

HOUSE OF ASSEMBLY

Wednesday 11 August 1993

The **DEPUTY SPEAKER (Mr Ferguson)** took the Chair at 2 p.m. and read prayers.

DINGO CONTROL

A petition signed by 27 residents of South Australia requesting that the House urge the Government to allow domesticated dingoes to remain in the current owner's care was presented by Mr Becker.

Petition received.

LEGISLATIVE REVIEW COMMITTEE

Mr McKEE (Gilles): I bring up the second report 1993 of the committee and move:

That the report be received and read.

Motion carried.

Mr McKEE: I bring up the third report 1993 of the committee and move:

That the report be received.

Motion carried.

QUESTION TIME

BENEFICIAL FINANCE

The Hon. DEAN BROWN (Leader of the Opposition): Will the Premier ask the criminal prosecutions task force to investigate whether the former Premier gave false evidence to the Royal Commission relating to the dismissal of Messrs Baker and Reichert from Beneficial Finance? Last Wednesday the member for Ross Smith said that 'at the time of the separation of Baker and Reichert' he was told by the Chairman of the board that 'they did not think there was substance in it and there was no way that it could be pursued'. This was his purported explanation of why the former Premier did not ensure that there was an immediate and full investigation of allegations of criminal activity involving Baker and Reichert.

If this latest explanation is true, it is in serious conflict with the evidence that the former Premier gave to the royal commission which was that at the time of their sacking he was told that their conduct, and I quote from the former Premier, 'was being investigated or would be investigated'. That is from his written evidence, and then from his verbal evidence to the royal commission, I quote: 'I was not aware of the outcome of that particular inquiry.' There is no evidence that any investigation of Baker and Reichert was continued after their departure. I have received advice that this conflict can be resolved only by the criminal prosecutions task force investigating the central issue of whether or not the Government ensured there was a proper inquiry into the conduct of Baker and Reichert immediately the Government was informed of the serious allegations against them at the end of July 1990, and, if there was no such inquiry, why the Government failed to act.

The Hon. LYNN ARNOLD: After their rather disappointing performance in Question Time yesterday members opposite have decided to revisit a topic that was well answered last week. Not only was it well answered last week,

but it is a topic that the Leader himself does not want to answer, because when he was given the opportunity to debate the matter with the member for Ross Smith he chose not to do so. He refused to do so. I might say that I also said last week that if he had any new evidence on this matter he should present it and, indeed, as I mentioned last week, and I will repeat the point again, the royal commission term of reference No. 4 is precisely meant to deal with all these issues. If the honourable member has any new evidence he is invited to make that evidence available to the royal commission. However, he does not come up with any evidence. First of all he refuses to debate the issue and then he refuses to say whether he has any evidence or not. Indeed, we must take it that he does not have any new evidence.

I made the point last week that all the evidence that was before the royal commission and the Auditor-General and the reports of the Royal Commissioner and the Auditor-General are in fact part of any process that is being followed through in term of reference No. 4. The task force in its work is designed to assist the Royal Commissioner in terms of pursuing to the furthest extent possible any criminal actions that can be taken against anyone who has been guilty of any criminal activity in the matter of the State Bank. We have gone into this matter thoroughly. Every possible discrepancy and avenue is there to be investigated.

Members interjecting:

The Hon. LYNN ARNOLD: Well, the Leader laughs, but what does he do in terms of coming up with actual evidence, actual substance? He does not come up with any.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: All of these matters, and any matter of substance, are there to be investigated by the royal commission, and I repeat the comment I made last week: if you have evidence on this matter, do so. I might also suggest that the Leader should have the courage to stand up and actually debate the matter properly with the member for Ross Smith, which he refuses to do. He cannot take on a direct questioning on this matter. It is easy enough for him just to sit over there, as he has done for most of his parliamentary career, and throw the questions and disregard any of the answers that have been given on this matter—totally disregarding any of the answers that have been given on this matter—and refuse himself to answer questions on the issue.

Now, I repeat the point: the effort we have gone into here is a very thorough one. All the information and all the evidence from various people on this matter, including evidence that would have been sought by the counsel, the taxpayer funded counsel, that the Opposition had before the royal commission is available—and more besides. If there is more evidence to be had, if there is more evidence that somehow missed the extensive investigation of the royal commission and the Auditor-General and people can provide evidence of that, then that too will be investigated by the process that we have in place. There is nothing more that can be said about that. What more can be said—

Members interjecting:

The DEPUTY SPEAKER: Order! I call the member for Goyder to order.

The Hon. LYNN ARNOLD: —other than that all the information that exists can be considered. But as to information that does not exist, how can that be considered? I put the question back to the Leader that he has an obligation, if he believes there is evidence in addition to what is already before the royal commission and the Auditor-

General and any other public forum, including information that may have been in this place, to make it available.

STATE BANK

The Hon. J.P. TRAINER (Walsh): I direct my question to the Premier.

Members interjecting:

The DEPUTY SPEAKER: Order! I call the Leader to order.

Members interjecting:

The DEPUTY SPEAKER: Will the honourable member for Walsh please sit down. I will not tolerate interjections across the Chamber from one side to the other while we are supposed to be conducting Question Time. It is unfair to the member who is asking the question and unfair to the rest of the House. I would ask members to contain themselves. The honourable member for Walsh.

The Hon. J.P. TRAINER: I ask the Premier: what contribution will the sale of the State Bank make toward the debt reduction objective set out in the April economic statement Meeting the Challenge, and what options does the process provide to the Government in selling the bank?

The Hon. LYNN ARNOLD: I thank the honourable member for his question. His asking it today is very significant, because today my colleague the Deputy Premier will introduce the legislation that will facilitate the preparation for the possible sale of the bank. It is a very important piece of legislation that will be followed by other legislation in the months ahead. This is just the first step in the legislative process. I want to make the point that its contribution to the State's debt reduction strategy is contingent upon getting a fair price for the bank. As I have made the point time and again, if there is not to be a fair return for the bank it should not be sold. If we can get a fair—

Mr S.J. Baker: What's the price?

The Hon. LYNN ARNOLD: The Deputy Leader asks about the price. Here we are embarking on a sale process, putting it up for sale and attempting to get the best possible price, and he is saying, 'Look, before you go out and ask people to tender a price, before you ask people to say how much they are prepared to pay for the bank, you tell them what you would like.' That is a ridiculous way of going about the situation and we are not going to conduct it on that kind of basis.

Members interjecting:

The DEPUTY SPEAKER: Order! I ask the Premier to take his seat. I would ask members to come to order, because this Question Time will be conducted properly. I have been fairly tolerant both yesterday and today with members shouting at the top of their voices to try to drown out the person who is answering the question. I repeat that I would ask members to contain themselves and behave properly.

The Hon. LYNN ARNOLD: The point I have made on many occasions is that, if a sale price offered for the bank is of less value in present day terms than the likely income stream of the bank, it is not a good deal to sell it, because other areas of Government would then be deprived of money to provide for the schools, for the hospitals and for other things, and that would mean we would not have as much money for those sorts of purposes.

If on the other hand the sale process results in a better present day value return than the present day value of the future income stream, then clearly not to sell the bank would be a very bad decision, because it would cost, and it would

cost in the capacity of Government to deliver the sorts of services in schools, health and other areas that the community wants. I simply come to the point that, in terms of answering the Deputy Leader's interjection, he knows the package that has been made available by the Federal Government, which he himself acknowledges is a very generous package.

He was on the steps of Parliament House saying how generous a package it was, so he at least acknowledges that. And he knows what is regarded as the future income stream of the bank. It is assessed that it has very good prospects of making real profits (unlike the illusory profits of before) of \$100 million a year in present day terms.

Mr D.S. Baker interjecting:

The Hon. LYNN ARNOLD: The member for Victoria says that is a joke, but I know that there are many on that side who do not agree with his views on that matter. It is then very easy to work out the kinds of prices that would not be good sale prices and the kinds of prices that would be. What we want is the best possible price and, if the price does not go above that threshold point, there will not be a sale. One of the things that we want to do is to have as open a process about this as possible and not to tie down the sale process in the way the Leader wants it tied down.

The Leader is saying that all sorts of things must be met. For a start, the headquarters must be kept in South Australia and there has to be a golden share. I cannot quite see what the purpose of the golden share is. That would be an albatross around the neck of a Government if that situation were to apply. Then he puts all sorts of other *caveats* on the sale process, effectively trying to chase away anyone who would be interested in making a reasonable price offer for the bank.

We are saying that we will take all those other issues into account in assessing the relevant tenders that are made later on, but we will do so on the basis of what will generate the best return and do whatever is required to get the best financial return for South Australia. The Leader has also tied himself down to another constraint—a public float. He is saying he does not care what anybody else says about trade sales, a public float is the way to go, notwithstanding that the analysis we released previously indicated that a public float was not the best option. In fact, it was a worse option than keeping the bank, but the Leader, who has not considered his position on those matters, could not care less about facts like those and has gone on record saying a public float is the way to go.

If a public float were to generate a better return than a trade sale, certainly that would be the way to go, but, on the basis of all the evidence to date, that is not the case. In contributing to the financial planning for the future and providing the best options for delivering services to South Australians and addressing the need for a debt management strategy in this State, this Government will sell the bank on the best possible terms, for the best possible price. If it turned out to be a better deal not to do so, of course it would not be sold. I am confident that the process we are entering into, which will begin today in a legislative sense, will deliver us the best possible price for the bank, which means the best possible financial return for South Australians.

Mr S.J. BAKER: Mr Deputy Speaker, I wish to raise two points of order.

The DEPUTY SPEAKER: We will take them one at a time.

Mr S.J. BAKER: The first relates to repetition, and, secondly, I would ask that the time be noted in the Premier's response.

The DEPUTY SPEAKER: I do not uphold the first point of order, and it has been difficult, as I understand it, because of the number of interjections that have been made. However, I agree about the length of time. The question was asked at 2.10 p.m., about 7 minutes ago. I believe it is time the Premier wound up his reply, and I ask him to do so.

BENEFICIAL FINANCE

Mr S.J. BAKER (Deputy Leader of the Opposition):

Will the Premier seek an explanation from the member for Ross Smith for the reasons why he did not ensure a full investigation of the alleged illegal conduct of Baker and Reichert immediately this matter was brought to the Government's attention? If that explanation is not satisfactory, will he refer the matter to the criminal prosecutions task force and, if not, why not? In evidence to the royal commission, the former Premier's executive assistant, Mr Geoff Anderson, said he told the former Premier, 'It would be better off to be more public on Baker and Reichert.' After referring to the fact that the State Bank had made the former Premier aware that 'there may be criminal charges laid', the Royal Commissioner then asked Mr Anderson, in reference to the former Premier, 'Did he suggest you take that further or not?' Mr Anderson's reply was 'No'.

The Hon. LYNN ARNOLD: The Deputy Leader is quoting from evidence given to the royal commission, and I said in answer to the first question today, as I said last week, that all that evidence is available to Royal Commissioner Mansfield in dealing with term of reference four, so it is there to be investigated by the Royal Commissioner.

Mr D.S. Baker interjecting:

The DEPUTY SPEAKER: Order! I call the member for Victoria to order, and I caution him.

The Hon. LYNN ARNOLD: As I pointed out, the Royal Commissioner is currently examining all the evidence, and it is not a case of my saying, 'Do not look at page 7 321' (which happens to be the page this is on), because it is already there on the evidence; it will be considered, and it does not have to be referred to anybody. It is there to be considered. It is quite ridiculous. It is a matter of duplication simply to say, 'By the way, if you are not going to consider page 7 321, do consider it', because it is there to be considered already; there is no question of a reference to the task force; there is no question of a reference to the Royal Commissioner, because it is all being referred to them in any event.

I do not know what point the Deputy Leader is trying to make in that regard. The Royal Commissioner will consider all that evidence, and he will make his own recommendations. He will not be directed by the Leader or me, and that is quite correctly so. He will make his own recommendations as to possible prosecutions, and all I can say is that when he makes recommendations on that, if they include instructions for prosecutions, this Government will do everything that is required to ensure that those prosecutions proceed. In any event, criminal prosecutions are dealt with by the Director of Public Prosecutions. That office is itself independent, and it would be improper for anybody to attempt to say that it should not proceed with prosecutions. In that situation, where we cannot tell them to do things, I give my full moral backing to saying that any prosecutions that can proceed should proceed. This Government has no vested interest whatsoever in stopping any situation of prosecution—

The Hon. Dean Brown interjecting:

The Hon. LYNN ARNOLD: The Leader comes up with this again: all the evidence is already there before the Royal Commissioner. There is nothing new to put before the Royal Commissioner.

The Hon. Dean Brown interjecting:

The Hon. LYNN ARNOLD: The Leader has put nothing new: all he has said is what is already on the public record, what is already there, and what as I have said is already referred to the Royal Commissioner and also the task force.

The Hon. Dean Brown interjecting:

The Hon. LYNN ARNOLD: The Leader goes on as a cracked record, and a cracked record he is.

Members interjecting:

The Hon. LYNN ARNOLD: He says, 'Refer it': it has been referred. Is the Leader very simple or something? Can he not get the message? It has been referred. The Deputy Leader quotes page 7321 of the evidence. The evidence is before the task force; it is before the Royal Commissioner. Honestly, I do not know what the Leader and the Deputy Leader are going on about when this matter is already there. It has already done the journey that he wants it to do; it is already before them. If there are any other matters that they wish to pursue, it is there for them to pursue and, if there is any other evidence to come up on this matter, the Leader owes it to the process of justice in this State and owes it to the process of a thorough inquiry in this State, which this Government supports and has actively supported by providing extensive resources for that process, as well as supporting it from day one. The Leader owes it to also support that process and make any information he has available.

HEALTH FUNDING

Mr ATKINSON (Spence): Will the Minister of Health, Family and Community Services advise the House how Health Commission units can end the financial year with unspent funds? Does the Government allow health units to keep their surplus revenue or are they required to return savings to the Health Commission?

The Hon. M.J. EVANS: Certainly, the Government does allow health units to retain their expenditure where they have made savings in the system, where they have made adequate provision in their budgets for contingencies that do not then occur. Of course, those units can retain those savings and funds and spend them on services and the provision of vital patient services in the following financial year. Indeed, let us look at the policy of those opposite who would criticise this circumstance in which we now find ourselves. In March 1992 the member for Adelaide said that the Liberal Party was committed to a system of three year accrual budgeting for the health service which would allow hospitals to keep excess revenue.

Members interjecting:

The Hon. M.J. EVANS: Unless that is a dated policy—and I know how quickly policies can change on that side of the House—let us look at the most recent example in July 1993, but a few weeks ago, when the member for Adelaide is quoted as saying that managers needed increased freedom to manage and that a Liberal Government would guarantee that any savings and efficiencies within the health system would be retained and spent on services. That is exactly right. Those funds must be retained in the health system—and not only in the health system, because they must be retained by those health units which have made the savings. It is perfectly

reasonable for those health units to engage in budgeting practices which result across 200 health units throughout the State in ensuring that they have adequate provision for salary and wage rises, for equipment which arrives in August but which has been ordered in the previous year and for grants which arrive from the Commonwealth, for example, days before the end of the financial year.

Naturally, in a budget of \$1.4 billion there can be a carry over of 1 per cent or 2 per cent. I would be much more pleased with that slight carry over figure than a deficit figure, which would certainly not indicate the same degree of appropriate management. If we are looking at the question of savings, let us see where those savings would occur if the Opposition were to be in a position of controlling the health budget in this State. We have had a number of comments over the years about savings from non-medical services. First, they were going to save \$40 million, then it was \$20 million and then it was 40 per cent. Let me take some of the more conservative areas, because it is hard to pin down exactly what that policy would be. However, if savings of those kinds were to be made out of that budget, we would be losing of the order of 1 000 jobs, and that is making a conservative estimate and allowing reasonable provision for goods and services as well as wages.

If we take \$40 million out of that non-medical services expenditure line, as the Opposition plans to do, there would be over 1 000 positions in this State where people would be unemployed. I am not even going back to the Leader's statement about 25 per cent: I am talking just about the \$40 million and the 1 000 jobs that that represents. Let us get some accuracy back into this debate, let us have some rational management about that, and let us understand and accept the very words of the member for Adelaide that managers do need the freedom to manage; they do need the options with which the health system now provides them. While I congratulate them on realising that policy, they should understand that it was implemented by this Government over 12 months ago.

BENEFICIAL FINANCE

Mr INGERSON (Bragg): My question is directed to the Premier. What inquiries did you make at the time of the Baker and Reichert sacking from Beneficial Finance about the reasons for their sudden departure?—'you' meaning the Premier.

The Hon. J.P. TRAINER: On a point of order, Mr Deputy Speaker, we have a very strong tradition in this Parliament that all questions and comments have to be directed through the Chair, and that normally precludes the use of the word 'you' in the way in which the honourable member is trying to use it. This is not the House of Representatives.

The DEPUTY SPEAKER: I ask the member for Bragg to direct his questions through the Chair.

Mr INGERSON: What inquiries did the Premier make at the time Baker and Reichert were sacked from Beneficial Finance about the reasons for their sudden departure? Evidence to the royal commission shows that, at the time Baker and Reichert were sacked, Mr Rod Hartley, then the permanent head of the Department of Industry, Trade and Technology for which the Premier had ministerial responsibility at that time, was aware of the allegations against them. In early August 1990, Mr Hartley spoke to Mr Geoff Anderson about the matter.

There is also evidence that Mr Hartley was speaking to a person in the present Premier's ministerial office about the problems in Beneficial at that time. A diary note of former bank Chairman, Mr David Simmons, recorded that on 10 August 1990 Mr Hartley advised him that 'Lynn Arnold's secretary believed that Beneficial was the big target in Parliament.' Other evidence to the commission shows that during 1990 Mr Hartley and the present Premier had a number of discussions about State Bank issues.

The Hon. LYNN ARNOLD: This is another case of trying to draw together separate sentences and statements and trying to create a totally different conclusion from the case. I had no evidence available to me to dispute the statements that were made by either the bank or Beneficial Finance at that time regarding the dismissal of Messrs Baker and Reichert. Because there was no evidence to dispute the statement of the bank and Beneficial Finance, there was no reason further to question that statement. In any event, of course, it was not my ministerial area but, quite apart from that—

Members interjecting:

The Hon. LYNN ARNOLD: Well, there was nothing to ignore.

Members interjecting:

The Hon. LYNN ARNOLD: There was nothing to ignore. The facts are—

The DEPUTY SPEAKER: Order! I would ask the Premier to ignore the interjections and to address the Chair.

The Hon. LYNN ARNOLD: If one reads the business pages, one discovers that many CEOs leave their positions quite suddenly.

The Hon. Frank Blevins: Like the member for Bragg—at 2 o'clock in the morning.

The Hon. LYNN ARNOLD: That is right. The former Deputy Leader left quite suddenly. In fairness, he did ask the question and I did actually question that one, because it was a bit interesting to find out the reasons, as there were good grounds to dispute the public statement made on the occasion about that matter. In this particular matter, as on the transfer or removal of other CEOs, where there is no evidence to dispute the statement made, there is hardly much purpose in asking questions about that. I have given detailed evidence about the matters that Rod Hartley discussed with me and he has done likewise before the royal commission. The Opposition well knows—because it had its own counsel at the royal commission who heard all the evidence and who, in fact, had the opportunity to ask questions of me on that evidence—the nature of the conversations between Rod Hartley and me and what information was canvassed between us.

I repeat the point I made when I commenced my answer to this question: I had no evidence available to me to dispute the statements made by the bank and/or Beneficial Finance regarding the dismissal of Baker or Reichert.

FINNISS SPRINGS

Mrs HUTCHISON (Stuart): Can the Minister of Aboriginal Affairs inform the House of the details of the Government's proposal to resolve the dispute over the Finnis Springs property near Lake Eyre? At the weekend the Minister announced that this property would be transferred to the Aboriginal Lands Trust for the benefit of all those Aboriginal people associated with it. I would appreciate the Minister detailing the process through which the reconciliation of this longstanding dispute will be achieved.

The Hon. M.K. MAYES: I thank the member for Stuart for her question and certainly her ongoing interest in the affairs of Finnis Springs. The honourable member has, of course, been there, met with the communities and taken a very personal interest in the whole resolution of this issue. My colleague the Minister of Education, who first became involved in this difficult situation as Minister of Environment and Planning, attempted to resolve this issue following deputations she had received from numerous representatives of the Aboriginal communities. I say 'communities' because several communities are represented in this area. Of course, some of them have claimed custodial right of control and management of the Finnis Springs area and also, of course, of the heritage of the particular region.

Cabinet has resolved that it will in fact move the lands across to the management of the Aboriginal Lands Trust. The former Minister of Education having resumed the pastoral lease, we have now reached agreement with the original shareholders of the Finnis Springs Pastoral Company and the property will now go to the Aboriginal Lands Trust for their management and care. I think that is probably the only solution to this very emotional issue.

I know there are still mixed views about this matter, but I note the comment of the member of Morphett regarding Mr Reg Dodd, representing the Arabana people. In fact, today he has announced his support and thinks 'it's a brilliant idea'. We can therefore record for *Hansard* Mr Dodd's views about this.

I do not think the dairy community is so excited about the concept but, of course, we have to recognise, as I am sure the member for Stuart does, that two other communities are involved: the Kuyani and the south-western Aranda. Those communities, to some degree anyway, can claim pre-eminence in terms of their claims regarding the Finnis Springs area.

We have, I believe, come up with what is the best solution for the situation. I have now requested in writing to the Chairman of the Aboriginal Lands Trust, Mr Garney Wilson, that the trust enter into discussions with the community to establish an ongoing management plan that will involve all members of all communities in the Marree/Finnis Springs area, and also that there be a continuation of mining and pastoral activities on the Finnis Springs station, recognising the heritage values existing there and the particular sites that are of significance to the community.

I, as Minister of Aboriginal Affairs and as Minister of Environment and Land Management, have powers in any event to recognise any of those areas brought to our attention which can be substantiated as being sacred to those communities.

I think that we have come up with the best solution. I look forward to the continued support of the communities and the productive and valuable contribution that Finnis Springs will make not only to our cultural life but also to our economic life.

BENEFICIAL FINANCE

Mr OLSEN (Kavel): I address my question to the Premier. Is he refusing to ask the criminal prosecutions task force to investigate the Government's failure to ensure an immediate and full investigation of the alleged criminal conduct of Baker and Reichert because he and other Ministers may be implicated in their failure to act on this serious matter?

As well as the evidence referred to in the previous question that the problems at Beneficial were being actively discussed in the Premier's ministerial office at the time, I also refer to the fact that the Attorney-General told another place on 14 August 1990, 'It is not a matter of the State Bank or Beneficial standing out as being institutions that have been badly managed.' Yet, and in contradiction to the Premier's previous reply, that statement was made a fortnight after the Government was told that the two most senior executives of Beneficial Finance would be sacked over alleged illegal conduct and that the company was on the brink of financial collapse.

The DEPUTY SPEAKER: Order! Before the Premier answers this question, I draw the attention of members to Standing Order No. 120, which states that a member may not refer to any debate in the other House of Parliament or to any measures impending in the House. I am not taking a point on the honourable member, but I hope that members will bear that in mind when framing their questions. The honourable Premier.

The Hon. LYNN ARNOLD: There were a number of times in the member for Kavel's question where he, I think quite deliberately, misused or chose words to create a different impression from what is the case. By so doing he tries to convey the impression, again by innuendo, that the Government is not desirous of seeing this whole issue fully and thoroughly investigated. I make the point again that we want it fully and thoroughly investigated.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: I hope I shall have a chance to answer the question. I mentioned that all that is on the public record is there for the Royal Commissioner to examine. The criminal investigations task force is there to assess whatever matters can be referred to the Director of Public Prosecutions, the Australian Securities Commission, or whoever else, for prosecutions to take place. I have given the assurance that it is not in this Government's interests to ensure there is any stopping of that process. We want that process to be as thorough as possible.

I now come to the way in which the member for Kavel framed his question. He referred to the failure of the Government; he is claiming the failure of the Government. Statements have been made on that matter. I do not accept that contention, but that is the way that he puts it. He does not say that this is an Opposition claim; he attempts to put it that it must be correct because he, the member for Kavel, says so. Then he said that the matter was actively discussed in my former ministerial office. There is absolutely no evidence of that. That is simply not the case. Then he makes the case—

Members interjecting:

The DEPUTY SPEAKER: Order! I ask the Premier to resume his seat. This is a very serious question. The Parliament is deserving of an answer. I do not believe it is correct to ask a question and then to shout down the person to whom that question has been addressed. I request that the Parliament should proceed in the proper way. The honourable Premier.

The Hon. LYNN ARNOLD: In the previous question some evidence was quoted about allegations of certain comments having been made to an officer in my former ministry. There is no substantiation that that matter was relevant to the general theme of the question that was asked, and it is certainly not a case of its actively being discussed.

Then the member for Kavel said that the Government was told. I made the point a minute ago as to what was known by me in this matter. Yet he makes the reference that everybody in Government somehow knew what he claims was known. He is simply making allegations. I make the point that until thoroughly investigated—and we have put the resources behind all this to investigate thoroughly all these matters—allegations are just that. They are not statements of fact—even though the member for Kavel would want to believe them to be so—until they are proven to be so.

I come back to the point, and I ask the member for Kavel to listen very carefully indeed. With regard to all, not just some, of the things that have taken place, we have not said to the criminal investigations task force, 'By the way, only consider certain matters; leave aside other matters.' Nor have we said to the Royal Commissioner, 'By the way, ignore page 7 231.' The very number of the page indicates that someone's evidence has been before the Royal Commissioner, and the Opposition had their own counsel to ensure that all matters were thoroughly investigated, unless they are claiming that he did not do a good job or something. The point is that there has been no attempt by me or by anybody in the Government to say to the Royal Commissioner or the criminal investigations task force, 'Lay off certain areas.' That has not been the case. We want them to investigate all matters that need to be investigated. That is all that is to be said about the matter; nothing more can be said.

The Leader comes up again and talks about referring all these matters. All these matters are before the criminal investigations task force; all these matters are before the Royal Commissioner. What I might be able to do is telephone and say, 'Can I have some of the evidence back so that I can take the action of referring it to you, but you will have to give it back to me to give it back to you!' That is absolutely ludicrous. The fact is that all the information that is available is there. Information that is not available has not been sent to the Royal Commissioner or the task force for the simple reason that it is not available; it does not exist. Anything that exists and is known about is within the province of the task force and the Royal Commissioner to make whatever recommendations need to be made and to undertake whatever actions need to be undertaken.

GARBAGE RECYCLING TRANSFER CENTRE

Mr HAMILTON (Albert Park): My question is directed to the Minister of Housing, Urban Development and Local Government Relations. Will he consider or request an extension of the closing time for submissions by the South Australian Planning Commission on the proposed Royal Parkways Garbage and Recycling Transfer Centre; and will he request the SA Planning Commission, when placing advertisements in newspapers regarding objections to this and other like proposals, to ensure that they are in the language or languages which are predominant in those suburbs?

Angry responses communicated to my electorate office reflect the frustration contained within this question. My constituents have pointed out that advertisements placed in the local government section of the *Advertiser* on 6 and, indeed, 13 August—and the closing date for such responses will be 20 August—will give little time for constituents to submit a proper objection. A letter directed to me contains the frustration that I mentioned. It states:

No proper translated information about the proposed site has been distributed in the area. We would like it considered that protest

against the centre has been restricted to those who can read English and whose experiences do not make them afraid of authority.

Hence my question.

The Hon. G.J. CRAFTER: I shall be pleased to pass on the honourable member's suggestions and concerns to the State Planning Commission. I understand that the proposal to which he refers is for the establishment of a waste recycling, sorting and transfer centre on the site on the corner of Old Port Road and Tapleys Hill Road at Royal Park. The land is currently zoned light industry within the city of Woodville and is currently an engineering, motor wrecking and car sales site. The surrounding land is predominantly commercial and industrial, although I understand that there are some residences nearby.

The applicant has applied for planning approval. As it is a waste operation, the South Australian Planning Commission is the planning authority in this matter. The commission is currently dealing with the proposal and is awaiting comment from a number of authorities and agencies with an interest in it. The proposal is currently on public exhibition, as the honourable member said. As required under the Planning Act, the commission gave direct letter-box notice to 29 abutting and nearby land-owners and occupiers and gave public notice in the *Advertiser*. The closing date for objections and submissions on this matter is 20 August. So far I understand the commission has received a number of objections from interested persons.

Indeed, I would suggest more are expected given the interest that the honourable member refers to for this matter in the local community. Objectors have the right to be heard by the South Australian Planning Commission prior to the decision, and obviously interpreters are available to assist those persons who do not have English as their first language to give evidence. Of course, there are appeal rights for parties aggrieved by a decision of that body.

Neither council nor relevant State Government agencies have yet provided comment and, of course, I cannot indicate whether or not the matter is likely to obtain approval. However, the proposal involved significant landscaping and screening, and most sorting of recyclables is proposed within a large noise proof building. Traffic movement will occur principally along Tapleys Hill Road, Old Port Road and Hardy Street, which is a non residential street. However, should the proposal receive planning approval it will also need a licence to operate from the Waste Management Commission.

NAPIER DISTRICT

Mrs KOTZ (Newland): Does the Premier agree with a member of his Cabinet that the needs of the Napier electorate have been ignored by the Government because of ineffective parliamentary representation for the area?

Members interjecting:

The DEPUTY SPEAKER: Order!

Mrs KOTZ: The Minister of Primary Industries has circulated a parliamentary report to local residents that states:

For too long the Napier area has been considered a safe Labor seat and taken for granted.

The Minister also claims that as an Independent Labor member he has, over the past 18 months, personally achieved what he calls 'long overdue improvements for the area'.

The Hon. LYNN ARNOLD: I might say that the member for Newland does not seem to be representing the electorate of Newland all that well by going to another area altogether.

Quite apart from that, just add up the sorts of comments that come from the other side. On the one hand the honourable member is attempting to say that the electorate of Napier has not been well looked after, while on the other hand members opposite have said that too much Government money was going to Labor electorates. The fact is, that the situation—

Members interjecting:

The Hon. LYNN ARNOLD: Members opposite have made that point, and I noticed the member for Bragg listening very carefully yesterday to the statement of the Minister of Health, Family and Community Services on health spending, and he wanted to know whether there was going to be a fair deal for Liberal held electorates around the State. In fact, he interjected and asked, 'Is Burnside going to get a fair deal?' He is firmly of the view that this Government has been, quite determinedly, keeping funds away from Liberal electorates and putting them into Labor electorates.

That has been the view of members opposite, but now the member for Newland says that that is not the case, apparently it is something different. The honourable member is trying to make use of what is a campaigning situation between candidates for this seat. The point is that the Government has fairly distributed resources to South Australians throughout the State. It is the case that sometimes—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD:—constituents in individual electorates may consider that they are not receiving a fair deal. I have been a member for the northern area for a long time and I sometimes hear constituents in various northern areas saying, 'We wonder sometimes whether we are getting a fair go. We wonder whether we are getting a fair share of the resources. We think all the resources are going down south, because Governments seem to look after the south.'

Mr Brindal interjecting:

The Hon. LYNN ARNOLD: The member for Hayward interjects and makes the point that down south is where they are not getting the resources. In fact, I have been down south and I have had people there say to me, 'We are worried that we are not getting a fair share of the resources down here. They are all going up north.' Well, this is just the way things go.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: In terms of campaigning in different areas, people look for the best possible deal and the best possible representation for the area that they seek to represent, and in any election environment candidates nominate themselves as the best possible candidate to represent a certain area. That has been the situation on many occasions. I recall when the member for Mount Gambier was Minister of Education and a former member for Newland, who lost his seat many years ago, was issuing newsletters in his area that were very critical of the Government of which he was a member.

The Hon. Frank Blevins: He was right.

The Hon. LYNN ARNOLD: Well, in that case he was right. The member for Mount Gambier responded to a question on that occasion and indicated that that was just the way things go when he was speaking up on behalf of the people of the area that he was seeking to represent.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: The simple facts are that we are in an election climate, and all candidates for seats seek to

put themselves in the best possible light to represent the areas for which they are standing, and they say that they believe they can best articulate the argument for those people.

Members interjecting:

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

The Hon. LYNN ARNOLD: Quite clearly, that is not necessarily a situation accepted by other candidates. I make the point that the track record of this Government is one of equity and fair distribution of resources to all electorates of this State, and we have dealt fairly with those areas that have particular economic disadvantages. Seats in the northern area have been well dealt with by this Government. In fact, one has only to look at the Government's track record over many years, a track record that has been deliberately distorted by the Opposition, which says that we did it for political purposes. In fact, we have done it simply for basic social justice principles, and that is something of which I am very proud.

Members interjecting:

The DEPUTY SPEAKER: Order!

MAIN STREET PROGRAM

Mr HERON (Peake): Can the Minister of Tourism outline to the House whether the popular Main Street program is likely to be expanded to assist more areas of this State? In my own area a lot of interest has been generated in the Main Street program and we have been successful in getting a coordinator to put together a number of programs to benefit local businesses and the community in the vicinity of Henley Beach Road.

The Hon. M.D. RANN: I am delighted with this question, which contains considerable irony because I keep getting letters from members opposite saying that they want to have Main Street in their area. They also want enterprise zones for their area, which is interesting because on the day that we announced them the Leader of the Opposition and others denounced them as being useless and said main street was tired and old hat. We have received letters from a number of people, and indeed the member for Adelaide and the member for Kavel are a few of the many people who have indicated their support for these programs.

I am delighted to be able to make a major announcement today, because there is enormous enthusiasm for the main street program. From around South Australia we have received over 40 applications to join the program, with more than half having already commenced their own projects without State Government support. Of course, this level of community self help is to be applauded. I can inform the House that Burra and Penola will receive main street funding as part of the historic towns program, along with Glenelg and Port Adelaide, because of their importance to tourism, and Clare, Jamestown, Peterborough and Whyalla, because of their regional importance to rural communities.

I am sure there will be massive applause from those people opposite who were opposed to main street but who now want it for their towns because the mayors have got on their back. I am very pleased to be able to announce an additional \$105 000 in funds for the State Government's 1993-94 Main Street program after this overwhelming response from local Government, business and local communities.

Some people would know that Norwood Parade, Lobethal and Willunga were the first regions in South Australia to

receive assistance for their main streets programs. The extra allocation—

The Hon. Dean Brown interjecting:

The Hon. M.D. RANN: Tricky Dean is making a few interjections, but I will ignore them. The extra allocation for the 1993-94 program will ensure that any backlog of applications will be cleared and that no community involved in the Main Streets project under the guidelines is left without assistance. The Leader of the Opposition asked, 'What is Main Street?' That is interesting because he attacked it the day we announced it. Essentially, it is a community based program designed to encourage the refurbishment of commercial districts through the use of consultants. It is designed to encourage people to stop, rather than drive through townships in the country, and enhance the vibrancy of local communities, which in turn will generate jobs and breathe new life into commercial centres throughout the State.

It has already proven most successful as a concept both internationally and interstate, in New South Wales, Western Australia, New Zealand and the United States, and the South Australian program is well on the way to achieving a similar reputation. The State Government has set aside an annual budget of \$250 000 to kick start Main Street projects, with funds of up to \$40 000 to be provided per project. I am told that that is considerably more than other States are providing.

The Main Street Advisory Committee is comprised of representatives from the Retail Traders Association, the South Australian Tourism Commission, the Economic Development Authority, the Small Business Corporation, the Office of Business and Regional Development, the Heritage Branch, the Local Government Association and the Department of Arts and Cultural Heritage. I will be making some more announcements shortly, so keep those cards and letters rolling in.

NAPIER DISTRICT

Mr BRINDAL (Hayward): My question is directed to the Premier. In view of his answer to the last question—

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Hayward.

Mr BRINDAL: —that 'all candidates are presenting themselves in the best possible light', is he aware that the Minister of Primary Industries is now publicly telling the electors of Napier that he is not bound by Cabinet solidarity, and what action will the Premier take? The Premier said—

Members interjecting:

The DEPUTY SPEAKER: Order!

Mr BRINDAL: —last week that 'the Minister of Primary Industries... knows the rules of Cabinet solidarity and actively works within that'. However, the Minister is now announcing to the electors of Napier—

Members interjecting:

The DEPUTY SPEAKER: Order! The honourable member will please take his seat. I ask Government members to hear the question in silence. I believe that what is fair for one side is fair for the other. The honourable member is trying to make a point. I believe he should be heard.

Mr BRINDAL: However, the Minister is now announcing to the electors of Napier, through his parliamentary report, that 'as an Independent member I am not tied to any strict "Party line", I am not the captive of any Labor faction, being free to make up my mind on issues in the best interests of local people.'

Members interjecting:

The DEPUTY SPEAKER: Order! I call the member for Hanson to order.

The Hon. LYNN ARNOLD: The member for Hayward, who is standing for another seat altogether because he knows he cannot win a seat down near Hayward, is clearly showing that he has no understanding of the concept of Cabinet solidarity. The member for Hartley is an Independent Labor member in this place, as are the member for Elizabeth and the member for Semaphore. They have at all times made the point that, by being Independent Labor, they are not tied by the Labor Party, and that is quite correct. But when they enter into any process such as the coalition Cabinet, which two of those members have, they are tied by Cabinet solidarity and that, the member for Hartley freely and fully acknowledges and, I might say, totally adheres to.

MASLIN BEACH

The Hon. D.J. HOPGOOD (Baudin): Will the Minister of Housing, Urban Development and Local Government Relations indicate to the House when the residents of Maslin Beach will enjoy the benefits of common effluent drainage?

The Hon. G.J. CRAFTER: I thank the honourable member for his question and for his ongoing interest in this local concern. The Government has allocated \$1.5 million of Better Cities funds to construct a septic tank effluent drainage scheme (STED) for Maslin Beach. In addition, \$1 million has been spent in Aldinga Beach already as part of the program to upgrade urban services in these southern areas. Under the STED program, funds are provided to local government for the design and construction of schemes by the private sector. Local government provides part of the capital funding and is responsible for the scheme's ongoing maintenance.

Funds have now been made available to Willunga council and bids are currently being sought from consultant engineers to design and supervise construction of the scheme. A design consultant will be selected by the end of this month and the full design process will take about three months. A preliminary design will be prepared during September, and under the Local Government Act it is then the subject of a 21 day public consultation process. The Willunga council then needs to consider any objections and incorporate any changes that it sees fit in the design. During December the final design will be completed and tenders called for the construction of the scheme. A tenderer can then be selected during January and it is hoped that construction will begin in February 1994.

PRIMARY INDUSTRIES MINISTER

Mr BECKER (Hanson): My question is directed to the Premier. Does he defend the Minister of Primary Industries against the accusation of the member for Napier that too often the Minister has a desire for publicity at all costs and too often he loses his marbles?

The DEPUTY SPEAKER: Order! The Premier may answer the question or not, but he certainly has no responsibility for that area.

The Hon. LYNN ARNOLD: It would be interesting to know exactly what the member for Hanson thought of all the comments made by the member for Napier last night in his speech, because when I read that particular piece I noted that the very first person the member for Napier referred to was none other than the Leader of the Opposition, who has lost his marbles and who has a penchant for publicity. I noted that

the speech was an overwhelming attack on the policies of the Liberal Party and an attack on the Leader of the Opposition.

Is the member for Hanson saying that he signs off on all that, he thinks all the member for Napier said last night is correct and he is quite agreeable with the criticisms of his own Party's policy and all the points made by the member about the Leader of the Opposition and other members opposite?

The Hon. Frank Blevins interjecting:

The Hon. LYNN ARNOLD: In fact, he probably does, that is right. I suppose it is unfair of me to bring him out in the open like that since he has led with the chin a bit in asking this question. The honourable member has had a bit of bad luck with respect to asking questions lately and leading with the chin a bit. Apart from that, all members of Parliament clearly have a penchant for publicity; it is part of the nature of being a politician, I guess, and we will have much more of it in the months ahead. Those members of Parliament and those candidates who do not have a penchant for publicity in the months ahead will find that they will be behind in any political race.

I do not see anything particularly wrong about having a desire to get publicity. Of course, some people do it in a very disreputable way, and there is a number of members opposite whose publicity seeking is quite disreputable. But the member for Napier was not making that statement about disreputable publicity seeking; he was merely talking about an overwhelming desire to seek publicity.

Members interjecting:

The Hon. FRANK BLEVINS: On a point of order, Mr Deputy Speaker, I am probably the thickest skinned person in this place, but I draw your attention to an interjection by the member for Victoria, who again accused the Premier of burning the flag. His words were, 'That's why you burnt the flag', and I object to that strongly.

The DEPUTY SPEAKER: Order! That is a matter for the Premier to take objection to, if he so desires.

The Hon. LYNN ARNOLD: I have in fact objected to that before. I did not hear the interjection on this occasion. It is totally without foundation, as I have indicated to him, and members on his own side know. If the member for Victoria wants to see this place turned into a place where untrue things are said about other members and their past, then—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. LYNN ARNOLD: Is the Leader backing this up as the right thing to happen? Is the Leader supporting the fact that untrue things can be said about members in this place? Does the Leader think that is a good thing, because the member for Victoria does? If that is the way he is going to play the game, he will find the same sorts of things being said about him to misrepresent his past, to take out events that were not true and say they were true. That is precisely what will start happening if he follows those sorts of rules.

You play by those rules and you suffer their impact. I state again that I totally deny the allegations made by the member, as other members opposite know, because when the allegation was made the honourable member had the courtesy to go and check it out and find out that it was not true.

MEMBER'S REMARKS

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

Leave granted.

Mr BRINDAL: Yesterday the member for Playford made a contribution to the grievance debate in which he made specific allegations concerning a particular member of the Economic and Finance Committee. To avoid the slur that was thereby cast on all members of the committee, I inform the House that I was the member to whom he was referring. However, I categorically deny the allegations concerning my actions which the member for Playford reported to this House as fact. Indeed, when the Economic and Finance Committee re-examined the confidential document I had allegedly leaked this morning, it was apparent that neither the numbers of the Beneficial employees nor the amounts quoted in the question tallied with that document. I cannot reveal more to the House, because that document is indeed classified as confidential.

The honourable member has contravened Standing Orders both by imputing improper motives to me and by making personal reflections upon me. Accordingly, I ask either for his unqualified withdrawal in this House or that he repeat those allegations outside this place so that I might pursue my ordinary rights according to law.

GRIEVANCE DEBATE

The DEPUTY SPEAKER: The proposal before the Chair is that the House note grievances.

The Hon. J.C. BANNON (Ross Smith): If we had any doubts about the purely political nature of the matters raised by the Leader of the Opposition and his colleagues, today they were certainly dispelled. After all, we all know that it is a stunt to ask for information already available to be made available, because that is the basis of what the Leader is saying. Last week this matter was raised for the first time. The Leader of the Opposition was not prepared to debate that matter in the venues that were provided to him. He was not prepared to do anything outside the protection of this place. Fair enough, that is his prerogative, but he did say, 'I am not abandoning it: I am going to pursue it. It is a matter of gravity.'

Yesterday we assembled again, and what did we have? Not a single reference to it. This matter of great urgency, this matter affecting the integrity of an individual member and by implication the Government as a whole, this matter that was seen to be the leading and most important issue to be raised when Parliament opened, was simply forgotten, put to one side; it simply became irrelevant, despite the promise of the Leader of the Opposition that he was going to pursue it. Perhaps what has happened in the past 24 hours is that the Leader of the Opposition has been shamed into doing something. He has been asked those difficult questions by members of the media: 'Hey, what about the importance of this issue? What did you say last week about pursuing it this week? When will it happen?'

In order to get over his embarrassment, he rather hoped that the events of yesterday—his accusations concerning the political test that should be applied concerning appointments in the Public Service—would allow this matter somehow to be forgotten. But, no, it was going to have to be on the agenda again, so he cobbled up a little set of questions today, with nothing new, a repeat, a re-run of allegations made—and

again getting the response they deserve, that is, if the burden of your question is, 'Should these matters be within the purview of the investigating bodies'. Of course, there is no need for the Premier to say, 'I will refer to those bodies information already available to them.'

In pursuing this matter in this way without a scintilla of further evidence or any kind of validating material, the Leader of the Opposition is indeed conceding the total political nature of the exercise. There was a suggestion of course that I had clear and unambiguous advice about this. That is totally wrong, and that can be seen from any of the records, evidence and reports that have been so adduced. Incidentally, the fact that that might have been wrong, that is, that the issue was clear and unambiguous, is well proven by the Auditor-General's report where, after that exhaustive two year investigation with the fullest resources at his disposal, the Auditor-General was not able to conclude that the loans to Beneficial Finance executives were in their nature things that would attract adverse findings. Specifically, in volume 16, page 43.11 of the report, the Auditor-General states:

It should be stated, at the outset, that some of the publicity in respect of this matter has been based on internal Beneficial Finance reports that my investigation has found to be misleading and inaccurate. This issue has been exhaustively examined by my investigation, and I have concluded that, while there are some irregularities in respect of the provision of loans to executives, the matter does not attract adverse findings.

That is what the Auditor-General has said. Yes, there is the Jolen Court matter, it is being pursued and there are recommendations in relation to it, and well and good, but I did not have clear and unambiguous advice. The second suggestion is that it was up to me in the face of this rather murky and difficult situation to follow it up by laying complaints to the police. That is wrong: the board had a responsibility, it was in charge of relations between the executives it employed, and it had the information, and that responsibility is totally ignored by what the Leader of the Opposition said. Indeed, it is ignored constantly in comments and criticism. The Auditor-General's findings are ignored, as I have suggested, the Royal Commissioner's report is ignored, as I pointed out last week, and the question which I was asked in Parliament and which required the parliamentary and appropriate public response again has been ignored. The only conclusion I can draw is that some kind of intimidation is involved in this activity by the Opposition.

Mr OLSEN (Kavel): In response to what the member for Ross Smith has just said, there is a simple fact that he ignores: he got advice and as Premier and Treasurer of this State he had a fundamental responsibility to check the veracity of that advice and do it forthwith. He did not do so: he abdicated his responsibility as Premier and Treasurer of this State. Many people wonder why the member for Ross Smith is still sitting in this Parliament; it is pretty clear that the member for Ross Smith is here in a desperate attempt to rewrite political history. You will not be able to rewrite political history in this State; you will not be able to correct—

The DEPUTY SPEAKER: Order! The member for Walsh has a point of order.

The Hon. J.P. TRAINER: The member for Kavel is falling into the trap of not directing his remarks through the Chair; he is using the expression 'You'.

The DEPUTY SPEAKER: I must uphold the point of order. The member for Kavel.

Mr OLSEN: Thank you, Mr Deputy Speaker. The member for Ross Smith has made a desperate attempt to rewrite the recommendations of the royal commission, to rewrite what the Auditor-General has had to say, and it simply will not work. In recent weeks the member for Ross Smith has been the subject of some intense scrutiny in this House. The now Premier will not take any positive action to have the matter clarified before the criminal prosecutions task force. Why? Why will the Premier not initiate an action to have this matter clarified? I suppose he is relying on the old saying, 'Unless you know the outcome of an inquiry, do not have one; do not initiate one; do not take one on.' That is clearly the position at the moment, because it would ascertain that the former Premier was negligent in his duty, and that may well not be a criminal offence, and therefore the criminal prosecutions task force may not go searching for that, but there clearly is an abdication of responsibility. Any company director in the same position as the former Premier and Treasurer who had acted in a way that was such an abuse of responsibility—

The Hon. J.C. Bannon: I was not a director.

Mr OLSEN: I know you were not a director; I am drawing a comparison with your responsibilities as Premier and Treasurer of this State with the responsibilities that the Australian Companies and Securities Commission applies to all directors out there in the public domain. Anyone out there in the public domain who neglected their responsibility in the same way that the member for Ross Smith neglected his responsibility would have been before the Australian Companies and Securities Commission and would have had to answer for the neglect of their responsibility to the shareholders of their company. The shareholders in this instance are the taxpayers of South Australia, yet the member for Ross Smith has the hide and hypocrisy to stand in this Parliament and criticise the Opposition for being politically manipulative.

One only has to think back to the 1989 State election campaign, and to evidence put before the Royal Commission, to know that no-one abused their position more than the member for Ross Smith, who used \$2 million of taxpayers' funds to hold down interest rates artificially during the course of that campaign. There is no doubt that, had that action not been taken, the Government would not have won the election. We know it won with a minority of the vote—only 48 per cent. We understand that and we understand that the Government is illegitimately on that side of the House. But the fact is that the former Premier and Treasurer was prepared to use taxpayers' funds of \$2 million to buy their way into government. Let us not hear any more about hypocrisy and being politically manipulative. You are the past master at it.

The Hon. J.P. TRAINER: Mr Deputy Speaker, I rise on a point of order. The member for Kavel is doing it again in addressing remarks—

The DEPUTY SPEAKER: I would ask the member for Kavel to refer to members by their title and not by pronouns. The member for Kavel.

Mr OLSEN: The member for Ross Smith is a man with a past that will never be forgotten and certainly he has a non-existent future. For some reason the member for Ross Smith is determined to inflict the same fate on his own Party. I know not why someone who professes to be a great champion of the Labor cause sits there over the shoulders of the Premier, a constant reminder to the people of South Australia of his negligence and his actions as Premier and Treasurer of South Australia.

If he were a true Labor man wanting to serve the cause of the Labor Party, he would move on, but no, the ghost hangs there over the Labor Party, clearly reminding it and the people of South Australia of his track record of stewardship of this State over some 10 years, attempting, as I said earlier, unsuccessfully to rewrite history.

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

Mr HAMILTON (Albert Park): It is often said by my colleagues that I rarely stray from the electorate of Albert Park, and I have no intention of deviating from that today. In Question Time today I raised the issue of the anger permeating the suburbs of Royal Park and Hendon about the proposed waste management garbage and disposal transfer centre to be located at the corner of Old Port Road and Tapleys Hill Road, Royal Park. My constituents are angered considerably by the fact that they believe they have not received sufficient communication about this issue. They allege that information has not been forthcoming from the council. They believe information has not been disseminated to them in the language or languages that they can understand.

In addition, many people advise me that they are reluctant to sign petitions because they have a fear of authority. Many of them come from the Ukraine, Poland or other areas in Europe and relate to their past experiences during the war. I have great sympathy for all those views. Nevertheless, people believe that information should have been provided to them about the nature of this project. One person has written to me and the letter states, in part:

We have taken the trouble to research the issues within the limits of time currently available to us, because we are aware that we share our neighbourhood with a large number of non-English speaking migrants. In addition to this we have had the experience of supporting a neighbour whose experiences in the Second World War made them reluctant to go to the appropriate authority, namely, the police, over an issue of great concern to them.

A local business owner has commented to us on the reluctance of local people to sign any petition or similar protest regarding this centre if they cannot read or understand the language of what is written. We also note that no appropriate translated information about the proposed site has been distributed in the area. We would like it considered that protest against the centre has been restricted to those who can read and whose experiences do not make them afraid of authority.

For those members who think that this is just an excuse, I enjoin them to talk to those people and local business people in the area who are strongly supportive in their concerns about the proposal. It is easy for people like us or people who are academically qualified or who have professional or semi-professional qualifications and know their way around, but the average Joe Bloggs out in the community, when projects such as this are proposed, would not have a scintilla of information about how they address such a problem.

It was only when I started putting out information in the electorate about how they could appeal against the centre or express their opposition to it that the information came flooding into my electorate office—information that I believe they should already have had; information that should have been made available in more public places than one location; information that could have been disseminated by newsletters to households in those suburbs and other people in the area.

If I can do it, any member of Parliament or any local council can do it. Is it any wonder that these people are angry and upset that the value of their properties and their way of life is to be affected adversely by this proposal? I am not convinced that this proposal is a viable one. I am not convinced that it will not have an adverse effect upon their

health, and it is for that reason that I asked the Minister today to request the Planning Commission to give my constituents additional time to obtain legal advice in order to make a submission and, I would suspect, an appeal to the Planning Commission.

Mr BECKER (Hanson): This afternoon I lodged with the Parliament a petition signed by 27 students and staff of the St Francis School, Lockleys. The petition states:

The humble petition of the undersigned students and staff of St Francis School, Lockleys, sheweth:

that all domesticated dingoes in South Australia be allowed to remain in the care of their current owners and that no orders be issued for their destruction.

Your petitioners therefore pray that your honourable House will allow all domesticated dingoes in South Australia to remain in the care of their current owners. And your petitioners, as in duty bound, will ever pray.

The students also gave me a letter that I will send on to the Minister of Primary Industries. That letter states:

To the Minister of Primary Industries, Mr Groom, Students and teachers of St Francis, Lockleys, are very concerned about Diesel the dingo. We think if he is taken away from his owners he might become aggressive. Aborigines have been using dingoes as friends and companions for hundreds of years. Just because he is a dingo does not mean he is aggressive. That is like saying all humans are dangerous. Why should they put it down when it has done no harm? Why kill the friendship that blossomed between Diesel and his owners?

If you do put him down and he is not dangerous, you have wasted the life of an innocent dog. In some other States you are allowed to keep dingoes as pets, so why not South Australia? So why not change the law? Perhaps the law is too harsh?

From the concerned students of St Francis, Lockleys.

The letter is signed by 238 students of various ages in different classes at the school campus. I can understand the sympathy of young people in relating to pets.

We do all we can to encourage young people to be kind and considerate to one another. We do all we can to encourage students to have and adopt a pet of some kind and therefore there is very close and very real feeling for this particular animal, the dingo. Perhaps in the past we have been too harsh in treating the dingo as a pest rather than a pet. We should learn from the original inhabitants of this land who domesticated and used the dingo for their own personal benefit. The dingo has a very real meaning and a real feeling within the community of this country.

I do not think that we should just go out willy-nilly and destroy somebody's pet. Perhaps, as the students have suggested, the Minister should now totally review the legislation and ask his officers to have an in-depth look at domesticated dingoes and not be so quick to make bold, bureaucratic decisions as they have done on this occasion. I have also received a letter from Hazel Jones of Trinity Gardens. Hazel Jones is no relation to the Jones who own Diesel the dog. Mrs Jones says:

With regard to the matter of Diesel, as Mrs Jones states, she understood him to be a kelpie cross, my queries are—

1. On what basis has Diesel been classified as a dingo? Looks are not a criteria.
2. From where was the dog obtained?
3. Where are its sire and dam? Has their history been checked?

I believe this situation is no different to a statement by someone that he/she has been bitten by a dog. That dog has to be identified positively before action can be taken. We need positive proof he is a dingo before he is taken from the only loving home he knows, where he is fed and watered regularly. If the experts who handle animals daily are unable to prove this is the case, then what qualifications does the Animal and Pest Plant Control Officer have

over the experts. What are the views of veterinary surgeons? Has anyone consulted Dr Schulz who I believe is the surgeon for the Royal Zoological Gardens, Adelaide?

Therefore we ask the Minister to give this further consideration.

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

The Hon. J.P. TRAINER (Walsh): Last night the member for Coles for various reasons, mostly no doubt for noble reasons, spoke on the subject of sexual abuse of students, sexual abuse involving an athletics coach who somehow moved from school to school in the 1980s without, presumably, having any difficulty in taking adequate references with him. In the course of her remarks, made under parliamentary privilege, the member cast a cloud over the reputation of Rostrevor College. Because of the many occasions in recent years in which parliamentary privilege has been used, there have been moves to allow individuals who have been defamed to have a statement in defence of themselves read into *Hansard*. I hold no brief for the school concerned and I hold an absolute and total abhorrence to the practices referred to by the member for Coles. However, I do believe in natural justice and fairness and therefore I intend to read to the House the following statement received today by all members of this House without implying any endorsement of it on my part. This statement by Rostrevor College says:

Rostrevor College did not know that the perpetrator (who was not a member of the teaching staff) had ever sexually assaulted or made advances to any Rostrevor student prior to these offences being revealed in 1988.

Even the mother of the two boys has conceded Rostrevor College did not know of the offending.

Rostrevor College deplores and deeply regrets what happened to the two students.

The abuse of children, whether it be in the home, school or elsewhere, and whether it be sexual, physical or intellectual, is to be strongly condemned.

A great injustice was done to the two boys and, vicariously, to their family by a person, who, by his guile, won the trust of this school and this family as a friend.

It then gives some background information:

In the Central District Criminal Court in May 1989 a former voluntary athletics coach at Rostrevor College was convicted of eight counts of indecent assault involving two youths and was sentenced to a term of imprisonment which was suspended.

None of the offences were committed at Rostrevor College.

The offences were committed between August 1982 and April 1988, when the older brother was aged from 14 years to almost 19 years, and the younger brother, 15 years and 7 months. At the time of the offences, the perpetrator was aged between 19 and 25.

In his sentencing remarks, Judge Lewis said that the perpetrator had no official position of trust in respect of the boys. He was their coach and 'acted, in a sense, as a member of their family in relation to them'. Judge Lewis stated: 'I want to make it clear that I am not saying that I regard you as being in a teacher/pupil relationship.'

His Honour said in his reasons for sentence,

'... [the perpetrator] became a friend of the parents of the boys from 1982 and he spent a great deal of time in the company of the family at their home from 1982 onwards.' As well as being a voluntary athletics coach, the perpetrator also was an unpaid boarding assistant at the college. His relationship with the college was terminated by his resignation in June 1984 because he had entered into conflicting employment with another school in Adelaide. The perpetrator continued the relationship with the youths and their family well after his association with Rostrevor College had terminated.

In April 1985, when the college became aware of allegations of the perpetrator's behaviour at another school, the Rostrevor Headmaster took immediate action to protect the college students. He wrote to the parents of students who were known to be associating with the perpetrator and informed them that he was not, in any

capacity, a member of the Rostrevor College staff and had no official status. The Headmaster also forbade the perpetrator any future access to the college grounds and warned him against having dealings with Rostrevor students, especially while they were under the legal custody of the college.

At no stage was the Headmaster aware of any association between the perpetrator and the youths concerned, nor did their parents raise any such matter. Rostrevor College did not know that the perpetrator had ever sexually assaulted or made advances to any Rostrevor student prior to these offences being revealed in 1988. Rostrevor College acted promptly and decisively to protect its students, even though it had no 'incident' or accusation or complaint on which to make a report to other authorities.

When the older brother advised his mother of the incidents and she complained to the Department of Community Welfare in May 1988, Rostrevor College cooperated to the fullest by making available students' files and giving the family access to this and other information.

Since the perpetrator was convicted, no other family, student or ex-student has ever approached Rostrevor College to comment, allege, or lay a complaint. To the knowledge of the present college administration, no complaint of a similar nature has ever been made in relation to the college. Rostrevor College did not know of the perpetrator's offending, could not have known and did not fail in its duty under mandatory reporting.

That statement is signed by P.D. McGlaughlin, Headmaster, and R.J. Orchard, Board Chairman. I place those remarks on the record without necessarily endorsing them so that anyone reading *Hansard* at a later date will be aware that at least one of the parties referred to by the member for Coles had an alternative view of events.

The Hon. D.C. WOTTON (Heysen): I do not need to remind this House of the controversy surrounding the introduction of poker machines in this State. Indeed, the Opposition recognises that there was a considerable amount of controversy and a lot of concern in the community, and I want to refer to some of that concern at the present time. It is interesting that we have only just learnt that the number of poker machine licence applications in South Australia—

Mr Atkinson interjecting:

The DEPUTY SPEAKER: I call the member for Spence to order.

The Hon. D.C. WOTTON:—has now reached 100. We are told that the lucrative poker machine industry is expected to earn the State Government \$1 million a week when in full swing and that it is on target to start on 28 October, just before the Grand Prix weekend. We are told also that the Adelaide Casino is tipped to install the first machine, with hotels and clubs to follow. Further, we are told that, through the generosity of the Government, as part of the package the Government has promised \$2 million to rehabilitate gambling addicts—\$2 million. The money would be provided, we are told, to welfare agencies if a need could be proved.

Church and welfare groups quite rightly have attacked this particular situation. They have said that they did not believe that the Government was serious, and is there any wonder that they are saying that? Let us note the comments of the Superintendent of the Adelaide Central Mission, the Reverend Ivor Bailey, who has referred to it as 'just another politician's promise':

We cannot take this seriously. It is just an afterthought in their grab for pokie revenue. Mr Bannon made a similar promise in 1984 when the Casino was established and we are still waiting.

And so the people in this State are still waiting. Mr Deputy Speaker, the Adelaide Catholic Family Service Director, Mr Dale West, said:

The money should be provided up front; an agency should not have to prove a need.

If any members in this House do not agree with that, then let them go out and find out first hand; talk to the non-Government agencies in the welfare area; go out and talk to those people; find out the stress and strain under which those organisations are working at present. To hear that somehow welfare agencies, already struggling to meet the community's needs, have resources to gather information to support a submission for funding is absolutely absurd.

I share the concern that is being expressed by those volunteer agencies, by the non-Government agencies that are extremely critical, and so am I, of the fact that this Government, having agreed to the introduction of poker machines, can now turn around and say, 'Well, we will do the right thing; we will provide \$2 million to try to help those people who become addicted if you can prove to us that there is a need.' Every member of the Government should be ashamed of the situation and I urge them to go out and talk. I am talking about the members of the Government who supported the introduction and who have made it happen.

I have spent a considerable amount of time in the past few months talking to non-government agencies about the pressures under which they are working, and if any members on either side of the House are unsure about the support that those agencies are giving people in need, go and ask them. I urge all members of the House and particularly the Government to listen to the concerns about this issue. The \$2 million being provided by Government is a pittance; it is a disgrace, and if it is genuine it should abide by the promise it made previously and the promise it has now made.

LEADER'S STATEMENT

Mr MEIER (Goyder): I move:

That this House congratulates Liberal leader Hon. D.C. Brown on his recently released statement 'Make a change for the better' and acknowledges the vision and positive benefits for South Australia's future contained within the 'Freedom to grow' Liberal vision statement.

On Saturday 26 and Sunday 27 June a very important function occurred in this city. It was the Liberal State Convention, held at the Convention Centre, at which the many hundreds of people present enjoyed a stimulating two days. In fact they also enjoyed a magnificent speech by my Leader, the Leader of the Opposition, the next Premier of South Australia, the Hon. Dean Brown. In that speech the Leader of the Opposition said that we can make a change for the better—not just a change for the sake of change but a change by which a Liberal Government will give our State and the people of this State freedom to grow.

The Liberal vision for South Australia is for a vibrant economy growing by exporting to the rest of Australia and to the world; South Australian businesses making a world mark with the quality of their production; a private sector free to grow without unnecessary Government interference; regional growth to revive our great primary industries; the highest standards of education and training preparing South Australians for satisfying and creative jobs; security of employment for our work force—jobs which will keep our communities and our families together and our children in South Australia rather than having to look for opportunities elsewhere; open and honest Government fully accountable to

Parliament and the people for its actions and decisions; a public sector of integrity and service, able to help free most people from personal disadvantage and to assist those in genuine need; equality of opportunity, choice and excellence in education; high quality health services and a lifestyle the rest of Australia envies; and women participating fully and equally in all spheres of our society. That, in a nutshell, is the Liberal vision for South Australia.

Why do we need the vision and the freedom to grow? The reasons have become obvious to members of this House over the past few years. Certainly all Opposition members know, and increasingly day by day members of the Government know. We heard the Minister of Primary Industries indicating reasons why there needs to be a new freedom and vision simply by his references to what is going on within the Labor Party and the way its members have been in-fighting and promoting one thing only—their own factions.

Over the long years of Labor Government our State and its people have lost their vision and direction, having been left such a strong economy by Sir Thomas Playford when he was Leader of the Liberal Party. There is no doubt that South Australia lags behind. Our economy has fallen well behind the growth rates in other States. South Australians have also lost the freedom to grow in a personal sense through reduced employment opportunities, a lower quality of education and cutbacks to other essential services such as health, community safety and passenger transport.

The cost of Government to South Australians through the taxes and charges that we pay has risen rapidly. In this respect, I want to refer to some of the statistics as they apply to employment and unemployment. Job losses in South Australia over the past 10 years, looked at in real terms, amount to about 26 000 in addition to what our average should have been. South Australia's growth rate is substantially below the national average. In population terms, South Australia over the past 10 years has lost about 75 000 people—an absolute tragedy. If a normal Government had implemented normal policies to keep the State going at a normal pace without any great excess in growth, 75 000 more people would be in this State. Just imagine what that would be doing for our economy. South Australia's unemployment rate has been the highest of the mainland States throughout the period of the Labor Government.

We know so many other statistics. I shall refer briefly to taxation. Some of the rises have been astronomical. From 1982-83 to 1992-93 land tax has increased 229 per cent. Adjusted for inflation and so on, that is a real increase of 144 per cent. And we wonder why people do not want to buy in this State! Likewise in that same 10-year period, stamp duties increased by 202 per cent. The adjusted rate is a real increase of 117 per cent—still astronomical. The petrol franchise in that 10-year period rose by 403 per cent, the real increase being 318 per cent. There is no doubt that South Australia and South Australians are suffering, and suffering badly.

At the same time we have lost confidence in the Government's ability to govern in the best interests of all South Australians. The loss of confidence is symbolised by the massive and preventable losses of the State Bank and other Government financial institutions; the failure of the Government to ensure that major development projects proceed to create jobs; the exodus of company head offices, manufacturing facilities and jobs to other States; and the belief of more and more young South Australians that their home State does not offer a future for them.

Labor's dreams have become South Australia's nightmare. Let us look at a few of the dreams that Labor had. I will simply take some that were promised in 1989; I will not go back over the whole 10 years. The following major projects, promised by Labor before the 1989 election, have failed to get off the ground: the Glenelg foreshore development; the Tandanya development on Kangaroo Island; the Wilpena development; the Mount Lofty development; the Marineland redevelopment; the Marino Rocks marina; a paper recycling plant; a Victoria Square facelift, including demolition of police headquarters; a tunnel for the O-Bahn under the Parklands; an O-Bahn for the southern suburbs; a third arterial road to the southern suburbs; and a major expansion of the Art Gallery. If these promises had been carried out since 1989, they would have created thousands of jobs; but, as we have come to expect, they were promises and they were never carried out.

As Liberal Leader, Dean Brown, said to the convention in his vision for the future, two major independent reports over the past year have exposed Labor's failure to govern with purpose and a carefully considered strategy. First, according to the Arthur D. Little study, the Labor Government over the past 10 years:

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

That is the first study, and we had a full debate on it in the last session. However, the Government continues to ignore it.

The second study by the independent South Australian Centre for Economic Studies at the University of Adelaide recently concluded, in analysing Labor's period in office since 1982, that 'looking back over this period, what is remarkable is the absence of any clearly enunciated economic development strategy for this State'.

The irony is that for much of the period covered by these reports the Premier, Mr Arnold, was the Minister with direct responsibility for Labor's economic and development policies. Yet we hear this same person today still sprouting forth and still trying to cover up the mess, and, after today's performance, still speaking his Arnoldspeak.

As the Liberal Leader outlined in the Liberal vision, the confidence of South Australians will be restored in the ability of their Government institutions to respond openly and effectively to their needs and aspirations. In fact, he outlined six principles for Government. A Liberal Government will do this by governing according to certain principles. The first is recognising that the single purpose of politics is to serve people of all ages and backgrounds and that Government policies must be made for people—people are not made for policies. The second is having, as a Government, a well planned and clearly defined strategy for the growth of our State and its people. The third is encouraging all South Australians to share common goals for our future through a genuine community partnership—one in which the public sector works with the private sector, not against it—a true partnership between the Government and people at all levels from Parliament, through the Public Service to community organisations, employers and their employees.

The fourth principle is to lead with consistency and pragmatism from a strong philosophic base that strives to encourage the greatest possible freedom of the individual by

running Government in the interests of the people—politicians must again be seen to be fighting for people before fighting for narrow Party interests. How applicable that has been over the past few weeks when we have heard the in-fighting amongst members of the Labor Government.

The fifth principle is to underpin all actions and decisions of the Government with ethical principles of honesty, probity and equity. The sixth is to ensure that Parliament is effective in holding the Government accountable at all times to the people it serves. There is no doubt, as the Leader of the Opposition said, that the Government must lead and facilitate. That role is proactive, not passive. It provides leadership and facilitates but it does not interfere, dominate or control unless absolutely necessary to protect the overall public interest. In the Liberal vision, a Liberal Government will give the clearest possible signals that it is doing all within its power to encourage the private sector to create jobs through successful competition in national and world markets.

The Government will help to create a new era of economic diversification, growth and vitality in South Australia through taking the State into the world economy after two decades of missed opportunity. There is no doubt that there needs to be a balance between the economic and the caring responsibilities of the Government. In the Liberal vision there is a balance between the economic and caring roles of Government. With a growing economy we will be able to put more resources into the caring role. Achievement of the Liberal vision recognises that it is a constant responsibility of Government leadership to encourage continuing public support for a growing economy. In fact, the Liberal Leader outlined the principles for promoting economic growth, as follows:

1. To encourage a competitive outlook in the South Australian economy.
2. To recognise that businesses are best run by people and not the Government.
3. Minimal Government regulation of business.
4. The lowest possible Government taxes, charges and fees.
5. World-class education and employment training institutions.
6. To ensure that institutes of vocational education are real alternatives to universities.
7. To work on an industry by industry basis to support improved standards of production and specific new types of investment with a focus on various areas.
8. In partnership with specific industries, to develop plans for their growth which remove Government impediments to that growth.

The Hon. T.H. HEMMINGS secured the adjournment of the debate.

STATE DEBT

Mr S.J. BAKER (Deputy Leader of the Opposition):
I move:

That this House endorses the principle that all funds generated from major sales of State Government assets be directed to the reduction of State debt.

In moving the motion all members will be mindful of the situation that the State Government has put this State in. It is absolutely vital that we get out of the mess that has been created as soon as possible. I would like to reflect for just a

minute. I was in the United States and Canada during the winter of 1991-92 and travelled from west to east across America and then from east to west across Canada visiting various state, municipal and federal authorities in the process and looking at finance and budgeting. The compelling observations that were made need to be repeated in terms of how difficult the situation becomes when debt is allowed to escalate without any management plan.

I visited the city of New York which, at that time, had been declared bankrupt and, in fact, needed to enter into a scheme of arrangement with the state and federal governments. The amount outstanding to the city of New York was some \$25 billion, which worked out to a debt of something like \$2 500 per head of population. If you look at the State debt today and use Meeting the Challenge as a guide until the budget is brought down, the figure for South Australia is \$8.1 billion for 1.5 million people, and that computes to around \$5 500 for every man, woman and child. If we then draw a comparison between the two sets of figures, we see that South Australia is twice as bankrupt as the city of New York, yet bankruptcy has not been declared in this State.

When I was in Philadelphia that city had also been declared bankrupt and had to enter into a scheme of arrangement with the state and federal governments to get it out of its debt problems. Its debt was around \$15 billion for approximately seven million people. So, if we apply the same equation, we are more than twice as bankrupt as the city of Philadelphia. When I travelled to Canada and talked to the federal government and some of the provincial governments, I heard the same message. The fishing industry in Newfoundland has diminished over the past two decades, and its debt problems are just horrific. In fact, 75 per cent of its budget revenue is spent on its debt servicing requirements.

A number of other provinces of Canada have spent up big, not worrying about the future. The difficulties that they face, the loss of population and the loss of economic activity is quite profound, and they are becoming backwaters in Canada. Some of the major cities in the U.S. will also become backwaters because, under the scheme of arrangement, they cannot permit the debt to escalate; they have to go into a management plan which requires them to reduce services and put up taxation. That means that the quality of those cities deteriorates dramatically. In fact, garbage collection, which occurred once a week, is now occurring every two weeks, and a number of other services in these cities are deteriorating because there can be no maintenance expenditure on them. It is a very debilitating process. They cannot allow those cities to continue to spend without looking at their capacity to repay the debt which they have accumulated over time. Of course, New York is no stranger to bankruptcy, because it was in the same situation some 20 years ago.

The State of South Australia under the same terms that I am speaking of, if we applied the American rule of thumb, would be classed as bankrupt. However, Standard and Poors says that we are rated AA because there are guarantees in our Federal and State systems of Government which allow Governments to continue despite the fact that their debts have accumulated well beyond the capacity of States such as South Australia, Victoria and Tasmania to repay those debts. So, our AA rating is only on the basis that we have a Federal

Government that will bail us out. In the American situation Standard and Poors has the city of New York at a C rating and Philadelphia at a B rating. Of course, the costs of funds have increased dramatically with those ratings. The point I am trying to make is that it is imperative that we get our debt under control, but the Government of the day gives us no confidence that that can be achieved under its stewardship.

I wish members to reflect on the fact that in June 1990 the net debt as a proportion of gross State product was 15.4 per cent, which entitled us to a triple A rating. At the latest estimate for June 1993, it is estimated that it is 27 per cent of gross State product. That escalation is due in no small part to the State Bank disaster, which to date has lost \$3 150 million, with more to come. In moving the motion I want to make quite clear that we have a responsibility to ensure that asset sales are dedicated to meeting the challenge of getting that debt down to more reasonable levels.

I was fascinated to read the report I received on Monday from Western Australia relating to its independent audit of State finances, the McCarrey report. In that report the parallels between the operations of the two States were quite startling, the only difference being that Western Australia does have a strong growth profile and a capacity, with good Liberal management, of getting its debt escalation under control in the next two or three years and, because of growth and good management, it will be able to reduce its debt to more meaningful levels. Currently its debt is 23.4 per cent of the gross State product compared with somewhat more in South Australia. But the important factor there, of course, is that Western Australia can actually grow itself out of its problems, whereas South Australia is getting deeper and deeper into debt.

That report noted that the total liabilities of the Western Australian public sector amounted to \$17.8 billion, much of which accumulated in recent years because of WA Inc. and the various financial scandals that were visited upon that State by those crooks who were in power—the Labor Government that was in power—during that period. The State has a gross debt of \$11.3 billion and a net debt of \$9.4 billion, somewhat more than our own but, of course, with a population growth and a gross State product much higher than our own, the debt relationship comes in at 23.5 per cent.

The report noted that this debt situation had been a direct result of the cavalier attitude and management of the Government by those notables who were in power at the time. It noted also that, unless the recurrent deficit could be brought back to more meaningful proportions to eliminate the structural deficit of \$150 million to \$200 million a year, which was going to produce a deficit for 1993-94—without any corrective action—of \$560 million, that had to be brought back by some \$300 million to start the regeneration process and the debt reconstruction process.

I noted in the summary and recommendations by the Commission to Review Public Sector Finances, the McCarrey report, that the second last recommendation on borrowing and debt redemption was that proceeds from asset sales should be applied wholly to debt repayment instead of the previous Government's policy of using this income for recurrent spending. I seek leave to have inserted in *Hansard* a table of purely statistical form.

Leave granted.

South Australian Public Sector Net Indebtedness
1949-50 to 1991-92

	Money Terms	Real Terms (a)	Per Head of Population (real terms basis) ^(b)	As Percentage of Gross State Product ^(c)
As at end of:	\$m	\$m	\$	%
1949-50	284	4,396	6,196	61.2
1959-60	752	6,529	6,907	56.9
1969-70	1,473	9,296	8,027	49.6
1979-80	2,242	5,004	3,824	23.7
1980-81	2,397	4,865	3,689	22.8
1981-82	2,600	4,688	3,522	22.8
1982-83	2,943	4,896	3,638	23.4
1983-84	3,283	5,095	3,746	21.6
1984-85	3,427	5,037	3,674	19.8
1985-86	3,700	5,052	3,654	19.2
1986-87	4,038	5,136	3,689	19.7
1987-88	4,002	4,725	3,366	17.8
1988-89	4,165	4,527	3,192	16.3
1989-90	4,303	4,461	3,118	15.5
1990-91 (adjusted) ^(d)	6,737	6,819	4,712	23.8
1991-92 ^(e)	7,268	7,268	4,975	25.7

(a) Real terms adjustment based on the non-farm Australian Gross Domestic Product deflator rebased such that June 1992 = 100.

Source: Australian Bureau of Statistics (Cat Nos 5206.0 and 5204.0).

(b) Population figures as at June each year.

Source: Australian Bureau of Statistics (Cat No 3101.0). A Treasury estimate for June 1992 has been used.

(c) Gross State Product at Market Prices.

Source: Treasury Estimates.

(d) Adjusted for a significant post balance day event, in particular, a further payment of \$1.7 billion in August 1991 to State Bank under the Government's indemnity arrangement with the Bank.

(e) At the time of preparation of this table, all the accounts of State semi-government authorities had not been finalised; accordingly some estimates have been used.

Mr S.J. BAKER: The table is from the financial statement of the Premier at the last budget and shows that at 30 June 1982, which was the last budget managed by the Liberal Government of 1979-82, our debt in money terms was \$2 600 million and in 1991-92 it was \$7 268 million—an explosion in debt, as people can appreciate. Of course, the Premier has now estimated that it will jump further over \$800 million to \$8 109 million as at 30 June 1993. There is some indication that the Government is not committed to debt reduction in the way that we would wish. For example, a recent article in the *Advertiser* revealed that \$492 million had been the proceeds from asset sales in the past three years.

I checked the budget papers and found that in the past three years less than \$90 million worth of sales had been achieved through the budget sector so, obviously, the sales have gone through the agencies and, if we look back to the annual statements from those agencies, we see that they have in fact been treated as revenue, again to boost the return to Government or to reduce its capacity to be called upon for a bail-out. So, we have had \$500 million worth of asset sales and nothing whatsoever to show for it.

Of the \$647 million that has come to us from the Federal Government to cover the State Bank bail-out, already the first \$263 million has been earmarked for voluntary separation packages. That means clearly that, if this Government

continued in power, we would have more and more money squandered from asset sales on things other than debt reduction, which is absolutely vital to this State. It is vital to this State from the point of view of confidence, from the point of view of our international rating and from the point of view of our capacity to provide relief from taxation and provide business in this State with a future different from the situation it faces today.

When we look back at the damage that has been done by this Government and the capacity of the Government to repair it, we see that some serious questions must be raised as to whether it could ever come up to the mark in meeting the challenges. I noted in the document *Meeting the Challenge*—which is a strange reflection on the capacity of the Government; it should have had a number of question marks after it—that the Government talks about \$2 billion worth of asset sales, yet I can find only \$1 billion worth of asset sales.

In my contribution on the Supply Bill I intend to take up this matter, particularly the sale of the State Bank and the very indifferent comments made by the Premier today in this House in answer to a question during Question Time. It is vital that all asset sales proceeds be dedicated to debt reduction, because that is the greatest challenge facing this State.

Mr HOLLOWAY secured the adjournment of the debate.

MITCHAM HILLS

Mr S.G. EVANS (Davenport): I move:

That in the opinion of this House there is an urgent need for more police resources to be made available for proper policing to be achieved in the Mitcham Hills.

In moving this motion I want members to understand just how serious is the situation in that community and how the deterioration of the enforcement of law has allowed that situation to decrease over recent years. One does not need to be very old to remember when one could leave one's home with the doors unlocked; without high fences; without dogs to act as protectors of the home, of the property or of individuals; and when one did not need deadlocks or special screen doors or windows, or to think of methods of stopping people coming through the roof.

People have to look at their roof structure to see whether they can stop these perpetrators against their properties from coming through the roof of the home. It is not only homes: it is business premises, public property, public toilets and even police vehicles that are being damaged, yet we do not seem to be determined about attacking the problem. I do not accept the argument that the authorities cannot stop it in Berlin or New York or some other part of the world. We have it here.

For some reason (and I have said this at other times), attitudes have changed. We have these do-gooders saying that, if somebody gets caught, as happened alongside my office yesterday when somebody was caught shoplifting, the police should not worry about it: they should just warn the parents. All we are doing is giving them the opportunity to be more cunning about it next time. I am not saying we should gaol them or whip them. If it is a case of the parents not being able to control the child, we should offer help to the parents.

We should not run away from it; we should be knocking on the door and saying, 'Your child has been involved in this and people will come and talk it through with you'—not necessarily the police, and not these do-gooders in Family and Community Services who in most cases have themselves never managed a family successfully. The vast majority of them usually have problems of their own. It is no good having that sort of person telling somebody how to run a home or how to get their children back to have respect, feeling and love for one another. We all know there is a problem there.

The Mitcham Hills community is a small one compared with the metropolitan area of Adelaide. In one night some of these offenders deliberately broke up about \$8 000 or \$10 000 worth of windows. They did not steal anything, but indulged in sheer vandalism by putting a brick through the windows. They smashed up the public toilets, the tourist information sign and the senior citizens' windows for about the fifth time; they set alight to the senior citizens club, to the ANZ bank and to the sports store at the school, doing \$6 000 or \$8 000 damage; they burnt down a clothing store worth more than \$1 million; and they burnt the sports store and broke into the proprietor's premises so often that in the end he could not get insurance. They broke into other business premises 18 times in 12 months.

In at least one case, the financial and personal pressure has become so great that the marriage of people who have tried to run a family business has broken up, and there is another burden on the community. The money is not there to pay the bills, and the pressures come back onto the individuals. Yet

nobody really seems to be concerned about it. We hold forums or discussions or get-togethers, but we do not give the police the resources.

I appreciate one thing about the Darlington Police; if I do make an approach with my colleague the member for Fisher, there is a response on most occasions. Dedicated patrols, the mounted police or special unmarked cars are brought in. I appreciate that, but they should be there so that these occurrences are stopped altogether. But there is the argument that you cannot walk up to a group of young people and ask, 'Who are you and you and you?', get all the names and addresses and go around to the parents and say, 'What is this child of 12, 13 or 14 year old child of yours doing at 1, 2 or 3 o'clock in the morning?' We should be waking up the parents and, if the parents are not home, we should wait until they come home and tell them the story. Enough pressure in that area will eliminate a lot of this.

It is serious. A lady of over 50 years was in her home when an intruder knocked on the door. When she opened the door and talked through the screen door, he said, 'Don't be afraid. I'm not going to hurt you. Let me just come in and have a discussion with you.' She told him to go away, and she shut the door. She rang the police, who did not get there until nearly two hours later. The intruder was then in the back yard. Does she not have a right to be concerned and to say that there are not enough resources for the police?

It is no good arguing that we do not have other resources. If, as occurred at Blackwood, a person pulled up at a bank with a pistol and raided the bank, and if the police were there (and they were not, on that occasion), would they stop the offender with a camera, take a photograph of them and walk away? Would they send them a notice in a fortnight or three weeks to say, 'We believe you attempted to break the law, because you were seen with a pistol in the bank and somebody asked the bank for money'? Do we do that? Of course not, yet police officers trained to combat crime are put onto the roads to stop speeding, we are told, because of deaths. I do not know whether there is any difference between dying in a motor accident and having a pistol pointed at you and the trigger pulled.

We put police officers on the road, we take a photograph and we do not stop the offender a couple of hundred metres down the road, as we do with radar, and say, 'We believe you are breaking the limit, because the camera has recorded that. But, when the photograph is developed, you may get an expiation notice in a fortnight or three weeks.' Do we do that? No, we do not. We do not care that the person may be going through a difficult patch in life when they are het up, as one lady was (and I have mentioned this previously in the House). She got several expiation notices in two days, because she had problems in the world. If she had been stopped on the first occasion, she would not have offended on the second, third and fourth.

Mr Hamilton: How do you know?

Mr S.G. EVANS: The honourable member is a great one for being self-righteous. He is one of the worst offenders, and he says the law is a great law. I have had infringement notices, and I have paid the fine. All I am saying is that we do not need to have fully trained police officers carrying out that work: we can have technicians who are trained for that purpose stopping people down the road. I do not object to the expiation notice, but I object to the method used in policing it.

The police sit at the bottom of Shepherds Hill Road behind a bush to catch the people at the bottom of the hill because

they speed at that precise point to get up a steep hill. I am assured by some people that the bush will go. I do not blame them for doing it. I am saying that the principle whereby a person who sees another break the law and does not stop them to tell them they have broken the law, in their opinion, but lets them know a fortnight later, is unprincipled in law. It is unprincipled to see someone breaking the law and not notify them as soon as possible. That is what we are doing.

I will leave that subject to come back to the proposition that technicians be used instead of fully trained police officers who are trained to combat people breaking the law out in the community. At one home in Eden Hills \$40 000 damage was done.

An honourable member interjecting:

Mr S.G. EVANS: The Minister who has this responsibility in this place says that I am on thin ground; let him go to Blackwood and Mitcham Hills and tell people who have lost everything in their house—\$40 000 in vandalism—that I should not raise this matter in this place. Let him say to those people who put a high brush fence around their property to keep people out that, when it is burnt (three of them were burnt in one weekend), that it is not a concern and that I should not come into this House and ask for more police resources for that area.

That is what the Minister is implying by saying that I am on flimsy ground. In Mitcham Hills the situation has become so serious that if some young people wear a scout or guide uniform they are afraid to walk down the street. We have had young people assaulted. We have had business houses put into bankruptcy. We have had elderly people who will not come to evening meetings. There are elderly people who will not go to a function on their own. For example, last Saturday night a lady was going to have to drive on her own to a function and she said she would not attend unless a neighbour came with her. Unfortunately, the neighbour could not come. It is indeed a serious situation.

When we look at the amount of money people spend on security screens, high fences, buying and keeping dogs and installing all sorts of security measures, we see that millions of dollars of resources in this State have been wasted while the Government sits back and looks at fancy ideas to try to combat the problem. The Government says we should not be tough on young people. I do not believe in being tough on young people for a first offence but for a second offence we should be really tough and when they commit an offence a third, fourth, fifth and sixth time we should not release them so that they can go back to a shopkeeper—even though they are over 18 years of age—and say, 'You're the person who dobbed me in and I'll get you—I'll kill you.'

Are members laughing and saying we should not be concerned about it? Is that what we are being told? If we are concerned about the situation, why are we not doing something about it? The police need the resources.

The Hon. J.H.C. Klunder interjecting:

Mr S.G. EVANS: I am telling the Minister that I would give the police more resources. Instead of police sitting behind desks filling out reports, they should be out on the road. We have people trained in crime prevention and apprehension of offenders but we do not use them. Another interesting aspect is that when police officers apprehend someone they often feel it is a waste of time, because nothing is done. The court merely says to the person concerned, 'Don't do it again. We will give you 25 hours cleaning up the community.' Offenders then say they will not undertake that punishment.

All I ask is that we recognise that the police have a difficult problem because of the attitudes that have developed in the community and because we have said that children have all the rights in the world and parents have none. Departmental officers have said, 'If the child does not want to go home or speak to parents, they do not have to do so.' That is what we have done. We have said to parents, 'You are just tools of the system', instead of saying, when there is real trouble, 'We will help you as parents but the children will come home and they will sit down and discuss it with you, and we will not encourage the children to leave home.'

We have encouraged children to leave home through all sorts of pay outs. They can get relief payments to rent a flat when they are under 16 or 18 years of age. They are given money to thumb their nose at their parents and the community and laugh. Even when I raised the matter in this House, there are some members who laugh at the issue. I say that we want more police resources in the Mitcham Hills, and we need them urgently. If other parts of the State have the same need, I would say the same thing for those areas. I have a responsibility to the Mitcham Hills, and we need the resources there now.

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

The Hon. J.H.C. KLUNDER secured the adjournment of the debate.

STATE BANK OF SOUTH AUSTRALIA (PREPARATION FOR RESTRUCTURING) AMENDMENT BILL

The Hon. J.H.C. KLUNDER (Minister of Public Infrastructure) obtained leave and introduced a Bill for an Act to amend the State Bank of South Australia Act 1983. Read a first time.

The Hon. J.H.C. KLUNDER: 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.

This Bill makes a number of technical amendments which will ensure that the preparation for the corporatisation and ultimate sale of the State Bank proceeds expeditiously.

In April, the Government established a high level Steering Committee to progress the corporatisation and sale process.

The Steering Committee has now completed its initial work, focussing on the steps necessary for corporatisation. Much of this work is of a technical nature. It is also inevitably preliminary in its conclusions.

However, it seems likely that corporatisation will need to be by transfer of the continuing parts of the Bank into a new entity to be corporatised by 1 July 1994, with continuation of the existing statutory authority.

The corporatisation process will involve a major "due diligence" type of exercise on behalf of the Government, including a detailed assessment of individual assets. This is to identify any assets which cannot be transferred to the new company, to assess transfer values and generally to ensure that the value and quality of the businesses corporatised for ultimate sale is thoroughly investigated.

The major focus to date has been on corporatisation. In general, it is too early to make any statements about the likely sale value of the Bank beyond those that the Government has already made. It is also too early to be definitive about the preferable form of sale or timing, which will depend on emerging market opportunities. The Government will monitor these closely. However, no sale of the business can take place until after the vendor "due diligence" process has been finalised and no sale could be completed without enabling legislation.

It is clear that there will be a significant legislative program involved in the corporatisation and sale process, probably with three stages. The present amendments, which constitute the first stage, are purely to facilitate further work. The second stage will be to create the corporatised entity and to transfer the necessary assets and liabilities. It is anticipated that a bill dealing with this stage will be presented in the Autumn Sitting next year. Commonwealth legislation will also be required. Legislation for sale of the Bank would then follow as a third stage, probably in 1994/95.

The present Bank legislation does not contemplate a corporatisation process or preparation for sale. Such a process, by definition, must be carried out on behalf of the Government as the owner of the Bank. In addition to Bank officers, the process must also involve public servants, legal advisers and consultants engaged by the Crown.

The Steering Committee and the Bank have been proceeding with the initial work without the need for legislation, based on legal advice to the Government that the Indemnity arrangements are adequate for the work carried out to date. As a matter of prudence, however, the Bill provides for the commencement date of the legislation to be 1 January 1993. This date has been set to avoid any doubt which may arise at any future time in relation to continuing work which must now become more extensive in the way already referred to.

The Bill provides formal authority and a framework for the work which must be undertaken in the next phase of preparation for corporatisation and sale of the State Bank. The amendments authorise such work and provide that the Bank directors and officers must provide information required for the work to proceed and provide any other co-operation and assistance necessary.

I should emphasise that the Bank Board has agreed to co-operate in the process and supports these amendments. The purpose of the amendments is purely to facilitate this co-operation.

The amendments also authorise the directors to take account of corporatisation in making decisions on matters in respect of the Bank. As presently drafted, Section 15 does not allow them to take account of this.

The amendments also apply stringent confidentiality provisions in respect of any information gained by persons other than Bank officers as part of this process. The penalties proposed are in excess of those which apply to Bank officers under the Act.

As I have already noted, these amendments are necessary, but they deal purely with matters of machinery. They do not provide either for corporatisation or sale of the Bank. These matters will be subject to subsequent consideration by Parliament.

Clause 1: Short title

Clause 1 is formal.

Clause 2: Commencement

Clause 2 provides that the measure will be taken to have come into operation on 1 January 1993.

Clause 3: Insertion of Part VI

Clause 3 inserts a new Part VI after section 31 of the principal Act to provide for the preparation for restructuring of the Bank Group undertaking. The proposed new Part VI is to consist of 5 sections.

Proposed section 32 defines the terms used in the Part. 'Authorised project' is defined in terms of proposed section 34(1). 'Bank Group' is defined as being the Bank and the subsidiaries of the Bank. 'Bank Group undertaking' is defined as the undertaking of the Bank and of its subsidiaries, or any part of that undertaking. 'Subsidiary', of the Bank, is defined as a body that is a subsidiary of the Bank according to Division 6 of Part 1.2 of the Corporations Law as modified in its application by subclause (2), or any other body or entity of which the Bank is the parent entity according to Division 4A of Part 3.6 of the Corporations Law.

The proposed new section also provides that in applying Division 6 of Part 1.2 of the Corporations Law to determine whether a body is a subsidiary of the Bank, the reference in section 46(a)(iii) of that Law to one-half of the issued share capital of a body is to be taken to be a reference to one-quarter of the issued share capital of the body, and that shares held, or powers exercisable by, the Bank or any other body are not to be taken to be held or exercisable in a fiduciary capacity by reason of the fact that the Bank is an instrumentality of the Crown and holds its property for and on behalf of the Crown.

In applying Division 4A of Part 3.6 of the Corporations Law to determine whether the Bank is the parent entity of some other body or entity, the Bank is to be taken to be a company to which that Division applies.

Proposed section 33 provides that this Part applies both within and outside the State to the full extent of the extra-territorial legislative capacity of the Parliament.

The proposed section 34 provides for the following action (collectively referred to as the 'authorised project') to be undertaken for the preparation for restructuring and sale of the Bank Group undertaking:

- (a) determination of the most appropriate means of disposing of the Bank Group undertaking and, in particular, whether the Bank Group undertaking should be restructured by vesting the undertaking in a separate body corporate or separate bodies corporate in preparation for disposal;
- (b) examination of the Bank Group undertaking with a view to its restructuring and disposal;
- (c) any other action that the Treasurer authorises, after consultation with the Board, in preparation for restructuring and disposal of the Bank Group undertaking.

This is to be carried out by persons employed by the Crown and assigned to work on the project, officers of the Bank assigned to work on the project, other persons whose services are engaged by the Crown or the Bank for the purpose of carrying out the project, and any other person approved by the Treasurer whose participation or assistance is, in the opinion of the Treasurer, reasonably required for the purposes of the project.

The proposed section provides that the directors and other officers of the Bank and its subsidiaries must, despite the provisions of section 29a (which provides for confidentiality of Bank customer information) and any other law, allow persons engaged on the authorised project, and, with the Treasurer's authorisation, prospective purchasers and their agents, access to information in the possession or control of the Bank or the subsidiary that is reasonably required for carrying out the authorised project, or disposing of the Bank Group undertaking, and provide any other co-operation, assistance and facilities that may be reasonably necessary for any of those purposes.

The directors and other officers of the Bank and its subsidiaries are authorised, despite section 15 (which provides for the policies and principles to be observed by the Board of the Bank) and any other law, to administer the Bank and the subsidiaries taking into account the authorised project and the objective of maximising the return to the Government of the State from disposal of the Bank Group undertaking.

The proposed section also provides that nothing done or allowed under this provision is to—

- (a) constitute a breach of, or default under, an Act or other law; or
- (b) constitute a breach of, or default under, a contract, agreement or understanding; or
- (c) constitute a breach of any duty of confidence (whether arising by contract, at equity, by custom, or in any other way); or
- (d) constitute a civil or criminal wrong; or
- (e) fulfil any condition that allows a person to terminate any agreement or obligation; or
- (f) release any surety or other obligee wholly or in part from any obligation.

Proposed section 35 provides that a person (other than a person who is or has been employed by the Bank) who acquires information as to the affairs of a customer of the Bank by participating in, or in consequence of, the authorised project must not disclose or make use of the information unless the disclosure or use of the information is reasonably required for carrying out the authorised project, or the customer approves the disclosure or use of the information, or the disclosure or use of the information is authorised or required by some other Act or law. It provides a maximum penalty of \$50 000 if the offender is a body corporate and in any other case a maximum penalty of \$5 000.

Proposed section 36 provides that in any legal proceedings, a certificate of the Treasurer certifying that action described in the certificate forms part of the authorised project, or that a person named in the certificate was at a particular time engaged on the authorised project, is to be accepted as proof of the matter so certified. An apparently genuine document purporting to be such a certificate is to be accepted as such in the absence of proof to the contrary.

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

FISHERIES (RESEARCH AND DEVELOPMENT FUND) AMENDMENT BILL

The Hon. T.R. GROOM (Minister of Primary Industries) obtained leave and introduced a Bill for an Act to amend the Fisheries Act 1982. Read a first time.

The Hon. T.R. GROOM: 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.

Under existing arrangements commercial and recreational fishery licence and registration fees are paid into the Fisheries Research and Development Fund ('the R & D Fund') which is constituted pursuant to section 32 of the Fisheries Act 1982 ('the Act'). In accordance with section 32, income from licence and registration fees is put towards various research and development programs undertaken by the South Australian Research and Development Institute ('SARDI'); previously such work was undertaken by the former Department of Fisheries.

During discussions with Treasury on funding arrangements, Treasury suggested that it would be better to have uniformity in the method of funding operations, preferably through the use of the R & D Fund to meet costs of not only research requirements but also costs of administration and enforcement incurred by the Department of Primary Industries (Fisheries). This would also facilitate the general budgetary process. Furthermore, in light of the adoption of special deposit accounts, the expenditure provisions of section 32 of the Act would need to be expanded.

Commercial and recreational fishing sectors have expressed the view that they would not like to see the R & D Fund used as a common fund to support all departmental activities because this would lead to reduced funding being available for research programs. They consider that research activities should not be compromised as there is a need to ensure the long term maintenance of the State's fisheries.

However, the proposed amendment will provide a basis for a net reduction in the Department's draw on consolidated funds, such that fisheries administration and enforcement also could be funded from this source. This is particularly relevant in the current economic climate whereby government funding arrangements should be managed as responsibly as possible, combined with the commercial fishing industry's agreement during 1992-93 to contribute 100 per cent of the assessed recoverable costs associated with management of specific fisheries, phased in over a ten year period.

A specific matter that needs to be clarified in the Act is the collection and disbursement of money on behalf of the South Australian Fishing Industry Council ('SAFIC'). In 1977, the South Australian Government approved annual grants from the R & D Fund specifically for the purpose of funding the operations of the (then) Australian Fishing Industry Council (SA Branch) Incorporated, and that the grants be financed through increased fishery licence fees.

Section 46(b)(xiv) of the Act empowers the making of regulations that prescribe a licence fee, which may be set according to specified matters. In practice, each year the Department consults with SAFIC regarding the setting of licence fees for the next licensing year. When the government component is determined, SAFIC advises its requirement for each fishery and this is added to the government component. A submission seeking variations to the licence fees is put to Cabinet. Subject to Cabinet approval, the regulations are amended to specify a total amount that each licence holder is required to pay. The regulations do not identify the separate components of the fee.

When the licence fee (or quarterly instalment) is received by the Department, the government component is retained whilst the industry component is forwarded to SAFIC. This arrangement operates with Treasury approval.

Verbal advice received from the Crown Solicitor's Office has indicated there is no specific authority under section 32 of the Act to provide for money held in the R & D Fund to be disbursed to SAFIC. It has been suggested that the Act be amended to accommodate the present arrangement. This is incorporated in the proposed amendments to section 32.

A related matter that also needs to be addressed is the collection of money from licence holders as a contribution to the funding base

of the Commonwealth established Fisheries Research and Development Corporation ('the FRDC').

The FRDC provides funding for specific research projects of benefit to Australian fisheries and aquaculture. Funds are raised by way of—

- the Commonwealth Government providing unmatched funds equivalent to 0.5 per cent of the average gross value of fisheries production ('GVP');
- State, Territory and Commonwealth fishers and aquaculture operators providing contributions of 0.25 per cent of GVP; and
- the Commonwealth Government matching contributions by State, Territory and Commonwealth fishers and aquaculture operators up to a maximum of 0.25 per cent of GVP.

As there is no specific authority under section 32 of the Act to make such a contribution to the FRDC, it is proposed that the section be amended accordingly so that South Australia can secure research funding from the FRDC.

In summary, it is proposed that the Fisheries Act 1982 be amended so that the Fisheries Research and Development Fund be utilised for administrative and enforcement purposes as well as for research purposes.

I commend the measures to the House.

Clause 1. *Short title*

This clause is formal.

Clause 2. *Amendment of s. 32—Research and Development Fund*

This clause amends section 32 of the principal Act to empower the Minister to apply money in the Fisheries Research and Development Fund—

- in making any payment to the Fisheries Research and Development Corporation;
- in making any payment to a prescribed fishing industry body;
- in making any refund required or authorised by the Act to be made; and
- in defraying the costs of administering and enforcing the Act.

Clause 3. *Amendment of s. 46—Regulations relating to fisheries and fishing*

This clause amends section 46 of the principal Act. Paragraph (ba) was inserted by the Statutes Amendment (Fisheries) Act 1993. The reference to 'body' in subparagraph (iv) should be to 'committee'.

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

FISHERIES (GULF ST VINCENT PRAWN FISHERY RATIONALISATION) (CHARGES ON LICENCES) AMENDMENT BILL

The Hon. T.R. GROOM (Minister of Primary Industries) obtained leave and introduced a Bill for an Act to amend the Fisheries (Gulf St Vincent Prawn Fishery Rationalisation) Act 1987. Read a first time.

The Hon. T.R. GROOM: 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.

In October 1991 the House of Assembly Select Committee inquiry into the Gulf St. Vincent Prawn Fishery recommended that a number of changes be made to management arrangements relating to the fishery in South Australia. These recommendations were endorsed by the Government in November 1991.

The Select Committee recommended that a management committee be established to determine policy and its execution in the Gulf St. Vincent Prawn Fishery. This committee was to consist of—

- a representative of the licence holders;
- a public officer nominated annually by the Minister of Primary Industries;
- an independent chair selected by the Minister and appointed for two years.

The Crown Solicitor has advised that for a management committee to be anything more than an advisory committee, it must be given statutory recognition.

Amongst other things, the Select Committee recommended that the Management Committee be empowered to suspend fishing licences for up to 28 days following breaches of fishing strategy. For a fishing strategy to be enforceable, a breach of the strategy would

have to constitute an offence against the Act. To give the Management Committee the power to suspend a licence would involve it in making a finding of guilt which would pre-empt the judgment of a court. In this regard the Parliamentary Counsel has expressed concern at allowing a non-judicial body to suspend a licence.

The Government has given careful consideration to this matter and decided that giving such powers to the Management Committee would be contrary to the existing provisions of the Fisheries Act which already has scope for licences to be suspended or cancelled. Accordingly, the Government has decided not to implement this element of the Select Committee recommendations.

The Select Committee also recommended a number of options relating to payment of licence fees and charges. One of the recommendations was that licence holders be encouraged to make larger payments to pay off their individual debt.

If individual licence holders are to be encouraged to make larger payments on their individual debt, the Fisheries (Gulf St. Vincent Prawn Fishery Rationalization) Act 1987 ('the Act') would need to be amended. This matter was clarified in a judicial review (judgment delivered May 1991) which determined that the Act provides for charges to be levied providing they are levied evenly on all licence holders. Under the current provisions, the Act does not provide for a variety of charges to be levied at the same time.

It is proposed that the Act be amended to provide, notwithstanding that all licence holders will incur the same base debt when the fishery reopens, for different charges to apply to different licences to enable this to occur if required.

This Bill also provides for an amendment to section 4 of the Act, which stipulates preconditions that must be met before a licence in respect of the fishery can be transferred. Specifically, the existing provisions require the transferor to pay accrued and prospective liabilities imposed by way of a surcharge on the licence before the Director of Fisheries can authorise the transfer of the licence. The accrued and prospective liabilities relate to money borrowed from the South Australian Government Financing Authority ('SAFA') by the Minister of Primary Industries in order to buy back (remove) six licences and boats from the combined Gulf St. Vincent/Investigator Strait Prawn Fishery. Repayment of borrowed money is to be made via a charge on each of the remaining ten licensees.

It is proposed to remove the charge repayment constraint on the transferor and allow the transferee (incoming licence holder) to assume liability for the prospective licence charge amounts until the debt is extinguished. The proposed variation provides a means for current licence holders who cannot service their licence charges to leave the fishery and the Government to recoup the debt from future licence holders.

At present, if a licensee were to surrender the licence or the licence was cancelled by the Minister for non-payment of any charge against the licence, there is no provision for recovery of the liability other than for the current licensing year. It is proposed that a provision be included in the Act that in the event of non-payment of any amount of the liability, the outstanding amount be recoverable as a debt to the Crown. This would provide the Government with a means of recovering a debt due attributable to a licence holder and help any remaining licence holders by not expecting them to pay for a debt incurred by a defaulter.

Furthermore, the loan from SAFA to the (then) Minister of Fisheries in respect of the Gulf St. Vincent Prawn Fishery was approved by the Treasurer on the basis that the loan would be 'secured' in order to minimise the possibility of a loss. SAFA had a prerequisite that the Minister give SAFA a guarantee to meet the debt servicing obligations associated with the loan.

The proposed amendments to the Act are consistent with the Government Financing Authority Act 1982, i.e., the Government is seeking to secure the loan. This is a straightforward business requirement similar to that which any bank or finance company would insist upon if it were to lend money to licence holders (or any other persons).

In essence, Gulf St. Vincent Prawn Fishery licence holders have an obligation to pay the debt incurred in restructuring their fishery, and it is therefore proposed that the existing deficiencies of the Act be rectified to provide for a more equitable system of meeting that obligation.

Clause 1. *Short title*

This clause is formal.

Clause 2. *Commencement*

This clause provides for commencement of the measure on a day to be fixed by proclamation.

Clause 3. *Amendment of preamble*

This clause amends clause 5 of the preamble to the principal Act by striking out the word 'equally'.

Clause 4. *Repeal of s. 4*

This clause repeals section 4 of the principal Act which deals with the transfer of licences. Section 4 prohibited transfers of licences until 1 April 1990 and since that time a transfer of a licence has required the approval of the Director of Fisheries. The Director is required to consent to a transfer if the criteria prescribed by the regulations are satisfied and an amount is paid to the Director representing the aggregate of the licensee's accrued and prospective liabilities by way of surcharge under the Act, less any component of that prospective liability referable to future interest and charges in respect of borrowing. The section also provides that where the registration of a boat is endorsed on a licence to be transferred, that registration may also be transferred.

The effect of repealing section 4 is that a licence in respect of the Fishery will be transferable in accordance with the scheme of management for the Fishery prescribed under the Fisheries Act 1982. The criteria prescribed by the Fisheries (Gulf St. Vincent Prawn Fishery Rationalization) Regulations 1990 are identical to, and thus duplicate, those prescribed by the Scheme of Management (Prawn Fisheries) Regulations 1991 under the Fisheries Act.

The new section 8 substituted by clause 5 of this measure will provide that the licensee's liability under the Fisheries (Gulf St. Vincent Prawn Fishery Rationalization) Act 1987 will, on transfer of the licence, pass to the transferee (the new licensee). Section 38(4) of the Fisheries Act already provides that where a licence is transferable, the registration of a boat effected by endorsement of the licence may be transferred.

Clause 5. *Substitution of s. 8—Charges on licences*

This clause repeals section 8 of the principal Act and substitutes a new provision.

Proposed subsection (1) requires the Minister, by notice in the *Gazette*, to quantify the net liabilities of the Fund under the Act as at the day fixed by the Minister in the notice ('the appointed day').

Proposed subsection (2) provides that, as from the appointed day, each licence is charged with a debt calculated by dividing the amount determined under subsection (1) by the number of licences in force on the appointed day.

Proposed subsection (3) provides that the debt will bear interest at a rate fixed by the Minister by notice in the *Gazette* and the liability to interest is a charge on the licence.

Proposed subsection (4) requires a licensee to pay the debt, together with interest, in quarterly instalments (which may be varied from time to time) fixed by the Minister by notice in the *Gazette* and payable on a date fixed by the Minister in the notice and thereafter at intervals of three months, or if there is an agreement between the Minister and the licensee as to payment, in accordance with the agreement.

Proposed subsection (5) provides that where a licence is transferred, the liability of the licensee passes to the transferee.

Proposed subsection (6) provides that any amount payable by a licensee under the Act may be recovered as a debt due to the Crown.

Proposed subsection (7) provides that if a licensee is in arrears for more than 60 days in the payment of an instalment, the Minister may, by notice in writing to the licensee, cancel the licence.

Proposed subsection (8) provides that where a licence is surrendered on or after the appointed day or is cancelled under subsection (7), no compensation is payable for loss of the licence and the total amount of the debt charged against the licence becomes due and payable by the person holding the licence at the time of the surrender or cancellation.

Proposed subsection (9) defines 'appointed day' and 'net liabilities of the Fund under this Act' for the purposes of the section.

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

FISHING LICENCE

The Hon. T.R. GROOM (Minister of Primary Industries): I seek leave to make a ministerial statement.

Leave granted.

The Hon. T.R. GROOM: I have just become aware of yesterday's grievance debate. In that debate the member for Victoria referred to a meeting with me regarding Mr Matheson and a fishing licence for king crabs. The member for Victoria stated:

Do you think I got any further this morning? I did not. The Minister said, 'I can't do this.' I said, 'This guy will go broke.' He said, 'No, I cannot do this.' I lined up the ex-Director of Fisheries and said, 'Do you remember the conversation that we had in my office a month ago?' He said, 'I remember it but we cannot do it now.' And someone in South Australia, who is a small business person, will go broke because the Minister does not have the guts to give him an interim licence for 12 months while the matter is sorted out.

And so it went on. The member for Victoria asked me at that meeting—and present was the General Manager of Fisheries, the Director of the South Australian Research and Development Institute, my ministerial adviser, the member for Victoria and myself—to permit Mr Mathison to fish illegally while his situation was examined. I declined to do that. The Commonwealth licence for Mr Mathison was renewed on 25 May 1983 by the Commonwealth. It allows access only to Commonwealth controlled drop line and long line fishers without endorsement for king crabs. Currently the king crab fishery is controlled by the Commonwealth. South Australia controls the rock lobster fishery up to the 200 mile limit. King crab is a slow growing, deep water species which is presently highly vulnerable to over-fishing. Negotiations are taking place on the transfer of this fishery to State control.

I made quite clear to the member for Victoria that it was not possible to issue an interim licence because it would be ineffective, as the Commonwealth is legally the principal manager of the fishery. I was not prepared to accede to the honourable member's request that I allow or condone Mr Mathison to fish illegally. On examining the material put to me by the member for Victoria—I have a great deal of sympathy with this situation—I recommended that what Mr Mathison should do, and what he should have done since at least June, is to appeal to the Commonwealth. My department would assist in that appeal by following it with a request that the appeal be dealt with urgently; my department would write and set out the circumstances in which this situation occurred.

In the meantime, I also indicated that, if the control of the fisheries transferred to this State and Mr Mathison established prior participation in the fishery through a successful appeal for access to AFCA, he should be required to purchase a State marine scale fishery licence for continued access to the fishery. I also said my department would write to the southern zone rock lobster fishery and seek its views on this issue as a matter of urgency. In fact, at that meeting every assistance was given to the member for Victoria by way of information and explanation, and I indicated that I had a great deal of sympathy with the situation but that I as Minister was not prepared to act illegally or to condone illegal action.

SUPPLY BILL (No. 2)

Adjourned debate on second reading.
(Continued from 4 August. Page 37.)

The Hon. DEAN BROWN (Leader of the Opposition): Through this Supply Bill, we are moving to appropriate \$980 million to keep the Government of South Australia going for a few more months. Therefore, it is appropriate that in this debate I make a direct link between what the Supply is for and the subject I am about to raise. One of the substantial reasons for the appropriation of \$980 million is to pay the interest on the debt that has been incurred on behalf of all taxpayers of South Australia by the collapse of the State Bank Group and Beneficial Finance. I wish to take this opportunity to refer to some of the events surrounding the collapse of the

State Bank and Beneficial Finance, in particular, and some of the evidence that has been presented in this House over the past week.

Last week I raised certain issues arising from the second Auditor-General's report of his investigation of the losses of the State Bank Group. This was my first opportunity to raise these issues in Parliament, the report having been made public during the parliamentary recess. In response, the member for Ross Smith has had some things to say which I propose, in this speech, to examine in detail because they provide even more justification for a reference to the criminal prosecution task force.

Before going into this detail, I point out that last week the former Premier had two particular complaints about the manner in which these issues were being raised. First, he said, 'It is interesting that this issue was not raised until the first day of Parliament. It was not mentioned, not hinted at and not talked about.' Yet again the former Premier is trying to rewrite history. In a press release on 30 June, the day the Auditor-General's report was released, I had the following to say:

The Government misled Parliament in August 1990 about the reasons for Mr Baker and Mr Reichert suddenly leaving Beneficial. The Government protected the very people the Auditor-General now says must accept much of the responsibility for Beneficial's massive losses.

With this statement, I gave the media a copy of an extract from *Hansard* of 7 August 1990 showing what the former Premier said about reasons for the sudden departure of Messrs Baker and Reichert from Beneficial Finance. The following day, 1 July this year, I made further reference to this matter in another press release, as follows:

South Australians are entitled to be appalled that the Managing Director of Beneficial Finance received remuneration of more than \$1.423 million in the last three years of his employment as the seeds of Beneficial's \$1 000 million destruction were sown. Mr Baker's remuneration in just these three years was more than the average paid South Australian worker receives in a whole working life, yet it is the average paid worker who will carry the financial burden of the failures of Mr Baker and others for many years to come. Mr Baker received a severance payment of almost \$200 000 when he left the company in August 1990. His right-hand man, Mr Reichert, received remuneration of almost \$600 000 over these three years and a severance payout of more than \$100 000.

In fact, Mr Deputy Speaker, I was being rather too kind to Mr Reichert in my press release: his actual remuneration over these three years was more like \$804 000 and not the \$600 000 I actually stated in the press release. My statement of 1 July continued:

The Government must accept ultimate responsibility for these excesses because it put them beyond the scrutiny of Parliament. Evidence given to the royal commission shows that in 1984 and again in 1988 action was taken to ensure State Bank Group executive salaries were not revealed to the Parliament and to the public. Had these levels of salaries been revealed, there would have been demands to curb them. Had the Government listened to the more than 200 Liberal questions in Parliament in 1989 and 1990, the causes of the State Bank Group's massive losses would have been more quickly identified and dealt with. However, far from acting on our questions, the Government even protected Mr Baker and Mr Reichert after their sudden departure from Beneficial in August 1990. Parliament was misled about the true reasons for their departure.

That is the end of my press release. The former Premier was wrong when he claimed last week that I had not previously raised the issues of the Government's protection on these corporate cowboys. It was the former Premier who was conspicuous by his lack of comment on the second Auditor-General's report. The former Premier also complained last

week about my use of the word 'conspiracy' in questioning this matter. In fact, this should not surprise him. He has heard it before in the context of these events within Beneficial Finance. It was used by the former State Bank Chairman, Mr Simmons, when he spoke to the former Premier on 30 July 1990.

Diary notes of Mr Simmons for a meeting he had with the former Premier on that day—just before the sudden departure of Baker and Reichert—show that Mr Simmons used the term 'conspiracy of silence' in explaining to the former Premier, the member for Ross Smith, the effect of the alleged illegal loans.

I will now examine further just who may have been involved in that conspiracy of silence. First, the House should recall the background to the events of July and August 1990. Ample evidence was given to the royal commission to show that Beneficial Finance was allowed to take on increasingly high risk business without adequate control. Annual profit plans submitted to the Government identified Beneficial's shift from 1985 onwards to wholesale and larger commercial transactions, product diversification in leasing and purchasing of joint venture leasing finance companies. Also in 1985, the Government gave Beneficial the right to make major acquisitions without Government approval—an action which attracted the following comment from the Royal Commissioner in his first report: The possibility of risk in asset growth, which was not subject to any financial reporting to Government, was simply not addressed.

In 1986 the Government was told of Beneficial's involvement in luxury car leasing to minimise Federal tax obligations—a matter still under investigation, I point out to the House, by Federal authorities. The Government knew that Beneficial was developing an extensive network of off balance sheet companies forced, at least in part, by the Government's insistence that the State Bank should reduce the income tax liabilities of its subsidiaries.

The Government became aware, soon after it was initiated in October 1989, of a major Federal tax audit of Beneficial's activities. In December 1989, the SAFA Board requested a credit review of the company. In February 1990, Australian Ratings downgraded Beneficial's medium term unsecured and debenture ratings as it became increasingly evident that the company faced major losses because of property exposures.

By July 1990, the Government was well aware that the State Bank and Beneficial Finance were in very serious financial trouble. By the end of that month, July 1990, a Price Waterhouse investigation had identified that Beneficial had non-performing assets approaching \$1 billion dollars, which would cost the company \$109 million to fund in 1990-91 alone. The Royal Commissioner concluded in his first report that by this time:

... both the Treasurer and Treasury understood that Beneficial Finance Corporation was a disaster.

I ask the House to remember that date: July 1990. Here was this independent report from Price Waterhouse that had identified this \$1 billion worth of non-performing loans and a potential \$100 million-plus cost each year to Beneficial Finance. However, the Parliament in the next month was given a completely false picture and a completely different story.

I would now like to pick up what was said to this Parliament in August 1990, soon after the Premier's and the whole Government's knowledge in July 1990 had become

evident. For example, on 7 August 1990, the former Premier told the House:

The viability and strength of the State Bank and the State Bank Group is important to South Australia. I can assure the House that there are no fundamental concerns there whatsoever.

That is an astounding statement from a Premier who knew from an independent source that Beneficial Finance had \$1 billion worth of non-performing assets, and it was going to cost at least \$100 million a year just to service those non-performing assets. What an astounding statement to come out with within literally one or two weeks of having been told of the potential financial collapse of Beneficial Finance.

The Premier said this when he knew Beneficial Finance, as the major subsidiary in the State Bank Group, was on the point of financial collapse. It is against this background that the House can now further consider what it was told at this time about the departure of Baker and Reichert from Beneficial Finance—and what then actually happened, now that we have the full evidence from the Royal Commissioner's and the Auditor-General's reports.

What clearly emerges is an orchestrated conspiracy to cover up and to conceal. The Government had only one political objective: not to identify precisely what the position was with Beneficial and what action was necessary to protect taxpayers as the ultimate guarantors of Beneficial's operations: far from it.

Throughout this period, the Government behaved with only one motive—to minimise political damage. Far from the much touted 'hands off approach' claimed by the former Premier, we can now identify a series of scandalous events in which the Government and the bank conspired together to conceal rather than to reveal.

On 30 July 1990, the former Premier and two of his advisers, Mr Anderson and Mr Garrand, met Mr Simmons. Incidentally, Mr Garrand works for the present Premier. Mr Simmons' notes of this meeting record information being provided about an audit revealing several Beneficial executives having made unauthorised loans to a Melbourne joint venture, which was in default, to a level of \$37 million. It was at this meeting that Mr Simmons spoke of a 'conspiracy of silence'. The former Premier was also told that this matter could lead to civil or criminal charges.

In his statement to the House last Wednesday, however, the former Premier tried to pretend that he had not been told of any specific loan which was under question at the time. I read that statement to the House earlier today during Question Time. I now find that there is clear evidence that he was told on 30 July by Mr Simmons, who made a note of it in his diary and produced it to the royal commission. This is what the Premier said last week:

It was in that broad area that the suggestions were being made back in 1990 that the Leader of the Opposition treats as definitive information to the Government and definitive information of misdemeanour and criminal activities.

Other evidence clearly puts the lie to this. Mr Simmons recalled to the royal commission that the former Premier was 'very angry particularly with the reference to the Melbourne joint venture.' That is in the royal commission transcript at page 1344. The evidence of Mr Anderson also was that this joint venture was the one discussed in most detail as giving rise to possible criminal charges.

I pause at this point to relate briefly to the House the circumstances of this joint venture in Melbourne. In August 1989, six executives of Beneficial Finance obtained company loans of \$475 000 to fund their share of a \$2.5 million

investment in a property development known as the Jolen Court project. Mr Baker's and Reichert's share was \$100 000 each.

According to the Auditor-General's report, there was no original documentation of this loan. When that documentation was sought, Mr Baker prepared a very short handwritten authorisation, which did not comply with company policy requiring full and complete documentation for all such loans. Nor did the submission to the Beneficial board proposing the company's involvement in this property development identify the participation of those executives. The joint venture was with Viaduct Services Pty Ltd—a member of the Tribe and Crisapulli group of companies. The Tribe and Crisapulli group of companies was a major client of Beneficial Finance. However, a month after the executives had lent themselves this money, Beneficial became aware that Tribe and Crisapulli was in financial difficulties.

The Auditor-General has reported that the involvement of Beneficial executives with a company client in these circumstances meant 'the potential for a conflict of interest on the part of the six Beneficial Finance executives is patent.' Some of those executives were involved in the credit approval process, including applications by Tribe and Crisapulli for further loans from Beneficial Finance. In other words, they had their own personal vested interest out of money illegally borrowed from Beneficial Finance. They had their own personal interest with Tribe and Crisapulli, but at the same time they were sitting down and approving additional loan facilities for Tribe and Crisapulli and assessing the risk of their existing loans. It is absolutely incredible how they could be in there with a direct financial benefit but purport to be carrying out activities of an independent nature on behalf of a company which had made substantial loans to this company.

An honourable member interjecting:

The Hon. DEAN BROWN: Exactly; the member for Ross Smith knew the details. I shall bring out some more astounding evidence in a moment about other statements made by the Attorney-General regarding Beneficial Finance and where it stood. The Auditor-General stated:

Without the continuing financial support of Beneficial Finance to the Tribe and Crisapulli group, Viaduct Services may not have been able to perform its part in the Jolen Court project, potentially resulting in the executives losing their investment, itself funded by Beneficial Finance.

Here we have the Auditor-General acknowledging that there was a complete and direct conflict of interest. He also reported:

... there would, on any reasonable view, be pressure upon those executives involved in the credit approval process to ensure, so far as they were able, that the Tribe and Crisapulli group received continued funding from Beneficial Finance, and that no action was taken that could result in a financial crisis.

The Auditor-General found that some of the Beneficial executives subsequently participated in credit approval processes to extend Tribe and Crisapulli's credit facilities with Beneficial. However, their involvement with the Jolen Court project in association with Tribe and Crisapulli was not disclosed in relevant credit submissions to the board of Beneficial Finance. In the event, Beneficial's exposure to the Tribe and Crisapulli group resulted in multi-million dollar losses. The precise amount has yet to be identified.

The Auditor-General draws attention to various laws and company regulations which may be relevant to this matter and which carry maximum penalties of \$20 000 in fines and

five years gaol. Obviously these are very serious matters. In commenting upon them, I do not seek to convict Baker, Reichert or Martin, Martin being the other executive involved who, according to the Auditor-General, should be further investigated. However, at least some of the matters raised by the Auditor-General were obviously evident to those in the bank who dealt with this matter at the end of July 1990, and, according to Mr Simmons, he told the former Premier all that he knew. Most of the evidence that I have revealed was obviously known to Mr Simmons and other executives and directors of the bank, and certainly directors of Beneficial Finance, and Mr Simmons, as Chairman of the bank, told the Premier all that he knew. So we can assume that the then Premier, the member for Ross Smith, basically knew all the facts that I have so far highlighted to the House.

What did the Government do on being told at that time that executives who may be directly responsible for losing taxpayers many millions of dollars could also be guilty of fraud? At that stage we had potential allegations of fraud given to the Premier and we also know that the Premier at that stage knew that there was \$1 000 million of non-performing assets within Beneficial Finance. How could the member for Ross Smith, as Premier of this State, with those two vital bits of information given to him in July, confirmed in a independent report by Price Waterhouse, stand up in this House and make the sort of statement that he made on 3 August? One can only conclude that there was a very deep and well thought through conspiracy by the member for Ross Smith, the former Premier, to hide the true facts from this Parliament.

For the past two weeks we have simply been making sure that these matters are exposed to the scrutiny of the criminal prosecutions task force so that it will have an opportunity to investigate them. Based on the sort of evidence that I bring before the House now, members can clearly see the serious nature of this matter because the true facts have been hidden from this Parliament. It is about time they came out. It is about time that the man who was ultimately responsible and accountable and who knew most of these facts was held accountable, and I refer to the former Premier, the member for Ross Smith.

Let us get him out there and hold him responsible before this task force. I take up another issue at this stage because the Premier in the House today kept saying, 'Refer these matters to the royal commission. All of the evidence is before the royal commission, and the royal commission can look at it'. I point out to the Premier and I point out to the House that the fourth term of reference of the royal commission specifically excludes the potential for the Royal Commissioner to examine the former Premier, the member for Ross Smith.

An honourable member: He knows it, too.

The Hon. DEAN BROWN: He knows it. In other words, he put up a sham this afternoon trying to deflect the heat from himself and turn it onto the member for Ross Smith. He set up a sham knowing full-well that the fourth term of reference of the royal commission specifically excludes examination of any of the politicians and any of the ministers, including the member for Ross Smith, the former Premier. It also excludes examination of the Premier himself and the Attorney-General who, as I am about to reveal, made very profound statements to this Parliament and, as a result, gave false information to the Parliament for which I think they should now be fully accountable.

So, there is clear evidence of a conspiracy that has been carried on by the former Premier. By refusing to allow this

matter to be referred to the prosecution task force, I believe the present Premier is indulging in that conspiracy to hide the facts. It is about time he came clean. Did the Government, for instance, ensure that the matter was immediately and fully investigated? Did the Government answer legitimate parliamentary questions with the truth so that the public, as the ultimate guarantors to the State Bank Group, could see just what was occurring? Frankly, the Government did neither. It waited for a further six months until it was forced to admit that it had known for a long time that the State Bank Group was in serious trouble. It waited that long before initiating an investigation.

Before the inquiries by the Royal Commissioner and the Auditor-General were called there was an orchestrated cover up by the then Premier, the member for Ross Smith, and all of his Cabinet because there is now clear evidence that the Cabinet of the day knew about Beneficial Finance being in serious financial trouble and the true reason why Baker and Reichert were dismissed and about the false information given to this Parliament by Mr Bannon as the then Premier and member for Ross Smith. On 31 July 1990 the Premier attended another meeting with Mr Simmons during which these executive loans were specifically discussed. Then on 2 August Mr Baker was called into a State Bank board meeting and confronted with the fact that he may have behaved improperly. His resignation was immediately sought.

On the same day Mr Simmons telephoned the former Premier, the member for Ross Smith, and said, 'Baker is talking to people' about his departure. Mr Simmons was told that the former Premier wanted—and Mr Simmons wrote this down in his diary—to make sure that strategies were in place to deal with the situation'. In other words, 'Let us have a cover up. Let us hide the true facts to save our own political necks'. The following day the bank issued a statement announcing that Mr Baker was retiring and that Mr Reichert had resigned. According to a bank spokesman Mr Baker's retirement had been planned 'for some time'. The truth was to be concealed, and the House should continue to ask why. Was it that the Government and the bank feared that Mr Baker would be a whistleblower and that he would bring down other people with him by revealing the truth of what was really going on within the whole of the bank and not just Beneficial Finance?

On the same day, 3 August 1990, Mr Simmons had a meeting with Mr Anderson and Mr Garrand at the Premier's office. All the participants at this meeting gave evidence to the royal commission that any investigation of the alleged criminal actions of Baker and Reichert had not been completed at this time. According to the evidence of Mr Simmons, 'the investigation wasn't completed at that stage and there was, I believe, as I have said to the Premier, it may be criminal rather than civil'. It is quite clear that investigations were being conducted, they were not completed and they were of a very serious nature because they were likely to be criminal rather than civil, and he should know, because Mr Simmons is a very experienced lawyer.

The former Premier, in his written evidence to the royal commission, stated that at the time of the departure of Baker and Reichert he was told that this was 'either being investigated or would be investigated'. He repeated this point in his oral evidence to the royal commission saying, 'I was not aware of the outcome of that particular inquiry'. So, the then Premier told the royal commission that investigations were under way and he was not sure of the outcome of those and they were pretty serious matters. However, the member for

Ross Smith is now saying something quite different. This is based on what he said to this Parliament last week.

When confronted with the second Auditor-General's report revealing many facts the Government had conspired to hide and the reality of his own inaction, he told the Parliament last week, 'At the time of the separation of Baker and Reichert' the board of Beneficial Finance told him it did not believe 'there was substance in it and there was no way that it could be pursued'. So last week, confronted with the fact that he had conspired to hide the facts at the expense of all South Australians, he changed his story, and changed it very substantially from what he had told the royal commission. In fact, he told this House last week the exact opposite of what he had told the royal commission, and the evidence is there in black and white.

If this is now the true explanation, the former Premier gave false evidence to the royal commission, along with Mr Simmons and his two senior advisers, Mr Anderson and Mr Garrand. The consideration of all the evidence leads to the conclusion that there was no proper investigation and that the bank and the Government hoped to sweep this matter under the carpet. On 6 August 1990 the *Advertiser* reported the former Premier as saying the Government would not investigate the departure of Baker and Reichert. So, here is more of this complex web of lies and misinformation being fed out by the former Premier. On 3 August he says there was a disagreement between Baker and Reichert and the directors on where the company was heading. We know darn well that, in fact, those people were being investigated for illegal activity. We know that the premier knew about that and that the Premier knew at the time that there was a full investigation about to get under way, and yet on 6 August he said that he would not investigate the departure of Baker and Reichert any further.

Can I suggest that perhaps around 6 August the Premier could have picked up the telephone and told someone not to proceed with any investigation? Can I suggest that could be part of the conspiracy that is now hidden from South Australians, because it is quite clear that Mr Bannon, the former Premier and member for Ross Smith, has changed his story consistently from one extreme to the other on these very important matters, and it is there in black and white for everyone to see? The then Premier gave the same advice to Mr Anderson, his ministerial adviser.

According to Mr Anderson's evidence to the royal commission, he had advised the former Premier to be more public about Baker and Reichert. This is very significant. Here is Geoff Anderson saying to his boss, the then Premier John Bannon:

Look, you must be more public about the reason for Baker and Reichert departing. You have given a reason to Parliament. I know that what you said to Parliament was wrong, inaccurate, misleading.

He has gone to the Premier, his boss, and pleaded with him:

For goodness sake, be more public.

In other words:

Be honest. Get up and tell the people of South Australia what really has been going on with Beneficial Finance. Tell them that Baker and Reichert were carrying on illegal activities and that Beneficial Finance was in serious trouble with non-performing loans of \$1 000 million.

And what did the Premier say back to Mr Anderson? He rejected this advice and did not ask him to take the matter further. That is the reason why I alleged last week that these were illegal activities carried on by the Premier in deliberately conspiring to hide the true facts and, in particu-

lar, conspiring to hide illegal activities being carried on by Baker and Reichert. The Premier, as the most senior man in this State, the most senior man in Government, had every responsibility to make sure that investigations were undertaken immediately yet, when his own senior adviser Geoff Anderson put to him 'for goodness sake get some investigations carried out, reveal the true facts and be more public about this issue, be up front and be honest', the then Premier said 'No.' What a disgrace! Yet that same man continues to want to hide from being subject to possible investigation by the criminal prosecution task force. Mr Anderson was asked during his royal commission evidence:

Did he [the former Premier] suggest to you that you should do something about it or that he would do something about it?

Mr Anderson said:

He did not ask me to do anything about it.

On 7 August, four days after the departure of Baker and Reichert, the Premier's office concocted with the bank a phoney explanation to give to the Parliament. Mr Garrand and Mr Simmons agreed that the explanation should be that their departure was due to a difference of opinion with the board on the performance and direction of Beneficial Finance. The former Premier obediently gave this explanation to Parliament later on 7 August. When it was considered before the royal commission, the Commissioner (Mr Jacobs) interposed during the evidence, immediately stopped the proceedings and said:

The reason it was announced publicly—I am going to put it quite bluntly—it really wasn't true, was it?

In other words, the Royal Commissioner was accusing the then Premier of misinforming and misleading this Parliament. It is not my accusation: I am saying that is exactly what the Royal Commissioner was saying about that evidence. In more judicial terms, the Commissioner repeated this view in his first report. Last week the former Premier tried to claim that he had truthfully answered the question asked of him on 7 August 1990. Of course, we know that is plainly not true at all. Let me go back to the question. It was:

... what explanations has he received for the departure of Baker and Reichert?

In other words, what had the Chairman of the board told the Premier—not what the Premier thought, but what he had been told? We have clearly found that out from the diary evidence of Mr Simmons who made the note that he told the Premier all that he knew, including the fact that Baker and Reichert were most likely carrying on illegal activities. The only explanation that the Premier received was that related to alleged improper company loans. It had nothing whatsoever to do with any disagreement over the direction or performance of Beneficial Finance.

The answer he gave to the House on 7 August 1990 was pure fabrication, of which even the Minister of Tourism (the so-called fabricator) would have been very proud. But that is not all that should concern this Parliament at present. This matter was also questioned on 14 August 1990, 15 August 1990, 13 December 1990 and 20 March 1991. On each occasion the former Premier refused to reveal the truth to this House, as we know clearly from the royal commission and from the Auditor-General's evidence.

Let me quote one of these examples. On 13 December 1990 he told this House that Mr Baker had left because of 'some fundamental disagreements between Mr Baker and the board of Beneficial Finance as to the way in which the company should operate'. As I point out, the Premier was

given no such information by Mr Simmons. The only information he was given related to illegal loans that Baker and Reichert had been giving to themselves and possible illegal activities and the need for an investigation, which the Premier refused to have carried out. On the same day, in response to a second Liberal Party question, which asked whether the State Bank Group had attempted to deceive the public with its public explanation for the departure of Baker, the former Premier had this to say:

I did not think there is a question of deception. The disagreement between the board and Mr Baker was in fact explained by me in response to questions to this House and by statement, and that is where the matter rests as far as I am concerned.

In other words, having been challenged again that he was misleading this House, he again restated the facts he had given previously, knowing them to be wrong. So, there could be no slip of the tongue or anything like that. The facts were put to him twice in the one day and twice he misinformed this House, based on the evidence now presented. Not even the Government's own closing submission to the royal commission attempted to maintain this lie. The Government's own submission to the royal commission at the end of all the evidence had the following to say:

The Treasurer and his advisers were told that Baker and Reichert's departure was because of their own failings.

So, the Government's own counsel concedes to the Royal Commissioner that the real reason was that Baker and Reichert had obviously carried on illegal activities, yet the Premier, even last week—even today—stood up and denied that he knew about it. The man is a hypocrite. The man is a disgrace. The man does not deserve to sit in this Parliament any longer and get a dollar in salary or an extra dollar in his superannuation. He has deliberately conspired to hide the true facts as to what was going on at Beneficial Finance, and such a man does not deserve to be here.

The real problem now is that there is clear evidence that perhaps some of the other Ministers knew these facts, and they are all sitting there deliberately trying to protect themselves from the truth being revealed and protect themselves from prosecution. The Auditor-General's report makes abundantly clear that this matter could and should have been immediately and fully investigated at the time of the departure of Baker and Reichert. However, instead of putting them in the dock to answer questions for themselves, they were given severance payments totalling almost \$300 000 and were not subject to any investigation until many months later.

I would suggest that it was not severance money but silence money. It was money paid to Baker and Reichert to shut them up and make sure they did not tell the people of South Australia the true facts of what was going on in the State Bank. Who would go and pay \$300 000 in severance payment to people who were suspected of illegal activity?—no-one, unless they wanted to make sure they were well and truly silenced and had some perk for making sure they did not open their mouths. That is the clear part of the conspiracy of which we now find John Bannon, as Premier of South Australia, was part.

That is the reason why we want these matters investigated. This shows outrageous negligence and total contempt for taxpayers, who are now shouldering the burden of paying for the losses incurred by quite reckless corporate and political behaviour. The refusal of the present Premier to act on this matter now raises very serious and obvious questions about whether other Ministers also have things to hide.

Evidence given to the royal commission shows that during 1990 the present Premier had a number of discussions with Mr Rod Hartley about problems in the State Bank Group. In early August 1990, at the time of the departure of Baker and Reichert, Mr Hartley told Mr Anderson that Mr Baker had been lending himself huge amounts of money. This was in the context of Mr Hartley revealing to Mr Anderson bad problems at Beneficial. At the same time, Mr Hartley was also talking to a person in the present Premier's ministerial office. In a telephone call to Mr Simmons on 10 August 1990, Mr Hartley advised (and I quote from Mr Simmons's own diary entry):

Lynn Arnold's secretary believed that Beneficial was the big target in Parliament.

The ACTING SPEAKER (Hon. T.H. Hemmings): I do not want to stop the flow in any way, but for the past 10 minutes the Leader has had his back to the Chair.

The Hon. DEAN BROWN: I apologise, Mr Acting Speaker; I did not mean to do so. Can you imagine, Sir, that the Premier of the day, knowing the facts about the \$1 000 million loss, knowing the direct impact on the budget of \$100 million a year, knowing the illegal activity going on in Beneficial Finance, failed to notify any other Minister? I just cannot believe that he failed even to raise the subject in the Cabinet room. Who—even the Premier—could possibly hold back that sort of information and not tell his other Cabinet colleagues? In fact, it goes beyond that, because we know that Mr Hartley was in almost daily contact with the present Premier; we know that Mr Hartley knew about the illegal behaviour being carried on within Beneficial Finance; we know that Mr Hartley knew about the \$1 000 million non-performing assets and loans within Beneficial Finance; and we know that Mr Hartley was discussing it with the staff of the Premier.

Can you imagine, Mr Acting Speaker, that none of the present Premier's staff would even have told the Premier what they had just been told by Mr Hartley? Can you imagine that Mr Hartley himself had not told the present Premier, Lynn Arnold? I cannot, and I find it inconceivable that that would have occurred. I find it inconceivable that even the Attorney-General, the senior law officer of South Australia, the man to uphold the law, was not even notified of the illegal behaviour within this major Government department or institution, Beneficial Finance. I cannot believe that at least the present Premier and the present Attorney-General were not told those facts.

In fact, I believe that all the other Cabinet Ministers of the day were told those facts—all of them. I think it is up to them to prove that they were not told, because all the evidence clearly points to the fact that they were. I know that staff were walking around senior levels of Government at that stage, openly talking about many of these matters. If the staff and the Public Service knew about it, we can be assured that the Ministers of the day knew about the matter as well. All I can say is that perhaps the present Premier also wants to protect the Attorney-General. On 14 August 1990, a fortnight after the Government was told the truth about Baker and Reichert, the Attorney-General told another place:

It is not a matter of the State Bank or Beneficial Finance standing out as being institutions that have been badly managed.

The Auditor-General said this when the Government had been told that Beneficial was on the point of financial collapse and its two most senior executives were suspected of defrauding the company. I challenge the present Premier

to refer the matters I have raised in this speech to the criminal prosecution task force, because this House and the taxpayers of South Australia are entitled to know answers to the following fundamental questions: first, what was known (and by whom) about the alleged illegal actions of Baker and Reichert before they were allowed to leave Beneficial Finance; secondly, why were they allowed to leave with large severance payments when they were suspected of criminal activity; thirdly, why did the former Premier not ensure that an immediate and full investigation into their activities was begun to establish the truth or otherwise of their criminal behaviour; and, fourthly, what information did the former Premier give to his ministerial colleagues at the time about the departure of Baker and Reichert?

The present Premier has a duty to this House to get to the bottom of these matters. Previous questions asked in this House have not been answered in a truthful way. There is a lot of evidence of an orchestrated cover-up; the conspiracy of silence within Beneficial became a much wider conspiracy to conceal alleged illegal activities by executives. On a number of occasions in this House the Liberal Party has tried to bring out the whole truth, but the Government is still trying to evade the key questions. If this Government is sincere about wanting to make all those responsible for the massive losses of the State Bank Group accountable for their failures, it will not wait one minute longer before acting on these matters and referring them to the prosecution task force.

Mr S.J. BAKER (Deputy Leader of the Opposition): I join with the Leader in this debate on the Supply Bill in reflecting on the activities and the culpability of the Government in terms of the task ahead. The Supply Bill provides for \$980 million to see the Public Service through the months of September, October and November, until the Appropriation Bill is proclaimed.

When looking at the finances of this State, I too would reflect on the involvement of members of Cabinet in the decisions that were made at the time, the way in which they were made and the way in which the difficulties and disasters were kept from the people of South Australia. The Leader is absolutely correct in saying that every one of those Cabinet Ministers knew of the circumstances at the time. The evidence is overwhelming that they knew that two people were involved in criminal activity; they decided to hush it up, deciding not to pursue them. Somehow they were not pursued when they should have been. The investigation started only when the royal commission brought that about. So, there are some culpable people in this Parliament, and they happen to be 11 of the ministry who currently grace the Government benches. It highlights the need for this Government to go to the election as soon as humanly possible.

In the Supply debate, I would like to address the finances of this State and reflect on the \$980 million required to take the Public Service through until the end of November, given that the first Supply Bill of the year traditionally now takes it through until the end of August. When I was contemplating what sort of budget would be brought down, I referred to the document produced by the Premier on 22 April 1993 entitled Meeting the Challenge. The more I look at that document and try to reconcile it with the current situation, the greater the difficulty I have. Not only has the Government been misleading the people in relation to its involvement and cover-up of the State Bank disasters and the cover-up of people who have been involved in criminal activities but also it is not being truthful.

I reflected on the Premier, who stood up in this Parliament yesterday and said that no deals had been done for special employment within the Public Service for those fellow travellers of the Labor Party. Of course, he was condemned by his own words, because the concrete conclusion could be drawn from the examples provided by the Leader. Then we had the most recent example, involving Mr Abfalter being given a cushy job to save his skin because, frankly, no-one else would employ him. The Premier says, 'We do not do deals of that sort.' Of course, they do deals of that sort, and he has been right in there the whole time. He has been part of the cover up.

In reflecting on Meeting the Challenge—and meeting the budgetary challenge—I refer to the document because there are some inconsistencies there and I believe it will be another dishonest budget that will come before this Parliament. Perhaps the Government can pay attention to some of the deficiencies that I believe are currently in the system. I would like to take up the point that the Premier has made three separate statements on what the debt facing this State is likely to be.

By 30 June 1996 in Meeting the Challenge, if we look at the chart on page 60, he is obviously referring to a debt of about \$9 000 million. However, if we refer to page 55 of the same document, we see an estimated shortfall in 1992-93 of \$326 million, which is incorrect but I will leave that because it is a minor item. The Premier said we would be facing a deficit in 1993-94 of \$600 million and in each of the following two years there would be deficits of \$800 million.

Given that on page 95 of the document the Premier has said that the best estimate of the deficit at 30 June 1993 is about \$8 109 million, if we add that to the deficits mentioned on page 55 with no policy change, that amounts to about \$2 200 million, and the inescapable conclusion is that the deficit with no policy change is \$10.3 billion. Yet in the charts, as I said on page 60, the no-policy change option involves a debt of about \$9 billion. And it gets worse. In a statement to the Public Service about 2½ weeks ago the Premier said that if we did not make some policy changes and do some U turns, the State would be facing a State debt of \$12 billion.

Frankly, I am frightened about what the Premier is hiding from this State. He hid all the details of the problems facing the State Bank. He was part of the cover up when the evidence came to light that certain people in the bank and in Beneficial Finance had been operating illegally. He covered up the details when all the debts were starting to accumulate. What is he covering up in the budget?

Mr Brindal: You'll know when you become Treasurer.

Mr S.J. BAKER: The honourable member and the future member for Unley says that I will know when I become Treasurer. But I would like to know right now, because we have seen in New South Wales, Victoria and Western Australia ample evidence of all Labor Governments that have left the Treasury in absolute disarray, having accumulated frightening debts that have necessitated action that none of us could have possibly contemplated three to five years ago.

So, I do not want to face that situation: I want to know right now exactly what is the truth. Premier, will it be \$9 billion, \$10 billion or \$12 billion? Has the Premier been given further figures suggesting that there are more problems within the system than have actually been revealed? I mentioned earlier the problems facing New York, which has been bankrupted. Jumping from \$7.3 billion as at 30 June 1992 to \$12 billion in the space of four financial years would

place South Australia in a position from which it simply could not recover. I want to know the truth, and I want to know who is telling the truth.

What information is the Premier getting and where is it coming from? It is quite untenable to operate on the information with which we have been provided. That deals with the question of the State debt and the need for clarity on that subject. The next issue is pertinent to the whole issue of State debt, the budget and supply as it relates to the extent to which the State's coffers can benefit from the sale of the State Bank. I do not know from where the Premier gets his advice, but his commentary today on the benefits to South Australia was unbelievable. The great difficulty that the Labor Government faces is that it has no-one on that front bench who has any idea of financial matters—not a single idea.

The Hon. M.K. Mayes interjecting:

Mr S.J. BAKER: Except the Minister of Primary Industries, who is a very capable Minister, or more capable than a bad lot. The Premier has stood in this place and said that we will sell the bank only for the right price. What is the right price? He did not say what the right price was, but he made a number of other comments that are clearly incompetent. He said the bank is currently earning about \$100 million a year. As to the \$100 million a year earnings, the bank has been cleansed of anything that looks the slightest bit nasty. Therefore, it is not a proper bank in any shape or form because even those loans which were performing but which could cause difficulties have been taken out of that area. It is a cleansed bank: there are no offsets for inability to pay or offsets for an incapacity to meet obligations.

If we say that the bank is returning \$100 million—and this is the structure that will be changed in order to sell—what the Premier did not say today was that the Government or the Treasurer owes the bank \$850 million. He did not mention today, when talking about the State Bank and the extent to which it will assist the budget, that if we look at the balance sheet of 30 June 1992 we find that the capital resources of the bank are listed at \$1 229 million. Of great interest to anyone looking at balance sheets is that subordinated debt, which is part of the tier 2 capital, amounts to about \$477 million.

If we assume the ratios now being talked about in banking circles of a return rate of 11 or 12 per cent on the \$100 million, which is optimistic, we are really looking at a high price at the moment of \$1 000 million. That is well short of what is there in the capital of the bank. That means that, if we meet the obligations of the subordinated debt of about \$476 million, if the \$1 000 million was the right price—I am told it is much lower than that at the moment—we would have only \$500 million left as an asset that can be used for offsetting the State debt. What the Premier did not mention is that we owe \$850 million against that sum and, when he is talking about a return on that asset, is he talking about a return on \$1 000 million?

Is he saying that the \$100 million interest is reflective in the current interest rate market of a capital contribution of, say, \$800 million or \$700 million, looking at the ten year bond rate? What is he actually saying? Does it mean that the bank will never be sold? Does it mean we will have to somehow pay back the \$647 million if it is not sold? The figures do not compute and do not come together in any fashion that I can understand.

Today the State Bank of South Australia (Preparation for Restructuring) Amendment Bill was introduced. It makes some changes to the State Bank legislation, including the shifting of the current State Bank into a new entity. An article

in the *Australian* last week suggested that the Treasurer was going to do exactly that. He was going to take out all the good assets of the State Bank and move them into another entity. We rang the Treasurer's office and said, 'Hang on, you may not be doing the right thing at this stage'. The telephone call was returned to the extent that it was not going to happen. However, we see that it is happening. We have a speech which suggests that the Government is going to remove the good bank, create a new corporate entity ready for sale, and keep the bad bank plus a few other assets as a separate entity.

Has the Premier told the Parliament what that will do to State debt? Currently within the State Bank there is an IOU of around \$2 500 million representing the bad bank assets that have to be paid into the good bank. That means that, if this separate entity is created, the Government will have to come up with \$2 500 million in extra loans to be able to move those assets across and make sure that the bank is properly capitalised. Does the Premier understand that? We currently have a shortfall of \$850 million that has to be paid as part of the \$3 150 million worth of losses. If the good bank is turned into a separate entity, the Government will suddenly have to enter into a massive borrowing spree as goodness knows what price to provide the capital to offset the bad bank's IOU.

At the same time I might add that the \$3 150 million is not the full extent of the losses, because the Remm-Myer Centre is valued by the Valuer-General at less than half the value indicated in the State Bank books. Here we have an asset in the bad bank which is well above its market value and is already at a lower value than it is currently held and which has contributed a significant amount to the State Bank losses—to the extent of some \$470 million. There are more losses to come from Remm, and there are more losses to come from other property holdings which are in the bad bank. There are more losses to come from Australis, Chesser, and other non-performing areas where the asset values have shrunk further than what they were last year.

None of those details were explained to the House, and I would like the Premier and the Treasurer of this State to come clean and tell the South Australian community, including members of the financial community, the actual situation as far as the State Bank is concerned. Whether in fact this Bill passes is going to be a matter of conjecture, given the untruths that have been told to this Parliament on economic and State Bank matters in the past.

We have come across a number of other very doubtful statements in the financial accounts of the State. We see an estimated deficit for 1992-93 of \$326 million. If we turn to page 95 and look at the contribution that the State deficit is going to make to the State debt we see that there is an allowance of some \$420 million, which brings it up to \$8.109 million. We are not sure whether there has been some righting of SAFA accounting practices, which have been quite shonky. We certainly know that those figures have not been adjusted for SAGASCO. We know that SAGASCO sales had a zero result, yet the Australian Bureau of Statistics suggests they should be fully accounted for in the State debt, which they are not at the moment.

The area of finance is a very complicated one. I am frightened about what we are going to find when we become the Government of this State. I am frightened after seeing the history of misleading and fraud that has happened interstate—New South Wales, Victoria and Western Australia—under Labor administrations. I am hopeful that in the budget this year we will have a cleansing of the process and we will see

some fair dinkum, correct figures upon which we can all work.

The Hon. H. ALLISON (Mount Gambier): My comments are addressed essentially to the Minister of Primary Industries, who was in the House until just a few moments ago and who, I hope, will be listening to my remarks from the privacy of his office. In any case, I will make sure that he receives these comments because they are extremely important to the professional fishing industry in the South-East—the crayfishing industry in particular.

I want the Minister to know that my main aim in addressing this topic this afternoon is to protect all of my professional fishermen and to make sure that none of them is disadvantaged when he makes that very important decision in the near future as to how the total allocated crayfish catch for next year's season will be awarded to individual fishermen. And it is an extremely important decision which he makes.

My crayfishermen in the South-East have been under constant review by the Department of Fisheries. They have had a succession of Ministers and Directors for as long as I have been in Parliament—18 years. In the past they have been variously threatened, persuaded and sometimes coerced to agree to a steady succession of effort reductions. These have included changes in the opening dates and the closure dates of the crayfishing season, with the most recent one having been on 1 April this year. They have been forced to enter into buy back schemes to reduce the number of boats in the industry, with those remaining paying for the withdrawal of those who have removed themselves from the industry, at a considerable cost to those remaining.

We have had fixing of maximum and minimum pot entitlements per fisherman within the industry. We have seen changes to the catchable size of the crayfish and the removal of bearing females—that is females bearing eggs—from the catch. Now, a quota system is being imposed. It has already been imposed. It was imposed for the last season and we have a method of quota allocation currently under consideration.

As I said, there are extremely serious implications for all of my fishermen in the South-East and for some more serious than others. I do not want anyone to be bankrupted as a result of the new proposals before the Minister. The Minister has it in his power to destroy or save the lesser able members of the crayfishing industry in the South-East. I am simply asking him to ensure that there is fair treatment for all, and one of the things at issue is democracy itself.

The Minister recently put out a ballot paper for fishermen to make a personal decision as to how the quotas would be allocated. The ballots were returned and over 60 per cent of the crayfishermen decided that they would prefer the allocation of quotas on a per pot basis.

The reason I say that democracy is in danger is that on previous occasions the Minister, on a 51 to 49 vote, has invoked decisions which pleased him and his departmental administrators, yet here, when you have a 60-plus per cent vote in favour of a pot allocation of quotas, the Minister has chosen not to abide by that democratic vote. It is a very strange decision, particularly as those who decided they would like a pot allocation were simply looking at the fact that almost everything within the industry today and in the past has been decided on a per pot basis.

You purchase your crayfish licence on the number of pots you have; you pay fees on the number of pots; you enter the buy back scheme and pay your levy on the number of pots you have. Pot reduction effort has been based on the number

of pots that each fisherman had—a percentage reduction for each one—and so it goes on. And yet now, for some strange reason, the Minister is looking at not only a per pot basis but also a historic catch consideration. That would not be so bad if the historic catch figures were reasonable, as far as all fishermen are concerned, but the buy back scheme itself has not really been allowed to take effect.

I recently wrote to the Minister advising him that I thought that the formula on which the quota unit allocation was being decided was based on the catches for 1988 to 1990. We have a problem, because that is the period when the lower South-East ports, such as Port MacDonnell, Blackfellow Caves, Carpenter Rocks—those in my electorate—were having their worst catches.

The buy back scheme now having taken effect has given them better catches from 1990 to 1993, but that period is not the one for which the historic catches were calculated. So, there is a discrepancy there, and it favours the upper South-East against the lower South-East, if one looks at the historic catch formula.

There is another problem in that quite a few fishermen have only recently bought into the industry. They bought in when the cray pots were very expensive—running around the \$7 000 per pot mark—when others with a very favourable historic catch bought in cheaply: they have been in the industry a long while. I give those people credit; a lot of them are in favour of the pot allocation. They are not greedy but just want to be fair. However, not only have the recent entries paid very dearly for their pots but also they very frequently do not even have a historic catch. They bought pots but they do not have a history of crayfish catching themselves, and so if they were taken on a purely historic or substantially historic basis they, too, would be sorely disadvantaged. They borrowed heavily at the bank; they are recent entries into the industry, and they are the ones who are most vulnerable to a historic catch allocation of the quota for the next fishing season.

I am hoping that the Minister will accept that democracy should prevail and that a compromise should be sought. However, another thing that troubles me is that after the recent vote, which showed that more than 61 per cent would prefer pot allocation, the Integrated Management Committee, which comprised fishermen and Government representatives, made no recommendation to the Minister that the democratic vote should be upheld. That was a strange decision in its own right. The Minister, in response, said, 'You have to get your act together. I am suggesting 57 per cent on a pot basis and 43 per cent of the allocation on an historic catch basis.' That set the cat among the pigeons in the South-East.

A subsequent result was letters between the Minister and me and Mr Cawthorn, the South-East Professional Fishermen's Association president and also a member of the Integrated Management Committee, asking the Minister not to enforce that decision but to wait until another meeting had been held by the IMC and the Professional Fishermen's Association. The Integrated Management Committee's most recent recommendation is quite different: it is 89 per cent based on pots and 11 per cent based on historic catch.

The Minister will realise that it is impossible to please everyone in the fishing industry. No-one could possibly please everyone in life; it just cannot be done. There are different financial, economic, social and personal circumstances behind the lives of all fishermen in the South-East. I am not looking for miracles from the Minister. However, I am looking for fairness to new entrants—those who might be

thrown into great difficulty and those who might be made bankrupt by an unwise decision. I ask the Minister to give careful consideration to what I am saying today before he arrives at a decision.

The fishermen are currently committed to enforced decisions made by the Government over the past few years, which include the buy-back scheme to which they have to subscribe. They have to pay almost \$2 000 towards research fees—another recently imposed levy—which will keep research going into the cray fishing industry. They have to abide by this year's enforced early closure in April, which cut a whole month from the cray fishing season. They have to abide by catch quotas, and there is also a very high cost for those who have recently bought into the industry. In addition, there is the high cost for anyone who wishes to increase his or her entitlement to cray pots.

More importantly, there have been written and verbal threats by the Department of Fisheries. All of us within the industry in the South-East are well aware of how these threats are made. The threat is, 'If you don't do it our way, there is every possibility that we will enforce even more draconian and restrictive practices within the industry.' Cray fishermen are generally not in a position individually to argue their cases with the Minister or the Director. They have appointed representatives, and it is essential that the appointed representatives should represent fully the collective views of all the fishermen with a definite ear being given to the majority voices in the South-East.

I suggest to the Minister that often one scheme is superimposed on another without the Government having given the previous scheme a chance to be put into full effect. For example, fishermen in the lower South-East are getting the benefit of the buy-back scheme, but the benefits of the past three years are not being considered in the historic catch calculations which were done by one of the Minister's officers. Someone sent to me from the Rural Affairs Unit the methodology used in allocating historic catch and pot quotas for next year. That was the method of allocation that the Minister used for his 57 per cent to 43 per cent recommendation, which I hope will not be followed. I wrote to the Minister asking that at worst the formula be rewritten and, at best, he should reconsider the whole matter and come forward with something more favourable.

We have seen catches improve over the past two years in the lower South-East. The Department of Fisheries is still making noises of gloom. Yet, I have repeatedly asked the Minister and his Director for evidence that their opinions are backed by serious, reputable, published scientific research and, if such research has been published, where the documents are. The Minister sent a document to me two or three months ago and said, 'This is the document on which I am basing my recommendations.' However, on page 1 of that document from the Director of Fisheries it clearly stated, 'This is not a scientific document.' I had asked for scientific backing for the opinions.

Another erudite person, from whom evidence was taken and who published a substantial report some 15 years ago, was Parzival Copes, the Canadian research professor, but who again did not conduct scientific research. He gave a report which was essentially opinion, much of which was based on his experience in the salmon fisheries in Canada and much of which I questioned at the time after I had translated the somewhat difficult jargon in which it was written into more readable English. It is interesting that Parzival Copes was held up as the oracle of the day. Parzival is one of those

who said that we were really protecting the female crayfish in the industry far too much. Nowadays the converse is held to be true by the Department of Fisheries, but totally in the absence of reputable scientific research.

It may be better for the Minister to take the thousands of dollars that the fishermen will have to pay over the next few years and use it in the Fisheries Research Department to come up with soundly based research upon which he can base his decisions on quota allocations and further restrictions rather than make decisions essentially based on intelligent opinion.

In the meantime, I ask the Minister to come up with a formula which is reasonable and fair, which disadvantages only those who can afford to be somewhat disadvantaged—in other words, the very successful—and which certainly protects the newcomers, the under-achievers within this industry, in order to give everyone a chance to settle down and for commonsense to prevail. I ask no more than that. I hope that the Minister, in consultation with his Director of Fisheries, will be able to respond to the fishermen in the near future with a fairly based formula which does not attach too much importance to historical catch and which certainly does not attach too much importance to historical catch which is too far away to be realistic. The more recent catches from 1990 to 1993, which reflect the results of the buy-back scheme which is beginning to take effect, are the figures which I suggest should be more relevant to the Minister's decision.

Debate adjourned.

MURRAY-DARLING BASIN BILL

Returned from the Legislative Council without amendment.

LOCAL GOVERNMENT (VOTING OF MEETINGS) AMENDMENT BILL

Returned from the Legislative Council without amendment.

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

SUPPLY BILL (No. 2)

Adjourned debate on second reading (resumed on motion).

Mr MATTHEW (Bright): In participating in this address this evening, I propose to start with the story of three surveys. The story is very relevant to the issue of Government Supply and to the way in which the Government is tackling issues currently. The three surveys to which I refer are, first, one that was undertaken by the Office of Crime Statistics and the Crime Prevention Unit, that survey being named by the Attorney-General's Department as the Health Omnibus Survey. The second survey is one that has been done by the member for Briggs in his own electorate, and the third is one that I have done in my own electorate and the expanded electorate of Bright. A common question that was asked in all three surveys related to crime, law and order and our prisons.

It was with interest that I first heard the results of the Health Omnibus Survey, which involved 3 093 people, 75 per cent of whom were metropolitan area residents, the remainder being country residents. That survey produced an interesting result. When respondents were asked about their change in fear of crime over the past 12 months, three of every five

respondents, or 62 per cent, replied that, generally, their fear of crime had increased in the past 12 months and 36.4 per cent said that it had stayed about the same. The alarming fact is not simply that 62 per cent said that in the last 12 months their fear of crime had increased but rather that almost none said that their fear of crime had reduced.

Mr S.J. BAKER: Mr Deputy Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr MATTHEW: It is indeed disappointing that it has been necessary to call for a quorum in a debate of this nature; one would hope that during their absence Government members have perhaps been contemplating the crime figures that the member for Briggs has collected through his survey.

The DEPUTY SPEAKER: Order! The quorum was called by a member on your own side.

Mr MATTHEW: Yes, indeed it was, Mr Deputy Speaker, because a quorum was not present in this House. The survey results that were received by the member for Briggs received some air play this morning when, I noted with interest, that honourable member called for a member of the judiciary to address a public meeting in Salisbury to explain to the constituents of that honourable member what approach the judiciary has been taking to crime in the courts and to give the public an opportunity to address to the judiciary their concerns about crime. That indicates to me that perhaps the member for Briggs found that the fear of crime was as high as that demonstrated through the Crime Prevention Unit's publicly released survey details and, indeed, those relating to my own electorate to date of the many hundreds, well into the thousands, of surveys received in my office in only six days. I am able to report that 92 per cent of respondents have indicated that they have a fear of crime and that they believe that prisoners are released far too early from our prisons system.

The problem goes far deeper than that. We have a problem of this nature, but it was not the Attorney-General whom we heard on the media this morning; it was not the Minister of Emergency Services or the Minister of Correctional Services whom we heard on the media this morning; indeed, it was the member for Briggs, trying to take some sort of action to communicate to his electorate a concern about crime. That indicates to me that we have a Government that is failing to get its own spokesmen, its own Ministers, looking at the problems and coming up with the solutions.

The current Government is demonstrating to us that it is starting to do its own thing, go its own way, knee jerk react, not look at the situation properly and come up with the most bizarre proposals. While we are talking about the most bizarre proposals, it is interesting to look at the statement that was made by the Minister of Emergency Services this week when he said in the *Advertiser* of Monday, in part:

I would imagine the Country Fire Service would likely be the predominant emergency service in the country; it would take over the SES facilities, assets and volunteers.

That was a statement made by the Minister of Emergency Services as part of a statement about the Bureau of Emergency Services or what is being touted by the media as a super department involving police, and the Minister has said publicly that he foresees the merger of the CFS and the SES. Not surprisingly, my office has been absolutely inundated with calls from right across the State, to me as shadow spokesman, from SES groups concerned about the future of their organisation—SES groups of volunteers who have been

contributing to the community through their volunteer service.

Mr Atkinson interjecting:

Mr MATTHEW: It is interesting that the member for Spence interjects. Perhaps the member for Spence would like to talk to an SES unit in his area and ask its view about the Minister's statement. I will be very surprised if the member for Spence can find an SES unit that will agree with the Minister that that proposal ought to go ahead. That proposal is interesting, for it follows other proposals by this Government to look at the amalgamation of the CFS and the MFS.

Much has been said in this place on past occasions about the Bruce report, which examined among many other things the amalgamation of those two services—a report which to date this Government has failed to release publicly. When I asked for the public release of this report in September last year during parliamentary Estimates Committees, the then Minister of Emergency Services said that he would go one step further; he indicated that he would make me an offer, and the offer the Minister made, which is a matter of parliamentary record through *Hansard*, was that during the then session of Parliament which, I hasten to add, ended in May this year, the Minister would introduce legislation to ensure the separation of the two services.

Despite frequent calls from the Opposition and despite the Minister's offer and his undertaking, that legislation has never been forthcoming. So, we are now left with the situation where the current Minister of Emergency Services has indicated that he wishes to amalgamate the CFS and the SES and soak up their assets; we have the previous Minister of Emergency Services talking about the amalgamation of the CFS and the MFS; so, is it any wonder that all those volunteer organisations are left with the belief that what is going to happen under this Government, if this Government remains in office long enough to cause this sort of damage, is that it will absorb all the volunteer services into the one operation and force out yet more volunteer organisations in this State?

Mr Atkinson interjecting:

Mr MATTHEW: Well may the member for Spence interject. He of all people should be aware of the situation relating to St John. I understand that that member chairs a health committee as part of the Caucus, and he ought to be aware of the problems facing the St John organisation as a result of this Government's interference with volunteers following the 1989 State election.

We have seen the St John volunteers decimated as a group. We have seen paid ambulance officers take over the ambulance system, and we have seen ambulance costs in this State skyrocket. Ambulance costs in this State have gone up hundreds of dollars per call-out. Will the member for Spence or any other member of the Government stand up in their place in this Parliament and justify the increase in ambulance costs with which we have been hit? I challenge the honourable member to do that during this debate: to stand up in this Parliament and justify the increase we have seen in the cost of ambulance services in this State, for to do so would be to ask the member for Spence or any other Labor member to defend the indefensible. There can be no defence for what they have done to that volunteer organisation.

For that very reason the SES and CFS volunteers are afraid for their existence. We are talking about a combined army of volunteers of in excess of 23 000 across our State that more recently has combated the floods that caused so much devastation. That army of volunteers must be preserved

and encouraged to grow, because without it there can only be an additional cost to the taxpayer. It is not possible for a paid service to undertake the worthy role that has been undertaken through organisations such as the State Emergency Service and the Country Fire Service.

The Government's blundering does not end there. I could turn to almost any area of Government, but on this occasion I will turn to Correctional Services. On numerous occasions in this Parliament I have detailed problems in our prisons involving drugs and crime. I have repeatedly called for an inquiry into drugs in prisons in this State. To this day the Minister of Correctional Services has refused to order such an inquiry. I have continually called for investigations, given evidence to police and provided the police with the name of informants who have been prepared to give evidence as part of my personal bid to rid our State of this scourge.

Despite that, I know full well that the Minister of Correctional Services has been asking through the Correctional Services Department and the Police Department whether the details I have raised recently in this Parliament pertaining to drug dealing and telephone cards being exchanged for drugs are correct. I know the message that the Minister has got back: 'Yes, he's right; he's very right, and he's been telling you time and time again in Parliament.' It is interesting that we have not seen a ministerial statement following my questions. Well may the Minister of Correctional Services smile, but I would welcome the Minister's standing up and detailing what drug strategy he is prepared to put forward to combat the problems in our prisons. Further, I would welcome the Minister's standing in this Parliament and telling us what strategies for education, rehabilitation and work programs his department has in place.

The Minister cannot do that because he does not have those strategies in place. He may have implied in this Parliament that the strategies are there, but if they are the strategic directions document prepared by the Department of Correctional Services for the 1993-94 to 1995-96 financial years must be wrong. That document makes some rather interesting statements through its strategic priorities. Page 4 of that document details the strategic priorities, in part, as follows:

- develop an education system which focuses on specific needs of offenders and within institutions recognises the necessary interface with prison industries;
- develop and implement target programs for offenders giving high priority to Aborigines, women, multicultural issues, behaviourally disturbed offenders and child sex offenders;
- develop a comprehensive drug strategy.

They are all things that the Minister of Correctional Services has said in this Parliament he has under control: he has said that those programs are in place. According to the strategic directions document they have not been developed; they are just a priority to be developed.

Mr McKee interjecting:

Mr MATTHEW: The member for Gilles and other members can continue to ask what are the priorities of a Liberal Government, and we will continue to give the same answer: be patient; at a time of our choosing, not the Government's choosing and not the media's choosing, we will be very happy to release those policies and put the challenge up before this Government, which has no policies but which can simply only react in a knee-jerk fashion to Opposition questioning by cobbling together documents such as the strategic directions document—if indeed you can call it that—at the last minute.

Another interesting objective indicated in the document states: 'Developing the brief and seeking funds to commence construction of a new prison'. That document tells me that the Government is analysing the construction of a new prison. I am well aware of that, but it is the nature of the prison that interests me quite a bit. Inside and also outside this Parliament, the former Minister of Correctional Services stated that, under a Labor Government, a private prison would never be built in South Australia.

I am interested to note that the current Minister has not been quite as vociferous about that, but he has still stated that there would never be a private prison in South Australia under a Labor Government. If that is the case, why is it that the Economic Development Authority earlier this year rang every would-be private prison contractor in Australia and contacted some overseas, and invited them to lodge submissions to the EDA to construct a private prison in South Australia?

I am very well aware that the Government received a number of responses to that invitation and that those responses are presently being carefully vetted within the Minister's Correctional Services Department. So, I ask the Minister to come clean and to let the PSA and the prison officers know what his department is doing behind the scenes, because, despite the rhetoric and what the Government has said in this Parliament, it is presently planning to privatise the prison system in this State. That is rather an interesting turn of events, I would say, and I note that the Minister is not denying it while he is sitting listening to the debate in this House.

Outside all the rhetoric we have heard the Minister give before in the strategic directions document, the fact remains that this Government is wandering around in the dark, looking at options and now turning to the private sector to see if it can provide a solution, but it has failed to come up with a comprehensive strategy to combat the problems we face in our prisons.

I have been horrified to talk to those who manage halfway houses, to which some prisoners go after their release. I am asking some of the people who run those halfway houses what is the single largest problem they face in running a halfway house. The response has been consistent. Their largest problem has been getting prisoners who have been released from gaol off drugs. They are telling me that ex-inmates are coming to them as heroin addicts, because they have been able to support their habit in the prison system and because they have easily been able to obtain not simply softer drugs but hard drugs like heroin inside the system.

That is something that this Government has failed to combat; something with which it has failed to come to grips. As long as we turn drug addicts out of our gaols those desperate people will continue turning to crime to support their habit.

The prison system in this State is seeing in excess of 70 per cent of those released back inside again within five years. That is a tragic indictment of the failure of this Government to come to grips with the needs that have to be addressed in our prison system. Until work and education programs and psychiatric, rehabilitative and drug counselling programs are provided for prisoners in gaol at a major level, not simply little programs dotted here and there to make it look as if they are doing something—until the Government tackles those problems in that way—these problems will continue to manifest themselves and will continue to turn out criminals who become more likely to commit greater crime.

The ineptitude does not end there. I was interested to pick up today's *Advertiser* and see the headline '4 million crime assets blitz', the lead article referring to the fact that police have launched proceedings to seize assets worth \$4 million but do not have resources in the Confiscation of Assets Unit. I raised that issue over 12 months ago, pointing out that that unit did not have the resources.

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

Mr VENNING (Custance): I rise in support of the Supply Bill, which will allocate \$989 million to the Government to continue the activities of the Public Service. The only joy in this measure today is the realisation that this could be the present Government's last. The proposed new Emergency Services Bureau to which my colleague the member for Bright has just alluded does concern many country people, particularly our emergency services involving the CFS and the SES. The CFS has had a lifetime role in the country areas and is known not only for fighting fires as emergency volunteers but also for raising money, and that organisation is a vital part of the social fabric in country regions of South Australia.

The SES—State Emergency Service—is a newer organisation carrying out a completely different role, usually involving different people. These organisations are now strategically placed in the rural areas where the demand is and where the danger lies, particularly on our highways. Once again, with the decisions being made by this Government, as Arthur D. Little said of the Government, they are shooting at anything that flies by. Here is another decision that the Government has made that flies against any commonsense, acceptance or realisation of the actual problem that is occurring in the community, and it concerns me that the Government does these things.

I was contacted this evening by a constituent—I have these concerns brought to my attention daily—about a cut in funding to the Department of Primary Industries (and I note that the Minister is in the Chamber this evening), particularly the cut in the research dollar to the department. I refer to a \$3.3 million cut in research over the next two years, and this matter is highlighted in the McKinsey report.

The Hon. T.R. Groom interjecting:

Mr VENNING: I note that the Minister interjects, but he can enlighten me afterwards. I have this information from a very good source, and I am not going to react to the Minister's interjection now. I note that key people in the department have been making comments at public meetings that that recommendation in the report will be carried out, and we will see a \$3.3 million cut in departmental funds.

The department still has its own research branch, much diminished as it is. The Department of Primary Industries has retained some of that research function, and SARDI has the rest. Between them they have to cut back to the extent of \$3.3 million, and it will have to be in the staffing area, because that is all that is left of the department. No assets are left, because they have been sold off, so it has to be the department. We know that the assets have been sold. Northfield brought in millions of dollars to this Government: that asset was sold. It was departmental land, and many of the facilities on that land were supplied and built by industry, not by Government: it has all been sold off now to line the Government's coffers. How many dollars have we seen put back and spent on agriculture? Promises were made, particularly in relation to the redevelopment of the Waite Institute

and Agricultural Park: three times we have seen the Government revise that, and three times we have seen the Government cut back its promises on funding.

Members interjecting:

Mr VENNING: Without looking at actual figures, I would say less than 20 per cent of the money made from the sale of Northfield would actually be spent on Northfield. The department has been stripped bare to the bones. I do not blame the Minister for that because that was done before he became a Minister. Again, I pay a tribute to the work the Minister has endeavoured to do so diligently. Certainly, he is the only Minister over there visibly doing anything at all. He gets out into country areas and works hard. When I realise that his future lies in the city, I give him full credit for the way in which he discharges his portfolio duties as Minister of Primary Industries.

As I said, the department has been stripped bare. Without doubt, it is by far the lowest funded Department of Primary Industries in Australia, and when we see \$3.3 million is to be taken away it compounds my fears. Members opposite do not disagree about this matter, because they know I am right. Still the cut is to happen, and why is that so? It is because this sector of our community cannot hit back. The rural sector takes it and is a soft touch for the Government, which is not going to lose any votes in rural areas.

However, let it be known that the only way this State and this Government will get out of trouble is through the success of the rural sector, which is ready, willing and able to save us. Therefore, for the Government to cut research money in such a critical area of the department is a grave concern, especially when the department has done an excellent job and been most efficient with its research dollars.

In the past we have seen brilliant work done even with meagre budgets, yet still we see these foreshadowed cuts. Eyre Peninsula activities will be hit savagely, and I refer particularly to the soils division, which is where my constituent comes in. He spoke to me this evening and was most concerned that three soils officers have left, with only one remaining. As to the Port Lincoln office, he asked from whom he could collect the key for that office of the Department of Primary Industries, because the office is almost closed and there may be something there he wants to see. He asked me who had the key. Has the Government sold that as well?

Members can understand the anxiety about regional offices on the part of so many people in such far flung areas. The person talking to me was not an ordinary farmer but someone in a key position, and the Minister would know him well. I am most concerned because the situation has reached a serious stage and people are fearful. Already the department is the lowest funded department in Australia, as I said, yet agriculture returns valuable dollars to South Australia. I am most concerned about the proposed \$3.3 million cut. In considering Supply, I will be watching the budget carefully and in the Estimates Committees I will be asking the Minister relevant questions about expenditure cuts that may be made in other areas.

On the other hand, \$3 million is to be spent on yet more research into the State Bank, and that is almost the same amount as will be cut from agriculture. If the truth be known, that State Bank investigation is only a stalling tactic, because the Government does not want to ping or charge anyone until after the election. As my Leader so capably said this afternoon, if any charges are laid before the election, we know what will happen: they will be squealing like stuck pigs and

members of the Government will no doubt be implicated in the whole deal. We have \$3 million being spent on a task force to yet again research what is happening in the State Bank and ascertain whether charges should be laid.

South Australia is now in hock to the tune of more than \$9 700 for every man, woman and child in the State and we are just about to spend another \$980 million more. That is nothing when we consider how much it costs us a day: \$2 million in interest per day, as well as having a debt of \$9 700 owed by every man, woman and child in this State. We have a staggering \$1.279 million every day going down the drain over 10 years, and we have not turned this around.

I hope that in the next few months the Government will act *vis-a-vis* the budget to turn the problem around, but I do not hold my breath. With this legacy of debt the odour of Labor's ineptitude will linger long after those responsible are gone not just from this Parliament but many from this life, because the debt and the problems we have now will be with our grandchildren, and no-one can dispute that. I would hope to see the Government make some big changes regarding the run-down of our State's assets.

We have heard various people talk of carting water in buckets, carting out the sewerage water in buckets, and they just laugh. But when you realise the value of our assets in this State, particularly our water assets, that is, clean water in and sewage out, we should be spending about \$300 million, and that is just to maintain the present system—not provide any new assets. But what are we actually spending? Less than \$10 million on some of these vital areas. So, blind Freddy can work out what happens. I suggest that most of the blind Freddies opposite do not want to hear about this—they are blind and deaf.

In four or five years time, each of these services will become unserviceable. There will be too many to fix up and you will see people carting water, manually. This is South Australia. If you want to see what happens to a city that runs down, visit Hanoi in Vietnam, which was once a great city under the French, and have a look at it now. It can happen to the best of us, and we will go down this track. The Government, *vis-a-vis* this Supply Bill, ought to be turning around and putting more money towards our assets and improving our asset retention. It involves not only our water supplies but our schools, our roads and all other valuable State assets.

Money has been wasted, and I will use Scrimber as one example, in relation to which some \$60 million was thrown away. The Morgan-Burra road ought to be sealed; it is a vital artery of the State. We could do that twice or three times with the money that was wasted on Scrimber alone, and that is as well as everything else that this Government has wasted. But nobody on the Government side seems to care. It is all par for the course. None of them is individually responsible for any of this, not at all. They collectively hide from the realism of where we are at the moment.

I get very anxious and upset when I realise what has happened, when my constituents want certain things and when you realise with normal progress in South Australia we would have many of these new assets. Not only are we not getting new assets, we are not even maintaining our old ones. Under the Walsh, Dunstan, Corcoran and Arnold entrepreneurs the State has been allowed to run down. The Government has been giving us disincentives at every turn. In more recent times, we have seen some desperate attempts to retrieve the desperate situation that this attitude has brought about. But still both State and Federal Governments

are throwing money at people who do not work or who do not want to work.

This is an issue that really gets to me. I know it does not relate particularly to this House; but the Governments of this country have to bite the bullet, make tough decisions and start changing the way we do things. For example, we must set the dole rates at realistic levels so that people may want to work rather than collect the dole. We cannot just keep shelling out the dole. I have enough people in my office who have dole problems. I do not want anybody to go without life support, but what happens when we eventually have more dole receivers than we have taxpayers, because it does not pay to go out there and work?

We have other such areas, for example, supporting single parents, which is another emotive issue. Mind you, it is very dangerous to bring up a subject such as this in Parliament. However, we all know that it is getting to the stage now where it is almost financially attractive for young people to have families, to have children, because the Government pays you to have them. I am quite happy to support a young woman with one child, but when they have the second and the third one and expect the Government to pick up the tab, we must wake up to ourselves. What are we doing? What are we encouraging? What sort of people are we bringing into the world?

We also have the law and order problem. One only has to go out there in Hindley Street and see who is wandering around in the street and see the age of these people. Why are they not at home? Why are their parents not looking after them? All these problems start from things that we do in this place, the decisions we make, and we are giving people the wrong messages entirely. A lot of these children should have been given up for adoption at birth. Many families out there are childless. In the old days, a lot of these children went to lovely homes and were adopted out. But as we all know, adoption has almost ceased in this State because the Government now pays single parents to have children. I am not saying it is wrong, but we have to put the lid on this and, after the first child, I certainly would scale it right down.

These people are causing the problems right across the State. How many runaways and street kids can we expect in the years ahead? This is a problem that is galloping out of control. To see what responsible social attitudes can achieve, I suggest members of this Government go overseas and look at what I call the tiger countries to our north that are moving in the opposite direction to us: where we are going down they are going up; the counterweight of our problems is pulling them up to healthier, growing economies and an improved quality of life for all their people. This society is becoming a very divided society. The rich are getting richer and the poor are getting poorer. Hearing the speeches opposite of members of a Government which we have had for 10 years one wonders how that could be.

When you look at these countries, particularly Singapore, Malaysia and now Vietnam, they are doing the opposite to us. There are no parasites over there; those people's attitude to their countries is quite different from here. I think we have a serious problem in Australia. Our Governments by our incentives are giving our people a different sort of mentality. How often are we hearing Australians knocking each other for achieving. Why do we knock our achievers in this country? Anybody who gets there and does it well gets a serve. Profit is a dirty word. Anybody who is achieving anything is said to have ripped something off.

I have not travelled very widely, but of the places that I have been to I have heard the same thing of Australians: 'You are a great people but what is wrong with your attitude, why do you knock your achievers?' We are an intelligent race, but what do we do? Our Governments are expecting and promoting mediocrity and that is what we are getting. We are a model for many of these countries of what not to do. I am sure there is not a single South Australian who wonders why we have unemployment at 11 per cent.

This is the lucky country. Why are our children unable to get jobs? We have had 10 years of Labor Government and our children cannot get jobs, and we all know the cause of that. Just this week I was talking to a man, now a used car salesman with a large retail car company here in Adelaide, who used to own his own small business selling clothes. He eventually gave it up in despair, not because the hours were long, not because the risks were high, not because the rewards were small—every businessman expects these things—but because at every turn there was a new Government imposed hurdle. Even if he did manage a small profit a savage tax system killed any remaining incentive to continue. How many members know stories like that? I challenge any member retiring from this place—and there will certainly be more than several—at the next election to go out and start up a small business.

Mr S.G. Evans interjecting:

Mr VENNING: I would think that the member for Davenport is well placed to make a success because he is the man that he is. But I challenge members opposite to get out there and have a go at small business. Let them see just what you have to do to open up and to stay there. So I would like members to go out there and look at it from the other side and see just how difficult it is. It is almost impossible. These are people who live in the western, northern, eastern and southern suburbs of Adelaide. These are the people who are trying to make a living. They work hours and hours and when they work out their rate per hour they really should not be there. They might as well go out and pick up the dole. Mr Deputy Speaker, you have heard this scenario time and time again, but what have we done about it? We have just talked about it.

As I said, this Government seems powerless to do anything about it and tonight as we discuss the Supply Bill what are we seeing? We are seeing \$998 million more going down the same tired old way. There are no new initiatives, no new directions; it is just the same old way. We still hear speeches coming from members opposite and they have not changed their ways one little bit. Given the right incentives, instead of the disincentives, there would be enough jobs on the farms of South Australia alone to be able to lop 3 to 4 percentage points off our unemployment figure, particularly amongst our young people. But what incentive is there to do that? There is none at all.

Why pay money to people for doing nothing? I would shell it out to those organisations, such as local government, or anybody else who can administer the money and get young people working. In closing, I support the Supply Bill, but I fervently hope that it will be this Government's last.

Bill read a second time.

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety): I move:

That the Deputy Speaker do now leave the Chair and the House resolve itself into a Committee of the whole for the consideration of the Bill.

Mr VENNING (Custance): I do apologise for being on my feet again so soon—it is just how the roster worked out, but I am glad that I will be able to bring up a very relevant and urgent issue. I want to speak tonight about the Government's failure for nearly six years to provide adequate and guaranteed support to the Rural Counselling Service. I hope the Minister does not leave the Chamber, because this comes under his portfolio.

The Rural Counselling Service was a Federal initiative intended originally to be funded 50 per cent from Canberra through the Department for Primary Industries and Energy and 50 per cent by each local community which also had the responsibility of managing these counselling services. In practice, the very conditions that made rural counselling services necessary meant that the local communities found it almost impossible to come up with their half of the money, so each State Government agreed to fund up to 25 per cent of the rural counsellors' costs. The service started in South Australia in 1986 and the first counsellor appointed was none other than Mr Tim Sholz, well known to us all as the current President of the South Australian Farmers Federation.

As at this month, there are 15 rural counsellors, all equal to the calibre of Mr Sholz, and all providing to their communities, to the best of their ability, a service the value of which goes far beyond the cost of providing it. However, this Government has always taken a tight-fisted attitude to this service, and that is why I raise this matter now. The shortfall of locally generated funds has been met from a trust fund whose contributors have included such organisations as the South Australian Farmers Federation, the ANZ Bank and the Commonwealth Bank. Originally the State Bank and the South Australian Government Financing Authority were also major contributors but, surprise, surprise, they have withdrawn.

At the annual conference of the then United Farmers and Stockowners just three years ago, the then Minister of Agriculture, who is now the Premier, became rather angry at a suggestion that his department was not pulling its weight with regard to support for this counselling service. He then publicly declared that his Government would continue to provide 25 per cent of rural counselling funding.

As a member of a Government that has never regarded the rural constituencies as having any electoral value and therefore hardly worth helping, he struggled to fulfil his promise. He eventually came up with funds from the Rural Industry Adjustment and Development Fund, which in its turn is funded not from the Government but from profits made from rural finance branch loans.

Mr S.G. EVANS: Mr Deputy Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr VENNING: In other words, in the final analysis the money comes, in the main, from the farming community itself. Last December the current Minister of Primary Industries, who is in the House at the moment, also promised to continue the funding. In fact, it was rather a hollow promise. The funding from the Government has never reached the 25 per cent promised. The maximum grant from the trust fund is \$20 000 on an average Rural Counselling Service budget of \$92 000. Now the Rural Counselling Service fears the RIADF funds will no longer be available to support the service. Could this mean the end?

If these funds are lost, it could mean the end of the Rural Counselling Service in South Australia, and that indeed would be a tragedy. It would be an insult heaped upon the

many injuries the rural community has already suffered. A measure of the need for rural counselling can be seen in the fact that up to the end of last year the service had seen no fewer than 2 500 of South Australia's 12 500 farmers; most of them have been seen in the past couple of years since the service was expanded to cover almost all of the State. Of the State's 15 counsellors, seven have been operating for two years or less.

In the past six months the number of farmers seeking counselling has skyrocketed—and you, Sir, would understand why—with last season pushing even more farmers to the edge. The counsellors provide the buffer between many farmers sitting down and discussing their problems or contemplating suicide. The average rural counsellor handles \$25 million worth of debt a year. The figure ranges from \$21 million in the Riverland fruit blocks to \$33 million in the pastoral areas. The load is such that many counsellors themselves cannot cope. Four counsellors have been sent away by their committees to recharge their batteries.

After playing such a large part in setting the conditions that have made this service so necessary it would be a cruel irony if this Government were to do anything that in the slightest damaged its ability to meet the demands made on it. I hope that the Government is able to continue this service, because I know some were dubious when this counselling service was set up, but I have seen first-hand the work and the results of the Rural Counselling Service. The counsellor in my area, Mrs Cathy Ottens, works double the hours she is paid for. She is working many hours, and I know that that and the many problems that she has to deal with are affecting her health.

Also, I am very familiar with the work of Bill Cale, in my electorate. The Chairman, Mr John Neal, is also well known for his diligence. This is not the time to scale down a service such as this. When we return to a normal situation—and I hope that will be within two or three years in the rural areas—the Rural Counselling Service can be scaled down, but for now I hope that does not occur. I wonder why we have not seen in this House a balance sheet, a profit and loss sheet or an income expenditure account of the Rural Industry Adjustment and Development Fund, because it could be anything from \$5 million to \$40 million. These are the proceeds of the department's own lending service.

I make a plea to the Government tonight. I go in to bat for the counsellors on behalf of the rural communities. The counsellors are providing a marvellous service and, to a large extent, they are unheralded. I do not want to see the Government cut back in this area at all, because if the State Government reneges on its part of the deal no doubt the Federal Government will follow suit, along with the private funding that is already in there. I urge the Government and the Minister to continue the funding for rural counsellors in South Australia until we no longer need them—but we certainly need them now.

Mr HAMILTON (Albert Park): Since the Governor addressed us in the other Chamber last Tuesday, many speeches have been made in this House. I have listened intently to Question Time, the grievance debate and speeches made by members opposite, but I have yet to hear any mention of the cost of industrial accidents and the associated trauma. I have heard them talk about costs to industry, about the cost of wages, and about the costs to the very important rural sector, but not once have I heard them talk about the traumas associated with industrial accidents.

An honourable member interjecting:

Mr HAMILTON: The member says it is not true. During the time I have sat in this House I have not heard them talk about the costs of industrial accidents, and I will look through *Hansard* and double check that. I have never heard a figure quoted by any member opposite. I raise this because it is very important and very critical: at the next State election, whether the Opposition members like it or not, the industrial scene will be one of the major issues in the community, because workers are frightened as to what will happen to them under a conservative Government.

Last year we on this side of the House listened intently to the statements made by the Leader of the Opposition. We listened to the spokesperson for industrial matters, the member for Bragg; we listened to Mr Kennett in Victoria (and the shadow spokesperson in this Chamber says he supports the thrust of those policies); and we listened to Mr Richard Court in Western Australia, prior to the elections I hasten to add, Sir, about how he would handle the industrial scene. But on every occasion after they have been elected to Government they have attacked the workers.

An honourable member interjecting:

Mr HAMILTON: Sir, I won't listen to that clown opposite. He can make his contribution later. Let him go and talk to the metal workers, let him go and talk to the unions out there: I will lay you London to a brick he does not have the intestinal fortitude to go out and do it. He might talk to some of those other unions he thinks he might get on side, but the overwhelming majority of unions in South Australia, Victoria and Western Australia have no time for the Liberal conservatives' attacks. Let him go into Victoria, let him go into Western Australia. Let us hear what Charles Court's silver tailed and silver tongued son had to say prior to the last election in that State. He said he would not attack workers over there, but what has he done: he has launched a savage attack on Western Australian workers, putting employers in a powerful position, whereby they are able to cut wages and conditions through workplace agreements. A report states:

Proposed new legislation will strip award protection from employees and reduce unions to the position of bargaining agents for their members. As well, workers compensation provisions have been drastically cut. Workers will respond to the compo changes with a mass rally in Perth on Thursday, August 19. The new legislation sets a minimum wage of \$275 a week (but disabled workers can be paid even less), plus 10 days sick leave and four weeks holiday. However, the holidays can be replaced with a 'benefit in lieu', which does not have to be of equivalent value. Minimum wages will now be a political decision, with the appropriate Minister setting them annually.

When I first came down from the country under a conservative Government I ran around the railway yards at Mile End taking up a collection. What did they do to workers? They cut back their entitlements on workers compensation. They did not give a damn about the workers, and they have the gall to stand in this place and talk about workers compensation and how they care for the workers. Like hell they do!

As one who comes from the bottom of the heap and who has had to scratch and claw under conservative Governments, I cannot recall one condition that has been given to the workers for which they have not had to struggle. I cannot remember one condition under a conservative Government that has benefited workers in the industrial scene. They have fought the workers tooth and nail on every industrial site and in every industrial commission in order to take conditions away from them, and it has not changed.

Let Opposition members recall what their Federal colleagues would do to the workers leading up to the last Federal election. They forget the \$3 an hour youth wage. They do not want to hear that sort of stuff. We know what they will do to the workers, because we have seen it repeatedly. They do not want the unions involved, but they will give more and more power to their silvertail mates. They know damn well in the scenario that they want to set up and have set up interstate that they will give the employers every opportunity to shaft the workers. Imagine the worker with a contract shoved in front of him or her and being told, 'Sign this if you want to retain your job. If you don't like it, get out.' That is the sort of stuff that we can come to expect.

They do not want to talk about industrial matters in this Parliament, and they have not touched on them in the main during this debate. Despite the criticism that comes from sections of the trade union movement about the Labor Party—some of which is justified, I hasten to add—I believe that the trade union movement understands that it can battle Labor Governments. Indeed, I was involved in that before I came into this Parliament. However, at the end of the day, leading up to the next State election, I believe it will come out and attack the policies of the Liberal Party.

There is a motion that I know I cannot touch upon, and I will not abuse the privilege of the House by attempting to do so, but I believe there is a whole series of questions that the trade union movement will be posing to the Liberal Party about Workcover, conditions, and so on, that the Opposition has skirted around. They just will not answer those questions. They have done it in the past and I believe they will be found out.

The classic examples are Western Australia and Victoria. They mouthed off all these statements, such as, 'We are not going to shaft the workers; we will give them the right not to become members of trade unions.' Let them go into Victoria and Western Australia now and talk to the workers and find out what those workers are saying. Some are saying to me, 'Don't blame me. I never voted for the mongrels'—those are their words—'but we know now what they are going to do to us.' That will happen in this State if we have a Liberal Government.

Last but not least, let us not forget—I will not as long as I am in this Parliament—when the present Leader of the Opposition was the Minister of Labour. He would not release the Cawthorne report. He will not talk about that report on industrial relations, paid for by the taxpayers, because he did not have the intestinal fortitude to release it to the Parliament. We had to wait until after we were elected back into office in 1982, as you will recall, Sir, before we knew what was in that report. How can we trust that man? There is an old saying that a leopard will never change its spots. I do not believe that the present Leader of the Opposition will change his spots on industrial matters.

The Hon. H. ALLISON (Mount Gambier): It was interesting to hear the member for Albert Park speaking.

Members interjecting:

The Hon. H. ALLISON: Well, it was, because his speech was typical of all the speeches made by members opposite about the Liberal Party's industrial policy. It seems to me that they are hoping they can win the next election by whipping the industrial scene into a frenzy by saying that industrial policies on this side of House will be *a la* Kennett and *a la* Court. Incidentally, they are not doing too badly at all in the

public eye, if one looks at the polls in Victoria and Western Australia; they are held in pretty high regard these days.

I can assure the honourable member that the policy released earlier by the shadow Minister for industry is fair, balanced and reasonable. On the day it was released, the Minister and the trade unions could come up with very little criticism other than to say that it is so good there must be a hidden agenda. However, I can assure members that what they see is what they get; there is no hidden agenda.

It is obvious when looking at our industrial policy that workers in South Australia will be a heck of a lot safer than they are under this present Labor Government, because Keating has given South Australia \$260 million on the premise that the State Bank will be sold sooner or later—and it looks like being later rather than sooner. If the State Bank is not sold, I wonder whether the \$600 million that he promised will be refundable? If that happens we will be in more trouble than Ned Kelly. Meanwhile, the \$260 million that has been paid to South Australia by the Federal Government is being used not for the creation of jobs, which is what any progressive, forward thinking Government would do, but for \$260 million worth of retrenchments. In other words, we are seeing fewer people in employment as a result of Federal funding and as a result of 10 years of dereliction on the part of this Government, which is unimaginative. It is this Government that has sunk South Australia and the South Australian worker. I can assure members on the Government benches that, when the Liberal Party gets into power, we will give the workers the most precious thing of all: work. Beat that!

I did not want to waste my time, but the member for Albert Park did contribute to this debate and his speech raised my ire. It was just a reflection of other hackneyed speeches that have been made. Members opposite are like the Glenelg tram: they put their nose down at one end and they arrive at the terminus without really looking at the scenery as they are going past. They have missed the scenery for 10 years, that is for sure.

What I really wanted to refer to was the Minister of Health, Family and Community Services. We passed like ships in the night in the corridor yesterday and he fleetingly said that there was \$80 000 specifically for Mount Gambier. Looking at the allocation of funds this morning, I could not see anything for the Mount Gambier Hospital. I could see about \$83 000 for Millicent, Naracoorte, Penola and places such as that, but nothing for Mount Gambier. I am not really worried about that.

What really does worry me is that during the Address in Reply debate a few days ago I asked the Minister whether there was any possibility of bringing forward that night on 20 year commitment to build a new hospital or refurbish the old hospital at Mount Gambier. That promise is getting a little old and hackneyed. It is always the same old catchcry: 'There isn't enough money.' The first promise was for 1990, then it was 1992, 1993 and 1994. Now we are promised the new Mount Gambier Hospital will be completed in 1996 at a cost of about \$28 million. The consultants have been appointed; the architects have been given a brief; and the assayers are at work. But there is still this catchcry about no money.

I was appalled when I heard the Minister say only yesterday that he will spend \$110.7 million extra this year in the health budget, but—would anyone believe it—that includes \$34 million that was not spent last year. So, an increase in real terms this year includes money that was not spent last year. That is very strange creative accounting.

Mr Brindal: Robbing Peter to pay Paul.

The Hon. H. ALLISON: But that is another issue. Other Government departments are going to lose money in order to fund the Health Commission. That is one story, but this is money that was not spent. How can the Minister stand up and say that he does not have money to build the new Mount Gambier Hospital when he did not spend \$34 million last year and when that is far more than is required to construct that new hospital?

It is the three-card trick. You can not spend money by using a variety of tricks. Governments that are in dire straits use this sort of ploy. The thing that I imagined this morning was that one instructs the hospitals to underspend. We all know that that has happened. We have a waiting list of thousands of people who would like operations—who in some cases desperately need them. From personal experience I know of people who have paid for private hospital operations rather than wait the many months for what they consider to be essential operations.

They are not cosmetic but essential life-saving operations. So much for a Government that claims to be compassionate! You tell your hospitals to underspend and to restrain spending, you withhold payments beyond the due date so that the creditors are short-changed for a while, you delay contracts, and you delay capital works (such as the Mount Gambier Hospital for two years), and so on. There is the holding back of funding.

Mr D.S. Baker: What about Finger Point?

The Hon. H. ALLISON: Well, Finger Point was delayed year after year. You can hold back the Federal allocation of funds to your hospitals, because the Federal Government tends to allocate in calendar years whereas the State Government operates in financial years, therefore you can have virtually an 18 month delay from allocation to final expenditure. There are clever little tricks like that. The Minister just says, 'Well, some hospitals overspend, some hospitals underspend and \$34 million really is not very much.' I can tell the Minister, as the Minister of Education from 1979 to 1982, I had the spending of one-third of the State's budget. I can tell the Minister that, if I had ever had \$34 million that I did not know about, the whole of the South Australian public would have asked me to resign. They did in any case at your behest, I know, but that is another story. We were never \$34 million in kitty that we did not know about.

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. H. ALLISON: I do not know who poured dinner tonight, but I wish the honourable member would stop interjecting; I am running short of time.

An honourable member interjecting:

The DEPUTY SPEAKER: Order!

The Hon. H. ALLISON: The sum of \$34 million is a very large amount of money to have lost. It is unforgivable and, apart from that, it was ingracious of the Minister to admit that he had underspent \$34 million; really, it was offensive of the Minister to admit that when he looks around and sees all the poor, sick, devastated people in the community who are suffering, who want operations, who are part of that queue. But the Minister said, 'Look, I am terribly sorry. I would like to fix them up but I cannot.' The Minister himself rejoiced when the Federal Government gave him a few million dollars towards reducing that long waiting list, that long backlog of cases. He rejoiced at that, when all the

time he is sitting on \$34 million in his own kitty. Shameful, absolutely shameful!

The Minister was sounding more and more like a long-term devout member of the Labor Party, making apologia for inability to spend \$34 million. He sounded like the real thing. You should grab him while he is in that mood, I tell you. I hope that the people of South Australia will see through that sort of ministerial tactic and pay it out as it deserves when the election comes along. I do not think there is much worry about that, quite frankly. It was a transparent ploy on the part of the Minister to put himself, the Health Commission and the Government in as favourable light as possible. I am cynical enough to think that that \$34 million might have been underspent so that the Minister could allocate it with great benevolence, great munificence, in an election year and say, 'Look how great we are. We have turned the corner. We are going to look after you. We are compassionate. We are the greatest.'

Well, it is not going to work. People in my electorate have a long memory. They know they have had to wait for attention at the hospital. They know they have had to come to Adelaide by plane, bus or car. I do not know how many have had to walk; I doubt whether it was many. They have had problems and, if there are not sufficient funds in local community hospitals throughout rural South Australia, if people are badly done by, this Government will get its comeuppance. It is no good the Minister claiming that he is spending \$100-odd million additional in real terms when he is sitting on unspent money from the previous year. I was never allowed to get away with it and I do not see any reason why this Minister and this Government should be allowed to get away with it either.

Members interjecting:

The DEPUTY SPEAKER: Order!

Mrs KOTZ (Newland): Adelaide has been known for many different events and happenings over the years. Some are of a good nature and character and some are of a more bizarre and horrifying nature. Those of us who have lived in Adelaide either the majority of our lives or all of our lives would, by those few descriptive words, conjure up mental pictures based on one's own experiences and memories. I think of the time when Adelaide was quietly inoffensive in character and when it was known as the City of Churches or the Festival City, as it has recently been known, and they are the good memories.

I recall, on the other hand, the disappearance of the Beaumont children and the Truro murders, to recount only two of numerous bizarre happenings over the years. Adelaide's nature and character has certainly altered over the years, particularly where our level of tolerance and acceptance has reached what I now believe is an intolerable level where such areas as crime, violence and pornography are virtually ignored by our Government. The offenders and the perpetrators of violence and indecent acts appear to receive more concern, time and effort by Government officials and the courts than the innocent victims.

The face of Adelaide is once again about to change. No longer are we known as the city of churches or the festival city, but Adelaide is now the home of the perverts.

The Hon. T.H. Hemmings interjecting:

Mrs KOTZ: I note we have an interjection from one who I am sure—

The DEPUTY SPEAKER: Order!

Mrs KOTZ: I said that no longer is our city of churches or our festival city known as such, but Adelaide is about to become the home of the perverts. According to the promotional material presented to the public of South Australia by a new business enterprise, which is due to open its doors this coming Friday, this enterprising and new alleged entertainment offers all the once again alleged pleasures of sado-masochism to the people of Adelaide, 'the home of Australia's perverts'.

I personally find it totally offensive to have Adelaide described in such a manner. I find it equally offensive that this club to be opened on Friday is targeting sexual deviants and perverts to encourage participation in public displays of sado-masochistic cruelties.

Members interjecting:

Mrs KOTZ: I knew this was a subject that would arouse many of our Labor member colleagues on the Government benches. I have had several letters and many phone calls from people in our community protesting about the opening of the Hellfire Club. One of the letters I received was from a concerned mother of three teenagers, and I would like to read into the record the letter she wrote. She states:

I am writing to you as a concerned mother of three teenagers. I was horrified to see the advertisement advertising the Hellfire Club, which is going to show live performances of kinky sex, encouraging the audience to participate.

She goes on to say:

I am broken hearted to see the city of Adelaide I live in plummet lower and lower in morals, and leaving for our children a modern day Sodom and Gomorrah to try to survive in. Our children are faced daily with abuse of all kinds, no employment, no discipline; in fact, they see no hope ahead and, as we know, the suicide rate of teenagers is skyrocketing. We adults must make a stand and say 'No more.' We have to improve things for our children, not sit back and think how awful, but stand up and at least try to change things for the children we say we love. I am only one small voice, but I have at least tried to do something.

Another mother called into my office only today and brought with her a local newspaper, distributed at no cost to the residents. I point out that it was not a Messenger newspaper. This newspaper carried an advertisement that promotes the opening of the Hellfire Club, and I quote from the advertisement in that local paper as follows:

Special opening night party. Welcome to 'the Hellfire Club', Adelaide chapter. What Melbourne and Sydney have had for the past 12 months finally comes to the home of Australia's perverts—Adelaide. That's right, cry no more as we introduce Adelaide's first true S & M nightclub. Hellfire opens its doors to sadists, masochists, rubber lovers, foot fetishists, spankers, voyeurs, exhibitionists, body piercers and tattoo freaks everywhere. Finally, Adelaide, your mania has a home. Hard core trance and techno music will provide the backdrop to displays of pain, pleasure and perversion.

It almost sounds like some of the things we have to go through when we are in this House listening to Labor members. It goes on to say:

Named after the 18th century gentlemen's club dedicated to kinkiness and libertinage, Hellfire continues this tradition with a dark night of sexuality run amok.

There is plenty more to read in that advertisement, but with my time running out I will not do so. The top part of the advertisement shows a rather demeaning, disgusting and obscene picture of two women, semi-naked, one bound and gagged. I find that demeaning, offensive and most definitely obscene.

The mother who brought this advertisement to my office was shocked and horrified to think that this type of bizarre and offensive behaviour could possibly have any legal

entitlement to being publicly acceptable as nightclub entertainment in our city. I believe that the club will have an entertainment venue licence under the Liquor Licensing Act that will enable anyone aged 18 years or over to gain admission. Although heavy penalties on the licensee can be exacted by law if under age persons are found to be frequenting licensed premises such as these, it is not unreasonable to expect that younger persons will find their way into these premises, particularly as this promotional material is being made available not only to adults but also to minors.

I took up this matter with my colleague in another place the Hon. Trevor Griffin and he brought up the matter with the Attorney-General. I would like to put on record one of the research areas that the honourable member mentioned in regard to looking at legal ways in which to close down this particular club. He suggests several areas that may help to achieve that goal. The first is a recent House of Lords case to which one person who telephoned the honourable member drew his attention. That case addresses the issue of sadomasochism directly and it was decided that it was not in the public interest that a person should wound or cause actual bodily harm to another for no good reason; that the victim's consent afforded no defence to criminal charges; and that the satisfying of sadomasochistic desires did not constitute a good reason. In other words, if people at the Hellfire club engage in sadomasochistic acts and cause wounding or other harm which is neither transient nor trifling, a criminal act has been committed.

The honourable member went on to refer particularly to one of the observations in the House of Lords judgment by Lord Templeman when he said:

In principle there is a difference between violence which is incidental and violence which is inflicted for the indulgence of cruelty. The violence of sadomasochistic encounters involves the indulgence of cruelty by sadists and the degradation of victims. Such violence is injurious to the participants and unpredictably dangerous. I am not prepared to invent a defence of consent for sadomasochistic encounters which breed and glorify cruelty and result in offences under . . .

And he went on to state two particular sections of the Offences Against the Person Act in the United Kingdom.

In today's society where child abuse, domestic violence and violent crime have become an everyday occurrence, it is not good enough to quietly accept the continuing erosion of social values and morals which are the true strengths of a society which can protect the weak and the innocent. Adelaide does not deserve to be tagged as the home of Australia's perverts. If S & M clubs such as the Hellfire Club are allowed to conduct their bizarre trade we will indeed deserve that offensive and obscene description.

The ACTING SPEAKER (Hon. D.J. Hoppood): Order! The honourable member's time has expired. The member for Fisher.

Mr SUCH (Fisher): I would like to talk this evening about the so-called Labor Party, which has now become very much a misnomer, because in many ways it is the anti-workers' party. I believe that the Labor Party should change its name to reflect more accurately the unemployment that it has inflicted on the workers of this State and of this country.

Karl Marx spoke about the reserve army of the unemployed. This Labor Government and the Federal Labor Government have created something greater than a reserve army: they have created divisions of unemployed, and it is a tragedy not only for those people but also for the community as a whole. The sooner the Labor Party changes its name so

that it will not be prosecuted under false advertising legislation, the better it will be. If one looks at the unemployment record in areas represented by Labor Ministers one sees that there is an appalling situation in areas represented by Ministers Rann, Evans and Lenehan.

In the most recent statistics available, produced by the ABS in conjunction with the Federal Department of Employment, Education and Training, one finds that in suburbs such as Salisbury there are over 7 000 unemployed people, which is an enormous number in an area represented by one of our Ministers. I now refer to the southern suburbs, and you, Sir, as former Deputy Premier, would know that, in an area that is also shared by the Education Minister, there are almost 6 000 jobless in the Noarlunga council area. In the area that the member for Semaphore represents, there are in excess of 3 000 jobless in Port Adelaide. In Elizabeth, almost 3 000 people are unemployed, and so the list goes on.

We hear a lot about social justice from members opposite, but what social justice is there when people do not have a job? It is fine for the member for Albert Park to be misrepresenting the industrial relations policies of this Party, of which I am a member, when his own Party and the Government of which he is a member has been unable to create the climate in which jobs can be provided for thousands of South Australians. It is fine to talk about and mouth words such as social justice, but they do not mean anything; they ring hollow if people do not have a job.

What we have seen in recent times is a marketing exercise by this Government in which it has been able to present a false picture to the electorate, but I believe that false image and false representation have come to an end. In the next election, which I hope will be sooner rather than later, the public of South Australia will see through the charade of this Government and take their revenge via the ballot box.

If one looks at some of the regional areas of South Australia, such as Whyalla, Port Pirie and Port Augusta, one sees that in those areas which have Labor MPs there is once again an incredible number of people who are unemployed. For example, in Port Pirie, almost one in five of the work force is unemployed. That is a staggering figure; that is the highest percentage since the Depression. You have an Upper House member resident in that area, as well as a Lower House member of the Labor Party representing that area. They should be out there apologising to the people who are unemployed and hammering on the doors of the Premier and the Prime Minister to get some action in terms of creating a climate in which jobs can be created for those people.

It is an outrageous situation, and once again it is impossible and intolerable for these people to call themselves members of a Labor Party when they have inflicted this gross unemployment—this tragedy—upon the people not only of Port Pirie, Whyalla and Port Augusta but throughout the whole of South Australia.

The Federal Government and this State Government have used the argument that there has been a world wide recession and therefore that has impacted on South Australia and Australia. That has been a con. There is always an element of truth in virtually anything that someone says, but that argument has been grossly exaggerated and, when one looks at South Australia and Australia with its climatic and resource advantages and skilled people, we should be No.1. The argument about blaming someone else—other countries and the world recession—is a hollow con.

The public is coming to realise that that is a furphy dreamt up by Labor Governments trying to retain office. It is only the

prospect of a Liberal Government that will bring about the confidence of people to invest again, so that we get permanent, genuine jobs not only for young but for older South Australians as well.

If we look at the training area we will see that in South Australia, in a scheme operated by the Commonwealth Government—the Australian Traineeship Scheme—we have had less than half the number of traineeships that we should be getting on a population basis. It is only recently, in this election year, that the State Government has decided to do anything significant about employing trainees, or encouraging them to take up the funded scheme operated by the Commonwealth Government.

A study undertaken at the University of Adelaide by a student, Brian Astill, who analysed that scheme, found that not only was South Australia missing out on its share of traineeships but those traineeships were going to people who invariably came from the more affluent areas of the community, and the main objectives of that program instituted by the Federal Government, with laudable aims, were not being met. So, in the area of training this Government has been a disaster.

However, the most tragic consequence of this Government has been a lack of jobs. It is not sufficient to have training: important as that is, you must have jobs in which the trained people can be employed. This State requires a tremendous boost in confidence, and as I indicated earlier that will come only when you have a change in Government. Confidence is critical in economics. I believe that it is one of the most (if not the most) critical aspects, and if people do not believe that they are going to get a return on their investment they simply do not invest.

This Government and the Federal Government have done everything possible to discourage private investment. That is where you get the wealth and job creation, and until that confidence comes back, and that will happen when you get a change of Government, the future for young—and older—South Australians is very bleak indeed.

Our Public Service is in turmoil. It has been decimated by the policies of this Government, and it is in a situation where our decent public servants cannot function properly because they have been messed around so much by this Government. Teachers are displaying the lowest level of morale in living memory, and what used to be a very fine State education system has been decimated by this Government in terms of its policies and lack of support, direction and decision making. The Government is in a state of paralysis, unable to come up with new ideas or new vision. All its recent policy documents have fallen flat and failed to create enthusiasm within the community. Walking around the city, as I did during the dinner break this evening, one can see from the number of vacant properties for lease or for sale that the situation is devastating, and it will take a long time to get confidence and investment back, and to get this city and this State bustling again.

What we have endured from this Government as a community is nothing less than a tragedy. Our young people, who in the main are very fine, creative and constructive citizens, have been given a very bleak future indeed by this Government. They should be in a position where they can look forward to a bright future and a lifetime career in South Australia, but what we see is many of them having to move interstate or overseas to realise their ambitions. So, this Government has not only created unemployment: it has split families and has driven young people away interstate or

overseas, and the sooner we get a change of Government with new ideas the better.

The ACTING SPEAKER (Hon. D.J. Hopgood): The honourable member's time has expired. The member for Victoria.

Mr D.S. BAKER (Victoria): In this Supply debate, in which we are debating the appropriation of \$980 million for the ongoing matters of Government in its dying hours, I think it is appropriate to bring before this House some matters of concern not only to you, Mr Acting Speaker, but also to members on the other side of the House.

You, Mr Acting Speaker, as a long standing member in this House, must be sickened after defending your Government's role in this place for the past 10 years as Minister and for some 23 years in total because of what is going on in the dying days of this Government. You, Sir, would have always defended your Government's position to the very end. Indeed, I well remember when you stood up in this House and debated the rights of the Government after the last election when the Government got only 47.8 per cent of the two Party preferred vote and still held Government. You defended that position and it says a lot for your loyalty to the cause and your ability to stand up when the debate could not be won to defend your position.

I guess that your heart would have been saddened, Mr Acting Speaker, to sit there tonight and hear the member for Newland talk about this horrific Hellfire Club which has sprung up in Adelaide and which has all to do with perverts and whatever and to see one of your ministerial colleagues pull out his book the moment the debate started and be swayed from what your Government should argue about and start reading the book the *Passions of the Western Mind*. It would be sickening for you to sit there and see that happen when that Minister showed that he had let his mind wander away from the subject of defending and supporting the Supply debate which should have been occurring in this House. No doubt you would have wondered, as you saw what was displayed to the House by the Minister's reading the book, whether the Minister of Labour might have been trying to eliminate the Whips from this House.

Mr Acting Speaker, as you end your career it must sadden you to know that the standard of ministerial conduct has reached such a level in this place. In looking around the House during the most important debate in this place, which concerns the appropriation of more money for this Government to govern, and see that the only two Government members present, apart from the Minister, who is more ensconced in the *Passions of the Western Mind* and getting rid of the Whips than he is in the debate, are the member for Stuart, who is going to lose her seat after the next election, and the member for Gilles, who has not a seat to go to after the next election, it must be for you, Sir, a very traumatic moment, and I understand that.

However, that is not what tonight's debate is about. It is really about the appropriation and I want to bring to the attention of the House a letter written by the member for Walsh—the inimitable member for Walsh who has spent his whole parliamentary career trying to get the Centre Hall doors open, and in the twilight of his career they are still not yet open. He has written to his constituents and what he has said in this letter is very relevant because it is pertinent to the questions that the Opposition has been asking in the past few days. I will read the letter to the House and comment after every paragraph. The letter states:

Dear Constituent,

Like me, you were probably horrified at the conduct of the individuals who created the huge debts of the State Bank and Beneficial Finance which hit us all in 1991 like a bolt out of the blue.

The Opposition and the member for Kavel, when he was Leader of the Opposition, had been asking questions for six months before the 1989 election only to be pooh-poohed by the media and of course the Government. When I took over as Leader we had a concentrated effort and every day in this Parliament more than 50 per cent of the questions were about the State Bank.

We did our homework. I kept saying, 'The answer is in the bottom drawer, please listen.' The member for Walsh said that it hit us in 1991 after the \$970 million—only \$10 million less than the appropriation we are debating tonight—like a bolt from the blue. Has the member for Walsh been sitting here for the past 12 months and not listening to any of that? I can understand why he is leaving the House in shame. The next paragraph is even more interesting:

Before that shock announcement, there were rumours that things were not quite right.

The honourable member over here has a bit of a snigger. I will give the honourable member over here the credit that he is one of those people who have tried to make this Parliament accountable as Chairman of his committee. I give him absolute credit that, without fear or political favour, he has been prepared to put the Government on notice to try to make sure that it is accountable. He, like the Opposition, has to put up with the member for Walsh, who is living in the past. He is living with amnesia. He goes on to say:

But those rumours were never backed up by any solid facts.

Day after day in this Parliament we asked questions in the financial language that a financier would ask them of the Treasurer and Premier of this State. Day after day we said, 'We've got the answer in the bottom drawer; please Mr Premier, please Mr Treasurer, answer them'. As it became apparent that the Government did not understand the questioning, because it did not understand the finances, we had the member for Walsh saying that we did not provide the facts. That shows how out of touch the Government is and at that stage the honourable member was the Whip; God forbid, before that he was the Speaker. That shows how far out of touch this member is and how he is handling the truth when he writes to his constituents.

The Hon. J.P. TRAINER: On a point of order, Mr Acting Speaker, the honourable member opposite is casting aspersions on my dealings with the truth. I am a truthful person. For him to do so is in breach of Standing Orders, unless he does so by way of substantive motion.

The ACTING SPEAKER: I have to say that, although a degree of latitude is given in this Chamber, it did sound very much as though the honourable member was suggesting that the member for Walsh is an untruthful person and I think, on reflection, he ought to withdraw.

Mr D.S. BAKER: I will withdraw that comment, Mr Acting Speaker. He goes on in the next paragraph (and I could really go on for three quarters of an hour on this matter, but I have only 10 minutes):

Yet the replies given to the Government and the Parliament by the banking and private enterprise experts who were running our bank failed to reveal its gigantic debt.

We mentioned the gigantic debt every day in the House. He goes on further:

Some of the State Bank and Beneficial Finance money seems to have disappeared into the pockets of greedy individuals and will never be easily be recovered:

And this is the penultimate paragraph:

I believe we should be doing everything possible to track down the individuals, whether in the State Bank, Beneficial Finance or the accounting profession, who apparently betrayed the trust placed in them by the Government.

The Leader of the Opposition has been saying all this week that the Government knew about it; that the Premier and the Treasurer knew about it; that he knew about the Beneficial problems and he covered them up. Here we have this letter to the honourable member's constituents which in itself is misleading. It is saying that the Premier did not know about it. The facts have been put on the table today by the Leader of the Opposition that the Premier and his staff covered up the true facts of what was going on in South Australia with Baker, Reichert and Beneficial Finance. Then, of course, the member for Walsh goes on and says:

I believe it is now time for prosecutions to be launched.

Well, I believe it is now time for prosecutions to be launched and one of those people against whom prosecution should be launched is the former Premier and Treasurer of South Australia, the member for Ross Smith. We have put on the table today and this week the evidence that shows that he was involved in a conspiracy to cover up the facts from the public of South Australia. He knew there was a billion dollars of bad debts within Beneficial Finance. He knew that he had to cover that up, with his staff, from the public of South Australia, and now he should stand condemned and be before the courts of this State to make sure that he answers the questions that he has been ducking for nine years. To have the member for Walsh carrying on with the nonsense is misleading this House.

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

Mrs HUTCHISON secured the adjournment of the debate.

ADJOURNMENT DEBATE

The Hon. R.J. GREGORY (Minister of Labour Relations and Occupational Health and Safety): I move:

That the House do now adjourn.

Mr MEIER (Goyder): Yesterday in this House I drew attention to the unsatisfactory situation that exists in respect of the proposed entrance into the Windsor general store from Highway One. I am still pursuing that issue with the Minister of Transport Development (Hon. Barbara Wiese), and I hope that she will be able to change things. However, I also mentioned the entrances into Lower Light. Since my speech in this House yesterday I have been contacted by another person who is very upset at the entrances into Lower Light from new Highway One. Those entrances, in simple terms, are not flow-in entrances but require drivers to almost do a 90 degree turn from the highway to get into Lower Light.

The big problem is that the Department of Road Transport assured the proprietor of the Caltex service station there that his business would not suffer as a result of the new highway. In fact, his business has dropped by something like 50 per cent. A person who runs a transport business decided to ascertain why the business had dropped by so much. He spent several days at the Caltex service station in a purely voluntary capacity analysing who was coming in and what the figures

were for the sale of super and unleaded petrol, and diesel. He found that, whilst the sale of petrol had dropped by about 10 000 litres per month, the sale of diesel had dropped by about 22 000 litres per month.

Mr Acting Speaker, I am sure that you and many other members would appreciate that the biggest turnover in fuel sales is in diesel: there is not the same discounting that occurs in the super and unleaded market. He wanted to determine why the large trucks were bypassing Lower Light. He found that some of his own trucks were no longer calling into Lower Light, so he spoke to the drivers, who said, 'The honest reason is that we have damaged our loads as a result of turning into Lower Light.' He said, 'How can that occur?' They said, 'Because our trucks are so long, when we enter the 90 degree turn they go over the kerb.'

On one occasion, some four cases were broken on a truck that was transporting goods to another area. That cost the transport company a considerable amount of money, if not through insurance, then through their own personal loss. The drivers of the transports have said, 'We refuse to go in there any more. It is too dangerous for our loads.' One has to ask the question: why on earth did this occur? Why can the Department of Road Transport not get it right when providing entrances into small settlements—and Lower Light has been classed as a settlement compared to a place like Dublin, which is classed as a town? It appears that the plans went before council back in 1988.

To what extent those plans were put on display and to what extent the people affected had the chance to see them, I do not know. Only the people can answer, and I am sure that there is a different proprietor at the Caltex service station than was there back in 1988.

However, 1988 is some five years ago. As this transport proprietor said to me, the design of heavy vehicles has changed in that time. He says he has hardly any of the trucks that he had in 1988. They are all newer vehicles. He said they are longer vehicles in some cases and their turning characteristics are different to the vehicles he had in 1988. He said that what might have been satisfactory in 1988 is no longer satisfactory in 1993 for similar type vehicles. Therefore, even though the entrances into Lower Light have been made, I am asking the Minister of Transport Development to look into this matter urgently and have those entrances changed.

The Minister must weigh up the implications. If, as has been claimed, the Department of Road Transport officers gave an assurance to the proprietor of the Caltex service station that his business would not suffer unduly from the new dual lane Highway One going past, the Minister could risk being sued by the proprietor if his turnover has decreased by approximately 50 per cent due to the new highway going through.

I know the counter argument is that all the signs have to be erected and all the lights have to be put in place, but it does not make a scrap of difference. If a heavy vehicle cannot turn without going over the kerb, they will not enter Lower Light for their fuel and other servicing requirements. The same situation applies to Windsor. In fact, the proprietor of the Windsor general store, who again sells an enormous amount of fuel, gave me a map today that depicts the two proposed entrances. It also depicts the road that goes through the centre of Windsor, and it is clearly marked as a road to be closed. However, the free flow entrances and the free flow exits are not marked as needing to be closed. Again, I refer that to the Minister, and I hope she will use her authority to have the Department of Road Transport reassess the Windsor

entrances and in turn have that problem corrected before they are constructed. I realise it will be a very expensive proposition.

In the time left, I want to add my total opposition to the Hellfire Club that is opening in Adelaide this Friday. The member for Newland clearly enunciated some of the very worrying features about the Hellfire Club—

Members interjecting:

Mr MEIER: Members opposite may laugh. It shows that, when they speak of protecting the family and maintaining standards in our society, they do it with jest. They do not take it seriously. They are quite happy to see these sorts of things come into our city. I hope that the Government will be thrown out with all the force the people of this State can muster through the ballot box, so that decent standards return to Adelaide. Members opposite laugh at the fact that groups such as the Hellfire Club are attempting to establish in Adelaide. If they believe that a kinky sex nightclub should be promoted in this city, I feel sorry for them.

I feel sorry also for the citizens because the job of the police is not made easy by having to police such things. We have enough deviants and perverts around without Government members welcoming the deviants and perverts who will be attracted by the advertising of the Hellfire Club. We hear outrage at the murders and sexual assaults that occur, yet this Government seems quite happy to promote that sort of activity through the Hellfire Club. I condemn the promoters of that club and I hope that the Attorney-General and this Government will act before Friday night so that they will never get off the ground.

Mrs HUTCHISON (Stuart): In the 10 minutes that I have available this evening, I would like to speak about an issue which is of continuing concern to me as the local member and also to the constituents of my electorate, and that is the future of the Australian rail operation in Port Augusta and indeed in South Australia.

I recently saw a press release from the Federal Minister for Transport and Communications, the Hon. Bob Collins. In that press release it is announced that the Federal Government will be handing over, at some stage, the two operations which I consider essential to the continued viability of Australian National in South Australia. Those two operations are the concentrates traffic from Broken Hill to Port Pirie and also the road railer operation, which is a very important operation.

The franchise was acquired by Australian National from Wabash in America. Having obtained that franchise Australian National did a substantial amount of work in actually building up the road railer so that it could be in operation later this year and actually start earning considerable income in the year after.

Prior to the announcement by the Federal Minister, Australian National was asked to present a business plan to the Federal Minister. As part of that business plan there were several options promoted, but the crucial option which I considered to be the one which would make the Australian National operation viable and which would be in the interests of South Australia was the option which included, as I said before, the concentrates traffic and the road railer operation.

Now, there is no doubt that NRC is very anxious to acquire both of those, and the argument is about whether the concentrates traffic is indeed intrastate or interstate, and even though it is just over the border into New South Wales it has always been considered to be part of the South Australian

operation. Unfortunately, that was not the decision that was reached by the Federal Government.

I wrote two letters to the Premier of South Australia and also to the Minister of Transport and Land Communications and as a result of that the Federal Minister lobbied very heavily asking that the concentrates and the road railer be retained for the Australian National operation. In her approaches, both verbally and in written approaches, the Minister indicated the concern that South Australia had to make sure that Australian National continue as a viable operation in the best interests of this State.

I have to say that I was very pleased with the cooperation I received from both the Premier and the Minister in this regard. But notwithstanding that support and that very heavy and intensive lobbying the decision has now been made by the Federal Cabinet. One of the things that I did agree with in the decision making by the Federal Cabinet was that it did approve an exchange of debt for equity to help place AN on a sounder commercial footing.

The Federal Minister has referred to the remainder of the AN operation, that is, the passenger services and the interstate rail passenger services, including the refurbished and upgraded Indian Pacific service, the intrastate freight services in South Australia and Tasmania and also the railway workshops, both in Port Augusta and at Islington, which it considers to be in a very good position to actually get work by tender from the National Rail Corporation into the future.

I agree with the assumptions made about the workshops in South Australia. I speak particularly about the Port Augusta workshops, and the quality of work that the workers there put out, and also the pain and suffering that they have gone through in the restructuring process with Australian National to become one of the most efficient workshops in Australia, not just South Australia. However, it is still going to be a highly competitive environment.

I am a bit concerned at what the other States will do with regard to supporting their railway workshop operations, and maybe we will not have a level playing field as we should have.

I know that the member for Flinders would also have some railway operation knowledge because of the grain traffic which comes from the West Coast and which will still be retained by Australian National here. I understand that the Federal Government has asked now that Australian National submit another business plan up until 1995 and to prove its continued viability as an operation. Whilst I believe that it can be a viable operation, I am firmly convinced that we need to retain both the concentrates traffic and the road railer.

I am not quite sure what the franchise arrangements are with regard to the Americans who own that. That was an arrangement which was entered into between Australian National and that organisation, and I am not quite sure what the Wabash people would consider doing if the Federal

Government decided that that must be handed over to the National Rail Corporation. I believe that that still needs to be looked at in depth and that no hasty decision should be made. There is a need to do some more research and investigation before any hand-over is achieved.

That is on the darker side of the Australian National operation, but I would also like to speak of something very positive that has occurred for the Australian National operation in Port Augusta, and that is the fact that the Australian National workshops there have just won a 12 year contract with the Morrison Knudsen organisation in Whyalla. That contract is to maintain 25 rebuilt locomotives and it actually represents a consistent injection of work into the workshops for more than one decade. I know that the newly elected mayor, Mr Robertson, and also the Combined Rail Union representative, Mr Ron Nobbs, were both as delighted as I was with the announcement of that contract.

Morrison Knudsen has actually bought and is rebuilding 17 CL class locomotives and eight AL class locomotives, which were formerly owned by AN, and in that contract it will be providing a rejuvenated locomotive fleet. All that work will actually go to the Port Augusta workshops. As well as that, the work is well advanced on the refurbishment of the Indian Pacific railcars. I have had occasion to look at the work which is currently occurring on those railcars and it is of an excellent standard and work of which the workers can be very proud.

The locomotive maintenance for the Morrison Knudsen rail vehicles is in a three year cycle, which will range from routine maintenance services, including sanding, brake, oil and water checks, to three monthly general services and up to a three yearly overhaul of all mechanical components, including diesel and traction motors. The Port Augusta workshop manager, Mr John Jasson, was very pleased with the opportunity to capture this unscheduled work. The bonuses for the Port Augusta workshop and the flow-on that will come from that contract to the Port Augusta people will be very beneficial and it could mean an increase in the employment base at Australian National.

There is also the possibility that AN will take on this year, for the first time for a number of years that I am aware of, an increased number of apprentices. In this particular climate I think that is very good, and it speaks volumes for Port Augusta. I think that things are on the mend with Australian National, but I hasten to add that there needs to be a lot of caution before the hand-over of those two important parts of the AN operation—the concentrates traffic and the road railer—to the National Rail Corporation. I shall be asking Bob Collins whether there cannot be a period beforehand in which to carry out more research and to look at that more thoroughly before any hand-over is considered.

Motion carried.

At 9.30 p.m. the House adjourned until Thursday 12 August at 10.30 a.m.