HOUSE OF ASSEMBLY

Thursday 15 October 1992

The SPEAKER (Hon. N.T. Peterson) took the Chair at 10.30 a.m. and read prayers.

Mr LEWIS: I rise on a point of order, Mr Speaker. I know I am a bit previous sometimes and I have difficulty keeping up with things. However, I notice that it is 15 October on the block of dates, but my Notice Paper says it is still Tuesday. Am I mistaken, Sir?

The SPEAKER: There is no Standing Order in relation to the date on the Notice Paper so, of course, there is no point of order. However, human error does occur now and then—

An honourable member: Frequently!

The SPEAKER: Well, in this place frequently, and I am sure that all members will give some leeway and make allowances, and perhaps even manually, with a pen, change it to Thursday 15 October, to make the record correct.

Mr INGERSON: I rise on a point of order, Mr Speaker. Now that we have changed our program for private members' time, in future will we be getting the program for Thursday morning under the normal procedure that applies for all other days? Is it expected that it will be here at 10.30?

The SPEAKER: Again, there is no Standing Order in relation to the provision of an order paper. However, one would assume if one read the Notice Paper one would know what business was before the House. The other factor that relates to this is that sometimes it is just physically impossible in the time available to provide the paper. The staff here must go home as well.

Members interjecting:

The SPEAKER: Well, that is an argument with the Government, not the Speaker. I am only in charge of the House, not the Government.

STAMP DUTIES (PENALTIES, REASSESSMENTS AND SECURITIES) AMENDMENT BILL

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

The Hon. FRANK BLEVINS: I move:

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill contains measures in five separate areas:

- revised security or mortgage provisions;
- provision of a power of reassessment;
- penalty recovery amendments;
- rental duty avoidance;
- consequential amendments.

The Government has previously stated that it would crack down on the stamp duty obligations of business and financial institutions and would introduce amending legislation if this was necessary.

An announcement was recently made that legislation would be introduced in the Budget Session following an investigation by the Commissioner of State Taxation into cases where stamp duty on mortgage documents had been minimised.

This Bill provides that duty will now be payable on:

- third party guarantees;
- put options;
- bill facilities;
- deposits of titles to protect unregistered mortgages.

This Bill will also ensure that mortgage documentation is only a valid security to the extent that it is stamped.

Duty is not presently payable on these types of security documentation outlined.

The third party guarantee scheme, has facilitated the non payment of ad valorem duty on security instruments by interposing a guarantee between the mortgage over property and the loan security to which it related. For example, a person arranged for a company controlled by that person to borrow funds from a lender who required the loan to be secured by a mortgage. Alternatively a holding company made a similar arrangement in respect of a subsidiary. The third party—that is the person who controlled the company or, in the second example, the holding company—guaranteed the repayment of the loan.

The third party's obligations under the guarantee were then secured by the execution of a mortgage over property owned by that third party in favour of the lender. In these circumstances, the mortgage would never have secured a specific amount unless the borrower defaulted on repaying the loan. The mortgage would initially have been chargeable with nominal duty as it did not secure the repayment of the amount borrowed. All it secured was the third party's contingent obligations under the guarantee. These obligations only arose if the borrower defaulted on loan repayments.

The second area of non payment known as the put option scheme is a variation of the third party guarantee scheme. Under this scheme, the lender had the option of requiring a third party to meet loan repayments in the event of the borrower defaulting.

As with the third party guarantee scheme the third party executed a mortgage to secure an obligation to repay if the lender exercised the put option. The mortgage merely secured a contingent liability and was chargeable only with nominal duty, unless the borrower defaulted and the option was exercised.

The third area of non payment involves a more simple method of reducing mortgage duty by the use of secured bill facilities. A mortgage is stamped for a nominal amount as security for the financial accommodation under a bill facility. The provisions of funds under the bill facility arrangement does not represent an 'advance' pursuant to which upstamping of the mortgage is required.

The fourth area of non payment, the deposit of titles to protect unregistered mortgages was based on the principle that stamp duty is payable according to the nature of the instrument at the time of its execution.

The scheme involves the execution of an instrument by a borrower which, at first glance, seemed to contain the usual terms of an ordinary mortgage over propery, but which in fact under its express provisions, did not become a mortgage until the relevant title deeds were deposited with the lender. At that point it automatically charged the property as security for the amount borrowed.

When the instrument was executed, no money had been advanced and the title deeds were not given to the lender as it did not, at that point, constitute a mortgage.

It is noted that the explanation of the above areas of non payment is intended to provide an understanding of the main types of practices dealt with by the amending legislation. They do not represent a comprehensive outline of all possibilities.

Under the Bill duty will be payable on these securities on the maximum amount to be secured (assuming, in the case of contingent liability, that the contingency on which the liability is dependent will actually happen).

Moneys will be able to be advanced up to this maximum level without further duty being payable. This will, of course, also apply to rollover of bills and further duty would only be payable if the moneys advanced on the rollover exceed the extent of the upper limit to which stamp duty has already been paid. In these circumstances duty will be payable on the difference only.

These legislative measures have been complemented by additional administrative measures which are proving to be highly effective in ensuring compliance with the existing provisions.

The Bill also contains a number of support provisions to improve the collection and recovery processes under the Act. These include a power of reassessment where incorrect or misleading information is provided.

In the second reading explanation of the Stamp Duties (Assessments and Forms) Amendment Bill 1991, it was stated that the Government had proposed to include reassessment provisions at that time but that futher discussions were still being held with relevant industry bodies and that the reassessment provisions will be included at a later time. Those further discussions have now taken place.

The penalty provisions have also been amended to ensure that persons who have sought to circumvent the provisions of the Act are not in a more favourable position than those taxpayers who meet their obligations.

The provisions dealing with reassessments and penalties have been the subject of consultation with relevant industry groups, namely the Law Society of South Australia, Institute of Chartered Accounts, Australian Society of CPA's and the Taxation Institute of South Australia.

The efforts of those involved have been appreciated by the Government and the provisions reflect many issues raised by various groups during the consultation process.

The Bill also alters the rental duty provisions which required amendment as a result of the reasoning and outcome of a recent Supreme Court judgment in *Esanda Finance Corp Ltd and Esanda (Wholesale) Pty Ltd* v *The Commissioner of Stamps* handed down in August 1992.

In this particular instance the rental duty provisions had been effectively circumvented by the use of guarantee fees payable to a third party. The Bill seeks to preserve the tax base and maintain the current status quo.

Lastly, the Bill contains a number of consequential amendments. References to the Companies (South Australian) Code have been deleted and substituted with references to the Corporations Law.

The provisions of the Bill are as follows:

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 amends the definition of 'duty' to ensure that it encompasses penalty duty.

Clause 4 clarifies the penalty provision under section 12 of the Act.

Clause 5 is an amendment which will allow a party to incorporate various facts and circumstances affecting the liability of an instrument in a statement that accompanies the instrument. This should help to simplify the preparation, and the stamping, of certain instruments.

Clause 6 clarifies the nature of the penalty that should apply under section 19a of the Act.

Clause 7 makes a variety of amendments to section 20 of the Act. Reference is made to the fact that duty or further duty may become payable in consequence of an event occurring after the execution of an instrument. The nature of the penalties under the section are also clarified.

Clause 8 is related to the inclusion of proposed reassessment powers of the Commission. In particular, the amendment ensures that a distinction can be drawn between the assessment of duty and the payment of duty without an opinion being expressed by the Commissioner.

Clause 9 will empower the Commissioner to undertake a reassessment of duty in certain cases. The Commissioner will be required to give notice of a reassessment. Additional duty will be payable within two months (consistent with section 20 of the Act). Various enforcement and machinery provisions are also included to ensure consistency with the other provisions of the Act.

Clause 10 makes a consequential amendment.

Clause 11 makes a consequential amendment (by virtue of the new definition of 'duty').

Clause 12 provides for a variety of definitions that are necessary in response to the decision in *Esanda Finance Corporation Ltd* and *Esanda (Wholesale) Pty Ltd v. The Commissioner of Stamps*. The principal purpose of these definitions is to clarify the operation of the relevant provisions in relation to the bailment of goods.

Clauses 13 relates to penalties.

Clause 14 will require a statement relating to rental business to include certain amounts received under a contractural bailment.

Clause 15 is a consequential amendment.

Clauses 16 to 23 (inclusive) are designed to clarify and rationalise various provisions as to penalty.

Clause 24 relates to both penalties and an appropriate reference to the Corporations Law.

Clauses 25 and 26 provide appropriate references to the Corporations Law.

Clause 27 provides a new heading and associated provisions relating to securities, which will replace the current provisions relating to mortgages. Duty will now be payable on a 'security', which is defined as a mortgage, a guarantee of a liability, an indemnity against a failure to discharge a liability, an agreement under which a liability may be assumed, or an agreement under which an instrument of title is pledged or deposited by way of security. In particular, new section 77 will ensure that all instruments that constitute a security, or that are secured by a mortgage, are liable to duty. Other provisions reform and rationalise the current provisions so that they can apply to the various forms of securities that are now to be dutiable.

Clauses 28, 29 and 30 are designed to clarify and rationalise various provisions as to penalty.

Clauses 31, 32 and 33 provide appropriate references to the Corporations Laws.

Clauses 34 to 39 (inclusive) are designed to clarify and rationalise various provisions as to penalty.

Clause 40 makes various consequential amendments to the Second Schedule in view of the new provisions relating to the duty payable on securities.

Clause 41 is a transitional provision. Particular note is made of subsections (2) and (3), which relate to mortgages and other securities executed before the commencement of this measure. Subsection (2) provides that section 80 of the Act will be taken to apply to any such mortgage with the effect that a mortgage that secures an amount which exceeds the amount for which the mortgage is stamped must be resubmitted for stamping under section 20 of the Act. Subsection (3) provides that the amendments to the principal Act will apply to any such security if the security is extended or renewed after the commencement of the legislation.

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

DANGEROUS SUBSTANCES (EQUIPMENT AND PERMITS) AMENDMENT BILL

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety) obtained leave and introduced a Bill for an Act to amend the Dangerous Substances Act 1979. Read a first time.

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

The Dangerous Substances Act provides for the keeping, handling, packaging, conveyance, use, disposal and quality of toxic, corrosive, flammable or otherwise harmful substances. The Act places a general duty of care on people who undertake any of these activities to ensure that the health and safety of any person or the safety of any person's property is not endangered.

This Government is committed to public safety and will not tolerate the cost to the community, and to Government, in terms of injury, damage to property and damage to the environment

due to poorly maintained plant and equipment. Past events have highlighted the risks associated with the storage and use of dangerous substances, and the lack of responsibility shown by persons in charge of plants, in relation to proper maintenance and use of the equipment.

The conversion of cars to run on liquefied petroleum gas as an alternative fuel to petrol has become routine but the number of complaints about the quality of the work continues. The business proprietor may contribute to unsafe conversions, in that he or she has to meet the consumer's demands, and expectations, and in doing so may ignore the Government's stringent public safety standards. In attempting to meet those consumer demands, the proprietor, with ultimate control over the worksite, may compromise those public safety standards. An inspector under the Dangerous Substances Act may take action against the gas fitter for not meeting the safety standards but is not able to take action against the proprietor for endangering public safety.

The proposed amendment to the Act will ensure that while individuals carrying out gasfitting work will still be required to meet the current safety standards, the employer/business proprietor will also be liable for any unsafe or defective work that is carried out.

Extending the general duty of care provision to include plant we will ensure that all people and groups accept their responsibilities and provide a safer environment for employees, employers and the public.

The proposed amendment also allows for an appeal to the Industrial Court against decisions made by the Director in matters relating to licences under the Act and permits under the regulations.

The provisions of the Bill are as follows:

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 relates to the definitions used in the Act. Reference is no longer to be made to 'the Chief Inspector'. The definition of 'Director' needs updating. A consequential amendment must be made to the definition of 'inspector' and it is intended to include a definition of 'plant' in conjunction with new section 12a.

Clause 4 relates to the appointment of inspectors. It has been decided to no longer appoint a Chief Inspector under the Act. In addition, inspectors will be appointed by the Minister in future.

Clause 5 is a consequential amendment.

Clause 6 inserts a new provision relating to the proper care and precautions that should be taken in relation to plant that is used, or reasonably expected to be used, in connection with a dangerous substance. The provision will apply to any person in charge of such plant, who uses such plant, or who performs work in relation to such plant. It will also be an offence to misuse or damage any plant to which the section applies.

Clause 7 provides for the repeal of section 23. This provision presently provides for an appeal to a local court of full jurisdiction against a decision of the Director under Part III. It is proposed to replace this avenue of appeal with the arrangement set out in new section 24a.

Clause 8 relates to improvement notices under the Act. It is intended to extend the operation of the provision so that a notice can be issued where a person has contravened a provision of the Act in circumstances that make it reasonable to require that the contravention be remedied. This amendment will result in the improvement notice being more like a 'default notice' under other legislation, and will enhance the ability of inspectors to ensure that remedial action is taken in the event of a contravention of the Act.

Clause 9 enacts a new section 24a relating to appeals. An appeal will now lie to the Industrial Court. An appeal will be available against a decision of the Director relating to a licence under Part III, a decision not to grant an exemption under section 24, or a decision of the Director relating to a permit under the regulations.

Clause 10 relates to the period within which a prosecution can be commenced under the Act. The Act is presently subject to the operation of the six-month limitation on the initiation of prosecutions prescribed by the Justices Act. It is intended to allow prosecutions to be instituted at any time within three years after the date on which the offence is alleged to have been committed (or such longer period as the Attorney-General may allow in a particular case). This will allow prosecutions to occur in cases where a breach of the Act is not detected for some time (for example, when faulty work is carried out on an LPG installation in a motor vehicle).

Clause 11 relates to the regulations under the Act. The principal amendment is to place various duties on a person who carries on a business at which permit holders work. In particular, the person will be required to ensure that the relevant work is carried out safely and in accordance with the regulations, and that suitable and safe plant is used in the performance of the work.

Mr INGERSON secured the adjournment of the debate.

CONSTRUCTION INDUSTRY LONG SERVICE LEAVE (MISCELLANEOUS) AMENDMENT BILL

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety) obtained leave and introduced a Bill for an Act to amend the Construction Industry Long Service Leave Act 1987. Read a first time.

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill, which amends the Construction Industry Long Service Leave Act 1987 seeks to make the Act more flexible for both employers and workers, strengthen the existing enforcement provisions, subject the board to ministerial control and consolidate and simplify various provisions.

The portable long service leave scheme, established by the Long Service Leave (Building Industry) Act, commenced on 1 April 1977. The Act was retitled the Construction Industry Long Service Leave Act on 1 July 1990. The scheme enables construction industry workers to become eligible for long service leave benefits based on service to the industry rather than service to a single employer.

Workers will benefit through the new provisions which will enable their 13 week long service leave entitlement to be taken in up to three separate periods of not less than two weeks over a period of three years.

This increased flexibility will benefit both workers and employers particularly during a downturn in construction activity. The amendment also aligns the Act more closely with the provisions of the State Long Service Leave Act.

Under the current Act, workers who were promoted to positions of foremen, ceased to qualify for long service leave. This Bill will allow for the ongoing coverage of those foremen whose employment involves supervising other workers who work predominantly on construction sites.

As there is invariably no prescribed award coverage for foremen, it is also necessary to amend the Act to enable the board to determine the ordinary weekly pay on which the levy is to be based. Workers and employers will also be able to make representations to the board regarding the rate of ordinary weekly pay used.

Interstate employers employing interstate workers in this State will no longer be required to be registered in South Australia provided both the employer and worker is registered under their own State scheme. This will result in savings for employers and ensure uniformity of scheme application between the States.

The Construction Industry Long Service Leave Board prosecutes employers as a last resort. At present, a prosecution for an offence under the Act must be commenced within three years of the date on which the offence is alleged to have been committed. This Bill will extend this period to six years subject to the authorisation of the Attorney-General.

The prosecution of employers normally results from circumstances where levies remain outstanding over a protracted

period or access to records has been denied. A weakness of the current legislation is that although a conviction may be recorded and a fine imposed by the courts, the board is not necessarily any closer to obtaining the outstanding levies or records. This Bill will empower the courts to make orders against employers.

Where an employer ceases to employ they may elect to cancel their registration or have it remain active. In the event of the latter it is necessary for employers to submit 'nil' returns. Without the return the board is unable to determine an employer's status or liability. Under the current legislation the board cannot enforce the lodgment of 'nil' returns. This amendment seeks to correct this. The Bill will also enable the board to impose a penalty fine on employers who fail to lodge a 'nil' return by the due date.

The board is currently required to arrange for an actuarial investigation of the funds to be carried out every three years. It is the Government's view that the board, as trustee of the funds, must have the State and sufficiency of the funds assessed on an annual basis by an actuary appointed by the board. This Bill provides the legal basis for this to occur and also requires the board to submit an actuary's report to the Minister along with a recommendation regarding the levy rate.

To assist in achieving a more accurate actuarial assessment of the funds, it is also proposed that a timeframe of six months be set for former workers to advise the board they have become a self-employed contractor.

I am pleased to be able to report the loan from the construction industry fund to extend the scheme to include electrical contracting and metal trades workers from 1 July 1990, has now been repaid. Accordingly, the existing provisions relating to the conditions of the loan are no longer required.

In keeping with this Government's commitment to the increased accountability of public authorities, a provision has been included in the Bill whereby the board will become subject to the control and direction of the Minister.

Other provisions are to be consolidated and simplified.

The Bill has been the subject of consultation with the relevant bodies including the Construction Industry Long Service Leave Board, the relevant industry unions and employer organisations. In general they have indicated their support for the proposals contained in the Bill.

I seek leave to incorporate the Parliamentary Counsel's explanation of clauses without my reading it.

The provisions of the Bill are as follows:

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 relates to the definitions that are relevant to the operation of the Act. In particular, the definitions of 'agreement' and 'award' are to be made consistent with the new Industrial Relations Act of the Commonwealth, and provision is made for the inclusion of 'foremen' under the Act (it being noted that the remuneration of foremen, and their ordinary hours, are not set by award or industrial agreement).

Clause 4 provides for a new provision that will allow the board to make its own determination as to the amount that should constitute a construction worker's ordinary weekly pay under the Act. The board will only be permitted to make such a determination if it appears to the board that the worker's ordinary weekly pay would, if calculated in accordance with the other provisions of the Act, be excessive or insufficient. The board will be required to inform the worker, and his or her employer (if any), of the proposed determination, and to allow the worker and employer a reasonable opportunity to make written submissions in relation to the matter.

Clause 5 amends section 5 of the Act by virtue of the inclusion of foremen under the legislation.

Clause 6 will amend section 6 of the Act to declare that the board is subject to control and direction by the Minister.

Clause 7 makes a technical amendment to clarify that the relevant service for the purposes of the provision is service as a construction worker within the meaning of the Act, or as a building worker under the repealed Act, and to include reference to the Metal Industry (Long Service Leave) Award 1984 (which is relevant to workers who came under the Act in 1990).

Clause 8 will allow workers to take long service leave in separate periods (as in the case under the Long Service Leave Act 1987), subject to various qualifications. Furthermore, the period during which ordinary weekly pay is calculated at current rates is to be increased from 12 months to three years. As is the case with the existing legislation, the board will be able to extend this period in an appropriate case.

Clause 9 makes various technical amendments to section 17, in a manner consistent to the amendments to section 14 of the Act.

Clause 10 relates to section 18 of the Act, which provides for the preservation of entitlements where a worker (in certain circumstances) ceases to be employed as a construction worker and sets himself or herself up as an independent contractor in the industry. The amendment will require a person who is claiming the benefit of the provision to send the relevant notice to the board within six months after the person commences work as a self-employed contractor, or within such longer period as the board may allow.

Clause 11 removes various provisions that are no longer required.

Clause 12 will replace the requirement to carry out an investigation into the fund on a three-yearly basis with a requirement that the investigation be carried out annually.

Clause 13 will ensure that amounts paid by employers to workers over and above amounts used for the purpose of determining ordinary weekly pay under the Act may be disregarded for the purpose of calculating levy.

Clause 14 will make it an offence to fail to pay a levy at the same time as the relevant return is provided to the board. New subsection (6) clarifies that a registered employer will be regarded as an employer in the construction industry for a return period even if the employer has not in fact employed any construction workers during that period.

Clause 15 will allow the board to impose a fine on an employer who fails to furnish a return in accordance with the Act.

Clause 16 will allow certain interstate employers to apply for exemptions under the Act. New section 38b will allow the Minister to appoint inspectors under this Act. The Act presently provides that an inspector under the Industrial Relations Act (S.A.) 1972 is an inspector under this Act. It is more efficient administratively to allow inspectors to be appointed specifically for the purposes of this Act.

Clause 17 relates to offences under the Act. It is proposed that the Attorney-General be authorised to commence proceedings up to six years after an offence is alleged to have been committed. A new provision will allow a court to order that a defendant take action to remedy any default under the Act and, in particular, to provide appropriate information or records to the board.

Clause 18 will require that expiation fees paid under the Act are paid into one of the funds established by the Act.

Clause 19 reflects a change to the name of an award referred to in the first schedule.

Mr INGERSON secured the adjournment of the debate.

WORKERS REHABILITATION AND COMPENSATION (MISCELLANEOUS) AMENDMENT BILL

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety) obtained leave and introduced a Bill for an Act to amend the Workers Rehabilitation and Compensation Act 1986. Read a first time.

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

This Bill seeks to continue the process of tightening up the general operation of the WorkCover scheme.

As a result of significant improvements in the general administration of the scheme, WorkCover's unfunded liability has been progressively reduced over the past two years.

For the year ending 30 June 1992, WorkCover's unfunded liability is $97.2 million. This is a continuation of the downward trend from $150 million in 1990, to $134.5 million in 1991, to $97.2 million in 1992.

Importantly the average levy rate for the scheme has also been reduced from 3.8 per cent in 1990-91 to 3.5 per cent in 1991-92. This Bill seeks to provide for a range of measures, which taken together will further reduce the unfunded liability by approximately $40 million.

The Government believes that this Bill represents a proper balancing of the interests of employers and workers. The Government expressly rejects the Liberal Opposition's policy on WorkCover which is to slash benefits for injured workers and to hand the worker's compensation business back to private insurance companies. The Government believes that this Bill achieves the necessary economies, to allow South Australian business to remain competitive, without undermining the central purpose of the legislation which is, to properly rehabilitate and compensate workers who suffer from work-related injuries.

There are eight significant issues covered by this Bill:

- limiting eligibility of stress claims;
- tightening payment of benefits to claimants pending review;
- employers making direct payments of income maintenance to claimants;
- a new system of capital loss payments for workers who have been on benefits for more than two years;
- the exclusion of superannuation—for the purpose of calculating benefits;
- the exclusion of damage to a motor vehicle from compensation for property damage;
- costs before review authorities;
- bringing the Mining and Quarrying Occupational Health and Safety Committee under the control and direction of the Minister of Labour Relations and Occupational Health and Safety.

The amendments are generally aimed at improving the financial viability of the WorkCover scheme.

The first four changes involve significant variations to the scheme, and are considered necessary in the light of the experience of over five years of the scheme's operation.

Two of the remaining amendments are necessary to remove liabilities in the scheme which have resulted from judicial interpretations of certain sections of the Act, which have been contrary to the original intention of the Act.

Stress Claims

The issue of stress claims has received much public and media attention. The decision of the Supreme Court in the Rubbert case highlighted the problems that can arise in this area, and provides strong grounds for a change to the legislation. In that particular case, the full bench found, unanimously, in favour of the worker, but the three judges commented in their decisions that the acceptance of the claim was 'curious', 'regrettable' and 'absurd' but 'inescapable' under the law as it stands.

That case involved a worker who was disciplined for a poor work performance. Although the Worker's Compensation Appeal Tribunal and the Supreme Court considered the discipline reasonable in the circumstances, the claim was accepted because it arose from employment.

In relative terms, stress claims are not a major component of the scheme's costs but the proportion is increasing. The number of stress-related claims for the financial year ending June 1992 represents approximately 1.3 per cent of total claims. This represents a significant increase (almost a third) in the percentage of total claims for the previous 12 month period. The cost of these claims is currently 4 per cent of the scheme's total costs but, if present trends continue, are forecast to be 5 per cent.

There is concern that because of the subjective nature of stress claims the scheme is vulnerable in this area and, accordingly, there is a concern that the cost of stress claims could escalate in the future.

Therefore, the amendments seek to exclude claims that arise from reasonable disciplinary or administrative action.

The proposed changes require that the alleged work stressors or stressful work situation have contributed to the disability. Furthermore, it is proposed that stress-related illness caused by specified incidents such as discipline, retrenchment, failure to grant a promotion, etc., which are normal incidents of employment, should not be compensable if the employer's actions were reasonable.

Benefits Pending Review

The Act currently states that, where a worker seeks a review of a decision to reduce or discontinue weekly payments, that decision has no effect until the review officer's decision is finalised. In other words, weekly payments generally continue during the review process.

Although the corporation has the right to recover any amounts overpaid, if the review officer subsequently confirms the decision of the corporation, in practice this is extremely difficult, given that the worker, in most cases, would have spent the money on normal living expenses. Furthermore, in the event of recovery by the corporation, it is understood that the worker has no retrospective entitlement to social security benefits for the period subject to recovery.

The result of this is that it may actually encourage applications for review, for the purpose of continuing weekly payments. With the current delays in review largely attributable to the number of applications pending, continuing payments with little real prospect of recovery is a further drain on the fund. However, the rights of the worker must also be considered to prevent undue hardship that may occur if payments were to cease following notice of the decision.

The proposed amendment would provide for the continuation of payments only where the worker applied for a review within one month after receiving notice of the decision. A further limitation in the amendment is that the payments would continue only up to the first hearing by a review officer.

From this point, payments would only continue if the matter is not finalised because of an adjournment, and then only on the basis of an order by the review officer. This should limit adjournments and ensure that the worker makes every effort to resolve the matter at the first hearing, whilst also discouraging the corporation and employers from seeking adjournments, or being unprepared, leading to delays in resolution.

Payment of Income Maintenance by Employers

The Act currently provides that the corporation (or exempt employer) is liable to make all payments of compensation to which a person becomes entitled. The amendment maintains this liability but introduces a compulsion on employers to make direct payments of income maintenance to incapacitated workers unless they are specifically exempted from this requirement.

An employer who seeks an exemption from this requirement, but is denied, may apply to the board of the corporation for a review of the matter.

An employer who does make a direct payment will be entitled to be reimbursed by the corporation. The amendment provides that regulations may set out circumstances in which an employer may also be entitled to interest on the reimbursement.

The advantages sought by this amendment are in terms of reducing the corporation's administrative costs and in assisting the scheme's return-to-work focus by reinforcing the direct link between the worker and the employer.

Long-term Payments

This Bill proposes an alternative form of compensation for those workers who have been on benefits for more than two years, whereby the corporation would have the discretion to either continue weekly payments as income replacement, or to pay an amount, or amounts, representing the worker's assessed permanent loss of earning capacity.

The proposal under the new Division IVA (4a) is that the corporation make an assessment of the permanent loss of future earning capacity as a capital loss, to be calculated by reference to the present value of the projected loss of earnings arising from the worker's assessed loss of earning capacity over the worker's remaining notional working life. The corporation could then decide, at its discretion, to pay the lump sum compensation in one payment, or by a series of lump sum instalments. A provision is also proposed that would allow the corporation to make interim assessments of the permanent loss of earnings capacity. For example, the loss could be assessed over a lesser period than the worker's remaining notional working life and paid in a lump sum, or instalments, over that period, with a reassessment of the permanent loss of earning capacity at the expiration of the interim assessment period.

Under this proposed new Division, the lump sum compensation payable is for the proportionate loss of a capital

asset being the worker's earning capacity. As such, it is understood that the lump sum payments would not be taxable in the hands of the worker. Accordingly, allowance for this has been made in the formula for assessing the loss of earning capacity and in determining the lump sum amounts that are payable to workers.

The Bill also contains consequential provisions in regard to the death of a worker, adjustments that would be made to the benefit payments for any surviving spouse and/or dependants, and to allow a fair and reasonable reduction in the weekly payments to which a worker would be entitled if they suffer a subsequent injury.

Exclusion of Superannuation

The proposed amendment is to ensure that contributions to superannuation schemes paid or payable by employers are excluded from the calculation of a worker's average weekly earnings.

This amendment has become necessary following a decision of the workers' compensation appeal tribunal, where it was determined that superannuation contributions made by the employer formed part of the earnings of the worker.

A regulation was made in November 1990 to make such superannuation contributions a prescribed allowance and were, as a result, excluded from average weekly earnings calculations.

However, there is concern regarding the potential for employers or workers to seek payment or reimbursement of any contributions made to superannuation funds in connection with claims prior to November 1990. The proposed amendment puts beyond doubt that such payments are excluded from the calculation of average weekly earnings retrospectively to the commencement of the scheme. Where such payments have been included in the benefits paid to workers it is proposed that they cease from the date of proclamation but that there be no recovery of payments already made.

Exclusion of Damage to a Motor Vehicle

The Act currently provides for a worker to be compensated for damage to personal effects and tools of trade up to limits prescribed by regulation. The proposed amendment is to ensure that compensation for property damage does not extend to damage of a worker's motor vehicle as a personal effect or tool of trade. It was never the intention of the legislation that a worker would be entitled to such compensation under this provision as it was considered that separate motor vehicle insurance should be purchased, rather than relying on the workers' compensation scheme for such cover.

Costs Before Review Authorities

It was always intended that review authorities would have the power to award costs incurred by parties to proceedings. A recent decision has found that the Act does not contain an express power to award costs, even though it implies such a power by listing the principles to be taken into account in awarding costs. The proposed amendment puts the issue beyond doubt.

Mining and Quarrying Occupational Health and Safety Committee

This amendment simply ensures that the annual report of the committee is presented to Parliament and coincides with the presentation of the annual report of the WorkCover Corporation.

In addition, it brings the committee under ministerial control and direction.

Summary

The various amendments contained in this Bill address a range of major issues that are of importance to the long-term financial viability of the WorkCover scheme.

The provisions of the Bill are as follows:

Clause 1 is formal.

Clause 2 provides for the commencement of the measure.

Clause 3 provides that any contribution paid or payable by an employer to a superannuation scheme for the benefit of a worker will be disregarded when determining the average weekly earnings of the worker for the purposes of the Act.

Clause 4 relates to the compensability of stress-related conditions.

Clause 5 amends section 34 of the Act to ensure that compensation payable under that provision for property damage does not extend to compensation for damage to a motor vehicle.

Clause 6 amends section 35 of the Act and is related to the proposed new Division that will allow the corporation to make lump sum payments of compensation in respect of loss of future earning capacity. In particular, a worker's entitlement to weekly payments under section 35 in respect of a disability that has been compensated under the new Division will need to be reduced to such extent as is reasonable in view of the payment under that Division.

Clause 7 relates to the continuation of weekly payments pending a review of a decision of the corporation to discontinue or suspend weekly payments under section 36 of the Act. The Act presently provides for the maintenance of weekly payments until the review is completed. The amendment provides that weekly payments will be made until the matter is first brought before a Review Officer. The Review Officer will then be able to order that weekly payments be continued on any adjournment of the proceedings where appropriate. Furthermore, the provision will allow payments made under this section to a worker whose application for review is unsuccessful to be set off against liabilities to pay compensation under the Act.

Clause 8 makes an amendment to section 37 of the Act to provide that a notice to a worker under that section must contain such information as the regulations may prescribe. This will avoid any confusion as to the form or extent of information that must be included in the notice.

Clause 9 makes an amendment to section 39 which is consequential on the enactment of new Division IVA of Part IV.

Clause 10 provides for the enactment of a new Division that will enable the corporation to award compensation for loss of future earning capacity in cases where the worker has been incapacitated for work for a period exceeding two years.

The provision sets out the basis upon which the compensation is to be calculated. The corporation will be empowered to make interim assessments of loss, and to pay entitlements in instalments. An award of compensation under this Division will terminate a worker's entitlement to income-maintenance compensation.

Clause 11 makes a consequential amendment to section 44 of the Act to ensure that the compensation payable to the dependants of a worker who dies as the result of a compensable disability does not 'coincide' with a payment of compensation to the worker under new Division IVA of Part IV.

Clause 12 makes an amendment to section 45 of the Act that is similar to the amendment in clause 8.

Clause 13 amends section 46 of the Act to establish a scheme whereby the corporation can require an employer to make appropriate payments of compensation on its behalf. The employer will be entitled to reimbursement and, if the regulations so provide in prescribed circumstances, interest. An employer who considers that he or she should not be required to participate in the scheme can apply to the board for a review of the matter.

Clause 14 makes an amendment to section 53 of the Act that is similar to the amendment in clause 8.

Clause 15 delegates the powers of the corporation under new Division IVA to exempt employers. However, the corporation will be entitled to direct an exempt employer in relation to the exercise of the employer's discretion as to the payment of compensation under new Division IVA of Part IV.

Clause 16 is intended to provide expressly that a review authority is empowered to award costs. A decision of the Workers Compensation Appeal Tribunal has raised some doubt in this regard. Furthermore, the Act presently provides that only an unrepresented party is entitled to reimbursement of expenses. The amendment will allow any party to claim reimbursement of the costs of the proceedings, subject to limits fixed by the regulations.

Clause 17 relates to the review of certain decisions of the corporation under new section 42a.

Clause 18 relates to the Mining and Quarrying Occupational Health and Safety Committee. The committee's annual report is to be laid before each House of Parliament. Provision is also to be made to ensure that the committee is subject to the control and direction of the Minister.

Clause 19 expressly provides that the amendments relating to the compensability of stress-related disabilities have no retrospective effect.

Mr INGERSON secured the adjournment of the debate.

WATERWORKS (RESIDENTIAL RATING) AMENDMENT BILL

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety) obtained leave and introduced a Bill for an Act to amend the Waterworks Act 1932. Read a first time.

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

That this Bill be now read a second time.

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

Leave granted.

Explanation of Bill

In 1991 the Government introduced a residential rating system that significantly reduced the property rating component in the annual water bill for most consumers. The new system made substantial inroads into reforming the residential rating system, and achieved it with minimal adverse effects to most consumers.

Public opinion, however, was clearly in favour of the total abolition of the property rating component. Recognising this, Government undertook a further review and decided to move quickly to the next step and introduce a system of residential rating that completely removes the property rating element.

In the new system, for residential properties there will be two distinct rates. The supply charge for water supply availability and the water rate based on consumption is retained.

However, the supply charge under the new system will be a flat amount per ratable property ($120 in 1993-94). The consumption charge will only apply to water consumed above the allowance (136 kL for 1993-94). The allowance is not tied to the supply charge.

The system will still provide considerable flexibility as there can be independent changes to the:

- supply charge;
- water allowance; and
- price(s) per kilolitre.

The level of charges proposed for the 1993-94 financial year represent no change from those that applied in 1992-93 except the residential property component has been abolished. This represents a real terms reduction in charges for all consumers of water.

It is proposed that from the 1994-95 financial year a step price of $1.08/kL for consumption above 700 kL will be introduced. The level of 700 kL is nearly three times the average residential consumption (based on 1991-92 of 267 kL) and based on the 1991-92 residential consumption file would only apply to some 2.5 per cent of residential customers.

The step price which adds 20 cents per kilolitre is a subtle message to people who consume water at levels well above the average customer. This level of consumption increases the need for use of Murray River water, often at times when the Murray has least flow, which in turn places additional costs on water supply. These are the pumping costs and potential for salt damage in all areas of the system, including private assets.

These additional costs need to be signalled to those customers who are responsible for them so they will be motivated to review their water use habits.

Residential properties include houses and strata units. However, residential customers who share a meter (for example, strata title flats) will not be subject to the step price from 1994-95.

Vacant land was previously excluded from the residential rating system as, *prima facie*, a vacant block is not a residence. There are of course, many situations where a vacant block is purchased with the sole intent of building a residence on it. The Government believes that it is appropriate that such land be regarded as residential for the purposes of rating. This Bill provides the power to do that.

There are no changes to non-residential rating.

Existing concessions will not be affected.

I commend the Bill to the House.

Clause 1: Short title is formal.

Clause 2: Commencement provides that the measure will come into operation on a day to be fixed by proclamation.

Clause 3: Amendment of section 65a—Interpretation strikes out the definition of 'threshold value' and provides for other amendments which will allow the Minister to classify vacant ratable land as residential land for the purposes of rating. Under the proposed new subsection (3), the Minister may determine that vacant land is residential land if satisfied—

(a) that the land is situated in a predominantly residential locality and 0.1 ha or less in area or similar in size to other allotments of residential land in the locality;

or

(b) that a person is in the process of constructing or planning the construction of a residential building on the land and that the land will be used primarily for residential purposes and will not, before such use is made of the land, be subject to division under Part XIXAB of the Real Property Act 1886.

The Minister may make such a determination on his or her own initiative or on written application and on the basis of such evidence as the Minister may require.

Clause 4: Amendment of section 65b—Rates on residential land amends section 65b of the Act to provide that rates on residential land will be made up of a supply charge and a water rate based on consumption.

Clause 5: Amendment of section 65c—Declaration of rates, etc., by Minister will allow the Minister to fix the supply charge and the water rate.

Clause 6: Amendment of section 94—Time for payment of water rates, etc., makes a consequential amendment to section 94 of the Act.

Clause 7: Transitional provision provides that water rates continue to be payable under the Act in respect of residential land for any period prior to 1 July 1993 as if this measure had not been enacted.

Mr INGERSON secured the adjournment of the debate.

PAY-ROLL TAX (EXEMPTIONS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 27 August. Page 471.)

Mr S.J. BAKER (Mitcham): This Bill is uncontroversial and is supported by the Opposition. For the edification of members, let me inform them that in 1986 the Pay-roll Tax Act was amended to exempt from payroll tax for three years trainees employed under the Australian traineeship system. That was renewed for a further three years in 1989 and this Bill seeks to extend the arrangement from 1 July 1992 to 30 June 1995. Treasury estimates that the cost of the exemption will be $260 000 this financial year and $333 000 for 1993-94. Under the Australian traineeship system, the Commonwealth Government provided a $2 000 incentive payment for employers for approved trainees as well as meeting training fees, most of which are paid to TAFE.

As I said, the Opposition supports this amending Bill. However, it must be observed that the traineeship system has not lived up to its early promise. At the time the traineeship system was introduced into Australia, I was a very strong proponent of the scheme. Having seen a similar system operate in a number of European countries to the ultimate benefit of the employer and employees, I had great hopes that Australia would eventually adopt a universal system which would assist young people to obtain skills at a price that was commensurate with their level of training which, in many cases, was minimal, and at a price that employers could afford. There was some recognition of the need to assist employers and

employees to contribute in a very productive way to the work force.

It has not reached the heights that I, and I am sure most members of this Parliament, would have wished. I would reflect that if we compare the $260 000 rebates we are talking about being offset this year with the $496.6 million that is expected to be collected during 1992-93, we can see that it is the proverbial drop in the bucket. I would like to point out to the House that when the Government first came to power in 1982-83, payroll tax collections were $222.8 million; they are now expected to be $496.6 million for this financial year. That is an increase of 123 per cent, or a real increase of 38 per cent. We have discussed payroll tax on many occasions as being a tax against employment, a tax which inhibits employment, and I believe that there is acceptance from both sides of the House that if at all possible payroll tax should be removed from the taxation agenda of State Governments.

Obviously, the brightest light on the horizon is the Fightback package, where there is an undertaking that payroll tax will be removed and that a compensating payment will be made to the State Governments to reimburse them for the loss of taxation revenue incurred. It is an important measure, and I would hope that it will be one of the measures that does catch the imagination of the public, measures that will ensure that a very successful future Liberal Government is placed in power at the next Federal election, because it is the sort of change which has to happen and which will be welcomed by all employers and employees across the length and breadth of this nation.

So, when we are talking about $260 000 as against $496.6 million, which is taken out of the employers' hands, that $260 000 is not a great deal of money. I wish it were far more, and I am sure the Treasurer would wish it were far more than $260 000. At this stage, without doing any detailed interest calculations, if it lived up to its potential it should be of the order of $2 million or $3 million, if we could judge the potential of the scheme when it was first conceived and where it is today.

So, the Opposition believes that it is not a measure that should take a great deal of time to debate in the House. However, I would also raise the question of what has happened in relation to the budget promise of payroll tax relief for additional employees. Members may well recall that, a few days before the budget was brought before this Parliament, a newspaper item stated that there would be a $10 million payroll tax relief package for employers who put more employees on their payroll. We have not seen anything from the Government at this stage, but I assumed that their benefits would accrue almost immediately. Of course, there has been a sleight of hand, because this so-called budget measure is not meant to relate to this financial year. We now find that employers have to use this year as the point at which the comparison, the benchmarks, are set, so they become eligible next financial year.

There has been a sleight of hand and I believe that that is quite disappointing because, if one reads the budget speech and the leaked announcement that was made prior to the introduction of the budget, one could be forgiven for believing that this payroll tax relief was going to happen almost immediately. In fact, I was asked on radio, 'What about this package?', and I said, 'I will form a conclusion when I have seen it, but on the basis it will relieve some of the burdens on employers it has to be a good move. However, it has to be taken in the context of the overall budget strategy and the extent to which employers are being taxed in so many other areas.'

As we know, the budget package was horrific and any small benefit that was to be gained from this so-called $10 million benefit to employers was wiped out by the various taxation measures that were introduced by the Government, some of the most notable being the doubling of the BAD tax, the petrol tax and, to a lesser extent, the liquor and tobacco tax. So for some reason the Government organised this leak to say that this new scheme would encourage employers to take on more employees, but they have been, as they say in the classics, done again.

I note that the Chamber of Commerce and Industry in its monthly bulletin outlined the payroll tax rebate scheme, and there is some flesh on the bones as provided by the Treasury. The Opposition has not been given the same information so I will read out what is contained in the bulletin put out by the Chamber of Commerce and Industry. It states that the rebate will be $1 700 per full-time equivalent. This figure is the payroll tax payable on average annual private sector employees' earnings of $28 000. Thus the employer who expands his work force by hiring employees who are paid less than this amount will receive a rebate that is greater than the tax normally payable in respect of such employees. Additional criteria attached to the scheme are:

1. The rebate cannot exceed the total payroll tax paid by the employer in 1992-93.
2. A declaration must be signed on the form stating that the employment numbers are correct and not subject to influences, that is, merger takeovers, apart from genuine changes in employment levels.
3. Employers currently treated as a group for payroll tax purposes will also be treated as a group for the purpose of the rebate scheme.
4. The scheme applies only to the private sector.
5. Subcontractors are to be excluded from the employment figures and no person who acts as a subcontractor to an employer during 1991-92 may be included in that employers' FTE count for 1992-93.
6. Temporary employees hired through employment agents should also be excluded.
7. The calculation of a full-time equivalent will be based on whatever are the standard full-time hours for that employer. The same standard must be used over the entire two year period.

They are the rules that seem to pertain. I expected the Treasurer to come forth and outline those rules to the Parliament because the Government gave the impression that it was to be a relief system that would apply immediately, but that is quite wrong. It will apply in the election year, and it will be used for that purpose.

In looking at the scheme and its relationship here, I believe it was important in respect of the integrity of the Government for it to outline exactly what it intended on that front. Given that it was contained in the budget speech and was a matter that was canvassed prior to the budget being announced, we should now have a Bill before this House which outlines the rules that will relate to that scheme.

Importantly, employers should understand how they will become eligible under the scheme. Because the scheme involves a comparison of 1991-92 with the 1992-93 year—and that means from 1 July people become

eligible or ineligible, depending on their employment circumstances—I thought it was absolutely imperative that the Treasurer of this State brought to the House a Bill that clearly set down the rules. We want not a discussion paper or an explanation of how the Government believes that the scheme should work but a Bill which clearly explains to the people of South Australia—particularly employers—how the scheme will operate. I am very disappointed and I trust that the Treasurer will address my comments in his response to the second reading debate. As to traineeships, we approve of the continuation of the payroll tax exemption for the next three years.

The Hon. FRANK BLEVINS (Treasurer): I thank the member for Mitcham for his support of the Bill. As was stated in the second reading explanation and in the member for Mitcham's contribution, the Bill involves the small matter of the continuation of payroll tax relief, and we all applaud that. As to the extraneous debate entered into by the member for Mitcham, even though it had nothing whatsoever to do with the Bill, I will give a brief response. The Government made its announcement in the budget. It is not a matter that requires legislation, because it is purely a rebate scheme for the 1992-93 financial year, as was announced.

At the end of that financial year employers who are eligible will receive a rebate. That is what was announced and that is what will happen. As to the question of information, it is being provided in plenty of time for employers to know precisely whether they are eligible or to what degree they are eligible. I draw the member for Mitcham's attention to the State Taxation Office's payroll tax circular No. 11 entitled Payroll Tax Rebate Scheme. It has all the details and has been posted out to the various parties. I shall be pleased to hand a copy to the member for Mitcham, who will then have all the necessary information.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Exemptions.'

Mr S.J. BAKER: I thank the Minister for the provision of this circular. It would be helpful in dealing with this portfolio if I could receive all circulars that are sent out. It might assist me sometimes to understand what is going on—

The Hon. Frank Blevins: It might save some speeches.

Mr S.J. BAKER: Yes, it might save speeches, as the Treasurer rightly points out. If the Treasurer has the information available, can he indicate how many employees have been affected by this provision in the past two years?

The Hon. FRANK BLEVINS: I will get that information for the member for Mitcham.

Clause passed.

Title passed.

Bill read a third time and passed.

LAND TAX (RATES) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 27 August. Page 472.)

Mr S.J. BAKER (Mitcham): The Opposition supports parts of this Bill and opposes other parts.

The Hon. T.H. Hemmings interjecting:

The DEPUTY SPEAKER: Order! We would like to get through this matter; it is boring enough as it is.

An honourable member: Toss him out!

Mr S.J. BAKER: That is the best suggestion I have heard all week. The Opposition views an increase in land tax being applied to the business community and to those who have more than one property in a serious light. As all members would appreciate, commercial and retail office-type premises have been through a difficult time. It is fair to say that more office space has been available in Adelaide than ever before, and approximately 25 per cent of it is vacant.

If members take a trip down Unley Road, they will find that at least 40 shops have no tenants. If members go along a number of other major arterial roads of Adelaide, they will find similar circumstances. If members look at all the used car yards which are now just vacant lots, they will appreciate just how difficult the retail trade has found the situation of the past few years.

That has involved a combination of a number of factors, as all members would appreciate. Of course, during the heady days of the late 1980s, premises were being constructed at an ever increasing rate, and we went from a position of minor under-supply to a position of gross over-supply of office space. However, in terms of retail space, the trend over the past 10 years has indicated that the requirement for extra retail space is diminishing: in fact, one could say that we will require less and less retail space to accommodate the shopping habits of South Australians.

If we combine those factors—the rapid construction, the resultant diminution in property values because of over-supply and the static, in fact the declining, demand for retail goods that has been evident over the past three months—we can conclude that anyone who owns that space upon which retail premises or office blocks have been built is in grave difficulty. The people who have invested their money are losing it. Reductions in the value of premises of 50 per cent compared with the values that prevailed two years ago have been quoted.

The Government has made this extraordinary statement that it will now maintain land tax revenue in real terms. During the heady days, the days when an increasing number of areas were being built on for commercial purposes, the Government received a windfall gain from land tax. I draw members' attention to the fact that in 1982-83, $23.7 million in land tax was collected. The Government now expects to collect some $78 million in land tax in 1992-93, an increase of 229 per cent or, in real terms, 144 per cent—a 144 per cent increase in land tax in real terms.

If land tax collections had kept pace with inflation, we would have seen only $43.8 million budgeted for this year, but it is quite obvious that a Government that now has to pay off the State Bank's losses and somehow to fund its misdemeanours and misadventures will use every opportunity to increase taxation wherever possible. In this case, instead of providing relief for those people who are experiencing difficult times because of the decline in land values, the Government has seen fit once more to increase costs. So, it is budgeting for an increase in

revenue from land tax rather than a decrease, which would have applied naturally due to falling land values.

When land values were on the increase, the Government did not declare that it would keep land tax increases to the level of CPI increases: it was quite willing and happy to accept a very large increase in revenue from land tax. If the Government wishes to live under those rules, it should be willing to accept the same sort of decline during the present period. So, this so-called Government policy does not sit easily with any member of the business community, and it does not make good reading for those people who have invested in land and property. Perhaps the new policy was more a reflection of the Government's desire to retain its revenue base as property values plummeted than a wish to provide relief for property owners and tenants who had been subjected to a massive increase in land tax during the late 1980s.

In order to achieve revenue of $78 million for 1992-93, the Government intends to increase from 1.5 per cent to 1.65 per cent the marginal rate of tax on site values of $300 000 to $1 million, an increase of 10 per cent, and for properties with site values of $1 million or more, the rate will be increased from 2.3 per cent to 2.8 per cent, an increase of 22 per cent. The rates on properties valued at below $300 000 remain unaltered.

Members will understand that this will have a further detrimental impact on a struggling business community. Figures provided to me show that for individual owners of lower priced land no special difficulty is created other than a general loss in land value. The number of property owners who qualify for land tax in the $80 000 to $300 000 range is 25 522 at 30 June 1992. Where the rate has increased by 10 per cent—that is, on properties values between $300 000 and $1 million—property owners number 3 769.

In the greater than $1 million property values we have 782 owners. However, information that has been provided to one of my colleagues suggests that these 782 owners have between them some 11 000 properties that will be affected by the land tax. It should be clear to everyone that this land tax is passed on. Some tenants of premises have long-term leases, so the change in the legislation that prohibits land tax being charged out to the tenants will not come into force for them for perhaps two or three years. However, even if the law prevents land tax being passed on directly, we all know that it is passed on indirectly should the circumstances provide.

In large shopping centres such as Marion, Tea Tree Plaza, Westfield and Colonnades we have property values in the tens of millions of dollars. The owners of those properties have been subject to a rate escalation this year of 22 per cent, which is an increased cost that will be borne by the tenants where it can be passed on. For any Government to declare that it wishes to maintain its revenues whilst putting up what is a significant cost item of business, namely, land tax, by 22 per cent is unconscionable.

The Opposition is firmly opposed to the new rates that the Government wishes to apply. It is interesting that South Australia used to be about the lowest State for land tax, but we have seen that position eroded since the Labor Government came to power. I have a table of a purely statistical nature that I seek leave to have inserted in *Hansard*.

Leave granted.

	$100 000 $	$300 000 $	$1 mill $	$10 mill $
NSW	-	2 200	12 700	147 700
Vic	-	240	8 445	143 445
Qld	-	1 277	11 381	177 120
WA	1 020	4 940	18 940	198 940
SA	70	770	12 320	264 320
Tas	850	4 463	21 463	246 463

Mr S.J. BAKER: The table shows that South Australia is near the top in relation to its land tax charges for larger holdings. If we look at the amount of land tax that prevails at the $1 million mark, we see, for example, that in New South Wales it is $12 700; in Victoria it is $8 445; in Queensland it is $11 381; in Western Australia it is high at $18 940; South Australia will now become $12 320; and Tasmania is also high at $21 463. So, we are getting up into the higher ranges. However, when we look at larger holdings the comparison pales into insignificance, because South Australia becomes the top taxer by way of land tax. At $10 million, in New South Wales the sum paid by the owner of a property or group of properties is $147 700 per year; in Victoria it is $143 445 per year; in Queensland it is $177 120 per year; in Western Australia it is $198 940 per year; South Australia is $264 320 per year; and in Tasmania the figure is $246 463 per year.

This is a serious matter that must be of concern to everybody in the business community because it is anti-business at a time when business needs all the help it can get. Even if the Minister says, 'Well, you can like it or lump it,' the fact is that so many businesses are on the breadline that they can ill-afford to pay these increased costs. They cannot afford to pay the 22 per cent increase in cost if they have a retail shop in one of these centres and their retail trade is static. We note from the most recent figures for the last quarter that there has been a decline in South Australia of some 3.6 per cent in retail trade. So, against a declining dollar customer base we have an increase in the costs heaped on the tenants, through the landlords, to the tune of 22 per cent for larger property holdings.

We have said previously that the whole system is unfair, because it really is a bit of a lottery as to whether the property that you rent is owned by one individual in isolation or is part of a property group. Once a property is part of a property group, the costs to that tenant increase dramatically. Members would understand, for example, that if the site value on a shop is $79 900 and there is a single owner, no land tax is paid. However, if that shop is owned by Westfield Marion, or some other property company which has large holdings, that $79 900 is now taxed at a rate of 2.8 per cent. That, to me, is iniquitous. So, the shop owned by Westfield, valued at $79 900, pays about $2 500 in land tax. Yet the same shop, because it is under single ownership, with no other properties involved, pays nothing—a matter to which we have referred previously.

It should also be noted that this rise is not the first that has been put in the system. We note the Premier's promises when he came to power in 1982 that there would be no increases in taxation, and they have been

broken many times. Members would recall that in 1990-91 the marginal rate on properties over $1 million was 1.9 per cent. In 1991-92 the rate became 2.3 per cent, and in 1992-93 it is now 2.8 per cent. We have seen a 40 per cent escalation in the marginal rate for those larger holdings, and it is passed on to the tenant. It makes the tenant less viable; it makes the cost of the goods sold through those premises more expensive; and it disadvantages everybody concerned.

So, the Opposition does not approve of this measure. We do not agree that in a time of extreme economic difficulty we should have another measure that is crushing the business community, particularly small business people, who have been pushed from pillar to post. They are loaded with all the regulations of Government. They do not have sufficient resources to keep up with the paperwork that is forced on them by Federal and State Governments. They do not have the financial capacity to withstand the economic storms that have beset this country, in particular this State, yet the Treasurer and the Premier of this State think they are still fair game to be loaded with increased land tax. It is wrong, fundamentally wrong. We should be doing everything in our power to assist these people, not to place greater burdens upon them. With those few words, I signal the Liberal Party's vehement opposition to this item.

The other item, which is a positive in the Bill—and there is a positive in the Bill—relates to shacks on the Murray River. The Minister has seen fit to include an amendment which will allow owners of shacks in particular associations to be treated as single owners rather than for land tax to be applied to the total holdings of the association. I have made a number of representations to the Government on this matter, as I am sure have other members. The three areas from which I have received strong representations include South Punyelroo, which has 104 sites, Teal Flat, with 65, and Marks Landing, with 114. Because of the controls that have been placed on sites along the Murray, over a period of time the property values all along the Murray have increased for existing sites. We have seen that, and I have made representations to the Treasury also about the iniquitous land tax system that is now applied, and we have seen increases of 100 per cent, 200 per cent and even up to 1 000 per cent—

Mr Olsen: Even 1 500 per cent.

Mr S.J. BAKER: —even 1 500 per cent, as the member for Kavel indicates, applied to properties along the Murray that are on Crown leases. So, a peculiar situation has arisen with this increase in property values. Land tax has suddenly become a very large issue. The accumulated property values in these areas, from being a few hundred thousand dollars, suddenly escalated into the millions of dollars. As we can see from the escalations that have taken place in the marginal land tax rates, the bills that were paid by people who effectively owned these sites, but because of a situation that occurred back in the early seventies were never allowed to be recognised as owners of these sites and had to form associations, were subject to the rules that applied in a normal commercial arrangement, where a number of properties are aggregated under one heading. So, in this regard, the land tax bills were really becoming a very expensive item for the site owners.

I was comparing some of the representations I had received about land tax on Crown sites and the escalation in those with information from these three areas of association, and some of the land tax bills that had escalated at a dramatic rate from these sites were greater than the increase in rental that was being charged by the Government on its other sites. There were some real anomalies that had to be cleared up. I congratulate the Government on having considered the plight of those owners and through this Bill making some adjustments that will make the system operate more fairly than it has in the past, thereby relieving some of the burdens. Many of those shack owners are not rich people; they have scrimped and saved to get enough money together to have a weekender on the Murray. Some have said to me that if they had to pay out $400, $500 or $800 a year in land tax they would have to quit their properties because they simply could not afford it; they do not have that sort of discretionary income.

The Hon. B.C. Eastick: Particularly when lease values increase by several hundred per cent.

Mr S.J. BAKER: As the member for Light says, particularly when lease values increase by several hundred per cent. That relates to the problems of rental on all the other sites that I was discussing earlier. There is good and bad in the Bill. We vehemently reject the bad part. The good part is the recognition of the problems facing those associations, and we congratulate the Government on its initiative in that respect.

Mr HOLLOWAY (Mitchell): I thank the Treasurer for the effort that he has put into resolving the problem of shacks, referred to by the member for Mitcham. It is a matter on which I have had a number of representations from constituents in my electorate, and I have taken it up with the Minister on a number of occasions.

Some reforms were made in this area in 1989 which tidied up many of the anomalies which had previously existed in relation to shack sites. The one area that was left over was land owned or leased by associations which was then leased out to members. The member for Mitcham referred to South Punyelroo, to which I should like to refer, where over 100 sites were leased out by the association. Because land tax is appropriately progressive, it means that as the value increases the tax rate increases progressively on the total amount of the land. The problem with sites like South Punyelroo is that, because the value of the 100 sites was aggregated, the tax on individual site owners rose rapidly. For example, the value of the property at South Punyelroo increased from $415 000 in 1990-91 to $2.245 million in 1991-92. There was a significant increase in valuation which, as the member for Mitcham said, was largely due to the necessary measures of limiting the number of sites along the river for environmental purposes to protect the quality of our water.

The amount of tax on the total aggregated sites increased rapidly, and that in turn meant that the proportional increase on each site increased even more rapidly. In the case of South Punyelroo, the component of the tax payable by individual site holders increased from $40 up to nearly $400—an increase of nearly 1 000 per

cent. That was simply the result of the anomaly to which I have referred. The reforms made by the Government in 1989 dealt with most of the problems in relation to site holders who were leasing shacks. The difficulty was that where the land was owned by associations there were short-term unregistered leases over the sites and these were specifically excluded from the provisions in the Act. If an exclusion was made for such leases, we would have a problem in other areas of small business, because we would allow a loophole for people to evade land tax when the owners of such properties which are being leased out should genuinely be required to pay the tax.

So, the method that the Government has actually used in terms of providing this desirable exemption to shack owners is to put a provision in this Act that will enable the Government to declare an area to be one where the occupiers of shack sites may be treated as owners for land tax purposes. In other words, rather than making a more general exemption—which would possibly allow loopholes to be exploited in other areas—the Government's proposal will allow the matter to be dealt with by dealing specifically with shack owners.

The member for Mitcham has already pointed out that there are other sites such as Teal Flat, as well as the South Punyelroo site that I mentioned, and I think Marks Landing was the other site mentioned. I am sure that the shack holders in these areas will greatly appreciate what has been done for them in this measure. As the member for Mitcham pointed out, many of the people with shacks at these sites are not particularly wealthy people and the shacks themselves are not particularly extravagant buildings. In many cases they are little more than lined sheds. However, those people get a great deal of enjoyment from them and in many cases they have had them in their family for quite some time. Shacks provide a great deal of enjoyment at a relatively low cost to many people in our community.

However, as a result of this land tax anomaly, the cost to those people has risen very rapidly. We were at the point where, as the member for Mitcham pointed out, we were in danger of some of those people actually being forced to consider getting rid of their shack sites because of this high cost that resulted from the anomaly. I warmly welcome the move by the Government to overcome this anomaly, and I am sure that those of my constituents who have shacks in the areas where progress associations hold the tenure will be very pleased indeed about the measure the Government is implementing to resolve their problems.

Mr OLSEN (Kavel): I will briefly make a contribution in this debate, particularly as it relates to the second component of the Bill—that referred to by the previous member—the leasehold areas that have been caught up in a discriminatory way in high levels of land tax. To trace a little history, in 1988 the Opposition put out a shack site policy. As a result of that policy being enunciated publicly and communicated to many shack owners in South Australia, immense pressure was put on the Government to respond to what was a practical, commonsense policy direction. As a result of the Liberal Party's enunciated policy, amendments were brought forward by Government in 1989, which in the main picked up the Liberal Party policy direction. I commend the Government for that because it was clearly the right policy direction to pursue.

In the course of that legislation passing through this Parliament, a situation occurred where shack owners in leasehold areas—if their lease was extended for a longer period—were caught for land tax as interpreted by the administration. That was unfair, unjust, iniquitous and discriminatory. I would like to congratulate the Treasurer for taking the initiative, applying commonsense and sorting out this discriminatory provision that applied unfairly to a small group of people. The Bill before us today incorporates those initiatives.

As has been pointed out, a number of the people who own shack sites in those areas are not wealthy people; many are battlers who have saved for and built a holiday home. That is their place for rest and recreation; they do not go on interstate or overseas holidays because they simply cannot afford them. That is the way in which, with their family, they can have rest and recreation in a good family environment. It was no doubt brought home to the Government in 1988-89 that many of these people are constituents in Labor-held seats, and I am sure that had something to do with the changes that were made just prior to the 1989 election, but rightfully so, I hasten to add.

It should also be put on the record that, if we are concerned about the conservation of the banks of the Murray River and other shack areas throughout the State and about preserving and protecting the environment, it must be acknowledged that the people who have a vested interest in those areas and who go back to them regularly protect and look after that environment. Much has been achieved through the bunyip promotion of the Murray River, which is aimed at getting people to protect the river and its environs. The shack owners do that. The people who do the damage and drop litter are the daytrippers, those who stay overnight, break down the nearest tree and leave litter and other refuse on the banks. It is not the locals. The same can be said about the water skiers on the Murray River, who use shack sites as their base. They have a genuine, long-term commitment and concern for the river and, as a result, they look after it. Nothing could be better than a speed boat aerating the water. However, I will not get into that argument because it is not related directly to the Bill before the House.

This measure is clearly supported by councils abutting the shack sites to which reference has been made, that is, South Punyelroo, Teal Flat and Marks Landing, to name but three. It is supported by the Murray Valley League and the South Australian Council of Murray Valley Holiday Home and Site Owners. It will be a step in the right direction if these people do not have to pay $400 per year per shack in land tax, which is a fairly substantial impost. I support wholeheartedly the thrust of this measure because shack sites are treated as freehold sites and valued as such for land tax purposes, and that, aggregated with the 100 shack sites in that area, brought about this iniquitous position. The land tax for 1990-91 of $2 400 became $40 000 in 1991-92, which was a 1 500 per cent increase and represented $400 per shack site.

Another fact that should not be overlooked is that a number of people are making shack sites or holiday homes their permanent home. Therefore, it is the

principal place of residence, and principal places of residence are exempt from land tax. However, although these people had nominated their shack site or holiday home as a principal place of residence, they still felt the impact of this high level of land tax. I do not support the substantial increase in land tax that has been applied to small business and commercial properties, given that small business can ill afford to absorb further tax increases.

The member for Mitcham has clearly identified why small business particularly feels the impact of this land tax in a recessed economy, where it is finding it extraordinarily difficult to survive. I do not support that, but I congratulate the Government and the Treasurer in particular on being prepared to say, 'Let commonsense prevail; let us sort this out, because there is a small group of people being unfairly discriminated against.'

The Hon. FRANK BLEVINS (Deputy Premier): I thank all members who have contributed to the second reading and for their support of the Bill, albeit with some reservations about some parts of the Bill. As I have said before, nobody likes an increase in taxation, least of all Governments. They do not like raising taxes at all; it is not very popular. However, the demands of the community have to be met in some way. This Government did give a commitment in the previous year that there would be no increase in the rate of land tax, and that for the following two years land tax increases would be restricted to the CPI. This was something that the payers of land tax had asked for; they did not want the wild fluctuations to which they had been subjected over the years.

So, the Government gave a commitment that it would take that into account and determine whether there was any process that we could put into place that could smooth out the peaks and troughs. Overwhelmingly, business has appreciated that, particularly last year, when there was no increase and this year, when the increase was restricted to the CPI which, in real terms, is no increase at all. So, there has been a recognition by the Government of the difficulties, particularly in those fluctuations. It was not quite correct for the member for Mitcham to suggest that we picked up windfall profits during the boom years of property valuations. We did take action to reduce the land tax scales to counterbalance the value increases to a considerable degree, and rebates were given to land tax payers.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: The member for Mitcham had his chance, and his contribution was thoughtful, but it was inaccurate in this area, to some degree. I am merely stating a fact, which is that the Government took that action and reduced the land tax scales in an attempt to counterbalance the value increases. I think that ought to be recognised; even if the Government is not congratulated, that should be recognised and the facts stated.

The question of shack sites was an issue that was brought to my attention on a number of occasions by many members. The member for Mitchell and the member for Peake both chewed my ear over it, as did a number of members opposite, including the member for Kavel, and I know the member for Murray-Mallee was quite vocal about it. If I have missed anybody, I apologise. I sat down with officers and looked at this issue. It seemed to me it was a relatively simple issue to fix and that an amendment to the Act would do all that was required to make the system fair for these special people. I think there are only three sites in the whole of South Australia where this particular set of circumstances applies, and it does not seem to me to be a matter of any great moment or any great difficulty to fix up the problem for those people. As all members have said, by and large, people who have shack sites are not the wealthy in the community; they are average battlers, and I think they deserve the consideration they have been given. Again, I thank members for their contributions and for the assistance of members opposite in expediting the passage of this Bill through the House.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

Mr S.J. BAKER: Will the Treasurer say what associations are currently under consideration for this change? I have made representations about three shack site areas that are subject to progress associations. Will the Minister provide information to the Parliament of the full range of organisations and associations which now may become eligible for this treatment?

The Hon. FRANK BLEVINS: There are three principal ones, and I will single out one for a mention; one of the others I cannot pronounce and I have forgotten the third one, which I am sure is no less worthy. The one I mention in particular is Teal Flat Holidays Homes Inc. Those people did recognise the work that the Treasurer had done for them and they wrote thanking me. This comes pretty close to being the only letter of thanks that I have had as Minister of Finance and Treasurer in a long and distinguished career. Dawn Prost, the Secretary of this organisation, I am sure is a very fine person and I think her courtesy and recognition of a job well done is worthy of being mentioned here in Parliament. I thank Dawn Prost very much for a very kind letter. I will get a list of the other sites for the member for Mitcham.

Clause passed.

Clause 4—'Scale of land tax.'

Mr S.J. BAKER: The Opposition vehemently opposes this clause which attempts to increase the rates, particularly at the higher value levels, and that will impact on many small businesses through their tenanting arrangements.

The Hon. FRANK BLEVINS: I can understand the Opposition opposing it. I urge the Committee to support this clause for the reasons I stated at the conclusion of the second reading debate.

The Committee divided on the clause:

Ayes (21)—L.M.F. Arnold, M.J. Atkinson, J.C. Bannon, F.T. Blevins (teller), G.J. Crafter, M.R. De Laine, M.J. Evans, R.J. Gregory, T.R. Groom, K.C. Hamilton, T.H. Hemmings, V.S. Heron, P. Holloway, D.J. Hopgood, C.F. Hutchison, C.D.T. McKee, M.K. Mayes, N.T. Peterson, J.A. Quirke, M.D. Rann and J.P. Trainer.

Noes (20)—H. Allison, P.B. Arnold, S.J. Baker (teller), H. Becker, P.D. Blacker, M.K. Brindal,

D.C. Brown, J.L. Cashmore, B.C. Eastick, S.G. Evans, G.M. Gunn, G.A. Ingerson, I.P. Lewis, W.A. Matthew, E.J. Meier, J.W. Olsen, J.K.G. Oswald, R.B. Such, I.H. Venning and D.C. Wotton.

Pairs—Ayes—J.H.C. Klunder and S.M. Lenehan. Noes—M.H. Armitage and D.C. Kotz.

Majority of 1 for the Ayes.

Clause thus passed.

Clause 5 passed.

Title passed.

Bill read a third time and passed.

SOUTH AUSTRALIAN COUNTRY ARTS TRUST BILL

Adjourned debate on second reading.

(Continued from 9 September. Page 565.)

The Hon. H. ALLISON (Mount Gambier): I support the legislation as it arrives in this House in its now amended form. The Bill establishes a South Australian Country Arts Trust and several regional South Australian country arts boards, with the intention that the existing trusts will be continued to be funded until 31 December 1992. From then onwards the Minister intends that the South Australian Country Arts Trust and the regional boards will operate as from 1 January 1993, with the South Australian Country Arts Trust being a body corporate. Trust members will be appointed by the Minister, as opposed to appointments made by the Governor, as under existing legislation. Presumably those appointees will also be approved by Cabinet, although the Minister did not make that entirely clear in debate on the second reading and in Committee in the other place.

Ten trustees will be selected from the nominees, that is, two nominees from each of the country art boards; and a single ministerial representative and a single local government representative will be appointed. The alternate nominees for the South Australian country arts boards will act as proxies. The powers and functions of the trust and boards are wide-ranging but with some deliberate limitations on contractual powers, and ultimate control and direction is vested in the Minister.

I note that the matter of having a common ticketing facility was raised in another place and was considered desirable by the Minister, but these common facilities are not yet in operation, and nor are they provided for in the 1992-93 budget. One would hope that ultimately there will be common ticketing facilities from country South Australia through to Adelaide and, hopefully, interstate. In my own experience, the South-East Cultural Trust, based in Mount Gambier, has been most helpful in obtaining tickets for patrons for the South Australian Festival functions and other events, even if it is possible to collect those tickets only from the Festival Centre or the particular venue rather than regionally.

Interstate Bass bookings that I have tried to obtain regionally have simply not been available, and one has to make those direct by personal contact with interstate agencies, either by telephone booking or by postal correspondence. It would be a very good thing if we had a common network between all regional country arts boards interstate as well within the State.

A substantial reduction of $500 000 in regional arts budgets has obvious implications for a reduction in staff and services. I note from personal observation, as well as from statements made by the Minister, that several regional directors or senior officers have not been replaced during the past year, so the potential 11 reductions may not be from existing staff but may include past resignations.

I should like to commend the remaining regional administration staff—especially those from the South-East who seem to have assumed, by sheer necessity, a much wider State role and responsibility—for the very loyal and efficient manner in which they have carried out their duties. The Minister should consider herself very fortunate to have such loyal and dedicated staff who operate on her behalf in such a trouble-free manner. They are good for ministerial public relations. They present a very good arts front to the wider community in rural South Australia.

In particular, the South-East Cultural Trust Manager, Robin Cutbush, and the Chairman of the South-East Cultural Trust, Andrew Eastick, are certainly among those I would commend for their work on behalf of the Minister and the community with regard to regional arts. I am most appreciative of their efforts on behalf of my community, and I know that they both have an involvement in the wider arts scene, because the South-East Cultural Trust, by virtue of its competence, seems to be consulted on a regular basis by trusts around South Australia, and certainly the executive staff are in demand for advisory work across the length and breadth of the State. It is a good position to be in and, as I said, I am sure the Minister is appreciative of the efforts put in on her behalf.

A country arts director has yet to be appointed, but the Minister has intimated that this will take place as soon as possible after the Bill has been enacted and proclaimed, which I assume will occur in the new year. The appointment will be crucial to the future well-being of country arts, and I hope that the appointee will be not only competent, which is an obvious prerequisite, but supportive of and sympathetic to the works and aims of country arts boards and the needs of country arts patrons.

Ownership and control of regional collections by regional boards has proved recently to be one of the more contentious matters in relation to the present Bill. On this score, discussions were held with the Minister during her recent visit to the South-East to open the Millicent Public Library redevelopment. While the present legislation vests ownership in the State and appears to have operated with reasonable satisfaction, that has not been popularly accepted within the new legislation. I am, therefore, pleased to be able to acknowledge that the Minister has accepted an Opposition amendment. In fact, she has already notified the South-East Cultural Trust's Chairman of her acceptance by letter dated some time towards the end of September. She makes it clear and unequivocal that ownership and control of the regional collections will remain in local hands when this new repealing Bill is enacted. Schedule 2 (5) provides:

> On the repeal of the Cultural Trusts Act 1976, all works of art owned by a body specified in column 2 of the table below immediately before the repeal of that Act are transferred to and vested in the body specified in column 1 opposite.

Schedule 2 (6) provides:

A Country Arts Board—

(a) will not be subject to any control or direction by the trust concerning the disposal or care, control or management of any property vested in the board by subclause (5);

(b) may sell or otherwise dispose of such property.

Column 1 of the table refers to the new country arts boards while column 2 refers to the former cultural trusts and authorities. I believe that this acceptance—and I have stated this publicly in press releases that I hoped would persuade the Minister—will offer more incentive to those benefactors who may wish to add to local collections rather than donating to a local collection only for ownership to be assumed by the State and for any or all of those collections to be distributed around the wider State and permanently lost from the district to which they were given.

I make that point simply because in Western Victoria a very substantial art collection was given to the Hamilton community. Subsequently, the Government and the Hamilton City Council constructed a gallery around that collection, and that has proved to be a most successful addition to regional arts collections in Australia. I hope that examples such as that will be emulated and will further enhance regional arts collections across Australia. Of course, public benefactors play an extremely important part in the gradual acquisition and expansion of art collections, whether they be metropolitan or rural based. So, commonsense has prevailed, and ministerial assurances that were given in the letter to the South-East Cultural Trust will now be more clearly enshrined in legislation. I believe the Riddoch art collection in the South-East is the largest regional cultural trust collection in South Australia.

I know from personal experience, having lived in the South-East for some 38 years, that there is a strong sense of ownership and certainly strong identification with the local collection. In fact, local memories still strongly hold that a substantial part of their very extensive Aboriginal artefact collection, which used to be held by the Mount Gambier City Council and which, many years ago, was passed over to the South Australian Art Gallery, has simply been lost. The artefacts were not identified as having come from the South-East, and a substantial proportion of that collection is now simply subsumed within the wider South Australian Aboriginal artefact collection.

It would have been nice to be able to identify those items that were specifically from the Boandik and other south-eastern tribes and ultimately to place them on display, even if on loan, within the South-East regional collection. It would have been a more clear identification with past Aboriginal heritage. However, that may never be, as the collection has been absorbed within the State Aboriginal collection.

I hope that the formation of the new South Australian Country Arts Trust and the regional arts boards will prove to be successful and that country arts activities and art collections will continue to grow apace. The further amendments that are to be moved today are acceptable, and I support the legislation.

The Hon. T.H. HEMMINGS (Napier): I wish to place on record some of my concerns about the arts. I join with the member for Mount Gambier in his support for the legislation and for exactly what it is doing, but I think it would be right and proper for me to place on record yet again that in 1990, 23 per cent of all arts development resources went to regional areas, in which 24 per cent of South Australia's population lived. That is a pretty impressive record.

It has been my pleasure on many occasions to see the fine resources that have been established in the South-East, and I believe that much credit should go to the local member for the way in which he has pursued that part of the State's art resource to go into that area. I give him credit for that. In some ways, however, the people who live in the metropolitan area, especially in the outer suburbs, have missed out as a result of this thrust by the Government to promote art at regional level.

Not all people in the metropolitan area have sufficient finances available to them to take advantage of the many fine productions and activities that take place in the metropolitan area. In no way am I saying that resources should be diverted back from the country areas into the metropolitan area, but I could mount a case that in the northern suburbs there is literally no involvement whatever by the Government in promoting the arts. The general consensus is that, if you live in the metropolitan area, the facilities are available within the square mile of Adelaide. That is okay if people are in the position to be able to pay $40, $50 or $60 to go to the theatre or to see other productions, or to travel a fair distance to take advantage of activities that are taking place in close proximity to the Adelaide square mile. If people can afford to go and to pay the price to be seen as those who enjoy the arts, all well and good but, if they cannot, they are left on the outer. Maybe the Minister in his summing up will provide me with examples where the art dollar goes to the outer northern suburbs. I very much doubt whether the Minister can provide me with that information.

Let me remind the House that, when the now defunct Public Works Standing Committee was receiving evidence in relation to the Art Gallery—and the member for Custance was there; he came not as a member of Parliament but as an interested person to see how the Public Works Standing Committee went about its business at a public hearing and obviously to hear some of the submissions—it established that some argued that art belonged to the people and that everyone was there to make themselves available in relation to all those cultural treasures which were housed in the Gallery and which would possibly be housed there in the future when the extensions were completed. If one of my constituents appeared at the door of the Art Gallery dressed in a very sober suit or a clean shirt and trousers and R.M. Williams boots, that person would be allowed in. However, if a person, who happened to be unemployed and who was dressed in a pair of old, daggy jeans, sneakers and a T-shirt arrived, some attendant would make sure that that person did not have a chance to enjoy the cultural feast that was available.

My experience of the cultural trusts that exist in the rural areas is that, if a person does turn up in daggy jeans, sneakers and a T-shirt, that is no problem; that person is allowed in. That is the difference between the country and the city. The members for Mount Gambier and for Custance know exactly what I am getting at. In

the country, everyone is welcome; in the country, people are judged not by the way they are dressed but as people. In that regard, I think the art fraternity has turned its back on the disadvantaged and the unemployed. I would suggest that, if anyone doubts what I am saying—

The Hon. D.C. Wotton: I doubt that anyone is even listening.

The Hon. T.H. HEMMINGS: —they test it out and front up at the Art Gallery in their gardening clothes to see whether they can get in to actually view the exhibits. I very much doubt whether they would get past the door. I would like to pose a question to the Minister: as a result of the establishment of the Country Arts Trust, what similar activity will pick up those people who live in the outer suburbs to the north or to the south, or even in your electorate, Sir?

Will those people who live in the outer suburbs, or even the western suburbs, have to get their share of the art dollar in the immediate vicinity of Adelaide and pay Adelaide prices? Regardless of what the member for Heysen might think, I consider that I would be fairly well spot on in saying that very little thought has been given to the ordinary people who live in the metropolitan area with regard to giving them some slice of the cultural dollar. Having said that, in no way am I critical of what has been done here, and it should be applauded. It will result in a better delivery of the cultural dollar.

I concur with the member for Mount Gambier that the right people will be put on the trust to ensure that that delivery takes place. I do think that, over the past few years, there has been a tendency in the delivery of art facilities—or even under the broad umbrella of 'culture'—for scant regard to be paid to the people who live in the disadvantaged areas. I hope that the Government will take on board, not necessarily straight away, some of the views that I have expressed, and that we will end up with a more equitable delivery of the benefits of the cultural dollar being distributed throughout the State, rather than emphasis being placed on the Festival Theatre and out in the country regions.

Mr VENNING (Custance): I appreciate some of the comments made by the member for Napier, especially those in relation to country people being real people, which is very true. He suggested that the people of outer Adelaide are being discriminated against. I would say that 90 per cent of the country people who are interested in the arts have much further to travel than most of the people in Adelaide. Adelaide's art precinct is very accessible to most of the people of Adelaide and the suburbs, so I do not think that point was all that important.

I am very concerned about this Bill, and that might be a little surprising to some. The Government is like a headless chook: it is running around blindly grabbing money where it can, with no regard to whom it knocks over in the process in its frantic and directionless path. It is all very well to cut funds, but I would like to see the Government a little more discerning and discreet in how it randomly slices these funds.

Four years ago the Government amended this Act to provide direct local involvement in decisions concerning activities and funding recommendations, particularly with these regional cultural trusts. It was a very commendable policy. I always give the Government praise where it is due—I hope I am always consistent in that.

The Hon. T.H. Hemmings interjecting:

Mr VENNING: I thank the member for Napier for that remark. It was commendable because the people on the ground will always know how to run their operations best, particularly in the far flung areas of this State, which is quite large. Today we have a total reversal of this policy. We have further centralisation—there is no other way to look at it. In every Government policy that is put up these days, I always go through and look for the decentralisation policy that the Government espouses to see whether it actually reflects that policy. This is a blatant centralisation of Government service. This paternalistic and desperate Government wants all the control, staff and purse strings centralised in the city. That, as you would know, Sir, predictably annoys me. Country people get one kick after another in relation to these aspects of policy.

I am very concerned about the fate of local art collections. I have not yet heard of any arrangement being made by the Government with local government. It is vital that these collections be kept where they belong—in the local communities. History is in the community. Many of the artefacts are part of the community and have been given to local areas by people so that the community can see and enjoy them. They should not be under threat. The community must have security of tenure. It is important to the locals and it has implications for regional tourism. Many people visit regional centres. When I visit the South-East I visit the arts trust and look at the exhibits in the foyer and on the walls that usually denote the unique flavour of the building and its environment.

The Hon. D.C. Wotton interjecting:

Mr VENNING: We also use those facilities; I am grateful to the member for Heysen. I want to talk specifically about the Northern Festival Centre in Port Pirie. I use this facility a lot, as do my family and many in the community.

The Hon. H. Allison: They reflect the identity of the community.

Mr VENNING: They really do reflect the identity of the community, as those who have been to Port Pirie will know. I suggest that probably all members have been in or near the Northern Festival Centre in Port Pirie. It is an outstanding asset to the town and the region. It serves the region very well indeed. It is surrounded by parklands and beautiful gardens that are always well maintained and cared for. It is a credit to the town. I have never seen it other than absolutely spick and span, and it is very well used. It is used up to three days a week most weeks of the year.

The complex, unlike some others, is large. It has a festival ballroom that basically operates as the civic centre, the town hall. Members will be aware that Port Pirie Town Hall was demolished many years ago. The festival ballroom now acts as the town hall substitute. It also has the Keith Michell Theatre, which is well used. It is a very professional, high grade facility for theatre functions. It also has several conference and function rooms. It is an extremely large complex. To see the Government go 'swish' and to treat all complexes the same is not just.

I have been to many functions at the festival ballroom—sometimes three in a month. I notice that the member for Gilles, as a past Port Pirie person, acknowledges how busy the Port Pirie community is. It is always active and doing something. The Greek and Italian communities are very active. This complex plays a very important part in the life of the town. I have been to many graduations, debutante presentations and blessings of the fleet. The Italian and Greek communities use it regularly. They have many fund-raising functions there for charities, gala events and wedding receptions. It is a very busy place.

The theatre is very active. Theatre groups in Port Pirie have been well known for years. Lately we have seen many promising youth productions, and the Drama Society productions are also excellent. I attended last week, as did the member for Stuart, the Country Music Festival, which used the whole complex. It was a most successful long weekend. That activity is going from success to success. I have noticed that the member for Stuart and I both agree that it really is a fantastic occasion. We also have the ballet and dancing productions. As with most other cultural centres, the visiting shows are well received and very welcomed by locals, particularly visiting performers such as Keith Michell, Julie Anthony, Thomas Edmonds and even Glynn Nicholas and his kissing frog. All these things provide a total range of activities for people to satisfy their art appetite. The list goes on and on.

I give credit to the people who actually had the foresight to build these facilities in the country areas. As members know, the Hall Government planned and the Labor Government built the Adelaide Festival Theatre.

The Hon. D.C. Wotton: Where else would the kissing frogs perform?

Mr VENNING: That is right, where would they perform? It would have to be in the pond or in the Torrens when it is not so dirty. I will give Premier Dunstan credit for having the insight to plan the first cultural centre at Mount Gambier. Also my friend and former colleague Murray Hill was the main instigating force behind the Northern Cultural Centre.

The Hon. D.C. Wotton: And Steele Hall for the Adelaide Festival Centre.

Mr VENNING: As I said earlier, Steele Hall actually instigated the Adelaide Festival Centre. All politics aside, it looks as though we have all had a hand in planning and providing these very valuable cultural centres across South Australia. It is pleasing to see a Government initiative actually working and being well received in the community.

The conference facilities that are provided in these areas are very good because in the past most conferences had to be held in Adelaide. We are now seeing them in the country areas, which is very commendable. A lot of meetings are held in the country and even the Blood Bank uses the facilities in Port Pirie. As I said, the northern facility is the largest of all the facilities and probably is the most used of all the regional facilities in South Australia. I have a concern that, when the knife comes down, the Government chops them all equally. The centre serves as a town hall and as a civic centre in Port Pirie. Most people would realise it is very busy.

This Bill will reduce staff at this very successful establishment in the current climate of high regional unemployment. I do not need to tell you, Sir, what that will mean in Port Pirie at the moment. I visited the manager a few weeks ago and found that she will be doing the job of three people under this new plan. The centre is already relying very heavily on volunteers to cope with the workload and to keep the place running.

I know I have often criticised the Government for spending money on the arts in the past. This is different because it is regional and these are not just arts centres: they are multi-use centres, particularly in civic affairs. Country towns are suffering a steady decline. Country life is becoming more difficult and the sense of community keeps these people together. These centres are a key part of that. Sports, arts and crafts and other activities are so very important in country life. This is yet another attack by a shamelessly centralist Government on its rural constituency. This Bill will not work and the country people deserve better treatment than this.

Mr LEWIS (Murray-Mallee): It is well known that the Opposition supports this measure. My position is therefore not in question. My comments are more directed to the concerns I have had in my observations of the way in which the arts, as it were, have been packaged and delivered by the Government in the past through the structure which the Bill proposes to replace and, in the fullness of time, will replace.

I have been a member of the central regional cultural authority since it was established and quite happily a supporter of its activities and of the other functions in the Riverland and the South-East that have delivered the arts, one might say, to people living in rural areas, particularly those areas where theatre complexes have been established. Many years ago I made the point that neither the Renmark theatre nor the Mount Gambier theatre was in any way capable of serving the people whom I represent in the Mallee in that both those centres are too distant from places such as Lameroo, Pinnaroo, Keith, Coonalpyn and Tintinara. The safest way for people in those towns to get to any arts function was to come to the capital city, which in some cases is over 200 kilometres away. It was not possible to get those centres of regional population in the Riverland or the South-East to adjust their thinking or to otherwise provide for the people whom I have mentioned, nor was it appropriate.

I was grateful at the time, and said so publicly, when the Government of the day decided to ensure that adequate improvements could be made to the local facilities of the most remote of those centres, namely, Pinnaroo, Lameroo and Keith. I thought that was only fair and reasonable. I also place on record my respect for those three communities and for country communities in general, who have a history of being able to provide themselves with entertainment from the very talented although not professional members of their community. Many of them would have been professional had they not been married, say, and chosen to ascribe a higher priority to their marriage and family than to their desire to have a career in either the fine arts or the performing arts. It is significant to a lesser extent in the case of the fine arts because some outstanding artists have come from rural communities and indeed still live there. One has only to

look at the work of Jacob Stengle from Narrung to realise the truth of that statement.

It would be remiss of me if I did not mention the outstanding contribution that has been made to contemporary performing arts by people such as Julie Anthony, who was born in the Mallee, who grew up and was educated in the Mallee, and who cut her teeth as a performer before local audiences and, in recognition of her talent, was able to develop a professional career. This all has relevance in the context that too often the programs provided through the aegis of the old structure were too rigid in the application of funds for the purposes in hand. They have become more flexible in recent years. The painting of a mural on the walls of a building in Parilla a couple of years ago and, earlier, on a fence adjacent to our house at Tailem Bend are examples of the measure of flexibility that came into the way in which Government provided funds for the fine arts, in this case. Those contributions to local art are highly respected and very much valued. However, there has been insufficient encouragement to local sculptors and fine artists of other kinds—painters, etchers, potters and so on—to prepare and present exhibitions of their own work, even within their own localities. I believe that is a direction in which we should encourage the new South Australian Country Arts Trust, as it is to be known, to take its work and apply its funds in rural areas. There are a number of people who live there and, as I have said, ascribe higher priority to their family's and community's involvement than to the pursuit of a professional career and who could nonetheless enjoy that career, and we would have a richer life in consequence of it, were they able to do so.

I could list many of them but I fear that if I were to start doing so, since I have not prepared such a list, it would not be exhaustive, and I might overlook somebody. Let me approach it otherwise by acknowledging, however, the outstanding work that is done using naturally occurring materials, such as native vegetation in sculpture and using naturally occurring incidents for photography of wildlife, whether it is animal, vegetable or landscape. Nonetheless, it is there, and the richness *per capita* is much greater than one seems to be able to discover in the metropolitan area, where we seem to have a greater accumulation of people in the population who are more interested in meat pies, Holden cars and kangaroos. I am not sure how that song goes, but it is all about football and things like that. I do not denigrate football as one of the performing arts, but it is certainly not the sort of thing that the Country Arts Trust needs to be involved in. I have seen some prima donnas and ballerinas involved in the game—I do not know whether that is an appropriate sexual connotation to describe the people who prance around on football fields; I could be getting into deep water.

Notwithstanding that and even though in country areas we are strong supporters of and participators in sport, we are very much stronger supporters and participators *per capita* in the fine and performing arts. We have groups and clubs that focus their attention upon one or more of those kinds of things, and I hope that a far greater flexibility comes into the allocation of the limited funds available than has been the case in the past. Without meaning to be unduly critical of anybody, I would have to tell you, Sir, that in the performing arts in Tailem Bend each year the locals, through the organisation of the local Rotary Club, put on a concert. It begins at 8 p.m. sharp and is well choreographed and scheduled, and the people come from well over 100 kilometres away, regularly every year, to see the new edition of the Music Hall, as it is called. It is an outstanding financial success, invariably raising more than $5 000 for each of the year's performances. There is one very concessional performance provided on the Wednesday night for people on unemployment benefit, sickness and disability benefit and old age pensions—as long as they have a pension card they can come in pretty much for a nominal fee and, if they do not have any money, they will be allowed in anyway. In addition to that there are Friday night and Saturday night performances through which the funds are raised.

At the same time, through our local cultural authority, we have tried to put on some performing arts, not just in Tailem Bend but also on tour, and they have been financial disasters, and that is because there has been insufficient commitment on the part of the people in the bureaucracy to consult with locals and make sure that the locals have the sales of tickets and so on well and truly organised. Yet because this artist or troupe is going on tour, that is the schedule: you have to stick to it, and too bad. So it becomes one disaster after another and we lose thousands of dollars; we do not make anything, where we could have done if it had been better organised.

The Hon. T.H. Hemmings: And the people suffer.

Mr LEWIS: I do not know that they suffer but the money is lost. The artists suffer because their skill, their ability, is not appreciated by as many people who would otherwise have appreciated it had the show been sold by networking, which would be more successful than advertising. Networking is the effective way to do it, and that is the way we have done it through our Rotary Club at Tailem Bend (in which I have an interest, as I am a member of that club).

The Hon. T.H. Hemmings interjecting:

Mr LEWIS: You can count on it. My preselections are organised on a networking basis, and the member for Napier ought to recognise the relevance of that. We are more accountable to the community we represent, in which we live and of which we are a part than any member of the Government has ever been.

The Hon. T.H. Hemmings interjecting:

Mr LEWIS: Of course, hope springs eternal even in the breast of people like the member for Napier. We need to recognise the benefits that we can bring not only by more effectively organising the way in which we sell the shows that go on tour, using what is already there as existing marketing structures, planning in advance and consulting with those people and groups that are part of that marketing structure, but by introducing more flexibility and allowing the local people who will be representatives on what will become the new country arts boards to have a greater say in the artists that tour and not have that matter so centrally determined.

In addition, we need to recognise the benefits that can come from increasing the number of loan collections which go on tour. At present we do not get to see in the Mallee those limited number of art collections which are taken on tour around the State. A greater diversity of

them would inspire and stimulate people with the time to spare and with skills in those fine arts and crafts which they had not otherwise realised could be so capable of giving pleasure to their fellow citizens. Further, children would be encouraged to do likewise and to respect the benefits of having a central art collection such as exists in our repositories, one such respository being the Art Gallery on North Terrace.

At present not enough people appreciate what I consider to be the great benefit and value which comes from having a repository of these collections in society, and that needs to be encouraged. I could go into greater detail than that but I think it is sufficient for the record for me to have drawn attention to that aspect, namely, a greater say and more democratic participation in the decisions as to who goes where to do what and how it is organised, and more particularly greater diversity in the kinds of arts that are offered through this medium. We will have greater success if we do that through this new structure, albeit it sadly with a restricted number of dollars with which to deliver the program. The other point I want to make is to encourage the art in public places concept, which has been in South Australia for some time.

The Hon. H. Allison: Is that graffiti?

Mr LEWIS: It should not be, but too often it is seen as such. In particular, I am thinking of an outstanding South Australian who is now internationally famous. It is not the member for Napier, in spite of his wishes to be so acknowledged, but an outstanding South Australian by the name of Robinson, whose sculptured bust of the Queen now appears on all British coins. He was born in South Australia and grew up here and, as a matter of fact, he went to Roseworthy. He did not survive Roseworthy, because of some unfortunate administrative decisions that were taken there, in spite of his scholastic ability. However, he became a farmer and for about 15 years or more lived at Keith, where his presence stimulated other people around him.

Robinson did not realise that he had such outstanding talent even then. He knew that he could do things that people admired, but he had not attempted to make a living from sculpture. He now does and he has done a very famous recent collection, which includes one piece called 'Creation'. He now makes his living full time as a sculptor internationally and a Dutch person manages his career. He has agreed to come to Australia to do a sculpture so long as the cost of his materials can be met, because this is the place of his birth, his home, where those who know him still applaud and respect what he has accomplished. However, we cannot get any money for materials; it would only cost between $3 000 and $5 000 and we would have one of that man's outstanding pieces that could not be bought for 10 times that much on the world market.

He is willing to make such a sculpture and put it in a public place, yet we do not have the legislative framework through which it is possible for us to arrange for this outstanding international artist to return and do that work, doing it for love, if we can only find the cost of the materials. I hope that example illustrates the additional kind of flexibility that I believe ought to come into the arts in general and in the country arts administration in the future.

The last point I wish to make relates to the first thing the Bill addresses, that is, the trust's membership. I hope that sensible and reasonable consideration is given to the boundaries of the central region and the establishment of the country arts board there. At present it is a bit incongruous because we have all the population on the fringe of Adelaide, in all directions, simply bundled into one board with the heart cut out of it.

People out on the fringe in Lameroo, Pinnaroo and even at Keith, Tintinara and Coonalpyn are missing out on being able to make their contribution through an organisation to which they belong. There is a community of interest there and, if one looks at the way in which they play sport with each other and the way in which they form boundaries for their church organisations, local government matters and things like that, it clearly indicates that the current geographic composition of the central region is not appropriate, but that is not to reflect whatsoever on any of the people of whom the central board is comprised.

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

The Hon. M.K. MAYES (Minister of Environment and Land Management): I thank members of the Opposition, particularly those from the country, for their support of this Bill and for the concerns they have expressed. The member for Murray-Mallee said that he thought the performing or visual arts should be extended to people throughout the Murray-Mallee, and I support him. Having worked there on a couple of occasions when I was at university, I think it is very important that people in those communities have the same opportunities as those in the metropolitan area.

I regard myself as a country kid, although Baroota is now almost an extended part of the metropolitan area, given the quality of roads now compared with those on which I travelled to the city with my parents. The member for Custance noted the excellent facilities now offered in Port Pirie. When I was a child, the only facility available was a cinema. It was a great event when, on a Friday night, we went to the flicks. A lot more is being offered there now. It is important to extend these facilities to not only the adults but also the children so that they can enjoy the benefits, learn the skills and have the opportunity of being part of the cultural events of this State.

The member for Napier raised some interesting questions; I will not attempt to answer those but will refer them to my colleague in another place. I will give her the opportunity to respond to the member's criticisms of the allocation of funds and to whether or not the northern outskirts of the city enjoy the same privileges and benefits as those of the inner suburbs and electorates such as mine. I believe the benefits apply equally, but I will allow my colleague to respond to those matters.

As a former Minister of Recreation and Sport one can get painted into a corner or pigeonholed. I have a keen interest in art; it has an increasingly significant part to play in our community. This Bill does provide a very important vehicle for the rural community of this State, which extends, as we know, nearly 2 000 kilometres to the north from border to border. Members of those

communities in the far-flung corners of the State should have the opportunity to experience what is already enjoyed by people in the central metropolitan area. I thank members of the Opposition and my colleagues on this side of the House for their support.

Bill read a second time.

In committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

The Hon. M.K. MAYES: I move:

Page 1, after line 18—Insert new definition as follows:

'area', in relation to a country arts board, means that part of the State in relation to which the board is established;.

Amendment carried; clause as amended passed.

Clause 4 passed.

Clause 5—'Membership of trust.'

The Hon. M.K. MAYES: I move:

Page 2, after line 32—Insert new subclause as follows:

(4) The Local Government Association of South Australia may, on such terms and conditions as it thinks fit, appoint a suitable person to be the proxy of a member of the trust appointed on the nomination of the association.

Amendment carried; clause as amended passed.

Clauses 6 to 13 passed.

Clause 14—'Power to borrow money.'

The Hon. M.K. MAYES: I move:

Page 5, after line 26—Insert clause as follows:

14 (1) The trust may, with the consent of the Treasurer, borrow money at interest from any person upon such security (if any) by way of mortgage or charge over any of the assets of trust as the trust may think fit to grant.

(2) The Treasurer may, on such terms and conditions as the Treasurer thinks fit, guarantee the repayment of any money (together with interest) borrowed by the trust under this section.

(3) Any money required to be paid in satisfaction of a guarantee given pursuant to subsection (2) will be paid out of the Consolidated Account which is accordingly appropriated to the necessary extent.

Clause inserted.

Clause 15 passed.

Clause 16—'Gifts etc.'

The Hon. M.K. MAYES: I move:

Page 6, line 1—Insert clause as follows:

16 (1) The trust may accept—

(a) grants, conveyances, transfers and leases of land whether from the Crown or any instrumentality of the Crown or any other person;

(b) rights to the use, control, management or occupation of land; and

(c) gifts of personal property of any kind to be used or applied by it for the purposes of this Act.

(2) Notwithstanding anything in the Stamp Duties Act 1923, no stamp duty is payable on any instrument by which land or an interest in or a right over land is granted or assured to, or vested in, the trust or on any contract or instrument executed by the trust for the purposes of disposing of any property.

Clause inserted.

Clauses 17 to 20 passed.

Clause 21—'Membership of country arts boards.'

The Hon. M.K. MAYES: I move:

Page 7—

Line 28—Leave out 'part of the State in relation to which the board is established' and substitute 'area of the board'.

Line 35—Leave out 'is a local resident' and substitute as follows:

'—

(a) is a local resident;

or

(b) is resident outside the State in an area defined in the regulations that is adjacent to the area of the board.'

After line 36—Insert new subclause as follows:

(4) regulations prescribing a class of persons who may make nominations for the purposes of subsection (1) *(c)* may prescribe a specified body or class of bodies with a membership or memberships wholly or partly of persons resident outside the State in an area defined in the regulations that is adjacent to the area of the board.

Amendments carried; clause as amended passed.

Clause 22—'Terms and conditions of office.'

The Hon. M.K. MAYES: I move:

Page 8, line 17—Leave out 'a local resident' and substitute as follows:

'—

(a) a local resident;

or

(b) resident outside the State in an area defined in the regulations that is adjacent to the area of the board.'

Amendment carried; clause as amended passed.

Remaining clauses (23 to 30) passed.

Schedule.

Paragraph 3—'Transfer of staff of cultural trusts, etc. to country arts trust.'

The Hon. M.K. MAYES: I move:

Page 12, table—Leave out 'New Body' and 'Old body'.

Amendment carried; schedule as amended passed.

Title passed.

Bill read a third time and passed.

[*Sitting suspended from 12.55 to 2 p.m.*]

PETITIONS

DRUGS

A petition signed by 113 residents of South Australia requesting that the House urge the Government to increase penalties for drug offenders was presented by Mrs Kotz.

Petition received.

TEA TREE GULLY POLICE STATION

A petition signed by 212 residents of South Australia requesting that the House urge the Government to maintain the 24-hour service at the Tea Tree Gully police sub-station was presented by Mrs Kotz.

Petition received.

PUBLIC SECTOR SENIOR APPOINTMENTS

The Hon. LYNN ARNOLD (Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. LYNN ARNOLD: I wish to inform the House of three senior appointments as part of the Government's ongoing commitment to reforming the South Australian Public Service. Dr Ian McPhail has been appointed Director-General of Education. Dr McPhail will also be Portfolio Coordinator in Education, Employment and Training. Dr Eric Willmot has been appointed Chief

Executive Officer of the Department for the Arts and Cultural Heritage, and Dr Don Swincer has been appointed Chief Executive Officer of the Department of Recreation and Sport. The three appointments have been authorised today by Her Excellency the Governor.

The Government is pleased to appoint three such qualified people to these positions and wishes them well in their duties. As the House would be aware, the appointments are part of a reform package which has seen the number of ministries cut from 41 to 29, accompanied by a restructuring of Government departments. The Government will continue its work to ensure a more effective and efficient public sector while maintaining the important services it delivers to the community.

QUESTION TIME

STAMP DUTY

The Hon. DEAN BROWN (Leader of the Opposition): Will the Treasurer investigate why only $25 in stamp duty on the mortgage is shown as having been paid on the $30 million Henry Waymouth building controlled by the State Bank Group, and will he provide a full report on the circumstances of any sale of the building? The Henry Waymouth site and building has been mortgaged by the Hooker Corporation to the State Bank's off balance sheet company Kabani since November 1988. Documentation obtained from the Registrar General's office indicates that only $25 in stamp duty has been paid on the mortgage. The usual duty on a $30 million mortgage is $104 990.

The building was leased to WorkCover in November 1989 for 10 years after it had become a problem loan for the State Bank Group. This made it more saleable. It is understood that the State Bank intended to sell the building in 1990 for $31.6 million with the purchaser receiving finance from Beneficial Finance. The purchaser was also to be granted a put option which guaranteed that Kabani would buy back the building for $42 million if it was worth less than that amount in 1995.

The Hon. FRANK BLEVINS: Yes, I will investigate it. I hope that when the legislation which was introduced yesterday and which attempts to close some of these loopholes, if indeed this particular—

Members interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: If the example given by the Leader involves the use of this loophole—and I have no idea at this stage—as I say, I will examine it. Nevertheless, when transactions of this nature have occurred in the past and have been brought to my attention, I though that the action taken had been swift. Where administrative action could be taken, I have taken it, and Opposition members have complained bitterly because they suggest there have been some delays. Some of the loopholes cannot be attended to administratively: they require a legislative solution. Yesterday I introduced a Bill to do just that, so I look forward in a couple of weeks to that Bill's passing the Parliament with the assistance of the Opposition and without any complaint whatsoever later—

The Hon. Dean Brown interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: —if the new procedures cause some minor delays.

The Hon. Dean Brown interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: I heard and understood the question. You do not have to keep repeating it. Apart from the fact it is out of order, it is also very rude.

The Hon. Dean Brown interjecting:

The Hon. FRANK BLEVINS: I am surprised that the Leader appears to have lost his manners while he was out there working in the private sector. As I said, I will have this particular transaction examined and I will bring a full report back to the Parliament, as always, and take any action that is necessary if in any way the taxpayers have missed out.

NATIVE VEGETATION

Mr FERGUSON (Henley Beach): I direct my question to the Minister of Environment and Land Management. How many reported breaches of the native vegetation legislation have been investigated by the Native Vegetation Management Branch in recent years, and have any convictions resulted?

The Hon. M.K. MAYES: I thank the member for Henley Beach for his question. Under the original Native Vegetation Management Act 1985, 11 reports of illegal clearance were investigated, of which 10 have been finalised and one is still before the courts. Of the 10 investigations finalised, one was withdrawn, four landholders received a warning letter and five were successfully prosecuted with penalties ranging from several hundred dollars for minor breaches to $40 000 for the most significant breach. Under the Native Vegetation Act 1991, 27 instances of alleged illegal clearance have been reported. Of those, 17 are still under investigation by the department and one is currently before the court.

The SPEAKER: Before calling for further questions, I inform the House that any questions on labour relations will be handled by the Minister of Labour Relations and Occupational Health and Safety instead of the Minister of Public Infrastructure; and the Minister of Housing, Urban Development and Local Government Relations will handle questions on education, employment and training.

STAMP DUTY

Mr INGERSON (Deputy Leader of the Opposition): My question is directed to the Treasurer. Has the Government for years knowingly allowed the State Bank, Beneficial and other favoured parties to avoid paying proper stamp duty on a large number of Adelaide buildings, and what is the Government's estimate of how much duty has been avoided since 1983? I am informed that, while the now Treasurer was Minister of Finance, millions of dollars in stamp duty avoidance were allowed to favoured parties by the Government while ordinary taxpayers had to pay in full. I am further informed that the Government knew about the avoidance but allowed Treasury scrutiny of mortgage documents for such stamp

duty to break down without being rectified. A senior Treasury officer gave evidence to the State Bank Royal Commission that, in early 1988, the then Treasurer knew that Remm was using a loophole to avoid paying stamp duty but allowed this practice to continue.

The Hon. FRANK BLEVINS: I can assure the Deputy Leader that I have no knowledge of State Government authorities or anybody else knowingly breaching the stamp duties law. If that is the case, they are all subject to prosecution the same as anybody else.

The Hon. Dean Brown: Are you sure?

The Hon. FRANK BLEVINS: Am I sure?

Members interjecting:

The SPEAKER: Order! The Minister will direct his response through the Chair, and interjections are out of order.

The Hon. FRANK BLEVINS: The question was: have I knowingly allowed some breaches of the law to take place? The answer is 'No, I have not knowingly done so.' I would not—

The Hon. Dean Brown interjecting:

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

The Hon. FRANK BLEVINS: I would not countenance anybody knowingly breaking the law. If the Deputy Leader has some examples that he wants to give to me I will certainly have them investigated and bring back a reply to the Parliament. But, to suggest that I have been a party to people breaking the law is a bit strong and perhaps is a statement that ought to be made outside this Chamber.

AGED PERSONS

Mr HERON (Peake): What action is the Minister of Emergency Services taking to alleviate the problem of robberies and bashings of elderly people in the inner western suburbs of Adelaide?

The Hon. M.K. MAYES: Obviously this is a matter of concern to the honourable member and also to his constituents. I know it is a matter that concerns all members of this place in terms of providing security and, of course, reducing the anxiety of the elderly. Most of us, of course, have elderly parents and they are very vulnerable and see themselves as such in terms of their status in the community. I am very pleased to say that the Police Force has established a special task force of detectives to address this issue. It plans several steps to assist in overcoming particularly what they have seen as isolated incidents of attack on the elderly.

This morning's *Advertiser* cites several occasions where people aged 60-plus have been attacked, knocked to the ground and had their goods stolen by thieves. The arrangements at this stage are for a public seminar to be held to discuss this issue and to assist those detectives in the pursuit of information and also supporting their activities in endeavouring to reduce the anxiety caused and the obvious threat to those elderly members in the community. I can assure the member for Peake that the Police Force is aware of the situation, is addressing it actively and doing everything in its power to assist those in the community who feel they are vulnerable to this type of activity.

BAKEWELL, Mr R.

The Hon. DEAN BROWN (Leader of the Opposition): Why did the Treasurer mislead the House yesterday in saying he had never met Mr Bakewell in his life? Mr Bakewell, in a recent sworn written statement, has said:

> I would often meet Frank Blevins at the airport lounge on Thursday when I was returning to Mount Gambier and he would be going to Whyalla. I also saw him when he was Minister of Labour in his office on industrial problems at the Casino. During a period in 1990, when Dale Baker was asking a lot of questions at that time in Parliament, I can remember Mr Blevins asking me something on a casual basis such as, 'Are you sure everything is all right at the bank?'

However, yesterday the Treasurer told this House:

> I have never met Mr Bakewell in my life.

Members interjecting:

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

An honourable member interjecting:

The Hon. FRANK BLEVINS: I beg your pardon?

An honourable member interjecting:

The SPEAKER: Order!

The Hon. FRANK BLEVINS: I am not really a sensitive soul, but the Leader just called me a liar. I do not think that is terribly parliamentary. I think standards should be a little bit above that.

The SPEAKER: I did not hear it, but if it was said I ask the Leader to withdraw it. It is unparliamentary and not allowed.

The Hon. DEAN BROWN: I withdraw anything I said because—

The SPEAKER: Order! The Leader will resume his seat. A withdrawal is just that: there is no explanation—either there is a withdrawal or there is not.

The Hon. DEAN BROWN: I withdraw, Mr Speaker.

The SPEAKER: The Treasurer.

The Hon. FRANK BLEVINS: Thank you, Mr Speaker. The Leader does not do his homework. Had the Leader been even half as smart as he thinks he is, having read that statement, it would have occurred to him that it did not sound quite right, so the Leader would have done what I did. I went up to *Hansard* and said, 'Can I hear the tape?' They played the tape, and it is there for all to hear, and it is there for the media to hear.

Members interjecting:

The Hon. FRANK BLEVINS: I did not say that at all; are you suggesting I tampered with *Hansard's* tape? The exchange went like this, and the alteration is from the Leader of *Hansard*, not from me. If we listen to the tape, we hear that the Hon. Dean Brown interjected, 'You were in Cabinet at the time.' I said, 'I may have been in Cabinet, but I can assure members that I think at that time [in the mid-1980s] I had not met Mr Bakewell in my life.' I suggest that, instead of calling people liars, the Leader do his homework, listen to the *Hansard* tape and then come in and apologise.

STATE FINANCES

Mr HOLLOWAY (Mitchell): My question is directed to the Treasurer.

Members interjecting:

The SPEAKER: Order! A question has been asked and the answer given. The member for Mitchell.

The Hon. FRANK BLEVINS: On a point of order, Mr Speaker, I understand that, by way of interjection, the Leader has just suggested that I changed the tape. I would ask for that to be withdrawn and for an apology to *Hansard* that it would be a party to that.

Members interjecting:

The SPEAKER: Order! All members know that tapes cannot be changed. The tapes are there for any honourable member to gain access to and hear, in order to check what was said, but the allegation is way out of order and I ask for a withdrawal of the suggestion that any member can change the tapes.

The Hon. DEAN BROWN: I think the Minister misheard: I said, 'You have changed the *Hansard*', and members here heard that.

Members interjecting:

The SPEAKER: Order! Obviously, once again, this will require referral to the tapes. I will do that and check what was said. The member for Mitchell.

Mr HOLLOWAY: Thank you again, Mr Speaker. Further to my question yesterday concerning the flow on effects of the decision by the Victorian Premier to increase the pay of senior public servants to $300 000 a year, will the Premier say whether any such increase is planned for South Australia?

The Hon. FRANK BLEVINS: I was very surprised and quite alarmed when I read a transcript yesterday of some statements that were made by the member for Mitcham. He has been in this Parliament complaining about high salaries in certain sections of statutory authorities. I did outline yesterday that an increase of about 300 per cent has just been introduced in Victoria by the member for Mitcham's mates over there. So, in the unlikely event of a change of Government, what can we expect here? I want to quote very briefly from the transcript of the Keith Conlon show yesterday, and I think this gives us some indication of what we will be in for. It states:

Conlon: I mean aren't you really at least suggesting by your call for an inquiry that you don't like the current levels?

Baker: Well, of course that . . . that's . . . you can take that quite clearly, Keith. I mean I'm not amused by either the current levels of payment or the numbers of people receiving the high payments.

So far so good. The transcript continues:

Conlon: Is that a signal that says when Stephen Baker becomes the Treasurer in a new Brown Government that we won't be paying those sort of salaries?

Baker: No, I'm not saying that at all. What I'm saying . . . what I would like to sort of clarify is that when we're looking at structures of departments and authorities, that they should be appropriate for the day and for the needs of the day. Now there may well be some higher paid people that are . . . that are brought on board for very complex purposes, for international purposes . . .

Conlon: So, for instance, if we're trying to attract some kind of American hot-shot to the MFP, you'd be prepared to pay big money?

Baker: Well, if . . . if we can get the . . . if we can get the best then . . . then the salary that is . . . that may be on offer today would probably be raised to get the best.

Conlon: Mm.

Baker: And that's not the point. The point that I see is that we have, in comparison to what's happening with the rest of the world out there, we have some very highly paid people that have fair security of tenure and that they're getting much more than is being paid elsewhere. Now . . . and there seem to be more of them.

I will not quote the whole interview. We then get to the question of Heini Becker's motion on salary capping; Conlon asks about that and the transcript is as follows:

Baker: . . . there are a number that belong beyond our borders and our shores—

he is warming up here and is quite lyrical—

that we would wish to be part of a new Government team to get this State on the move, and I wouldn't like to think that we're going to somehow say, 'Look, come and join us, but $150 000 is all we're going to pay you' when you can get $500 000 overseas or interstate or whatever for the services you provide. So, no, I can't come at Heini's suggestion there.

I think the member for Mitcham ought to get full marks for honesty, if not clarity, because what he is saying is that there is a market and, if we want to attract good people to this State, we have to pay the market price. That is a fact and he said on the record that, if it means paying higher salaries to people in the Public Service or statutory authorities, a new Liberal Government would be prepared to do that.

I do not have any problems with that argument. What I do have a problem with is his coming into this Parliament day after day, criticising salaries that are paid to people who are in statutory authorities or in the Government directly, saying that their salaries are too high and suggesting that somehow those people are milking the taxpayer, and then turning around and saying, 'We will pay the market price. We will increase salaries in some cases'. It is the hypocrisy that I object to—not the policy.

CASINO

Mr S.J. BAKER (Mitcham): Did the Deputy Premier mislead the House yesterday because the Government is embarrassed about the action it has taken to protect Genting's interests in the Adelaide Casino?

The Hon. J.P. TRAINER: Mr Speaker, I rise on a point of order. On previous occasions, and as other occupants of the Chair have ruled, you have ruled that members should not refer to other members misleading the House unless they do so by way of substantive motion.

The SPEAKER: I uphold the point of order. It is clear under Standing Orders that the only way that an allegation of misleading the House or misconduct by a member can be brought before the House is in the form of a substantive motion, and I draw the member for Mitcham's attention to that. I will have to rule the question out of order.

Mr S.J. BAKER: Mr Speaker, I seek your clarification. If I ask, 'Why did he' and then make a statement, that is out of order; however, I am able to ask, 'Did he mislead,' and not make an accusation. That is my understanding of Standing Orders.

The SPEAKER: Standing Orders are clear. One cannot impute an act of misleading the Parliament by a member by any other means beyond a substantive motion.

The Hon. DEAN BROWN: I rise on a point of order, Mr Speaker. Why did you allow the previous question which asked why the Minister misled the House?

The SPEAKER: Being human, as all of us are, sometimes I miss things.

Mr Ingerson interjecting:

The SPEAKER: Does the Deputy Leader have a problem with that?

Mr INGERSON: No, Sir.

The SPEAKER: Sometimes I miss things. I am distracted in this chair all the time by the Opposition Whip, Opposition members, the Government Whip and Government members, and I make mistakes, but I will make sure that it does not happen again. The member for Peake.

CONVENTION CENTRE

Mr HERON (Peake): Will the Minister of Tourism inform the House whether or not the Adelaide Convention Centre has been successful in securing high profile international conventions to Adelaide next year and beyond? A Liberal member in another place has gone on public record saying that interstate people think that what our tourist operators offer is boring. A question was put to me recently by a constituent as to whether the Adelaide Convention Centre, which was built as a generator for the tourism and hospitality industry, faces this problem.

The Hon. M.D. RANN: I am delighted to say that the Adelaide Convention Centre is looking to 1993 and 1994 as being extraordinarily successful, attracting even more high profile national and international conventions than in previous years. The convention centre is one example of what South Australia does best: providing quality, service and value for money. We are not in the business of promoting plastic bananas and over-developed, over-priced, down-market Miamis. As I said this morning in an interview, if you want fake or phoney, tack or tinsel go to Surfers Paradise or somewhere else. The convention centre already has 14 international or national conventions of between 800 and 3 000 delegates booked for 1993 and 1994. Many of these are in our specialty areas of technology, automotive and medicine.

For example, the 1993 World Congress on Operating Room Nurses will bring 2 500 nurses to Adelaide for over a week in March next year, and the International Nutrition Congress and the World Technology in Government Congress will attract about 2 000 delegates each. Studies show that convention delegates spend five times more than the average tourist.

An honourable member interjecting:

The Hon. M.D. RANN: That was an interesting interjection. I think we all know that the Opposition is absolutely stunned by the inept performance of the Leader of the Opposition. We all heard what he had to say, and he should be big enough and man enough to admit it.

An honourable member interjecting:

The Hon. M.D. RANN: Yes, all right. Only about 10 per cent is spent at the convention centre; the rest is spent on accommodation, shopping, restaurants, entertainment, etc. My message to the member for Kavel is: don't despair, you're looking good, mate, so keep hope alive.

CASINO

Mr S.J. BAKER (Mitcham): Will the Deputy Premier provide further clarification of the Government's involvement with Genting? This week's report by the Casino Supervisory Authority shows that the Government, through the Lotteries Commission and SASFIT, urged the authority in 1985 to approve Genting's involvement in the Casino, and those agencies have also been party to excessive payments to Genting for its services to the Casino. In October 1987, the South Australian Government was asked to follow up interstate corporate affairs and police investigations, which led to a Genting tender to operate a casino in New South Wales being rejected and to charges being recommended against two people who were directors of Genting South Australia. This matter was not pursued by the Government.

At the 1988 State convention of the ALP, a motion was passed urging that AITCOs operating licence for the Casino be revoked. Genting's $3 million a year contract is with AITCO, and the Deputy Premier spoke against this motion, which emanated from industrial relations practises being followed by AITCO based on advice from Genting, whose interests Mr Bakewell was also seeking to protect in the discussions he had with the Deputy Premier about Casino matters as revealed in his evidence to the royal commission.

The Hon. FRANK BLEVINS: The question of Genting is one about which I confess I know very little other than this: to the best of my knowledge, Genting was investigated by the Casino Supervisory Authority under the chairmanship of Justice Marshall, the Liquor Licensing Commission and, I am sure, a number of others, including probably the Police Commissioner. As far as I know—and it is fair to assume—it was given a clean bill of health. Certainly it was not investigated by me. I had no knowledge of Genting or its existence at that time, but all the proper authorities investigated Genting, as far as I know, and gave it a clean bill of health.

I am not sure that the part of the question with respect to the State Convention is in order but, assuming for these purposes that it is, there was an industrial dispute when I was Minister of Labour, and the Liquor Trades Union thought it was being treated very harshly indeed by the operators of the Casino. I do not know whether it was or whether it was not: there are always two sides to these stories. But I was not convinced that our State Convention was the proper place to pursue an industrial dispute. That is why we have the Industrial Commission of South Australia. I would argue, be it AITCO or anybody else, that industrial disputes ought not to be pursued at our State Convention. I am not sure what that has to do with Genting, but we seem to have now shifted to AITCO, the operator, but I can say the same for AITCO. I had never heard of it before it got the licence. As far as I know—and it is reasonable to assume—it was investigated by the Casino Supervisory Authority before it was allowed to operate the Casino.

Mr S.J. Baker interjecting:

The Hon. FRANK BLEVINS: I know nothing of any criminal charges in New South Wales or anywhere else. As far as I know, Genting is a highly respected

international company and, if the member for Mitcham feels that that is not the case, there is a better forum than this to test it. If the member for Mitcham feels that he has some information that ought to be brought before the public, he can go outside the Parliament and give that information. I am sure that Genting, as far as I know a highly reputable company, would examine that statement to see whether there is any truth in it and, if necessary, have it tested elsewhere. That would be the decent thing to do; that would be the honourable thing to do; that would be the courageous thing to do. However, I doubt that we will see it. Cowards' Castle will be used to attack a private sector company that, to the best of my knowledge, has never done anything wrong.

WRITING AND READING ASSESSMENT PROGRAM

Mr De LAINE (Price): I address my question to the Minister of Housing, Urban Development and Local Government Relations acting for the Minister of Education, Employment and Training. How will the Education Department address the areas of concerns as expressed in the recently released Writing and Reading Assessment Program (WRAP) report?

The Hon. G.J. CRAFTER: My colleague has provided me with the following information. The Writing and Reading Assessment Program (WRAP) was designed to monitor the performance of South Australian school children in reading and writing exercises and to provide information on literacy assessment strategies to schools, teachers and parents. The survey confirmed that there was much we should be proud of in our South Australian education system, despite the fact that there is still much work to be done in this area regarding children who come from non-English speaking backgrounds, from families living in disadvantaged situations, from itinerant families and so on, who have literacy problems and who need to be accommodated within our system. The results of this research have shown that the vast majority of year 6 and year 10 students can read and write to an acceptable standard for a variety of purposes and audiences, that the basic skills are being addressed in our schools, and that most students surveyed like reading and read a great deal both at school and at other times.

WRAP also identified areas of literacy education that need to be strengthened. In particular, although basic skills are being addressed, it suggests that the current curriculum does not offer enough opportunities for students to be speculative, inquiring and reflective. There were significant differences in the performance of identified groups of students within the survey. In general, Aboriginal students, students living in impoverished circumstances and students from non-English speaking backgrounds did not perform as well as the sample as a whole.

Much of the WRAP survey occurred in 1989 and 1990, concurrently with the introduction of two major training and development programs addressing literacy issues, literacy and learning in the middle years (LLIMY) and English as a second language (ESL) in the mainstream programs. The Education Department is moving to address literacy issues through a range of initiatives, and there is a lot more to be done if we are to maintain the strengths already identified and to act to improve literacy outcomes for all students, particularly those who are educationally disadvantaged.

This study was done in conjunction with the non-Government schools sector in this State. It has been seen around this country as a pilot program and it is being studied with interest by other education systems across this country. I should like to pay tribute to the author, Mr Garth Boomer, who has been in ill health in recent times. He has done a great deal during his professional career to improve literacy and to foster a love of reading and writing by students in schools not only in this State but across Australia and throughout the world where his many books are read and used as curriculum resource materials with great advantage.

WARDANG ISLAND

Mr BRINDAL (Hayward): My question is directed to the Minister of Emergency Services. In view of an official police statement, will he clarify and explain his statement to this Parliament on Tuesday about the cause of damage on Wardang Island; will he now accept that the Government must bear some responsibility for this damage; and, in so doing, will he apologise to all those South Australians whom he has blamed for this damage?

On Tuesday, the Minister said that a substantial amount of the damage on Wardang Island had been caused by non-Aboriginal visitors who had trespassed illegally on the island. He also used the word 'looting'. Yesterday the Minister demanded an apology from the member for Goyder for saying that millions of dollars of taxpayers' money had been left to rot on the island. I have a joint statement, released today by the police and the Point Pearce Aboriginal Community Council, which states that 'the vast majority of damage can be attributed to neglect and the lack of maintenance allowing the elements and wildlife to enter the houses and sheds on the island'. I can supply the Minister with a copy of the official statement if he has not already got one.

The Hon. M.K. MAYES: I am very pleased to respond, because any suggestion of damage brought forward by the member for Goyder directly related to his questions and accusations in regard to the activities of the Point Pearce community. I made no assessment of the extent of the damage. I made no suggestion—

An honourable member interjecting:

The Hon. M.K. MAYES: The honourable member had his chance—in regard to the extent of damage. What I said was that, when the member for Goyder made these accusations, he clearly inferred that the Point Pearce people had been responsible, and that in my opinion was denied by that community. I had a meeting here last week with Aboriginal community representatives from around the State, and they denied that. They said that any damage that had been done by human activity they felt had been performed by others than the Point Pearce community—that non-Aboriginal people had been involved—and they cited a couple of examples where that had occurred. The original accusation about vandalism and damage came from your colleague the member for Goyder, not from me. Therefore, you should direct your

question to the member for Goyder to clarify it, because in fact the situation—

Mr S.G. EVANS: I rise on a point of order, Mr Speaker. I think the Minister knows better. He is using the word 'you' instead of referring to the honourable member by his electorate.

The SPEAKER: I uphold the point of order. All references to members should be by the electorate that they represent or the office that they hold in the Parliament. I ask the Minister to use that term of reference.

The Hon. M.K. MAYES: I will conclude my remarks, but the member for Hayward knows quite clearly that the original accusations came from his colleague the member for Goyder, and those accusations were clearly directed at the Point Pearce community. The accusations have been denied by that community and that denial was obviously confirmed today in the joint statement. Clearly, the member for Goyder owes the community an apology, not only for his illegal visit but also for what he implied in his statement about vandalism. I am very pleased to note the joint statement from the community and the police that, in fact, there has not been much vandalism there. The member for Goyder ought to check his facts in future, because we can refer back to *Hansard* and, quite clearly, what he said was a very direct accusation against the Point Pearce community.

Members interjecting:

The SPEAKER: Order!

Mr INGERSON: I rise on a point of order, Mr Speaker. I ask that the Minister withdraw his statement, because it was a reflection on the honourable member. He made the comment that the member was a slime bag.

Members interjecting:

The SPEAKER: Order! If the Minister said that, I ask him to withdraw.

The Hon. M.K. MAYES: I am happy to withdraw, contrary to the—

Members interjecting:

The SPEAKER: Order!

LEISURE DAY

The Hon. J.P. TRAINER (Walsh): Will the Minister of Recreation and Sport inform the House whether he has any involvement in the popular celebration known as Leisure Day in the Park being celebrated this Sunday, 18 October, at Bonython Park?

The Hon. G.J. CRAFTER: I thank the honourable member for his interest in this very important and, I believe, very enjoyable day in the life of the South Australian community. Leisure Day in the Park is renowned as Adelaide's most popular family fun day, and I am pleased to inform the House that the Government, through the Recreation South Australia Unit, a division of the Department of Recreation and Sport, is one of the major sponsors of this great event. It was attended last year by some 60 000 South Australians, and a similar number is anticipated to attend this year.

Leisure Day in the Park provides people of all ages and abilities with the opportunity to participate in or just learn about a myriad of activities that go on in our community every day of the year, and often unnoticed. The day is designed to promote the enjoyment of recreation and leisure activities right here in our home environment. The first event was held in Rymill Park in 1987, with some 5 000 people attending. Today, the popular appeal of the event has seen the venue changed to accommodate the tens of thousands of people who attend, looking to find out about the hundreds of things to do in South Australia, from walking the Heysen Trail to hang gliding, Taekwondo, tap dance classes or organised sporting activities.

Leisure Day in the Park is coordinated by the Life! Be in It organisation and is an event with which I as Minister of Recreation and Sport am proud to be involved and to give support to all those people in our community who give so much of their time and their talents to help others participate in healthy sporting and recreational activities.

Approximately 140 different recreation, leisure, fitness and tourist organisations will be represented this weekend at Bonython Park, giving all those who visit a kaleidoscope of information on things to do, places to go and people to see in South Australia. I take this opportunity to encourage all members of the House to visit Bonython Park in Adelaide's west parklands this Sunday 18 October, between 10 a.m. and 4 p.m. as South Australia puts on a display of what we have to offer in outdoor activities for the adventurous and, indeed, the not so adventurous.

Members interjecting:

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

LITERACY AND NUMERACY

Mr SUCH (Fisher): My question is directed to the Minister of Housing, Urban Development and Local Government Relations, representing the Minister of Education, Employment and Training. How does the Minister propose to tackle the serious problem relating to literacy and numeracy in our schools which sees 35 per cent of new students at at least one large TAFE college needing continuing remedial help before they can even begin prevocational courses?

I have been informed that the ACER test administered to TAFE entry students under 20 years of age seeks answers to elementary questions such as: 60 divided by five; 10 per cent of 125; and how many square metres in a room measuring three metres by 5.5 metres. I have been further informed that TAFE colleges are having to provide six-month literacy and numeracy courses for up to 35 per cent of the new students who cannot satisfactorily answer such questions. These remedial courses must be conducted before the pre-vocational courses, which in turn are held before an apprenticeship can be started. TAFE staff are concerned at the number of staff, time and resources tied up in remedial classes teaching basic maths, reading and comprehension which should be familiar to under 20 year olds just out of school.

The Hon. G.J. CRAFTER: As I understand the honourable member's question and his use of statistics, it was 35 per cent of students entering particular types of courses, and I think that is a tribute to the work that is

going on within TAFE and in the development of training programs to bring into formal education training and, potentially, employment and further education opportunities a group of young people in our community who hitherto have found it difficult to participate in formal education and training opportunities. As the honourable member has just heard in the answer I gave to the question from the member for Price about the groups of people in our community who traditionally have been disadvantaged, that is, people from Aboriginal, disadvantaged and non-English speaking backgrounds and so on—

An honourable member interjecting:

The Hon. G.J. CRAFTER: I am talking about 35 per cent of students in some particular pre-vocational courses and other specific courses that are designed specifically to attract into formal training a group of people who would otherwise not be able to enter those programs. Members might like to reflect on the fact that when the Opposition was in Government three out of 10 students in this State went through to year 12—an absolutely disgraceful situation by world standards. Now, nearly 90 per cent—in the high 80 per cent category this year—of students in our schools go through to study at year 12.

Members interjecting:

The SPEAKER: Order!

The Hon. G.J. CRAFTER: So, here is a Party with an appalling record of commitment to public education in this country—a Party which, for part of the malaise that went on in this country after the Second World War, never valued formal education, particularly for the mass of people in this country, as it should have done. That was to our great detriment, because our trading partners, which have a much greater commitment to school and public education, are now whipping us in the market place because of that advantage. It is only in the later years, particularly as a result of the national agenda which has been created in education, and which is coming out of the reports such as the Finn report, the Mayer report and the Carmichael report, that we now have a cohesive development of policies between education, social security and industrial policy in this country to ensure that all young people have an opportunity to participate in the mainstream of society, that is, to participate until at least the age of 19 in education, training or employment opportunities. I think it is a great tribute to TAFE and to our education system for the advantages that they have made, despite the hobbling that was left to us by conservative Governments in this country in the past.

SAFETY STANDARDS

Mrs HUTCHISON (Stuart): Will the Minister of Recreation and Sport inform the House whether there is a national safety standard accreditation—or any other, for that matter—for leaders or instructors of recreational groups or clubs? With the onset of the fine weather there is general encouragement for people to pursue outdoor activities and to join recreational groups to learn new activities. In my own electorate I can name such activities as skiing, boating and walking groups.

The Hon. G.J. CRAFTER: As we are now enjoying some pleasant weather, it is time to reflect on outdoor activities, particularly leisure and recreational activities. I have just advised the House of the leisure day that is planned for the parklands this weekend. That event would not have occurred, nor would many activities throughout the State, if there was not an outdoor recreation industry with a leadership component to it. Many of the organisations that are involved in this industry presently conduct their own leadership training programs to meet safety and instructor standards. In fact, the Department of Recreation and Sport, through Recreation SA, funds various recreation associations to ensure they are able to conduct leadership training courses for their members.

The burgeoning, in recent years, of outdoor recreational activities as leisure pursuits has led to public demand for quality leisure experiences which emphasise care and safety. This has consequently placed further pressure on land managers and service providers to accept legal responsibility for the outdoor activities that they make available to the community. These developments have placed leadership in the spotlight. Consumers wish to know that leaders and instructors are well trained, qualified and experienced to a standard that has been accepted by our community and indeed across this country. In October last year the Standing Committee on Sport and Recreation endorsed a proposal on the need to develop national standards in outdoor recreation, with particular emphasis on leadership development.

Adelaide will host a national outdoor recreation leadership conference in 1993 to foster developments in the three focus areas that have been determined as a result of that standing committee's work at an earlier time. In the interim, Recreation SA will be conducting a seminar on outdoor recreation leadership training in South Australia in the next few weeks at the Regency Park TAFE College. It is expected that up to 70 representatives of organisations involved in outdoor recreation leadership training in the State and across the country will participate in the seminar. As outlined, presently there is a strong move within the outdoor recreation industry to develop a national outdoor recreation accredited leadership course standard. I hasten to add that many of the associations in South Australia presently conducting their own instructor courses, and conducting group activities, demand the highest calibre of skill and safety knowledge from their instructors. I invite members of the public to contact Recreation SA through the Department of Recreation and Sport for referral to reputable outdoor recreation organisations.

PRISONER DRUGS

Mr MATTHEW (Bright): What action will the Minister of Correctional Services take to combat the alarming and continued increase in drugs in our prisons, which have seen drug incidents increase by at least 405 per cent in just seven years? Statistics on drug incidents detected in prisons were separated for the first time in the 1984-85 annual report when there were 84 drug related incidents. This skyrocketed to 311 incidents in the year ending 30 June 1991 and then to 424 incidents in the year ending 30 June 1992. In addition, 104 syringes were

detected, and 975 bong pipes or cones. While the use of the dog squad to undertake 614 searches, an average of almost two per day, resulted in the discovery of many of these drugs, statistics alone show that drugs are getting into our prisons at an alarming and rapidly increasing rate.

The Hon. R.J. GREGORY: I thank the member for Bright for his question. Drug abuse or use within the prison community is at about the same level as it is within the outside community. One of the things happening in the prisons system is that—

Mr Meier interjecting:

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

The Hon. R.J. GREGORY: I want to pay tribute to prison officers who, through their diligence, have been detecting these offences within prisons. The increasing number of detections is the result of the use of the dog squad and prison officers implementing random urine tests. When there are random tests throughout the whole prison system we will see either a reduction in drug use or a high detection rate. The member for Bright has been fond of using statistics. Statistics demonstrate that officers have a suspicion, they test it and then they have a high positive rate of detection based on their suspicions. I think that that is a tribute that should be paid to the prison officers, who are doing their best in very difficult circumstances. I see that the member for Bright nods his head in agreement

An honourable member interjecting:

The Hon. R.J. GREGORY: The honourable member just cannot help himself. The member for Bright asked a question about how drugs were getting in, and that was echoed by the member for Victoria, who knows full well that the only way to stop it is to stop all contact between prisoners and their family. If members opposite are suggesting that contact visits should be stopped—and that includes the family of a prisoner—let them say so, because that is precisely what they are on about.

Mr D.S. Baker interjecting:

The Hon. R.J. GREGORY: If the interjection from the member for Victoria can be taken at face value, he is suggesting that prison officers are taking the drugs in. If he is suggesting that, let him say so and let him name the prison officers who are doing it. If he is not prepared to do that, he should keep his trap shut.

SUMMONSES

Mr HAMILTON (Albert Park): My question is directed to the Minister of Housing, Urban Development and Local Government Relations representing the Attorney-General in another place. Will the Attorney-General review the serving of summonses in the Magistrates Court criminal division for traffic matters and the civil division for debt matters? Last week I received a letter, which says in part:

> The affidavit of service as sworn by serving officers has a dramatic lack of detail. The serving officer only has to say, 'I served the documents on such-and-such at such-and-such address between the hours of such-and-such upon a person over the age of 16 or appearing to be over the age of 16.' He does not have to swear if the person was male or female and any further details as regards to or any other conversation made or if any name was obtained. Therefore, there is no possible way a defendant may identify the person who may have got the summons.
>
> So, in cases where the defendant is not given the summons for some reason by the person who received it, things can become difficult in these times when family relationships are strained and when numerous people live in the same house and come and go, it would be important to help a defendant set aside judgment or ask for a re-hearing.

The Hon. G.J. CRAFTER: The issue raised by the honourable member is eminently practical. Over the years, there have been difficulties associated with the service of processes—and I know that in my own constituency there have been many complaints about the service of summonses, particularly in recent years when they have been served by mail. I am not sure whether any system can be devised that will overcome all the practical difficulties associated with the service of processes, but I will be pleased to have the matter referred to my colleague in another place for investigation.

TOURISM MANAGER

Mr GUNN (Eyre): Why has the Minister of Tourism seen fit to withdraw the Regional Manager from the Flinders Ranges; what advantages are there in having him located behind a desk in Adelaide; and will he reconsider this decision, which is opposed by tourism operators in the region? In fact, a tourism operator has written to me in the following terms:

> The closing of this regional office will be a severe blow to all the tourism operations in the Flinders Ranges and, in particular, in the outback.

The Hon. M.D. RANN: This week, I met with regional tourist associations and began discussions with them about ways in which we can actually get behind the region and get regional tourism associations working more closely with regional development boards. I am sure that, if the member for Eyre had obtained information following that meeting, he would be aware that it was a very positive and constructive meeting. I am happy to obtain a report for him.

FOOTWEAR INDUSTRY

The Hon. J.P. TRAINER (Walsh): Will the Premier advise the House of the position taken by the State Government on tariff reductions for the footwear industry in view of the reported comments by Mr Rayden Crawley, the Managing Director of Clark Shoes and a very important employer in my district, that State and Federal Governments have ignored industry warnings of tariff reductions?

The Hon. LYNN ARNOLD: The comments attributed to Mr Rayden Crawley are not correct. I know that following a conversation I had with him yesterday when he did me the courtesy of coming to tell me the very sad news of the decision to retrench 108 people. My colleague the Minister of Business and Regional Development, upon hearing those comments, made contact with his office this morning and confirmed that those comments were not as reported.

Indeed, I was really expecting that this would be a question from the Opposition today to me directly. I

would have thought that this was a great opportunity to try to embarrass the Government, because we have a major business in South Australia apparently criticising the State and Federal Governments. Well, perhaps they know full well the real truth of the matter; perhaps they too had also had conversations with Mr Crawley—that I do not know. However, they certainly would have examined the record and discovered that, had there been any criticism of the State Government about tariffs in the footwear industry, it would have been most unjust with respect to this State Government, because this State Government has had a very good record with respect to looking at the development, preservation and support of industry in this State, including the footwear industry. We have been leading the national debate in these matters. We did so in combination with Joan Kirner, the former Premier of Victoria, and I might say that we are very sorry to have lost such a valuable ally in Joan Kirner, who very actively provided a proper degree of support for this industry.

The actual comments made by Mr Crawley were that he has criticised the Federal Government for the rate of change regarding its tariff reduction proposals, and he is particularly worried about those of the Federal Opposition, because he knows that, whilst the plants in Adelaide and Melbourne, under the new staffing levels, will continue to be strong under the present Federal Government's policies, even with its reduced tariff rate, he knows they are under major risk if that were to change. What he said was that he criticised some State Governments, but when he saw me he actually congratulated this State Government. He congratulated the work of my predecessor (the member for Ross Smith), my own work and that of the Government generally.

QUEEN ELIZABETH HOSPITAL

Dr ARMITAGE (Adelaide): Does the Minister of Health and Community Services agree with the memorandum circulated to all heads of department from the Chairperson of the Queen Elizabeth Hospital (Ms Mary Beasley) and the Chief Executive Officer (Mr Nick Hakof) which states that 'the Health Commission is required to achieve a real reduction in its call on the State budget, and it is likely that this trend will continue in 1993-94 and 1994-95'? Is this situation likely to be reflected in all public hospitals in South Australia?

The Hon. M.J. EVANS: We have to bear in mind that, although the health sector as a whole has been required under this State budget to accept a real reduction of .5 per cent, the reality is that, when the net effect of the Medicare funding arrangements that are to be negotiated over the next two weeks or so is taken into account, it is quite probable that the total effect on the State's health budget this year will actually be an increase possibly as high as 2.5 per cent. That depends on the precise figure that comes out of the Medicare arrangements. Obviously, I will not be in a position to advise the House of that for some weeks yet.

I believe that, by the end of the day, with the waiting list funding, the very substantial amounts of money which we are expecting as part of the Medicare agreement—over $4 million this year and $2 million the following year, giving a total of well over $6 million in that two year period—and which will make a substantial difference to the funding that we have and the effect that we can have on waiting lists, and also the high drug cost subsidy funding, the total effect of those Medicare arrangements will be a significant increase, something which health budgets have enjoyed year in year out in this State for a long period of time.

Although there is constraint on the health system at the present time under the budget as it was announced some weeks ago in this House, I believe that members and hospitals should look to the totality of the announcements that will be made in the course of the next few weeks and take the budget as a whole rather than looking at the isolated effect of individual areas. I believe that health management areas throughout the State will be able to provide the service of which they are all justly proud.

I conclude with a comment from the Flinders Medical Centre, which has been in the news somewhat lately. The administrator of that hospital advised his own staff in August, as part of the budget negotiations, that 'We will continue to argue vigorously for appropriate funding to match the demands for services at Flinders Medical Centre'—and that is indeed an appropriate role for an administrator. His statement continues:

> But in spite of the difficulties in the budget I believe health and Flinders Medical Centre in particular have been treated as fairly as possible compared with other State facilities. We just have to get on with the job, and we can be proud of our ability to maintain high standards of care during difficult times.

Obviously that is a part quotation from that document, which contains a substantial amount of material. Those are the concluding remarks in the document, and I believe it typifies the whole level of response here. At the end of the day, the overall budget allocations will be higher.

STATE EMERGENCY SERVICE

Mr MATTHEW (Bright): Mr Speaker, I seek leave to make a personal explanation.

Leave granted.

Mr MATTHEW: Yesterday in this Parliament the Minister of Emergency Services, in response to a question from the member for Albert Park and in a subsequent media statement, misrepresented me over statements that I made in relation to the State Emergency Service. The Minister reflected on me personally on three occasions. First, the Minister claimed that State Government funding for the SES had increased by $995 000 to $1.072 million. What I said is taken from page 323 of the 1992-93 Program Estimates which forms part of the budget documents and from which I quoted that 'assistance to the SES units was $1.014 million in 1991-92 and it dropped to $991 000 in 1992-93, a drop of $39 000'.

Secondly, the Minister reflected on me personally by claiming that I was in error through claims that there was a reduction in equipment funding to the State Emergency Service. What I said was that money allocated through the police budget for equipment was reduced to $25 000, although $66 900 was sought. I said that this shortfall means that $10 400 needed for rescue rope and $31 500

for safety equipment will not be available. Thirdly, the Minister misrepresented me by suggesting that the SES purchased 30 000 sandbags from the State and that I claimed that that purchase came from State funding. What I said is shown on page 770 of *Hansard* of 13 October 1992. I attributed the source of funding for that purchase to funds from the Commonwealth Government.

Finally, the Minister, in the press release associated with the statements made in this House, reflected upon my character and misrepresented me by claiming that I had run a 'cheap shot' scare campaign, that I had 'dropped to below gutter standard', that I had indulged in a 'disgraceful performance in Parliament' and that I had involved myself in disgraceful muckraking. I reject these claims out of hand; they are false. I would appreciate an apology from the Minister.

WARDANG ISLAND

Mr MEIER (Goyder): Mr Speaker, I seek leave to make a personal explanation.

Leave granted.

Mr MEIER: I wish to refute categorically allegations directed at me by the Minister of Aboriginal Affairs over the past few days and again today in relation to Wardang Island. First, the Minister has accused me of visiting the island illegally. The island is part of the electorate of Goyder and I will continue to visit Wardang Island and any other island when needed and as the opportunity arises, just as I endeavour to visit all other parts of my electorate. For the Minister or anyone else to try to stop me from serving my electorate is a breach of democratic freedom.

Secondly, the Minister said that I did not have the courtesy to approach the Point Pearce community to get its approval to visit the island, nor did I consult with the community. For over nine years I have been a member of the Central Yorke Peninsula Liaison Committee—a committee set up between representatives of the Point Pearce community and the wider community. It meets regularly at Point Pearce; in earlier years it alternated its meetings between Maitland and Point Pearce. Some time ago, at one of the meetings, the Point Pearce representatives invited the liaison committee members to visit the island to see firsthand the rabbits and boxthorns. Not only did I finally take up the offer to see the rabbits and boxthorns but I also saw the wastage and ruination that has occurred to the island. The Minister himself is reflecting on the Point Pearce community by saying that I did not have permission.

Thirdly, the Minister and Mr Garnett Wilson, Chairman of the Aboriginal Lands Trust, have accused non-Aboriginal visitors of taking a substantial amount of property from the island. Yesterday the Minister even said it was reported that a refrigerator, a stove and an air-conditioner had been thrown overboard from a vessel returning from Wardang Island. To begin with, a check at the Port Victoria Police Station reveals that no reports have been received from anyone concerning the alleged stealing of items from Wardang Island. I am appalled at these accusations, as are my constituents who live in the area, and they, too, deserve an apology.

In addition, yesterday the CIB, together with representatives of Point Pearce council, visited Wardang Island to investigate the allegations. As was alluded to in a statement following that visit, the police said:

> It would be reasonable to assume that since 1985 some items ranging from hand tools to assorted household utensils cannot be accounted for. There is evidence of criminal damage of a minor nature to the houses on Wardang Island. The vast majority of damage can be attributed to neglect and lack of maintenance, allowing the elements and wildlife to enter houses and sheds. There will be no further police investigations.

Some 140 new sheets of corrugated iron, which allegedly had been stolen, were in fact found strewn between their original storage site and the beach.

The SPEAKER: Order! The honourable member now is clearly debating the issue. This is a personal explanation to clarify statements made against him.

Mr MEIER: I am simply seeking to correct the personal reflections on myself—

The SPEAKER: Order! The Chair does not recall any reference at all to 140 sheets of iron at any stage of this dispute. I make it very clear to the honourable member that a personal explanation is just that. I ask him not to debate or expand upon the personal explanation.

Mr MEIER: In that case, I point out that the CIB itself refutes the Minister's claims, whilst substantiating my statements. I ask for an unequivocal apology from the Minister for his outrageous attack on me, and I again call on him to visit the island and to address the problems there.

The SPEAKER: Order! The honourable member is again debating the issue.

GRIEVANCE DEBATE

The SPEAKER: The proposal before the Chair is that the House note grievances. The Leader of the Opposition.

The Hon. DEAN BROWN (Leader of the Opposition): I wish to grieve about the avoidance of stamp duty that has occurred within South Australia, and particularly that which has been carried out very fully by State Government instrumentalities and with the full knowledge of Ministers—or some Ministers. The recent indignation of the Labor Government in relation to stamp duty avoidance is purely cosmetic. It has been going on for many years; the Government has been part of it; and the Government has known about it. Yesterday, the Treasurer said:

> Any avoidance of stamp duty is to be deplored.

What hypocrisy! Millions of dollars has been avoided in stamp duty in South Australia, and the shortfall therefore has had to be picked up by the taxpayers through other means. This has occurred on a number of major development sites where a mortgage has been involved. The two bodies that have carried out this avoidance more than any others have been Beneficial Finance and the State Bank of South Australia. We have evidence from the royal commission report that in 1988 the then Treasurer knew about the avoidance occurring because of an arrangement involving the Remm building.

I find it incredible that only now has this Government decided to introduce legislation to stop that avoidance. After 10 years of avoidance and 10 years of Government

involvement in that avoidance, which has cost the taxpayers millions of dollars, only now has the Government been prepared to stop it. I give the assurance that, when the Liberal Government finds avoidances on a tax matter such as this, we will move quickly to make sure it is stopped and that legislation is introduced to make sure that the avoidance does not continue.

Members interjecting:

The SPEAKER: Order!

The Hon. DEAN BROWN: In a written response to a question asked by the member for Hayward today, I find Premier Arnold admitting that, through the company Goodsports Pty Ltd the Grand Prix Board avoided duty on property purchased at 103 Rundle Street, Kent Town. During Question Time today I gave evidence about the Waymouth Street building, now occupied by WorkCover, the mortgage of which was held by the State Bank through one of its companies and, again, where stamp duty was avoided by paying only $25 on a mortgage worth approximately $30 million. If the full stamp duty had been paid on that building, the sum total would have been $104 990 and, instead, only $25 has been paid. The part I find totally unacceptable is the hypocrisy of the Government in condemning the apparent avoidance on No. 1 Anzac Highway, when it itself as a Government has been undertaking this avoidance on a widespread basis and costing literally millions of dollars to the taxpayers of South Australia.

I draw the attention of the House to the fact that there are other cases, apart from those we have revealed publicly, where that avoidance of stamp duty has occurred. I highlight again that the Ministers of this Government have known about that for a number of years and have taken no action whatsoever to stop that avoidance, yet now, one of the Ministers who is part of this Government has been on the steps of Parliament House on a number of occasions criticising what occurred at No. 1 Anzac Highway. I do not condone that; I criticised it too, but I also criticised the practice that has been carried out by this Government year after year in the avoidance of stamp duty when it came to large Government buildings of which the Government held the mortgage. The lack of accountability by this Government is totally unacceptable. I have given a standard of accountability that a future Liberal Government will adhere to, and I assure the House that the crookery that has been going on for the past 10 years under this tired and weary Labor Government will be stopped under a Liberal Government.

Mr ATKINSON (Spence): I am weary of the verb 'to decimate' being misused. The verb 'to decimate' is from the Latin. In Roman times, a mutinous or cowardly group of soldiers would be subject to one in 10 of their number being put to death as a punishment.

Members interjecting:

Mr S.J. BAKER: On a point of order, Mr Speaker.

The SPEAKER: Order! I am having trouble picking up the point of order. The member for Mitcham.

Mr S.J. BAKER: Sir, I would refer the member to the Macquarie and Collins dictionaries.

The SPEAKER: I consider that a frivolous point of order. The member for Adelaide is out of order. There is absolutely no Standing Order that has anything to do with the word 'decimate' or dictionaries. The member for Spence.

Mr ATKINSON: This group was said to be decimated. Note that the group was reduced by one-tenth, not reduced to one-tenth. The word was extended to cover the loss of one-tenth of a population in an epidemic or the payment of one-tenth of one's income as a tithe. 'To decimate' is a verb of precise meaning; this is what makes it such a useful word. It would be unfortunate to blur its meaning so that 'to decimate' also meant reductions of more than one-tenth. Words such as 'massacre', 'destroy', 'crush' or 'annihilate' cover that field well enough. We do not need another synonym for these. 'Decimate' is now a vogue word in the House and members on both sides are misusing it as a synonym for 'destroy' or 'annihilate', but the member for Mitcham stood out yesterday when he said, 'That is a 20 per cent decimation of our industry.' Members opposite often say that my Party will be decimated at the next general election. If the opinion polls do not change over the next 18 months, I for one will be delighted if the Government loses only 2.1 seats.

Mr INGERSON (Deputy Leader of the Opposition): I rise to bring before the House a very serious matter in relation to the treatment of individuals by the State Bank. In the past few days several families in business have been to see me about the way the corporate cowboys in the State Bank are operating in the way they are treating the difficult accounts. These are good, honest people who are having difficulty at the moment with the way their business is trading. Unfortunately, they are being treated as if they were crooks or corporate cowboys.

The members of this family have a debt with the State Bank of about $230 000—a very significant loan. They have paid the interest on that loan at 23 per cent, currently 18.5 per cent, for the total length of that loan. They have never defaulted and not complained at all about the outrageous interest rates that they had to pay. When they went to the bank about a month ago to discuss refinancing and reorganising the loan, they were told that they had 24 hours within which to pay the outstanding amount. Fortunately, discussions were held with the bank and a delay of two or three weeks was put in place. However, the action over the past two weeks has been incredible.

The couple discussed the matter in head office with the bank manager, made a deal and asked to have it faxed through to them only to find that the deal was changed within half an hour of their making the arrangement face to face with the manager when he faxed it through to them. When a change is made even before the deal is faxed through, one would surely admit that something was wrong. However, that happened on two occasions—not once—to this couple. Yesterday, they negotiated a loan at 10 per cent and went back to their office and, within half an hour, the loan was faxed through at 12 per cent. This person rang and, in asking why that change had occurred, the arrogant young bank cowboy said, 'We made the decision in the past few minutes that 10 per cent was too cheap and we had to put it up to 12 per cent.' There was no discussion—it was simply decided to raise the rate.

This couple have been attempting to negotiate with new partners because this same group of bank cowboys told them that, if they did not have $100 000 in the account at the bank within a fortnight, not only will the bank sell them up but it will close them for good and send them bankrupt. This is a couple who have never defaulted on any interest payment at either 23 per cent or 18.5 per cent, but they are now being treated like dishonest people. If this account of $230 000 is closed, the bank will get about $100 000. If this business is closed down, $130 000 of taxpayers' money will go down the drain, because this account is in the bad bank. These 30-year-old cowboys who know nothing about business are deciding on the future of good and honest people who have figures to show the bank that they can trade their way of out of this situation if they can get a five-year loan at reasonable commercial interest rates.

There are many examples of how these young, arrogant whippersnappers who give the advice and have the support of the State Bank management are sending good and honest people to the wall. I am pleading on behalf of this couple and many other people for the Premier of this State to go to the bank, because he and his Government are responsible, and do something about it.

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

Mr HAMILTON (Albert Park): Talking about cowboys, I received correspondence at my electorate office last month dated 25 September from the head of a health unit at the Queen Elizabeth Hospital. The letter relates to patients waiting for surgery at the Queen Elizabeth Hospital and it states, in part:

> A patient on our waiting list at the Queen Elizabeth Hospital for ear, nose and throat surgery has told a member of the ENT unit that she complained to your office and was advised that the reason for her wait was because ENT surgeons were not prepared to work in the public sector.

The person then goes on to point out some of the problems that, as head of the unit, he is having, and continues:

> I therefore request that you cease laying the blame for the public waiting list at the feet of surgeons and place it where it rightly belongs. In this case we were able to give the patient the correct information.

I could continue to quote that person. I have never been accused of being gutless in my life, and at this time I choose not to name that person. I subsequently wrote to this medical practitioner in a letter of 29 September as follows:

> I acknowledge receipt of your correspondence dated 25 September 1992. I certainly would have appreciated a telephone call from you in the first instance. You have made some fairly strong statements in your letter. I deny ever making the statement that has been credited to me (refer first paragraph of your letter). I would certainly be more than happy to personally discuss this matter with you further upon your return from leave. I actually tried to contact you per phone as soon as I received your letter yesterday.

One could have knocked me over with a feather when I received the following—

The Hon. M.K. Mayes: A big feather!

Mr HAMILTON: A big feather, as my colleague states. I received the following letter dated 9 October:

> Dear Mr Hamilton,
>
> Thank you for your letter of 29 September. I am sorry that my patient incorrectly attributed a statement to you or your office. However, the nature of that statement is such that it has come from somewhere, possibly the Health Commission or the Minister of Health. I am writing to both of these possible sources to point out that because of budgetary restraints ENT specialists are having their sessions reduced. An increase in employment to deal with the increased demand for both outpatient consulting and the surgical waiting list would be more appropriate. (signed)

I find it unbelievable that a professional person can make an allegation without having the guts or common decency at least to ring me and ask, 'Did you make that statement and, if so, why?' Then, to compound the felony, he did not even have the intestinal fortitude, after I wrote to him saying that I would be willing to discuss the matter with him, to ring me and say, 'Look, Kevin, I made a mistake, and I am terribly sorry.' No-one in this place, including you, Sir, would say that I would kowtow to anyone. I will not kowtow to anyone, including my colleagues, when I see a problem in this place.

An honourable member interjecting:

Mr HAMILTON: I will not be ridiculed. I am serious on this matter. You understand what I am saying, Mr Speaker, because recently you attended a meeting at the Queen Elizabeth Hospital. If there is a problem, I will address it in this Parliament, even if it means that obtaining redress embarrasses the Government. I gave notice to the Minister the other day of my intention to address the need to reduce waiting lists at the Queen Elizabeth Hospital, which is 500 more than any other hospital in metropolitan Adelaide, with the exception of the Royal Adelaide Hospital. I will watch with a great deal of interest the results of the Commonwealth-State Medicare agreement, which will be discussed this month. The Minister and my colleague know full well that I want results and I want them quickly.

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

Mr OSWALD (Morphett): I rise to call on the Minister to intervene and countermand a decision taken by the South Australian Sports Institute which has resulted in the exclusion of the Equestrian Federation from the sports plan. It has been put to me by riders and others associated with the Equestrian Federation that the Sports Institute has been very quick to be identified with the success of the equestrian movement and to be photographed with the Olympic equestrian gold medallist, Gillian Rolton, on publications put out by the Sports Institute; yet it has chosen to ignore the Equestrian Federation's application to be included in the sports plan despite its meeting the criteria.

The criteria for being included in the sports plan contain many parts, including Olympic and Commonwealth Games status and international, Australian and South Australian profiles, to name but a few. For the information of members of the House, the Equestrian Federation has been extremely successful in its international, national, Commonwealth and South Australian profiles. In 1985, Sam Stichel was a member of the Australian trans-Tasman team. In 1986, Scott Keach was a member of the bronze medal team at the world championships; and Gillian Rolton and Di Schaeffer were in the squad and competed as individuals. In 1987, Scott Keach was a member of the Australian trans-Tasman team and in 1988 he was a member of the Olympic team which finished fifth. In 1988, Erica Taylor

was the only Australian representative in dressage at the Olympics. In 1989, Louise Coulter was a member of the Australian trans-Tasman team. In 1990, Bill Whyntie was a member of the Australian team at the world championships in Stockholm. In 1990, Anna Savage was a member of the overseas Australian squad at Stockholm. In 1991, Gill Rolton was a member of the Australian trans-Tasman team and in 1992 she was a member of the Olympic team at Barcelona and, as we all know, won a gold medal.

The Equestrian Federation has done extremely well over recent years, and to pick up a gold medal and bring it back to South Australia was a particular achievement. The question must be asked: why has the institute chosen to exclude the Equestrian Federation from the sports plan? It is also of concern that the federation has been unable to get an appointment to discuss the matter, despite requests of the Director of the Sports Institute. It is also of concern that the Sports Institute has not sought a meeting with the federation to ascertain its individual problems.

It has been put to me that the Equestrian Federation is not being considered for two reasons, the first of which is that it does not have a full-time coach. Members who know anything about the equestrian world would know that there are three divisions: dressage, cross country and show jumping, each of which requires a part-time coach. This is a matter of negotiation, and something can be worked out. It is not acceptable that the institute will not talk to the directors of the federation to ask how it can help. It is not surprising that the federation feels as though it is being discriminated against, that it has been ignored, when, in fact, it meets the criteria required by the Sports Institute.

I think it is only right and proper that the Minister instruct the Director of the Sports Institute to enter into negotiations immediately with the South Australian Equestrian Federation. It is not good enough for the institute to want to identify itself with the successes of the equestrian movement by being photographed with some of the medallists but then to exclude it from the sports plan. The Minister can resolve this issue very quickly by instructing the Director of the Sports Institute to contact the Executive Officer of the Equestrian Federation to ensure that the equestrian movement is included immediately in the sports plan.

The Hon. M.K. MAYES (Minister of Environment and Land Management): I am delighted to have the opportunity—

Mr Lewis interjecting:

The Hon. M.K. MAYES: I hope the honourable member is not reflecting on the order of business of the day and the freedom of members to speak on behalf of their electorate. I am quite amazed at that sort of comment.

Mr Lewis interjecting:

The Hon. M.K. MAYES: I will not be distracted, because time is valuable, and I will use it very effectively. I rise again to comment on the despicable activities of the member for Hayward in my electorate regarding development of the Goodwood High School site. He has put out a very sleazy newsletter, and a very serious situation has been brought to my attention by one of my constituents. The member for Hayward's newsletter, which was written on parliamentary letterhead, contains innuendo clearly suggesting to the people of Goodwood that Housing Trust tenants are not quite up to scratch and are not equal to the rest of the community. I have news for the honourable member.

In Goodwood, there are quite a number of Housing Trust units and cottage homes, and the people who live in that accommodation are very much part of the community and play a very active role. The letter states in part:

> I write to introduce myself as the Liberal candidate for Unley and to appraise you of a situation in which you might have an interest. In answering a question which I put to your local member in the Estimates Committee, he said:
>
> > The trust is interested in the Goodwood Tech site and has been for many years, knowing that there may be a potential for sale. The council is also interested in the site, as I understand it. The trust is proceeding to negotiate with the Education Department, as it has a right to do.
>
> I am given to believe that negotiations have indeed proceeded to a point at which the trust may have acquired a substantial portion (if not all) of the property.

The honourable member is suggesting that Housing Trust tenants living in Goodwood are not quite up to scratch. As confirmation of that, he goes on to say:

> Contrary to assertions made by the local member that I am against Housing Trust tenants, I have always been proud to represent an electorate in which over 30 per cent of housing is trust owned.

Why would he say that if he was not trying to provide himself with an escape clause. Clearly, the implication—

Mr Ingerson interjecting:

The Hon. M.K. MAYES: It hasn't got up my nose at all. I am enjoying every minute of it, and the more he does it and the more the Deputy Leader and particularly the member for Mitcham, who I invite to become campaign manager again, help him, I am delighted. I more than welcome them in my electorate, because every time they step in there they only help me. The only benefit they can give anyone comes to me. I am very concerned about this, because this letter which was sent to one of my constituents—I will not name my constituent, but I have the letter in front of me—asks him to telephone the honourable member. My constituent rang the telephone number given and discovered that it was the member for Hayward's electorate office. Of course, this was for information purposes, to find out what might be happening, as the honourable member's letter encouraged my constituent to do.

Mr Becker interjecting:

The Hon. M.K. MAYES: I will not respond to that. My constituent was informed by the electorate secretary of the member for Hayward that this was 'an attempt by Mayes to stack the electorate'. Let me put some facts on the table. The member for Hayward alleges that the Government and the Housing Trust are spending significant sums in Unley to develop Housing Trust accommodation. Unley has one of the lowest percentages of Housing Trust accommodation of all the metropolitan electorates. We have just been provided with figures that show that, over the period of this Government, $750 000 has been spent in Unley on Housing Trust development, and $1.2 million has been spent in the District of Hayward. I draw that fact to the attention of the House to set the record straight.

I will make a brief comment in relation to what I regard is an interesting and useful article by Alex

Kennedy in the *City Messenger* of 29 September. The article states:

Then, sometimes, estimates unveil some of the backroom Opposition thinking by saying things that would be far better left unsaid. The winner in that category this year was Mark Brindal MP for the no-more seat of Hayward—

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

ADJOURNMENT

At 3.42 p.m. the House adjourned until Tuesday 20 October at 2 p.m.

HOUSE OF ASSEMBLY

Tuesday 13 October

QUESTIONS ON NOTICE

GOVERNMENT EMPLOYEES

129. **Mr LEWIS:**

1. How many employees in each department for which the Minister is responsible have been promoted to a higher paid status of 'acting' in various positions during the year 1991-92 in circumstances where the appointment is temporary, such as when the incumbent is on leave of some kind?

2. In how many such instances has the acting employee then taken leave of some kind themselves and in how many instances did they receive the higher duty pay whilst in the acting position and on such leave?

3. What was the increase in the total cost to each department of the leave, so taken, at the higher duty rate?

The Hon. LYNN ARNOLD: Due to the excessive time needed to answer the various questions raised, it is suggested that the honourable member contact the relevant Ministers with any questions relating to specific 'acting appointments', in any particular Government department or regarding matters of policy concerning acting appointments.

TRUANCY

59. **Mr BRINDAL:**

1. Over the past 12 months, how many cases of reported truancy were handled by Education Department officers (other than school based personnel), how many prosecutions were undertaken and what other actions were taken by the department?

2. How many School Attendance Counsellors are currently in service and where are they based?

3. Has regulation 126 (2) been varied in any way since August 1991?

4. Is the new roll book which was in production in August 1991 yet in use and, if not, why not?

5. What specific instructions are contained in the new roll book and does it provide a greater breakdown of reasons for absenteeism?

The Hon. S.M. LENEHAN: The replies are as follows:

1. *(a)* 1481.

(b) 11 were referred to Children's Aid Panels with five consequently referred to Children's Court and one parent prosecution.

(c) Systems level action taken by Department.

— the new Roll Book introduced in February 1992. This provides for:
  - whole of school monitoring
  - early identification of absenteeism
  - accurate recording for enrolment and attendance
  - specific analysis for reasons of absence.
— 70 additional primary counsellors over 103 campuses.
— ERU include attendance levels as part of review.
— Attendance to be addressed as an issue in School Development Plans.
— Project Officers—Crime prevention and attendance.
— Aboriginal education workers and Aboriginal programmes.
— 5 additional Attendance Counsellors to be placed in near future.
— Interagency referral process.

Student level

— the establishment of preventative programmes through the School Discipline Policy.
— Interagency collaboration on addressing students' home, school, social and behavioural problems.
— the establishment of alternative programmes that include a combination of work, school and home study.

2. There are eight Attendance Counsellors based in:

Eastern Area	1
Western Area	1
Metropolitan	
Northern TASS Centre	2
Southern TASS Centre	1.5
Adelaide W TASS Centre	1.5
Adelaide NE TASS Centre	1

3. Regulation 126 (2) has not been varied. Under this Regulation the Principal is responsible for the proper keeping of all school records and for the prompt preparation and forwarding of all Departmental returns.

4. The new roll book was implemented into schools from the commencement of the 1992 school year.

5. The instructions on the first three pages of the roll book give comprehensive advice on procedures for marking the roll. This includes:

- roll entry requirements
- explanation of entry codes—including some examples
- student transfers
- end of term total

It further specifies that the roll is

- a legal document
- required for audit purposes
- a statistical base which can monitor the level of participation of all students
- confidential

It must be marked accurately with all parts completed.

Instructions require that there is a roll book for each class, and that the roll will be called out and marked at the beginning of each school day.

The new roll book provides for a greater breakdown of reasons of absenteeism. Entry codes are for reasons of illness, family, unexplained lateness, school contact with home. Where unexplained absences are recorded schools take action to follow up if a child is absent for more than 2 consecutive days.

EDUCATION DEPARTMENT

56. **Mr BRINDAL:**

1. What was the snapshot profile taken on 1 March 1992 in respect to the Education Department workforce?

2. How many contract positions were offered in each Department area to teachers of the secondary, primary and junior primary years and how many contracts were there in the Special Education field?

The Hon. S. M. LENEHAN: The date on which the annual snapshots are taken may vary slightly from year to year but they coincide with the Census which is conducted in the fourth week of term 1. In 1991 this occurred on 1 March and in 1992, 21 February. The table below shows the snapshot profile taken in February 1992.

Category	FTE
Teachers	13 612.9
Ancillary	2 977.9
GM & E Act	775.6