculous situation. Just changing tack, as members would expect me to say, I point out that farmers are facing a massive, uphill battle. This morning and yesterday we heard of increased United States efforts to subsidise overseas grain sales. We know that strategy as the export enhancement program (EEP). When the US starts to target our markets, particularly in Indonesia, it is almost the last straw. South Australian and Australian farmers are, as members well know, the most efficient in the world, but huge hurdles such as this are put in their way by the world's largest economies—huge economies, compared with our economy. Alongside those economies, ours pales into insignificance. We are nothing alongside the European Community and the United States, and here they are making the most efficient grain growers in the world trade against these massive export incentives that they are giving their farmers. We have to sell against that.

We are asking our farmers to get out there and compete against those massive impediments that have been put in their way. We are urging them to do that, because it is the only way they will get us all out, but the Australian farmers could well ask for a similar treatment from the Australian Government because, as members would well know, this has been going on for three years and the Australian farmer has been trading on his own against these massive overseas Government subsidies. They could ask the Government for assistance, as our competition is giving their farmers massive handouts and Government assistance to sell their product. Our farmers do not want any Government assistance; they will fight on their own. They will fight their own battles; they are tough, resilient and determined to survive. All members

would know that. We are looking for nothing, apart from just the right to survive.

They do not want a Government handout, but they do not expect the Government to penalise them either. The Government budget does nothing to help this State's single most important industry, and that is agriculture at the moment. The Government has made this State rely on agriculture once again. As we know, Playford took this State away from agricultural dependence and into a 50/50 situation. This Government in action, particularly in industry and manufacturing, has taken us right back to square one. This State now depends 85 per cent on agriculture, whether we like it or not, so we have to get agriculture to help us out of the trouble. It is the industry to get us out of our problems and, given a decent Government and the time to achieve it, that will be done.

This budget has many difficulties in it. I have investigated the \$281 000 to be contributed by the Department of Agriculture in 1992-93 for the operation of rural counselling services. This comes under the social justice strategy of the budget, and it appears in a very inconspicuous place; I would think the UF&S (now the South Australian Farmers Federation) would have had a hard job even finding it. I had to scratch around for a long time to find it. I ask the Minister whether some creative accounting has been done to arrive at that figure. I note that the sum is \$281 000, and I would like more detail on that. I ask the Minister whether any of those funds were conditional, because there was some concern about it. I will use the Estimates Committees to ask for that information, but I note that the figure is there and that there is some concern about it.

This budget should have done certain things, and we know what the problems are with WorkCover and all the other disincentives that are in the way of business, industry, manufacturing and farmers in this State. However, this Government chose not to do anything about it. It just let it go on—it is all too hard. This budget has been an absolute fizzer as far as the public's perception is concerned. Public reaction to this budget has been so bad that a Premier of 10 years' standing has resigned. It was the final straw. The Government ought to go with him. It will further increase costs for all South Australian producers.

What sort of climate is out there? I ask members opposite, particularly those who have just come back into the Chamber to hear my speech, what sort of climate is out there for people to set up in business? I know that some members opposite will be retiring soon from this place and may consider going into business, but what is the business climate like out there? I know there is an entrepreneur or two amongst Government members, but how would they like to go into business? What would they do? I would like to hear their views. What would they do, and how would they go? It would be extremely difficult.

The Government has to cut out imposts such as payroll tax. It must give incentives for people to have a go. That does not include all these massive costs. Both the boss and the worker need incentives to get out and do their best, not only for their industry but also the State, to get the Government out of the way. Stamp duty is just another example.

We spend 25 per cent more to run this State than it costs any other State in Australia. That is a staggering figure, but I hear no member opposite refuting that figure. What does it tell us? We are spending too much just to run the State, just to keep the machinery running. Whether or not there is any productivity happening does not matter, the machine soaks up that much money. We have to remedy that situation. We are choked with inefficiency; racked with Government problems; racked with people who are not accountable; and racked with a system that people can hide in and waste money.

We have lost 38 000 jobs in South Australia, with 21 000 lost to the manufacturing industry. The Minister of Industry, Trade and Technology is now the Premier. There is hardly a bright figure on the horizon. Young people cannot get work, especially in the South Australian country, and that is a speech on its own. It is a very sad situation. I do not know what we can do about that in the short term, but I will be making speeches on that matter. The introduction of the bank accounts debits tax by the Government before the budget was a ridiculous thing to do. Every time a small business transacts money, whether or not it is a large amount, whack! There is a straight out disincentive, a straight out Government rip-off.

The Government asked for the Arthur D. Little report to be prepared. This is the second report in a similar vein, and it spells out quite clearly where we are and that we have wasted so many years. This is the fourth-bail out of the State Bank, and at least the Premier eventually did the honourable thing and resigned. I hope that the Government will do the same thing. I note that \$700 million came out from SAFA. I would love to see SAFA's internal accounts, because I am concerned that this money has been pulled out of that body. I wonder at the condition of its accounts. A total of \$95 million comes from ETSA. ETSA has become a tax collection bureau. I wonder how we got into a situation like that, because in the past ETSA has been a very efficient operation, providing some of the cheapest power in Australia. Now we have the second highest tariffs in Australia. That is a total disgrace.

We are \$300 million in deficit in this budget. What will we do to turn around that situation? I wonder. I would like to see projects such as the Alice Springs to Darwin railway line move ahead and link our South Australian markets into Asia. At least South Australia would pick up some benefits over other States if we became involved in capital projects such as that. I also refer to the Burra road. I am convinced more than ever that we need to be involved in these projects rather than just job creation programs. These projects will not only create jobs but build long-lasting useable beneficial assets. Both the Federal and State Governments will race around throwing money at creating short-term jobs to make the statistics look good, but in the real world it does not show us anything at all.

This is the Government's tenth budget. The interest on our debt in 1980 was \$180 million, but today it is \$978 million. That is just an incredible statistic. Next year's forecast is that it will be over \$1 billion. Imagine \$1 billion in interest! I just cannot fathom that any Government can sit opposite and see us going down this track—63 cents in every dollar. I challenge the new

Premier to amend the wrongs of this budget via a mini budget before the Christmas recess. This budget is so bad that the Government must intend it to be its last. The Government will surely go to the polls before it has to deliver a follow-up budget to this terrible document. What could the next one be like? This one ought to be the last. The Government sector has to be the facilitator in our economy, not a doer. It cannot interfere or be a hinderer—it has to help.

We have to increase productivity right across the board. I also suggest that members of Parliament should increase their productivity and get out and do their work. We need smaller and more efficient Government and increased Government accountability. The Government has to be more accountable. We have the Public Accounts Committee which is doing very good work in that regard. It should not take a royal commission to highlight and solve the problems of Government accountability. We have to tackle our total debt. We have to stop using ETSA as a tax collector. We have to change industrial laws. This has been the budget strategy of a defeatist and desperate Government.

The greatest problem for the agricultural industry is that we are battling financially. After an unprecedented run of very good seasons, what will happen when we have a drought? The law of averages says that there has to be one around the corner—just think of that. Where will we be if we experience a drought? That situation would be traumatic. It does not give me a lot of pleasure to imagine the situation we would be in. I hope that the new Premier will introduce a mini budget after he restructures the State Cabinet, knowing that he does not have much talent to work with. He has to lay a different plan before South Australia to set us on a course of recovery. More of the same is surely no option. What more proof do we want?

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

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

SOUTH AUSTRALIAN COUNTRY ARTS TRUST BILL

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clauses 14 and 16, printed in erased type, which clauses, being money clauses, cannot originate in the Legislative Council but which are deemed necessary to the Bill. Read a first time.

DEBITS TAX (RATES) AMENDMENT BILL

Returned from the Legislative Council without amendment.

ADJOURNMENT

At 11.10 p.m. the House adjourned until Wednesday 9 September at 2 p.m.

HOUSE OF ASSEMBLY

Tuesday 8 September

QUESTIONS ON NOTICE

GOVERNMENT VEHICLES

2. Mr BECKER:

1. What Government business was the driver of the vehicle registered VQE 764 attending to at John Richards Furniture, 63 The Parade and 74 The Parade, Norwood on Wednesday, 10 June 1992 at approximately 10.45 a.m.?

2. To which Government department or agency is this vehicle attached?

3. Were the terms of Government Management Board Circular 30/90 being observed by the driver of this vehicle and, if not, why not and what action does the Government propose to take?

The Hon. FRANK BLEVINS:

1. Two Engineering and Water Supply Department fitters were assigned to deliver seals to a manufacturer on the date and time in question. The driver of vehicle VQE 764 was looking at furniture on show while awaiting a fellow employee who was making a convenience stop, allowable under normal award provisions during the course of field work. The vehicle was stationary at this location for only a short period of less than ten minutes.

2. The vehicle is attached to the Engineering and Water Supply Department.

3. The incident has been investigated and it is considered the terms of Government Management Board Circular 30/90 were being observed.

STATE TRANSPORT AUTHORITY

5. Mr BECKER:

1. Are signs regarding penalties for not having a ticket displayed prominently in buses, trains and trams and, if so, where and, if not, why not?

2. What is the penalty for non-payment of fares and is the Government re-examining them?

3. What is the estimated annual loss of revenue caused by fare evaders on buses, trains and trams?

4. What steps are being taken to more strictly police fare evasion, in particular the non-validation of tickets?

The Hon. FRANK BLEVINS:

1. On buses, generally there is a prominent warning on the screen behind the driver which advises passengers to purchase and validate a ticket or risk a \$500 fine.

On trains there were similar warning messages but most of these have been removed due to the persistent action of graffiti vandals. The fare tables displayed in each railcar (2 per railcar) have the heading: 'FOR TRAIN TRAVEL, TICKETS MUST BE PURCHASED BEFORE BOARDING'.

Due to the heritage nature of trams, signage is kept to a minimum. There are no signs currently in trams warning of penalties for fare evasion.

The STA regularly updates its signs regarding ticketing and is currently working on a new warning poster for use on buses and trains.

2. The penalties for non-payment of fares are:

- In cases where an offender is 18 years of age or over a Transit Infringement Notice (TIN) is issued for fare evasion. The expiation fee is \$50 plus a \$5 levy for victims of crime.
- If the offender is 15 years of age or over, but less than 18 years of age, a TIN is issued which has an expiation fee of \$20 plus a \$5 levy.
- If the offender is less than 15 years of age a report is made to the Department for Family and Community Services who deal with the matter.

If a TIN is not expiated or the matter goes to court, the maximum penalty is \$500.

The Government is not re-examining the penalty for non-payment of fares. The level of penalties for fare evasion has been reviewed on several occasions and is in line with divisional

penalties provided for other offences under section 28a of the Acts Interpretation Act 1915.

3. The annual loss of revenue by the STA caused by fare evasion on buses, trains and trams is estimated to be 1 per cent.

4. The STA regularly reviews inspection practices to minimise the level of fare evasion, however, the details of its procedures are not made public as it may reduce their effectiveness. Currently efforts are being made to reduce the time taken to issue TINs and to target fare evasion on railcars, in particular between suburban stations.

E&WS DEPARTMENT

6. Mr BECKER:

1. Will the E&WS Department record the previous number of kilolitres listed on the water meter at the time of reading the meter, and, the number of kilolitres used for the period under consideration and if not, why not?

2. How many errors in water meter reading have been made by staff in the past 12 months and what was the reason for the errors?

The Hon. S.M. LENEHAN:

1. As part of the new Customer Services Information System, the Engineering and Water Supply Department has been working towards printing the actual meter readings on rate accounts in addition to the details of consumption which are already provided. This system is expected to be available by July 1994.

However following an increase in the level of customer inquiries concerning this matter the department has undertaken to investigate the feasibility of providing the information on accounts at a much earlier date.

2. Precise details of the number of meter reading errors made during 1991-92 are not available, however, I have been advised that approximately 200 inquiries were received from customers who disputed the meter readings provided by the department and who subsequently were proven to be correct.

Obviously any other reading errors would have been adjusted at the time of the next reading of the meter.

The identified error rate equates to 0.019 per cent of all meters read during 1991-92 which amounted to 1 042 000 meters.

The reasons why these errors occur primarily relate to the difficulty in obtaining a clear view from obstructed meters, condensation on the dial face of the meter which may distort the reading and human error.

GOVERNMENT VEHICLES

7. Mr BECKER:

1. What Government business was the driver of the vehicle registered UQD 867 attending to whilst travelling towards the city along Jeffcott Street, North Adelaide at 8.30 a.m. on Thursday, 4 June 1992?

2. Who was the passenger in the front seat of the vehicle?

3. To which Government department or agency is this vehicle attached?

4. Were the terms of Government Management Board Circular 30/90 being observed by the driver of this vehicle and, if not, why not and what action does the Government propose to take?

The Hon. FRANK BLEVINS: A vehicle with this registration number was operated by SACON up until 28 February 1990 when it was sold at auction. The Department of Motor Registration has advised that the vehicle has not been registered since.

LPG

9. MR BECKER:

1. How many motor vehicles have been converted to LPG?

2. Are all vehicles which have been converted to LPG subject to an annual examination against faulty workmanship or corroding parts and, if not, why not?

3. How many inspectors are employed by the Department of Labour to check installation of LPG conversion kits?

4. How many vehicles are checked each year, what proportion are found to be faulty and require repair or additional work and what is the nature of such work required?

The Hon. R.J. GREGORY:

1. Under The Dangerous Substances Act 1979 each vehicle which is converted to operate on LPG in South Australia must have affixed to it, by a licensed autogas permit holder, a compliance plate issued by the Department of Labour. Since the Act was gazetted in October 1979 approximately 60 000 Autogas Compliance Plates have been issued to date by the Department of Labour, therefore it can be assumed there are approximately 60 000 vehicles (including forklifts) converted to operate on LPG.

2. In accordance with Regulation 21 (2) of the Dangerous Substances Act 1979 'A person must not use an installation for the operation of an internal combustion engine on LPG unless the installation, and all associated equipment and fittings comply with the relevant requirements of (a) Australian Standard 1425' (AS 1425).

As 1425 Section 5.2 states 'The following checks shall be carried out at least annually, and at every roadworthiness examination for the renewal of the vehicle registration, or as otherwise specified by the Authority.' These checks include the fuel container life, leakage check, container damage, container corrosion, container attachment, automatic fill limiter, excess flow valve, fuel control valve, manual valves, compartment or sub-compartment, filler connection, hydrostatic relief valve, safety valve system, liquid filter, ground clearances and vehicle identification markers.

Like most other categories of motor vehicles LPG powered vehicles are not subject to an annual inspection for renewal of registration in South Australia, therefore the onus is on the person who uses (owner) the vehicle to maintain the vehicle in a safe manner and the annual inspection requirements as specified in AS 1425 are a guide for this.

3. The Department of Labour employs Inspectors of Occupational Health and Safety who carry out a wide range of functions under several Acts particularly the Occupational Health Safety and Welfare Act and Dangerous Substances Act. The Inspectors' role is to audit compliance with the legislation, and to investigate breaches of the legislation. They do not check the installation of LPG conversion kits, but do investigate complaints arising from alleged breaches of the autogas regulations.

4. The Department of Labour does not check any vehicles, but uses the technical expertise of the Vehicle Operations Section of the Department of Road Transport to assess compliance with the Regulations which specify that a vehicle converted to operate on LPG must comply with Australian Standard 1425 'Automotive LP Gas Code'.

For the period 1 July 1991 to 30 June 1992 the Vehicle Operations Section inspected 187 LPG powered vehicles. The inspections were initiated from two areas:

1. To assess applicants for a Class 1 Autogas Permit—

147 vehicles were inspected and passed.

28 vehicles failed the initial inspection, and of these 25 were modified by the installers and passed after reinspection, with 3 vehicles still outstanding for reinspection.

2. Complaints from the public—

2 vehicles were inspected and passed.

10 vehicles failed the initial inspection, and of these 3 were modified by the installers and passed after reinspection, with 7 vehicles outstanding.

The most common faults found by the Vehicle Operations Section include incorrect mounting of LPG containers, running of LPG liquid lines too close to exhaust systems or unprotected in wheel arches, minor gas leaks, mounting of the shut-off valve too close to the front of the vehicle and incorrect mounting of the LPG container protection guard.

GOVERNMENT VEHICLES**10. MR BECKER:**

1. What Government business does the driver of the vehicle registered VQG 806 attend to whilst dropping off two school girls outside the Aberfoyle Park Primary School Campus between 8.35 a.m. and 8.40 a.m. on a daily basis when school is in session?

2. Why was the driver assigned the vehicle registered VQG 806 instead of the vehicle registered UQY 651, in which he has also been sighted dropping off the two school girls outside the

Aberfoyle Park Primary School Campus between 8.35 a.m. and 8.40 a.m. on a daily basis when school is in session?

3. To which Government department or agency is this vehicle attached?

4. Were the terms of Government Management Board Circular 30/90 being observed by the driver of this vehicle and, if not, why not and what action does the Government propose to take over the use of this vehicle?

The Hon. FRANK BLEVINS:

1. The driver of the vehicle in question was not on Government business. He is a Field Officer of the Department of Labour who has a regular allocation of the vehicle (including home/office travel) within the terms of Commissioner's Circular No. 30. That is to say that on four or more days per week the first or last 'port of call' requires the use of a Government motor vehicle and it is more economical to drive directly from or to home.

The officer claims he believed that, pursuant to an old approval, he was permitted to carry family members subject to certain conditions including the requirement that no additional cost nor distance was involved. In this mistaken belief he dropped off his daughters at school when on his way to make calls with clients on occasions when his wife could not do so; such did not entail any additional distance being driven nor cost incurred.

2. The vehicle registered VQG 806 was assigned to the officer when the vehicle registered UQY 651 was due for replacement. This occurred with effect from 11 May 1992.

3. The vehicle mentioned is in the care and use of an officer of the Department of Labour.

4. The terms of Commissioner's Circular No. 30 were not being observed. As explained earlier, this is because the driver was under the mistaken belief that he had permission pursuant to an old approval.

The officer has been reprimanded, and all field staff have been issued a further memo pointing out the requirements and that any future breaches will be viewed very seriously.

12. **Mr BECKER:** Does the Government have any guidelines or requirement definitions for fleet management systems for use in Government departments or agencies and, if not, why not?

The Hon. FRANK BLEVINS: In the past, agencies have developed their own systems for fleet management control. The extent of the systems and use of computer based software packages would be dependent on numbers of vehicles controlled within each agency and may reflect the opportunities to save expenditure in the fleet operation area. Some agencies have developed their own software to cater for their own special requirements.

Following the release of the Public Accounts Committee 66th Report in November 1991 relating to a review of the Government's passenger vehicle fleet, the Government Agencies Review Group (GARG) has undertaken a further analysis and is currently preparing a report. The report will make a number of recommendations and will include reference to issues raised in the honourable member's question.

STATE FLEET**15. Mr BECKER:**

1. What services are provided by State Fleet and what are the annual costs of these services?

2. Which departments, agencies and organisations use the services of State Fleet and how many vehicles, by make and type, does each have?

3. What is the cost by make and type of State Fleet Services on a dollar per vehicle per month basis?

The Hon. FRANK BLEVINS:

1.

- Vehicle leasing and car pool operation—\$13.5 million. Includes accident management.
- Workshop—\$2.3 million.
- VIP fleet—\$1.76 million.
- Integrated courier service—each agency pays the contractor direct on a monthly basis for the service provided.

2. All state government departments, some local government authorities, statutory authorities and an occasional Federal Government department. Whilst State Fleet has a record of each long term hire vehicle, agencies are able to access approximately

300 vehicles in the short term hire fleet on a daily needs basis and pay for that use. It would therefore be impractical to provide meaningful information on the total use by each agency for make and type.

3. State Fleet charges for long-term hire vehicles cover all fixed and variable costs, including overheads, and also include a component to reflect a return on assets. The monthly charge depends upon the kilometreage travelled and is divided into 4 bands, with numerous categories reflecting the vehicle size. Accounts are forwarded to agencies on a monthly basis.

Km/annum	Cat 0 \$	Cat 1 \$	Cat 2 \$	Cat 3 \$	Cat 4 \$	Cat 5 \$	Cat 6 \$	Cat 7 \$	Cat 8 \$
<12 000 km	350	405	480	525	605	545	585	675	730
12-24 000 km	410	475	560	620	700	660	680	790	860
24-35 000 km	470	550	645	720	800	785	770	905	990
>35 000 km	555	635	745	835	915	900	875	1 055	1 160

Category 0: Very small cars (1300 cc and less), e.g. Mira, Charade, Barina.

Category 1: Small 4 cylinder cars, e.g. Corolla, Laser, Nova.

Category 2: Large 4 cylinder cars, e.g. Camry, Magna.

Category 3: 6 cylinder cars, e.g. Falcon, Commodore (includes utes and vans).

Category 4: Prestige cars, e.g. Calais, Magna Elite, Verada.

Category 5: Commercial vehicles, e.g. Econovans, Express, Tarago.

Category 6: Small 4WD vehicles, e.g. Subaru, Corolla.

Category 7: Medium 4WD vehicles, e.g. Hilux, Navara, Rodeo, 4 Runner, Jackaroo.

Category 8: Large 4WD vehicles, e.g. Patrol, Landcruiser.

GOVERNMENT VEHICLES

18. Mr BECKER:

1. What Government business was the driver of the vehicle registered VQB 778 attending to on Sunday, 3 May 1992 at 10.42 a.m. when it was parked in the lower car park at the Mount Lofty Botanical Gardens?

2. Who was the male passenger and why were the car's headlights left on?

3. What time did this vehicle leave the Mount Lofty Botanical Gardens?

4. To which Government department or agency is this vehicle attached?

5. Were the terms of Government Management Board Circular 30/90 being observed by the driver of this vehicle and, if not, why not and what action does the Government propose to take over the use of this vehicle?

The Hon. FRANK BLEVINS:

1. and 2. The driver and passenger were staff of IDSC who were attending a conference in Adelaide on 4 and 5 May 1992.

On 3 May 1992 the car was parked in the Mount Lofty Botanical Gardens car park whilst the driver took a break, from driving from Mount Gambier, for a refreshment stop.

The driver was unaware that the vehicle's headlights were on.

3. The driver is unsure of the time of departure from the Botanical Gardens but arrived at Norwood where the passenger was staying at 12.15 p.m. and then proceeded to Collinswood where the vehicle was garaged until the return to Mount Gambier on 6 May.

4. Government vehicle registration number VQB 778 is registered to the Intellectual Disability Services Council (IDSC) Mount Gambier Office.

5. The vehicle was being used in accordance with Government regulations.

JUVENILE OFFENDERS

21. The Hon. D.C. WOTTON: What statistics are available to support the claim that less juveniles who have committed minor crimes are reoffending as a result of the Police/Family and Community Services pilot scheme operating out of the Bank Street, Police Station?

The Hon. D.J. HOPGOOD: The screening panel pilot program which was implemented in May this year, is run by the Youth Support Group of the Department for Family and Community Services in conjunction with Bank Street police. This pilot program aims to reduce delays between screening

panels and action taken as a result of these panels, for juveniles who commit minor offences in the inner city area.

There has been no claim or statement by the Department for Family and Community Services that this project directly reduces recidivism. The honourable member may be referring to the *Advertiser* article dated 27 June 1992 which quotes a police officer as stating that many of the young people screened through the program have not reoffended.

Preliminary results provide evidence that the scheme is very successful in its aim to overcome administrative delays in processing inner city juvenile offences. It is still too early to make any specific data-based conclusions regarding the scheme's capacity to impact on reoffending. The original plan allows for the evaluation of data after the first six month period of the program's operation, and this will occur at that time. Should the program prove successful in reducing delays and recidivism, it is anticipated that it will be implemented at other sites.

CHILD ABUSE

22. The Hon. D.C. WOTTON: What assistance is provided by the police to assist the public in exposing paedophiles and others who sexually exploit children?

The Hon. J.H.C. KLUNDER:

1. Operation Paradox, a nationwide phone-in for child victims of sexual abuse, is one of the principal strategies adopted by the Police Department in this area. This operation not only affords members of the public the opportunity to report instances of child sexual abuse, but serves as a focal point for community awareness and education.

2. In excess of 300 000 Operation Paradox posters and flyers are distributed annually throughout all schools in the State, thereby ensuring that each school child is afforded the opportunity to report instances of abuse. Operation Paradox was first held in 1990 and was again held this year on 19 August.

3. Education of primary school children in Protective Behaviours is one of the programs in which the Police Department is involved. Discussions relative to sexual abuse are incorporated in these programs.

4. The Officer in Charge, Victims of Crime Branch, is the State Vice President on the National Association for the Prevention of Child Abuse and Neglect (SA) Inc., NAPCAN, an organisation which not only has responsibility for the conduct of National Child Protection Week in this State (16-22 August) but has an on-going commitment in the areas of community awareness and preventative education programs for children.

5. The Police Department is also represented on the Child Protection Council and its various sub-committees, including the Education and Training Committee and the Legal Committee. These committees have responsibility in the areas of training and staff development of professionals, for whom reporting of child abuse is mandatory, and legislative reform.

6. The on-going commitment of the Government and the Police Department in this area is further evidenced by the increase in the establishment of the Sexual Assault Unit from seven to twelve members, the appointment of a sergeant to that unit and the appointment of ten specialist Child Abuse Investigators within the Criminal Investigation Branch, all during 1991.

7. The Sexual Assault Unit provides a twenty-four hour service to victims of sexual assault and has, as one of its

principal functions, responsibility for child victims of sexual abuse. Its functions in this area include the interviewing of victims, arranging medical examinations and support services. In addition, the unit members regularly address community groups on issues related to the sexual abuse of children.

8. The video taping of interviews with child victims of sexual assaults commenced in 1991. These interviews considerably reduce the trauma experienced by victims both in terms of the time taken to conduct an interview and in subsequent court proceedings.

9. In accordance with Agenda Item A4 of the 22nd APMC Meeting on 22 May 1992, 'Strategic Assessment of Child Pornography in Australia', the Police Department is currently contributing relevant and up-to-date information to the ABCI data base on paedophile activity. Intelligence relative to paedophile activity throughout Australia will be greatly enhanced when all states/territories comply with this resolution.

10. Further strategies relative to paedophile activity, both at local and national levels, are anticipated following the recent 'National Seminar on Paedophilia and the Sexual Exploitation of Children' in Canberra in July 1992, at which the Police Department was represented.

E&WS DEPARTMENT

23. **The Hon. D.C. WOTTON:** What rate of interest is being received by the E&WS Department on its operating account, how is it calculated and what was the average rate of interest received in 1991-92?

The Hon. S.M. LENEHAN: The Engineering and Water Supply Department receives interest paid, on a quarterly basis from the South Australian Financing Authority (SAFA) at the common public sector interest rate (CPSIR), based on the average daily balance of its operating account. The average common public sector interest rate for 1991-92 was 13.7 per cent and the department earned an amount of \$2 838 167 for the financial year. This amount was calculated using the following formula provided by Treasury:

$$\frac{\text{amount of interest for a quarter}}{\text{daily balance}} = \text{average} \times \frac{\text{no. of days in the quarter}}{365} \times \text{CPSIR}$$

where the average daily balance equals the accumulated daily balance divided by the number of days in the quarter.

The interest rate for the first quarter of the 1992-93 financial year is estimated by the SAFA at 12.2 per cent with an estimated average CPSIR for the full 1992-93 financial year of 11.8 per cent.

WATER SUPPLY

24. **The Hon. D.C. WOTTON:** In what circumstances will a residential rate payer receive an account for additional water consumption without being provided with details concerning the consumption and additional consumption on the account?

The Hon. S.M. LENEHAN: An account generated by the computer system for additional water consumption will provide the consumption for either the 1st or 2nd half of the consumption year, the dates covering that period of consumption, water allowance, allowance left or the consumption to be paid for.

Any other 'consumption' account would be manually produced and the information provided on that account would be dependent on the type of request or inquiry made to the E&WS Department.

E&WS DEPARTMENT

27. **The Hon. D.C. WOTTON:**

1. Does the Meter Monitoring Group still function within the E&WS Department?

2. Because of the increase in the cost of water and the number of rate payers paying for additional consumption have the Terms of Reference of the Meter Monitoring Group been changed and, if so, what are the current Terms of Reference?

3. What overhaul rate has been targeted for 1992-93?

4. What were the overhaul rates for each of the years 1989-90 to 1991-92?

5. What is the standard of metering that is sought by the Meter Monitoring Group and is the standard acceptable to the Minister?

6. What is the satisfactory accuracy of the overall system that the Meter Monitoring Group seeks to maintain and is this level of accuracy acceptable to the Minister?

7. What is done to ensure the accuracy of each meter and what is the current overhaul strategy?

8. How many samples were taken in 1990-91 and 1991-92, what is the size of the sample and how is it selected?

9. What were the results of the samples in 1990-91 and 1991-92 and from these findings what were the conclusions about all of the meters in use?

10. Based on the sample findings how many meters have been eliminated in 1990-91 and 1991-92?

11. How is it decided which are the worst meters?

12. What tolerances are considered acceptable such that the meters are not eliminated?

13. Are these tolerances the same as those specified for new meters and, if not, why not?

14. When the samples have been considered, are the accounts of rate payers varied and, if not, why not and, if so, how many accounts were increased in 1990-91 and 1991-92, and how many accounts were reduced in those years?

15. Is the Meter Monitoring Group given details of the accounts that are estimated and do the reports from the Revenue file give this information?

16. How is the economic overhaul rate of country meters established, what factors are considered and what tolerances are accepted?

17. What is the purpose of the computer simulation model maintained by the Meter Monitoring Group and what inaccuracies are now being used when the model is run?

The Hon. S.M. LENEHAN:

1. The Meter Monitoring Group, now titled the Meter Management Group, still functions within the Engineering and Water Supply Department.

2. The Terms of Reference of the Meter Management Group have not been changed since the rating system was altered.

The Terms of Reference are as follows:

- Determine the required standards of metering to achieve satisfactory system accuracies with optimum meter performances for both domestic and industrial meters. Continually revise these standards.
- Advise the Manager, Supply of any variations to existing practices which may affect inventory levels.
- Monitor the annual meter removal and overhaul rates for domestic and industrial meters—to suit the set standards of metering and advise the Manager, Workshops and Plant and the Regional Managers as necessary.
- Monitor the economic overhaul rate, overhaul practice and testing facilities for country meters.
- Monitor reports from the Revenue File and Repair Costing reports from the Meter Shop.
- Monitor new meter types and generally keep abreast of metering technology developments.
- Develop practical and economical security measures to deter consumers interfering with the department's meters.
- Responsibility for Standard Specifications for water meters.
- Membership of Standards Association Australia (SAA) Technical Committee—Meters for Cold Potable Water.
- Responsibility for standards for the testing of meters.
- Provide assistance with the coordination of departmentally manufactured metered hydrants.
- Develop departmental guidelines for the application of the various types of meters used for residential, commercial, industrial, public institutions and utilities, recreational, fire services and other purposes.

3. An overhaul target of 40 000 domestic meters has been set for 1992-93.

4. The overhaul rates for the previous three years are as follows:

1989-90	—59 166
1990-91	—60 586
1991-92	—52 036

5. The Meter Management Group requires all new and reconditioned meters to operate within an accuracy range of 2 per cent fast to 2 per cent slow, as in accordance with the Australian Standard. Regulations under the Water Works Act requires meters to operate within an accuracy range of 5 per cent fast to 5 per cent slow. These standards are considered acceptable.

6. The Meter Management Group seeks to maintain the system within an overall accuracy range of 2 per cent fast to 4 per cent slow. This is considered to be an acceptable accuracy range.

7. New meters are tested and supplied to within an accuracy range of 2 per cent fast to 2 per cent slow in accordance with the Australian Standard.

Reconditioned meters are calibration tested to the same standard.

The current overhaul strategy is to site test all nine year old meters and replace meters if the accuracy is measured outside 2 per cent fast to 4 per cent slow.

Any other meters that fail to register for any reason are replaced as a matter of priority.

8. Sample site testing of meters commenced in metropolitan Adelaide on a trial basis in November 1991. Prior to then all eight year and older meters were replaced irrespective of the accuracy of the meter.

No samples were tested in 1990-91 and approximately 2 500 were tested during 1991-92.

The criteria for selecting the sample was based on the age of the meters.

9. No samples were tested in 1990-91.

From the results of the testing completed and documented during 1991-92, 26 per cent of the oldest meters in service were found to be 100 per cent accurate while a total of 65 per cent were within the accuracy range of 2 per cent fast and 4 per cent slow.

The weighted average accuracy of the entire sample was 2 per cent slow and of the meters retained in service 1 per cent slow.

Although some problems have been evident with the testing equipment during the trial the results obtained thus far indicate that the aged meters are performing in a satisfactory manner.

The introduction of a more reliable testing unit will enable the department to obtain results of a more precise nature.

10. 1990-91—No samplings were taken.

1991-92—Based on sampling, 900 meters were removed following site testing.

11. Regulations require meters to operate within an accuracy range of 5 per cent fast to 5 per cent slow. The decision to remove meters registering outside 2 per cent fast and 4 per cent slow was made in accordance with sound customer service practice.

12. Meters are removed if they are tested and register outside the accuracy range of 2 per cent fast and 4 per cent slow.

Naturally meters that fail to operate for any reason are replaced as a matter of priority.

13. All new meters are required to register within 2 per cent fast and 2 per cent slow in accordance with the Australian Standard.

It is accepted that water meters generally run slower over time which is why aged meters are given a greater tolerance for accuracy testing.

14. Of the samples tested to date no adjustments have been made to any customer's account. This decision was based on the fact that the testing units used in the trial were not considered totally reliable and therefore the results achieved were only used as a guide to the accuracy of the meters.

The imminent introduction of an improved test unit will allow the adjustments to be made but only in instances where the meter is proven to be registering more than 5 per cent fast.

No adjustments will be made to increase customers accounts if the meter is proven to be registering more than 5 per cent slow.

15. The only details of estimates provided to the Meter Management Group involve the number of stuck and damaged meters reported each year which require an estimate of consumption.

Details of the estimates given or the revenue involved are not available.

The information concerning the number of stuck and damaged meters is obtained from the Revenue (or CYBER) file.

16. The overhaul rate for country meters is determined by the same policy as that which applies in metropolitan Adelaide.

Due to the different water qualities throughout the State, the need for a flexible policy in respect of the country areas has been recognised and will be addressed.

17. A computer simulation model was developed to assist the Meter Management Group to monitor age profiles of meters installed throughout the State.

Various overhaul rates can be applied with corresponding age profiles determined.

SOUTH PARA RESERVOIR

28. **The Hon. B.C. EASTICK:** Is it still the intention of the E&WS Department to remove the steel flood gates from the South Para Reservoir and if so—

(a) what is the rationale for such action and to what degree will properties (including houses) of downstream owners be endangered;

(b) what is the schedule for removal and to what use will the gates and associated equipment, including electrical switching gear, be put; and

(c) what plans are in place to warn downstream owners and in particular those in the town of Gawler of impending flooding?

The Hon. S.M. LENEHAN: The Engineering and Water Supply Department does intend to eventually remove the radial gates from the South Para Reservoir. At present the gates are locked in the fully up position to avoid any risk of misoperation.

It should be noted that there have never been 'flood gates' on the South Para Reservoir. The radial gates which exist on the spillway were installed in 1960 as an expedient measure to increase the storage capacity.

(a) It is the concern regarding the potential of these gates to cause serious flooding which has led to the decision to leave the gates open and to eventually remove them. Recent hydrological evaluation has indicated that there is little current value in the additional water which can occasionally be stored and cannot be equated with the risk presented to the downstream areas.

The problem with this type of gate is that water may be stored nearly to the top of the gate. When a flood comes down, the gates have to be carefully operated to ensure there is very little change in water level. If the water level rises (which would result from not enough gates being opened) there is a chance of the gates overtopping which could lead to their failure. If the water level falls (which would result in too many gates being opened) a flood greater than that which has occurred naturally would be discharged downstream. Because of this sensitivity it is very difficult to control these gates. It must also be remembered that wind surge and waves greatly affect water level behind the gates and make their control even more difficult.

Thus the radial gates do not provide any significant flood mitigation but they provide a risk of producing significantly greater flooding.

(b) The risk associated with the gates has been negated by locking them in the fully up position and there is therefore no urgency to remove them. However, removal is planned within two years. There is no planned future use for the gates and equipment.

(c) Apart from the normal emergency procedures there is no warning system for impending flooding.

Removal of the gates, however, will ensure the river behaves in a natural manner with the flood gradually building up over a period of time. This provides some warning rather than the sudden onrush of water which could result from gate operation or malfunction.

The original spillway is a free overflow crest. The characteristic of this type of spillway is that the water must build up in the reservoir for it to discharge water. Thus, unlike the gated spillway, part of the flood is detained in the reservoir so that the peak of the flood is less and the duration is longer.

Therefore, returning the spillway to a free overflow crest negates the risk imposed by the gates and further mitigates the flooding to a safer level than before the dam was built. This happens automatically without human intervention and enables the gradual build up of flood waters to provide a warning.

It should also be noted that the Bureau of Meteorology initiates a flood warning process when flooding is indicated. This is to be enhanced by undertaking flood preparedness studies when finance is available.

ASSETS VALUE

34. **Mr S.J. BAKER:** In relation to each department and authority for which the Minister is responsible, what was the value of assets as at 30 June 1992 in the following categories—

- (a) vacant land;
- (b) buildings;
- (c) vehicles;
- (d) other property;
- (e) financial; and
- (f) total,

which of those individual assets had a value of \$5 million or more and what was the value?

The Hon. FRANK BLEVINS:

STATE TRANSPORT AUTHORITY

The State Transport Authority's value of non-current assets from the balance sheet as at 30 June 1992 is:

- (a) Vacant Land—values are unavailable as nearly all land is improved. Land has a total asset value of \$59.7 million.
- (b) Buildings and Constructions \$102.4 million.
- (c) Vehicles, including rollingstock \$144.5 million.
- (d) Other Property \$152.2 million.
- (e) Financial Assets Nil.
- (f) Total \$428.8 million.

Individual assets with a value of \$5 million or more are:

- Adelaide Railcar Depot \$7 173 107.
- Adelaide Railway Station \$28 263 729.
- Adelaide Station Yard East Land \$8 122 936.
- Regency Park Workshops \$5 360 274.
- St Agnes Bus Depot \$9 473 290.
- Northeast Busway \$88 440 258.
- Permanent Way \$16 355 056.
- Railway Signalling \$35 568 772.

In addition, Works in Progress has a value of \$61.6 million of non-current assets awaiting completion and apportionment.

DEPARTMENT OF CORRECTIONAL SERVICES

- (a) Vacant land \$545 000.
- (b) Buildings \$149 328 000.
- (c) Vehicles \$3 007 692.
- (d) Other property (Assets valued \$2 000 and over) \$3 043 964.
- (e) Financial (Deposit Accounting Balance) \$2 332 000.
- (f) Total \$158 256 656.

Information on which of these individual assets had a value of \$5 million or more and what the value was:

- Yatala Labour Prison \$47 000 000.
- Adelaide Remand Centre \$19 000 000.
- Mobilong Prison \$22 000 000.
- Cadell Training Centre \$6 000 000.
- Port Augusta Prison \$32 000 000.
- Port Lincoln Prison \$5 500 000.
- Northfield Prison Complex \$9 000 000.

OFFICE OF TRANSPORT POLICY AND PLANNING

- (a) Vacant Land Nil.
- (b) Buildings Nil.
- (c) Vehicles Nil.
- (d) Other property \$600 000.
- (e) Financial \$2 388 000.
- (f) Total \$2 988 000.

DEPARTMENT OF ROAD TRANSPORT

(a)-(f) The Department of Road Transport classifies and registers its non-current assets in accordance with Treasurer's Instruction 1001.

This asset classification does not match the specific categories requested. Therefore, a breakdown of asset classifications is shown in Table 1 hereunder, in an attempt to provide the specific information requested.

Table 2 gives the estimated current replacement costs for non-road assets which have a value of \$5 million, or more.

**TABLE 1: DEPARTMENT OF ROAD TRANSPORT
Non-Current Assets Employed as at 30 June 1992**

	Current Replacement Costs \$m	Written Down Value \$m
INFRASTRUCTURE		
Roads	3 569.9	1 630.1
Bridges	564.8	328.1
* LAND—Held for:		
Road Purposes	103.6	103.6
Departmental Purposes	17.7	17.7
BUILDINGS AND IMPROVEMENTS—		
Held for:		
Road Purposes	15.6	15.6
Departmental Purposes	30.6	30.6
OPERATING AND SUPPORT		
Vehicles	10.6	8.5
Trucks	23.7	12.3
Heavy Machinery	50.9	25.2
Minor Plant	22.3	3.6
Computer Equipment	11.2	5.1
Office Equipment	1.7	0.7
*Note 1: Vacant Land included in the above 67.1 67.1		
Note 2: Land and Building valuations are based upon the Valuer-General's assessment of capital value.		
ASSETS SUBJECT TO FINANCE LEASES		
Trucks	3.8	0.6
Heavy Machinery	10.6	2.1
TOTAL Non-Current Assets	4 437.0	2 183.8
Current Assets Employed as at 30 June 1992		
		\$m
CASH BALANCES ON HAND:		
State Funds		1.9
Federal Funds		4.2
STORES:		
Construction and Suspense		4.1
Roadside		4.5
SUNDRY DEBTORS:		2.6
TOTAL Current Assets		17.3

**TABLE 2: DEPARTMENT OF ROAD TRANSPORT
Assets with a value of greater than \$5 m as at 30 June 1992**

	Estimated Replacement Cost \$m
BRIDGES	
Swanport (bridge over River Murray)	19.4
Murray Bridge (bridge over River Murray)	17.3
Hilton (bridge over railway on Burbridge Road)	16.4
Blanchetown (bridge over River Murray)	12.6
Pt Augusta (bridge over Spencer Gulf)	12.3
Jervois (bridge over Port River)	9.8
Kingston (bridge over River Murray)	9.8
Birkenhead (bridge over Port River)	8.9
Paringa (bridge over River Murray)	7.0
Bakewell (bridge over railway on Henley Beach Road)	6.9
Park Terrace (bridge over railway at North Adelaide)	5.2
OFFICES DEPOTS	
Walkerville Head Office	28.0
Northfield Depot	21.4

40. **Mr S.J. BAKER:** In relation to each department and authority for which the Minister is responsible, what was the value of assets as at 30 June 1992 in the following categories—

- (a) vacant land;
- (b) buildings;
- (c) vehicles;
- (d) other property;
- (e) financial; and
- (f) total,

which of those individual assets had a value of \$5 million or more and what was the value?

The Hon. S.M. LENEHAN: The reply is as follows:

DEPARTMENT FOR THE ARTS AND CULTURAL HERITAGE ASSETS AS AT 30 JUNE 1992 (\$'000s)

(F) Name	(A) Vacant Land	(B) Buildings	(C) Vehicles	(D) Other Property	(E) Financial	Total	
Dept. Arts and Cultural Heritage	—	—	23	2 857	2 471	5 351	
Art Gallery Board	—	14 217	—	315 000	5 828	335 045	
Carrick Hill Trust	—	2 124	—	10 000	25	12 149	
Libraries Board	—	38 937	—	70 000	7 600	116 537	
S.A. Museum Board	—	28 788	—	285 000	793	314 581	
History Trust of S.A.	—	16 746	59	10 000	774	27 579	
Adelaide Festival Centre Trust	—	27 697	67	7 775	3 232	38 771	
State Opera	—	—	—	39	—	39	
State Theatre	—	—	29	72	1 206	1 307	
S.A. Film Corp.	—	1 519	46	1 647	4 724	7 936	
Northern Cultural Trust	—	*6 582	62	655	—	7 299	
Eyre Peninsula Cultural Trust	—	*3 072	62	558	—	3 692	
South East Cultural Trust	—	*3 823	85	472	299	4 679	
Riverland Cultural Trust	—	2 427	78	450	—	2 955	
Regional Cultural Council	—	600	65	37	150	852	
State Services Department	—	200	29 417	14 941	19 199	63 757	
Enfield General Cemetery Trust	10	1 026	—	283	2 952	4 271	
S.A. Local Government Grants Commission	—	—	—	16	101	117	
West Beach Trust	—	1 549	126	2 923	377	4 975	
Parks Community Centre	—	13 620	35	854	121	14 630	
Local Government Superannuation Scheme	—	—	30	—	218 500	218 530	
Local Government Finance Authority	—	—	32	84	888 100	888 216	
Building figures for the Department are replacement costs provided by SACON. Buildings managed by SACON including those valued at \$5 m or more. (D) includes collections.		Buildings valued at \$5 m or more: Art Gallery of S.A. 12.2 S.A. Museum 15.8 Natural Science Complex 8.4 State Library of S.A. 28.6 Jervois Wing 6.6 Birdwood Mill 7.0 Old Parliament House 6.1 Adelaide Festival Centre 24.2		Collections valued at \$5 m or more: Art Gallery of S.A.: Paintings—A Breakaway! by Tom Roberts 5.0 Holiday at Mentone by Charles Conder 5.0			
* includes land value.							

BRIGHTON HIGH SCHOOL

44. **Mr BRINDAL:** When will stage III of the Brighton High School be commenced and completed, does it include complete Technical Studies and Home Economics facilities and what is its anticipated cost?

The Hon. G.J. CRAFTER: No decision has been made pending the outcome of a consultation process being undertaken by the Education Department in collaboration with the local school community involving Brighton and Mawson High Schools. Specific project details and costs cannot be determined until outcomes of the community consultation are known.

OUT OF SCHOOL HOURS CARE

48. **Mr BRINDAL:**

1. How many out of school hours care programs have received funding to provide extra staff to meet the needs of children with disabilities by providing places with them on a full-time basis?

2. How many metropolitan out of school hours care programs provide care for children with disabilities on a respite basis?

3. How many children with disabilities are currently catered for by the out of school hours care program and how many of those children are being catered for without additional support services being available to the staff of these programs?

4. What plans does the Minister have in terms of the Government's social justice strategy to attend to this problem in the forthcoming State budget?

The Hon. G.J. CRAFTER:

1. The Commonwealth Department of Health, Housing and Community Services, which is the primary funding body for child care service, has funded one OSHC program to provide extra staff to support children with disabilities.

2. Information is not available on the number of children with disabilities using metropolitan programs for this purpose. Under Commonwealth guidelines, priority of access in OSHC is given to children whose parents are working or studying, not those requiring respite.

3. According to the 1991 Children's Services Office census, approximately 10 per cent of children on OSHC programs have special needs, including giftedness, special family needs and speech/language difficulties. 29 children were reported to have a disability or multiple disability. Because of the skill of staff, children in this category can often be integrated without additional support. Where additional support is required, it is often provided by the disability agency with which the child is registered. Information is not available on the actual numbers in each of these situations.

4. In the area of vacation care, where the Children's Services Office has management of the funds, the State has demonstrated its commitment to integration through the funding of the Intervac Program, which facilitates integration of children with disabilities in vacation programs. With OSHC, decisions on the allocation of funds must be made mutually with the Commonwealth which is the primary funding body. In the current Commonwealth:State negotiations on the forthcoming

Expanded Child Care Strategy, the State is pressing strongly for funds to be directed to integration support. Whether this occurs will depend on the position taken on the issue by the Commonwealth.

TEACHERS

50. Mr BRINDAL:

1. How many secondary trained or previously placed secondary school teachers have been appointed or placed in primary schools in 1992?

2. How many secondary teachers on the permanent staff of the Education Department still have to be found positions for 1992?

3. Do any of the 24 secondary teachers placed in primary schools in 1991 still occupy positions in primary schools?

The Hon. G.J. CRAFTER:

1. Six secondary teachers were placed in primary schools by choice in 1992.

2. Nineteen as of 14 August 1992.

3. Yes, two. These placements have resulted from requests from the teachers and the schools concerned.

51. Mr BRINDAL: How many secondary trained teachers have been newly employed and have been offered permanent appointments since November 1991?

The Hon. G.J. CRAFTER: The date to which the honourable member refers is midway through the staffing process and therefore the figures on that date would not reflect a situation which could be interpreted with any meaning.

Seventy-nine teachers have been offered permanent appointments in secondary schools as a result of the staffing exercise, September 1991 to February 1992. In addition to this number, six people have been permanently appointed as Middle School teachers (Years 6-10) and may be working across the primary/secondary range.

52. Mr BRINDAL: How many primary/junior primary teachers have been newly employed and have been offered permanent appointments since November 1991?

The Hon. G.J. CRAFTER: The date to which the honourable member refers is midway through the staffing process and therefore the figures on that date would not reflect a situation which could be interpreted with any meaning.

One hundred and fifty-one junior primary and primary teachers have been offered permanent employment as a result of the staffing exercise, September 1991 to February 1992 for the 1992 school year. In addition, there are the six middle school appointees as described in the answer to question 51.

53. Mr BRINDAL: How many male and female primary trained teachers have been offered a permanent appointment since November 1991 and to which schools were they appointed?

The Hon. G.J. CRAFTER:

1. The date to which the honourable member refers is midway through the staffing process and therefore the figures on that date would not reflect a situation which could be interpreted with any meaning.

One hundred and thirty-two female and nineteen male primary trained teachers were appointed to schools for 1992.

2. Regency Park Centre, Spencer Special Education Unit, The Haven—Whyalla, Wallaroo Special Education Unit, Ceduna Area, Coober Pedy Area, Coomandook Area, Cowell Area, Hawker Area, Kanaroo Inn Area, Keith Area, Leigh Creek South Area, Lucindale, Mintabie Area, Moonta Area, Port Broughton Area, Streaky Bay Area, Swan Reach Area, Amata Aboriginal, Ernabella Aboriginal, Fregon Aboriginal, Indulkana Aboriginal, Koonibba Aboriginal, Mimili Aboriginal, Oodnadatta Aboriginal, Pipalyatjara Aboriginal, Yalata Aboriginal, Alberton Primary, Angle Vale Primary, Ardtornish Primary, Athelstone Primary, Augusta Park Primary, Baramba Primary, Basket Range Primary, Belair Primary, Bevan Crescent Primary, Bordertown Primary, Carlton Primary, Challa Gardens Primary, Compton Primary, Elizabeth South Primary, Elizabeth Field Primary, Fisk Street Primary, Flinders View Primary, Fraser Park Primary, Geranium Primary, Glenburnie Primary, Iron Knob Primary, Kirton Point Primary, Light Pass Primary, Long Street Primary, Loxton Primary, Laura Primary, Mallala Primary, Mannum Primary, Memorial Oval Primary, Mil Lel Primary, Millicent North Primary, Mintaro/Farrell Flat Primary, Moculta Primary, Mount Burr Primary, Mount Gambier East Primary, Munno Para

Primary, Myponga Primary, Naracoorte Primary, Naracoorte South Primary, Newton Primary, Nicolson Avenue Primary, North Ingle Primary, Nuriootpa Primary, Padthaway Primary, Paracombe Primary, Parafield Gardens Primary, Penola Primary, Peterborough Primary, Port Lincoln Primary, Port Neill Primary, Port Pirie West Primary, Rendelsham Primary, Renmark Primary, Richmond Primary, Ridley Grove Primary, Risdon Park Primary, Riverdale Primary, Salisbury Downs Primary, Settlers Farm Primary, Smithfield Plains Primary, Smithfield Primary, Spalding Primary, Taperoo Primary, Tarlee Primary, Tarpeena Primary, Truro Primary, Waikerie Primary, Willsden Primary, Winkie Primary, Carrieton Rural, Cockburn Rural, Corny Point Rural, Darke Peak Rural, Marla Rural, Narrung Rural, Wharminda Rural, Open Access College, Maddison Park Junior Primary, Parafield Gardens Junior Primary, Parafield Gardens NW Junior Primary, Port Lincoln Junior Primary, Renmark Junior Primary, Ridgehaven Junior Primary, Salisbury North Junior Primary, Smithfield Plains Junior Primary, Cambrai Child Parent Centre, Coober Pedy Child Parent Centre, Mount Gambier East Child Parent Centre, Paralowie (Primary).

EDFACTS

54. Mr BRINDAL: Has any review of *EDfacts* been undertaken since its inception to assess its effectiveness as the principal means of communication with Education Department schools and if so, what were the findings and if not, when is it expected that the effectiveness of the new system will be assessed?

The Hon. G.J. CRAFTER: The Education Information Services Unit recently surveyed a random sample of country and metropolitan schools (primary, area and secondary) to determine the effectiveness of the *EDfacts* publication.

All feedback from schools was positive. The main benefits identified were the brevity of notices and the quick turnaround of information. The time lapse between receipt of information by the editor and its distribution to schools is four working days.

In all schools contacted, the distribution is: one copy to the principal, one copy in the staffroom and one copy on the notice board.

In many schools, items of particular relevance or urgency are reproduced in the teachers' daily bulletin.

The survey also showed that the quality of the fax transmission has improved since *EDfacts* was first sent out to schools in February 1991. Schools are happy with the quality of printed message they are receiving, finding it clearly set out and legible.

Not one publication deadline has been missed in the 20 months that *EDfacts* has been in publication.

Information Technology Branch has found that over 90 per cent of schools receive their *EDfacts* on Monday evenings. All state schools are guaranteed of receiving the weekly notice, either via Faxnet or, if their fax machine is out of service, via the courier service or mail.

Further evidence of the success and acceptance of *EDfacts* by the education community is the constant stream of requests from schools for notices regarding back-to-school functions to be repeated, due to the high level of response from readers in other schools.

Project officers in curriculum units also report a high level of response to their notices in *EDfacts*.

OAKLANDS PARK RAILWAY STATION

62. Mr BRINDAL: When will the subway at the Oaklands Park Station be filled in and will it still be replaced with a standard at-grade pedestrian crossing?

The Hon. FRANK BLEVINS: An access ramp and an at-grade pedestrian crossing at Oaklands Station are programmed for construction in May/June 1993.

This will provide dual access to the platform via the existing subway and the new pedestrian crossing until funds are available for subway closure.

Current planning is for the subway to be filled in and construction of a second access ramp in 1996 if funds are available.

E&WS DEPARTMENT

92. The Hon. D.C. WOTTON:

1. Has the E&WS Department an index of customer satisfaction and if so, how is it calculated and what factors are taken into account?

2. What have been the indices from when it was established until now?

The Hon. S.M. LENEHAN:

1. The E&WS Department does not maintain any customer satisfaction index. All inquiries however, whether written, by telephone or in person are recorded according to the type of inquiry.

2. See above.

93. The Hon. D.C. WOTTON: How many customer surveys were made by the E&WS Department during 1991-92 and what were the findings, in particular, in relation to the current water rates system for residential properties?

The Hon. S.M. LENEHAN: There were four separate customer surveys undertaken by the E&WS Department relating to the residential water rating system during 1991-92. Customer market testing of the new look rate account was also undertaken during the 1991-92 year.

Three of the four surveys were part of the monthly Omnibus Surveys conducted by McGregor Marketing in August, October and November 1991. The other survey also undertaken by McGregor Marketing was in relation to the insert sent with the 1991-92 rates accounts during August and September 1991.

Survey findings

- Rating the overall performance of the E&WS.

This question was asked in the August survey and the results compared with a survey conducted in 1986:

—In 1986 the result was 7.3 out of 10.

—In August 1991 the result was 6.5 out of 10.

- Perceptions of the old and new residential water rating systems. Customers were asked if they thought they would pay more under the new system.

	August '91 % of respondents	October '91
More	55.6	51.4
The same	16.2	19.3
Less	4.2	4.9
Don't know	24.2	24.4

— There was a noticeable reduction in the proportion of people who thought they would pay more.

— Consistent with this, there was also a noticeable increase in the number of people who thought they would pay the same.

- Perceived fairness of the new system.

Customers were asked if the E&WS new water pricing system was fair or unfair.

	August '91 % of respondents	October '91
Total fair	20.0	23.0
Total unfair	53.9	52.1

- In November 1991 questions were asked about:
The public awareness of the new water pricing system.
— The awareness level was very high at 84 per cent.
The source of publicity:
— 64 per cent of customers were able to identify one or more sources of publicity.

Television	33.5 per cent
Newspaper	27.2 per cent
Insert with account	27.5 per cent

The method and reason for contacting E&WS about the new pricing system.

— Of the 400 people interviewed only 4 per cent had contacted the department about the new system of which 75 per cent used the phone.

- In August 1991 separate research was undertaken to gauge customer reaction to a proposed insert to accompany first quarter rate accounts.

— In general, customers found the proposed insert confusing especially the chart which showed incidence effects between old and new systems.

- As part of the development of the new look water rate account to help customers understand how their charges are calculated, three rounds of detailed qualitative public testing was undertaken in March 1992. The account was modified several times during the testing process before a final version was produced.

— The new account was piloted in Salisbury in June 1992 and released statewide in July 1992. Reaction to the new account has been very positive and feedback has indicated customers have a better understanding of the calculation of their charges.

94. The Hon. D.C. WOTTON: What was the reason for the reduction in value of the accumulated depreciated fixed assets of the E&WS Department from \$690.816 million at 30 June 1990 to \$240.478 million at 30 June 1991?

The Hon. S.M. LENEHAN: The reduction in the value of accumulated depreciation from \$690.816 million at 30 June 1990 to \$240.478 million at 30 June 1991 was a result of a change in the presentation of the value of fixed assets in the notes accompanying the Annual Financial Statements for those particular financial years.

In 1989-90 the department revalued certain classes of fixed assets for the first time. The subsequent adjustments for both the revalued amount and the accumulated depreciation were shown as gross amounts (Refer Note 15, 1989-90 Annual Financial Statements— Attachment A).

In 1990-91 the adjustments for revaluation were netted out and included in the gross value of assets (Refer Note 17, 1990-91 Annual Financial Statements—Attachment B). If the 1990-91 values for fixed assets are reworked similar to 1989-90 the following comparisons can be made:

	1989-90	1990-91
Fixed Assets	1 385 980	1 520 771
Gross Revaluation	<u>548 151</u>	<u>1 741 031</u>
Gross Accumulated Depreciation:		
• Historical	268 369	296 689
• A/C Revaluation	<u>422 447</u>	<u>680 212</u>
	<u>690 816</u>	<u>976 901</u>
WRITTEN DOWN VALUE	1 243 315	2 284 901

The presentation of the value of fixed assets for 1990-91 is considered to be a more appropriate method and is in accordance with the Australian Accounting Standard regarding the revaluation of non-current assets (AAS10).

Engineering and Water Supply

15. Fixed Assets, Plant and Machinery

Total	Metro Water	Country Water	Metro Sewerage	Country Sewerage	Irrigation & Drainage	Other	1990 Total	1989
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Fixed Assets:								
Historical Cost	465 487	321 533	420 642	97 106	70 030	11 182	1 385 980	1 299 186
Revaluation Adjustment in 1989-90	219 475	127 022	184 380	16 273	1 001	—	548 151	—
	684 962	448 555	605 022	113 379	71 031	11 182	1 934 131	1 299 186
Less: Accumulated Depreciation	283 550	179 973	183 584	26 814	12 547	4 348	690 816	246 725
	401 412	268 582	421 438	86 565	58 484	6 834	1 243 315	1 052 461
Plant and Machinery (net)							40 941	35 749
Work in Progress*							170 094	177 726
Total Fixed Assets, Plant and Machinery							1 454 350	1 265 936

* Includes \$8.1 million relating to the Happy Valley Water Filtration and Distribution Works and Morphett Vale Distribution Mains.

16. Other Non-Current Assets

	1990 \$'000	1989 \$'000
Preliminary Investigations	9 230	6 026

Preliminary investigations are undertaken to determine the feasibility of capital projects. Expenditures relating to approved projects are transferred to work in progress accounts. Where projects do not proceed, expenditure is recognised as an expense in the current year.

17. Creditors and Accruals

	1990 \$'000	1989 \$'000
Creditors	2 840	4 822
Working Accounts	7 809	4 945
	10 649	9 767

18. Provisions

Attention is drawn to Note 1.8 (a) which explains a change in relation to long service leave. Movements in provisions were:

	Recreation and Other Leave \$'000	Long Service Leave \$'000	Total \$'000
Opening Balance	(113)	3 846	3 733
Provided during the year	9 392	4 720	14 112
Adjustment for liability at 30.6.85	—	28 606	28 606
	9 279	37 172	46 451
Less: Payments during the year	8 383	3 951	12 334
Closing Balance	896	33 221	34 117

19. Borrowings

Borrowings are obtained from the SA Treasury Department. Included in borrowings are a number of special purpose loans received from the Commonwealth Government under various assistance programs and for which SAFA is responsible (Note 11 refers), which totalled \$59 million at 30 June (\$55 million).

Movements in the level of borrowings during the year were as follows:

	\$'000
Opening Balance	962 864
Borrowings	5 196
	968 060
Repayments	—
Closing Balance	968 060

* Borrowings are repayable at the discretion of the Treasurer.

ATTACHMENT B
1990-91*Engineering and Water Supply***15. Cyclic Operating Reserve**

The amount of water supplied through major pipelines from the Murray River to reservoirs serving the metropolitan area depends largely on rainfall in the reservoir catchment areas. Annual rainfall may vary significantly with a consequential effect on pipeline operating costs. To equalise the impact of annual pumping costs on the rating levels, a cyclical operating reserve was established in 1988-89.

16. Receivables

	1991 \$'000	1990 \$'000
Rates:		
Water and Sewer	17 763	17 330
Irrigation and Drainage	3 047	2 484
Sundry Debtors	2 104	1 331
	<u>22 914</u>	<u>21 145</u>

* No provision for doubtful debts has been made due to the minimal incidence of such debts occurring and the department's ability to ultimately recover rates debts when properties are sold.

17. Fixed Assets, Plant and Machinery

Attention is drawn to Note 1.4 which explains the basis of valuation.

Total	Metro Water \$'000	Country Water \$'000	Metro Sewerage \$'000	Country Sewerage \$'000	Irrigation & Drainage \$'000	Other \$'000	1991 Total \$'000	1990 \$'000
Fixed Assets	926 997	855 645	546 176	111 875	71 650	13 036	2 525 379	1 934 131
Less: Accumulated Depreciation	83 337	58 917	69 791	14 113	10 423	3 897	240 478	690 816
	<u>843 660</u>	<u>796 728</u>	<u>476 385</u>	<u>97 762</u>	<u>61 227</u>	<u>9 139</u>	<u>2 284 901</u>	<u>1 243 315</u>
Plant and Machinery (net)							46 611	40 941
Work in Progress							<u>129 229</u>	<u>170 094</u>
							<u>2 460 741</u>	<u>1 454 350</u>

	Assets at Historical Cost \$'000	Assets Accumulated Revalued Depreciation \$'000	1991 Remaining Balance \$'000
Reservoirs	53 118	—	9 757
Aboveground Mains	—	866 213	16 432
Underground Mains	699 395	—	107 038
Sewer Service Connections	91 324	—	12 109
Water Service Connections	76 545	—	25 216
Tanks and Storages	—	151 282	9 649
Water and Sewage Treatment Works	—	441 392	19 764
Pumping Stations	71 390	—	25 486
Land and Buildings	54 693	—	8 726
Bores and Wells	6 245	—	1 408
Irrigation and Drainage Structures*	13 529	—	4 869
Other	253	—	24
	<u>1 066 492</u>	<u>1 458 887</u>	<u>240 478</u>
Plant and Machinery (net)			46 611
Work in Progress			<u>129 229</u>
			<u>2 460 741</u>

* Some assets pertaining to irrigation and drainage structures are included in other asset classes.

18. Other Non-Current Assets

	1991 \$'000	1990 \$'000
Preliminary Investigations	8 646	9 230

Preliminary investigations are undertaken to determine the feasibility of capital projects. Expenditures relating to approved projects are transferred to work in progress accounts. Where projects do not proceed, expenditure is recognised as an expense in the current year.

19. Creditors and Accruals

	1991 \$'000	1990 \$'000
Creditors	2 591	2 840
Working Accounts*	12 301	2 809
	14 892	5 649

* Note 22 refers.

97. **The Hon. D.C. WOTTON:** What was the expenditure ratio between preventive maintenance and breakdown maintenance in the E&WS Department in 1991-92 and what steps are being taken towards achieving the industry wide recognised standard of 75/25?

The Hon. S.M. LENEHAN: The ratio of preventive to breakdown (corrective) is not readily available from the departmental financial system for 1991-92 due to the restructuring of the department's chart of accounts.

The department has established a new chart of accounts and also implemented, at a high level, a work management system. This will enable more accurate reporting in future.

As an indication, the department's 1992-93 budget allows for expenditure of \$21.7 million on inspection and routine maintenance (that is, preventive) and \$24.6 million on corrective (that is, breakdown) maintenance. This represents a ratio of 47/53.

The quoted 'industry standard' of 75/25 applies principally to mechanical and electrical plant. More than 70 per cent of the department's assets are buried pipes—the opportunities for performing preventive maintenance on these assets is very limited.

One of the reasons that the department is adopting work management systems is to trap maintenance history for assets and to link this information to the data that describes the asset. By trialling different maintenance practices and analysing the collected data for the department intends to determine the optimum balance of preventive/breakdown maintenance for various classes of asset. For some assets, the optimum may be to do no preventive maintenance at all. The department will, however, consider standard of service in adopting actual maintenance practice.

The department has appointed a Maintenance Development Engineer to coordinate this process.

System Source	Average Organic Carbon Level (mg/L)	Average THM Level (µg/L)
Barossa (filtered and chlorinated)	10.0	139
Hope Valley (filtered and chlorinated)	8.2	122
Happy Valley (filtered and chlorinated)	7.2	100
Anstey Hill (filtered and chlorinated)	7.9	158
Myponga (unfiltered and chlorinated)	10.9	197
Morgan/Whyalla (filtered and chloraminated)	6.8	24

98. **The Hon. D.C. WOTTON:** Is any water supplied for domestic or stock use chlorinated and does it contain organic carbon or trihalomethanes and if so, at what levels?

The Hon. S.M. LENEHAN: All public water supplies in South Australia are disinfected by chlorination or, in the case of the longer systems needed to serve country areas, by chloramination.

All naturally occurring water contains organic carbon to some degree. It is derived from the degradation of predominantly plant and animal material in catchments.

Chlorination of water containing organic carbon produces trihalomethanes (THMs), the concentration of which depends on the level of organic carbon and the chlorine dose used. Water filtration removes some of the organic carbon and consequently filtered water supplies tend to have lower THM levels compared with supplies where chlorination only is carried out. In systems where ammonia is added in conjunction with chlorine to produce chloramines, THM levels are quite low. Factors such as soil characteristics, vegetation type and rainfall influence the organic carbon levels found in waters. Organic carbon levels in South Australian surface waters tend to be high in some areas, for example, Myponga Reservoir, because of sandy soils in the catchment. Thus chlorination of this supply which is presently unfiltered produces higher THM levels. Construction of the filtration plant to serve this supply is well underway with commissioning scheduled for the end of 1993.

The National Health and Medical Research Council/Australian Water Resources Council guideline value for THMs is 200 µg/L (with occasional fluctuations up to 1 000 µg/L considered not to pose a significant health risk). Average organic carbon and THM levels for some South Australian supplies are shown below.

99. **The Hon. D.C. WOTTON:** For each of the past three financial years, what was the cost of employees in the metropolitan water supply in dollars and as a percentage of total expenditure?

The Hon. S.M. LENEHAN: The labour cost attributable to the provision of the Metropolitan Water Supply system for the past three financial years is as follows:

Financial Year	Labour Costs \$'000	Percentage of Total Expenditure
1989-90	36 177	9.05
1990-91	37 589	8.51
1991-92	42 786	9.46

The figures above include both Award wages and Act salaries, and also covers Recurrent and Capital expenditure associated with Metropolitan Water Supply.

103. **Mr VENNING:** What is the mains water pipe along John Lewis Drive, Port Broughton made of, is there any asbestos in it and when was it laid?

The Hon. S.M. LENEHAN: The water main in John Lewis Drive, Port Broughton consists of 905 metres of 100 mm asbestos cement pipe and 286 metres of 80 mm asbestos cement pipe.

The pipe material is asbestos cement (AC) that was manufactured by James Hardie and Coy. Pty Ltd. This material contains asbestos, Portland cement and silica that have been combined and processed into a chemically inert product.

The water main was laid progressively starting from the southern end of John Lewis Drive; with 772 metres of 100 AC in July 1958, followed by 133 metres of 100 AC in June 1961 and 286 metres of 80 AC in January 1968.