HOUSE OF ASSEMBLY

Wednesday 23 February 1994

The SPEAKER (Hon. G.M. Gunn) took the Chair at 2 p.m. and read prayers.

ANIMAL HUSBANDRY

A petition signed by 11 residents of South Australia requesting that the House urge the Government to phase out intensive animal husbandry practices was presented by Mr Becker.

Petition received.

MILK BOTTLES

A petition signed by 1 144 residents of South Australia requesting that the House urge the Government not to allow the use of plastic milk bottles was presented by Mr Becker.

Petition received.

PAPERS TABLED

The following papers were laid on the table:

By the Premier (Hon. Dean Brown)—

Response to Report of the Economic and Finance Committee into the Use of External Consultants.

Response to the Report of the Economic and Finance Committee into Executive Structures and Salaries.

COMMONWEALTH-STATE RELATIONS

The Hon. DEAN BROWN (Premier): I seek leave to make a ministerial statement about Commonwealth-State relations.

Leave granted.

The Hon. DEAN BROWN: I wish to inform the House of my Government's approach to Commonwealth-State relations. It is appropriate that I do so, with the Council of Australian Governments (COAG) to meet in Hobart on Friday, to be followed next month by the annual Premiers Conference.

I make clear at the outset that my Government intends to be a constructive participant in the process of developing improved Commonwealth-State relations. We will not be seeking confrontation for the sake of it. Nor will we be compliant in Canberra's push for much wider powers at the expense of the States—as our predecessors were in their handling of major issues such as native title and the proposed world heritage listing of the Lake Eyre region.

The year 2001 will mark the centenary of our federation. By then, we must establish a system for dealing with Commonwealth-State relations which removes the current uncertainties inherent in the financial powers and resources of the States and Territories, the expensive duplication of functions and the unnecessary point-scoring which have become hallmarks of Commonwealth-State relations in recent years. If we fail this test, then we will have failed to mature politically as a nation.

In this statement, I will make some general comment about recent developments in Commonwealth-State relations as a background to the approach we intend to take at COAG initially, and to dealing subsequently with other matters of importance to the Commonwealth and to South Australia.

A process aimed at the reform of intergovernmental relations and arrangements was initiated in 1990 by the former Prime Minister, Mr Hawke, at the instigation of the States. A series of Special Premiers Conferences was held with high levels of exchange between leaders of the Commonwealth, the States, the Territories and local government. However, under Mr Keating as Prime Minister, the Federal Government's position has hardened, based on pushing for an extension of its influence and power and with little or no commitment to recognition of State and Territory priorities and issues. The agenda for COAG continues to reflect this point of view.

I note that last night, the Prime Minister delivered a major speech proposing a new agenda for cooperation between the Commonwealth and the States. I think he called it the new partnership. However, under his Government so far this has been very much a one-way street. The last two Federal budgets have entrenched the effect of vertical fiscal imbalance; that is, the Federal Government continues to raise the majority of the revenue and control its allocation while it expects the States to take on increased responsibility for funding key services.

The States and Territories need far greater predictability in their access to revenue and more flexibility in their use of those Federal funds that are allocated to States and Territories for delivery of important services such as health, education and housing. More and more, Federal funds allocated to States and Territories have been tied as Canberra has insisted on increasing its influence and control. Control of State budgets has been seriously undermined by the increase in the transfer of funds as tied grants rather than as general purpose payments.

This financial year, almost 48 per cent of Commonwealth allocations to South Australia are in the form of special purpose payments. This proportion has increased by more than 10 per cent over the past decade. While there will always be a case for some special purpose payments, provided that they are properly negotiated rather than imposed upon the States, it is time for this overall trend to be reversed—and reversed quickly. The case for reform of Commonwealth-State financial relations is overwhelming. Economic and other reforms involving the Commonwealth and the States have been pursued through COAG.

The work occurring within COAG, particularly the microeconomic reform agenda, has been focused on the Commonwealth's requirements for State based reform. At the same time, however, the Commonwealth has resisted efforts to concentrate equally on those areas that require reform at Commonwealth level. The Commonwealth has been entirely resistant to any scrutiny of its own budget and bureaucracy and to the question of growing Commonwealth powers. This is not a situation that South Australia will continue to tolerate.

In relation to financial issues, dealing with vertical financial imbalance and the decreasing proportion of funds that are tied is crucial to improving the flexibility and viability of the budgets of the States and Territories. At COAG on Friday South Australia will take the position that, as a precondition of its cooperation with the economic reform issues being driven by the Federal Government, Canberra must be prepared to participate in a genuinely cooperative way to achieve real progress in addressing urgent financial issues, and to allocate clearly responsibilities between the Commonwealth and the States.

In saying this, I make it clear that my Government supports national economic reform in the interests of

improving the international competitiveness of the Australian economy. Developments in this process are to be discussed at COAG. In preparing for the meeting the Federal Government has been making a concerted push to accelerate national adoption of competitive policy based on the recommendations of the Hillmer report, which was published last year. These recommendations are far reaching in seeking universal and uniformly applied rules of market conduct by all market participants regardless of ownership or form of business.

They have very important implications for the operations of agencies such as the Electricity Trust and our own Government owned ports, including a requirement ultimately to pay Federal income tax. If the Federal Government had its way the implementation of these proposals would put at risk hundreds of jobs of public sector employees here in South Australia and cost the State tens of millions of dollars in lost revenue. Canberra's proposals on competition policy may also require changes to indenture agreements already signed and supporting Roxby Downs, the Cooper Basin and the BHP Whyalla projects. Members will appreciate, therefore, that this issue is of fundamental importance to our State's economic future.

In our approach at COAG, we will argue that these reforms should not be introduced in ways which increase the Commonwealth's dominance. We will seek a formal intergovernment agreement, supported by clearly defined processes, to guarantee the State's joint control of top level decision-making. Where there is disproportionate cost for South Australia in the reform process we will propose that the principle of transitional assistance should apply. Preferably, this should be in the form of untied financial assistance to allow South Australia to determine its own forms of dealing with the transition. Ultimately, the bottom line of our approach will be that participation in national policy reforms is conditional on the States attaining greater flexibility and predictability in gaining access to revenues. This means a smaller proportion of tied grants; and guaranteed untied grants allocations in place of them is our minimum initial position.

In linking the COAG agenda to outcomes to be decided ultimately through the Premiers Conference, I emphasise that our approach is in the national interest as well as in the interests of each individual State and Territory. The States and Territories will be better able to fund and pursue proactive regional policies when they have access to more flexible and more adequate shares of revenue. Fiscal equalisation will also promote efficiency and stability and, as such, it will be an aid, not a hindrance, to micro-economic reform.

In my Government's approach to COAG and to other forums for dealing with Commonwealth-State relations, we will also take the view that the strength of the States and Territories will stand or fall on their capacity to maintain a mutually shared approach. To achieve this I believe the States and Territories need to consider having their own regular forum. I will be raising this with my State and Territory colleagues tomorrow afternoon when we meet. Such a forum can lead to greater cooperation between States and Territories in dealing with matters which are entirely within their own jurisdiction. As well, it would allow our Governments to consider their individual positions on matters which also involve the Commonwealth, with a view to reaching a common position to take to the Commonwealth on as many issues as possible.

Mabo and the Commonwealth's approach to world heritage listing are two cases in point where the States and Territories need to work together to reach a common position to impose maximum pressure on the Federal Government to recognise the very legitimate and important roles of the States in these areas. In cases such as these, the States and Territories need a forum to collectively consider their respective positions. They need a forum to provide a starting point for a new round of thinking and discussion between the States, the Territories and the Commonwealth.

I will have more to say in the near future about how South Australia proposes to deal with Mabo and world heritage listing issues. In the meantime, to summarise the approach of my Government with respect to dealing with Commonwealth-State relations, it will be one of being firm, consistent and coherent in our dealings with Canberra and with the other States to ensure South Australia's interests are fully protected in the context of the overall national interest.

ALGAE

The Hon. J.W. OLSEN (Minister for Industry, Manufacturing, Small Business and Regional Development): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.W. OLSEN: I wish to advise the House of the current situation in respect of the toxic bloom in Lake Alexandrina. The bloom is concentrated around Hindmarsh Island, particularly near Goolwa and Clayton. The bloom produces toxins which can affect the nervous system and substances which can cause skin reactions. This is not a new problem: toxic algae was first documented as early as 1878. It is a world-wide problem that occurs during calm, fine weather and at times of low flow in the Murray River.

The water containing high concentrations should not be drunk or used for washing or cooking. Recreational users should avoid contact with water of blue-green appearance, especially if there are scums on the surface. E&WS water supply from Milang has been shut down. Water from Strathalbyn and Milang is being supplied from the Strathalbyn reservoir, supplemented with bore water from Macclesfield as required. The water supply from Clayton is affected. The Strathalbyn District Council responsible for that supply has warned consumers not to use the water for drinking, cooking and washing. Uncontaminated water is being supplied from a tanker. Domestic water supplies at Narrung and Point McLeay are not affected by the bloom.

As part of its monitoring process, an aerial survey is being carried out today to identify the extent of the bloom. This was not possible yesterday because of cloud cover in the area. The results will be reviewed tomorrow. The bloom is dependent on weather conditions. Windy, cooler conditions lead to a dispersion of the bloom.

Information leaflets on how to identify blue-green algae and the appropriate precautions to be taken are available from all E&WS offices, the Department of Environment and Natural resources, the Department of Primary Industries and local government offices. The E&WS will constantly monitor and take water samples from around the lake and issue safety warnings when the levels are unacceptable. This practice will continue.

LEGISLATIVE REVIEW COMMITTEE

Mr CUMMINS (Norwood): I bring up the third report (1994) of the committee and move:

That the report be received and read.

Motion carried.

QUESTION TIME

COMPETITIONS

The Hon. LYNN ARNOLD (Leader of the Opposition): Given the Premier's comments in his ministerial statement on the Hillmer Report on National Competition Policy, will he, at the COAG meeting in Hobart, support the establishment of a national competition council and a competition commission; what arguments will he put forward on the utility or otherwise of those proposed bodies to South Australia; and what conditions will he require from the Commonwealth before supporting the establishment of such bodies?

The Hon. DEAN BROWN: I am delighted that the Leader of the Opposition has raised this issue, which I touched on in my ministerial statement. There are some pretty fundamental issues at stake when one looks at the adoption of the Hillmer recommendations. I have no overall objection to the principle that Professor Hillmer has laid down in his report at Federal level; that is, that we need to improve the competitive position of all trading organisations, including State-owned enterprises.

I have some serious concerns with the proposal that has been put by the Commonwealth in this regard. South Australia and a number of other States—and I think I can indicate that they tend to be the smaller States by population—are combining to put an alternative point of view in terms of the adoption of the Hillmer recommendations. In particular, I raise the implication of the Hillmer report, and that is that, in going for national competition amongst all these organisations, State trading organisations should, first, be subject to the Trade Practices Commission and, secondly, and ultimately in the second stage of implementation, be subject to income tax at the Federal level.

Let us look at some of the implications of that. First, as I said in my ministerial statement, every indenture agreement in South Australia would come under the full scrutiny of the Trade Practices Commission, and that would mean that those indenture agreements would have to be renegotiated. It would appear that all the indenture agreements are in conflict with that. That has serious ramifications for indenture agreements such as the Roxby Downs indenture agreement or the Whyalla—

The Hon. Frank Blevins interjecting:

The Hon. DEAN BROWN: Is the member for Giles not joining us and being concerned about having to renegotiate the indenture agreement on Whyalla, which covers his own electorate, or that relating to Stony Point or the Mobil Stanvac oil refinery? All those indenture agreements would be thrown wide open because of the Commonwealth's proposals under the Hillmer report. I also point out that, according to the advice I have been given—and I think it is supported by other State Governments—there is a serious threat to any marketing organisations that exist under State legislation such as the Citrus Board legislation, the Barley Marketing Act and the Cooperative Bulk Handling legislation. All those pieces of State legislation and the practices that are carried on under them would be thrown wide open. There is some evidence that ultimately, with the recommendation of the Commonwealth under the Hillmer report, it could be overturned. That again would have very serious implications. In fact, carried through fully under the Hillmer recommendations, South Australia could not offer specialist financial incentives to new industrial development in this State. That is a very serious threat to the long-term economic development of South Australia.

It concerns me that the Commonwealth Government is pushing ahead with the Hillmer recommendations, not understanding the very significant impact they would have on the individual States, particularly the smaller States. That does not mean that I am opposed to the concept of ultimately having greater competition, particularly amongst State trading organisations.

The other thing that is ironic is that the Federal Government itself is not prepared to subject itself to the same standards as it is now asking State Governments to apply to their own instrumentalities. In particular, I understand that Australia Post, along with a number of other Federal institutions, is to be exempt from the recommendations of the Hillmer report.

That highlights the sort of imbalance that the Federal Government is trying to create within Australia. I would say that, if the Federal Government's proposals on the Hillmer report were to be adopted, along with a number of other recommendations being made by the Federal Government on the COAG agenda and some other issues being dealt with off the COAG agenda such as native title and world heritage listing, by the year 2000, or the centenary of our Constitution in 2001, the position of the States in Australia would be under very serious threat and be seriously weakened.

The Hon. Lynn Arnold interjecting:

The Hon. DEAN BROWN: I am saying that that is—

The Hon. Lynn Arnold interjecting:

The Hon. DEAN BROWN: The honourable member has just ignored my comment; if he understood the issues regarding COAG, he would know that what he has just talked about is the Commonwealth Government's position. That is exactly it.

The Hon. Lynn Arnold interjecting:

The Hon. DEAN BROWN: The Leader of the Opposition appears to be somewhat thick in the head. I thought I had put down a pretty clear position that we were not accepting the Commonwealth's stance and that other smaller States are joining us in that opposition.

LAKE EYRE BASIN

Mr KERIN (Frome): Has the Premier received any recent advice from the Prime Minister on the Federal Government's approach to the proposed world heritage listing of the Lake Eyre region?

The Hon. DEAN BROWN: I can inform the member for Frome that I have had a response. In a recent letter to me, the Prime Minister stated:

> I would like to assure you that no decision has been made by the Commonwealth in relation to world heritage listing of the Lake Eyre Basin area in South Australia. The Commonwealth Government will not be in a position to consider possible listing until the Department of the Environment, Sport and Territories completes an assessment of the world heritage value of this area.

I highlight the extent to which that letter is in direct conflict with what the Minister for Environment, Sport and Territories in Canberra—that is, at Federal level—

The Hon. S.J. Baker: What's her name?

The Hon. DEAN BROWN: Miss Whiteboard.

The SPEAKER: Order! The Premier does not need any assistance.

The Hon. DEAN BROWN: Mrs Kelly has, in fact, put down a quite different position. I refer to a report in the Canberra media of 8 February, a couple of weeks ago, in which it is stated:

> Federal Environment Minister Ros Kelly has pledged to use the full force of Commonwealth powers against uncooperative State Governments reluctant to protect the nation's environment. The Commonwealth is determined to press ahead with world heritage listing for Lake Eyre in South Australia despite the Brown Government's opposition to the move. Mrs Kelly says the Federal Government won't 'kowtow' to the States on environmental issues.

The letter I received from the Primer Minister said that no decision had been made; yet, two weeks ago, the Federal Environment Minister said that a decision had been made and that she would impose world heritage listing on the Lake Eyre Basin in South Australia.

This raises a number of interesting points. First, why is the Federal Government concentrating only on South Australia when the Lake Eyre Basin stretches across the Northern Territory into Queensland—it covers a bigger area of Queensland than of South Australia—and into New South Wales? The Federal Minister has decided to focus purely on South Australia. In fact, the report refers specifically to the Brown Government's opposition to the move in South Australia.

Also in this statement the Minister makes the basic assumption that the Liberal Government of South Australia is not willing to protect the environment of the Lake Eyre Basin. I point out that the Minister knows exactly what our policy is. Our Minister for the Environment and Natural Resources has sent a letter to the Federal Minister in which our policy is clearly outlined, that is, that key parts of the Lake Eyre Basin such as the Mound Springs and the Coongie Lakes will possibly be brought under wilderness protection. I stress that wilderness protection is far greater environmental protection than world heritage listing.

The crucial point is that the Federal Minister has taken a political decision aimed deliberately at South Australia and the South Australian Government and not at the remainder of the Lake Eyre Basin region in other States, she has totally ignored Queensland, where there happens to be a Labor State Government, and she has decided, apparently without even the benefit of a study, because no study has yet been carried out, to impose world heritage listing on the Lake Eyre part of South Australia.

It is worth noting that the Federal Minister has not yet even given the South Australian Government the courtesy of replying to the letter we sent to her.

An honourable member: She put it on a white board.

The Hon. DEAN BROWN: Perhaps she has been preoccupied with other matters. I stress that, if the Commonwealth Government—and, in particular, Mr Keating—is serious about a new partnership with the States then let it start on world heritage listing here in South Australia with the South Australian Government. This is a very important issue that directly affects a large area of South Australia. We are talking about 25 per cent of the land area of South Australia; we are talking about very significant resource developments, including our natural gas and partial oil supply for this State; we are talking about a key part of the tourism industry of South Australia; and, of course, we are talking about a vast area of our pastoral industry. If the Federal Government is serious about cooperative federalism, it should immediately talk through this issue with the South Australian Government.

The SPEAKER: Order! It has now taken 12 minutes to answer two questions. The honourable Leader of the Opposition.

FISCAL EQUALISATION

The Hon. LYNN ARNOLD (Leader of the Opposition): Noting the Premier's apparently positive comments in his ministerial statement on fiscal equalisation, what position will he be taking on the push by the New South Wales and Victorian Premiers at Friday's COAG meeting to change the funding arrangements to the States to incorporate a thick share of Commonwealth taxation revenue?

The Hon. DEAN BROWN: I think the Leader of the Opposition has confused vertical fiscal equalisation with horizontal fiscal equalisation. The issue he has raised is that of horizontal fiscal equalisation, that is, equalisation between the States. I point out to the Leader that that issue is not on the agenda for COAG. The issue which is on the agenda for COAG and which is very much part of the discussion between the States and the Federal Government is vertical fiscal equalisation, and that is all about the Federal Government's having most of the powers to raise taxes in Australia, with the State Governments themselves having the responsibility of providing the relevant services. Our argument, which is spelt out in my ministerial statement, is that, if we are to provide those services as we rightly should, we need greater financial assistance in the form of untied grants to do so.

BOOT CAMP

Mr LEGGETT (Hanson): Does the Minister for Emergency Services have plans to introduce a military discipline style prison or boot camp in South Australia? Reports on the Channel 7 news program last night and in the *Advertiser* this morning suggest that the Government is considering the introduction of such a camp for juveniles and first offenders.

The Hon. W.A. MATTHEW: No, I do not have any plans to introduce a military discipline style prison in South Australia; nor does my colleague the Minister for Family and Community Services have any plans to introduce a juvenile type facility of that nature, either. The reports that were seen in the press followed a successful dinner meeting of the Institute of Emergency Services which I addressed on Monday in my role as Minister for Emergency Services and which some 120 people attended. I am pleased to say that such is the interest in the community in the policies being put forward by the new Liberal Government as we move in with a new broom that it was actually the largest meeting ever held by that institute since its inception.

During that meeting we opened up the proceedings for general questions, and one of the questions put to me was whether the new Government would consider the introduction of a military discipline prison facility. I replied to that question that I was aware, from hearsay, that such facilities were in operation in the United States of America and they were called boot camps. But I further indicated that in South Australia we were looking at establishing a first offender institution for adult offenders. That is quite distinct from a boot camp. The establishment of a first offender institution is a process that we are examining to meet an election commitment that we gave, that is, to segregate hard-core

offenders in the prison system from first offenders. Members in this House would be aware that for some time correctional experts have been expressing concern that first offenders are all too often mixed with hard-core criminals, and as a consequence their chances of being rehabilitated are reduced and their chances of coming out of that system angry are increased. As to a boot camp, I advise the questioner that I do not have enough knowledge of that system, nor does my department, and for that reason I did not dismiss the suggestion.

This Government will continue to explore all options for rebuilding our prison system. Indeed, it would be a dereliction of the ministerial duty of any Ministers not to consider any options that were put before them, and I will, therefore, continue to explore all options. Whether or not the Opposition likes it, we have a mandate in this State to change. We have a mandate to change the prison system. Under Labor, for example, prisoners in this State have continued to receive almost automatic release from the prison system. We have seen examples where a prisoner sentenced to five years for a crime such as rape was, because of Labor's policies, out on home detention after eight months. That is not a satisfactory situation—eight months and out on home detention when the original head sentence for rape was five years. More consideration needs to be given in this State to the rights and feelings of victims, as well as the need to rehabilitate an offender. I have been advised by psychiatrists that there is no way that any prisoner who has committed an offence such as rape could be rehabilitated in just eight months.

Members interjecting:

The Hon. W.A. MATTHEW: Well, Sir, the Opposition seems to think it is a laughing matter: it is not a laughing matter that people are released after eight months with insufficient time to be rehabilitated. I wonder how their victims would feel if they could witness this debacle. That is what has been happening in this State and it is not good enough. So, this Government will continue to explore all options for change and will continue to address the problems as necessary. We will pick up where the previous Government failed.

As a closing example, to indicate other areas we have been investigating, we have also been looking at the possibility of establishing a facility to treat drug offenders or those who have committed a drug-related offence, such as house breaking or armed robbery, to support a drug habit. I have seen those schemes in the United States and they do work. Those schemes have resulted in a reoffending rate that is far lower than we have seen in South Australia. The department is eagerly investigating those options, and I look forward to reporting to this House on those options when investigations are complete and when we have decided which of them we will finally implement.

SCHOOL CLOSURES

The Hon. M.D. RANN (Deputy Leader of the Opposition): My question is directed to the Minister for Employment, Training and Further Education in that role and in his role as Minister representing the Minister for Education in the Lower House. Will the Minister and his Government give a guarantee that no school or TAFE campus in South Australia will be closed without 18 months written notice given to the school or TAFE community in question? The Minister would be aware that school closures were a major issue for both Parties during the election campaign following comments by the Hon. Rob Lucas about schools with enrolments of fewer than 300 students being considered for closure.

Members interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN: They don't like it, Mr Speaker, and that's why they wanted to roll Rob Lucas; he put them right down the gurgler.

The SPEAKER: Order! There are too many interjections coming from my right. I cannot hear the Deputy Leader.

The Hon. M.D. RANN: They don't want to hear. The present Premier, then Leader of the Opposition, gave an assurance, following Mr Lucas's comments, that the Liberals in Government would not close schools simply as a cost cutting measure. During the election campaign Labor announced a four year freeze on school closures unless a school community agreed to closure plans. It has been put to me that 18 months notice of any planned school or TAFE closure would ensure that students, parents, teachers, the local community (in the case of TAFE) and industry would be fully consulted. An 18 month embargo—

Mr LEWIS: I rise on a point of order, Mr Speaker. The honourable member is commenting and debating the question. He is stating his opinions and not explaining the question.

The SPEAKER: Order! The Deputy Leader has had a tendency to make long statements at Question Time. He has not been assisted on this occasion by a continual barrage of interjection from the Government benches. I ask the Deputy Leader to be more precise, and there will be fewer interjections from the Government benches.

The Hon. M.D. RANN: I apologise, Sir, but I point out that they are not as long as the Premier's statements. It has been put to me that an 18 month embargo would enable a local community to make plans for appropriate new arrangements in advance of a proposed school or TAFE campus closure by this Government.

The Hon. R.B. SUCH: The Deputy Leader was a prominent member of a Government noted for closing down almost everything in South Australia.

Members interjecting:

The SPEAKER: Order!

The Hon. R.B. SUCH: We are a Government that is interested in opening up things in South Australia and getting the State going again. I will obtain a detailed report for the honourable member—

The Hon. M.D. Rann: He doesn't know!

The SPEAKER: Order!

The Hon. R.B. SUCH: —because the question impinges very much on my colleague's area of responsibility. I am not aware of any proposal to close down any TAFE campus, but the question was so rambling that I prefer to take it on notice and give a detailed reply.

NUCLEAR WASTE

Mrs HALL (Coles): In view of the division of opinion within the Labor Party about the establishment of a national repository for the storage of low level radioactive waste, will the Premier explain to the House what approach South Australia has been taking on this matter in discussions with the Federal Government?

The Hon. DEAN BROWN: This issue was raised about a week ago by members of the Opposition of this State. In raising it they gave the very clear impression that they were totally opposed to the storage of radioactive waste here in

South Australia. In replying to that question I said that I had asked for a review to be undertaken and information collected, including obtaining the exact nature of what the Commonwealth was requesting. It is only the preliminary investigation of this matter, but I was amazed to find what was on record over the past 11 years. I was amazed to find, for instance, that for most of the past 11 years the State Labor Government of South Australia negotiated with the Federal Government over the possible storage of waste here in South Australia.

Members interjecting:

The SPEAKER: Order!

The Hon. DEAN BROWN: Mr Speaker, you could have knocked me down with a feather! After the statements made in this House last week, and the public statements of the Leader and Deputy Leader of the Opposition, I found that since 1986 the South Australian Government has been cooperating with the Federal Government on a possible site selection for the storage of low grade radioactive wastes.

Members interjecting:

The Hon. DEAN BROWN: In fact, it goes back before then, but there has been very active participation with the Federal Labor Government on this issue since 1986. It is absolutely astounding, in light of the fact that they stood up and tried to pour contempt on the fact that we had the hide to ask about the exact nature of what the Commonwealth Government had requested and even to carry out a study. The Deputy Leader is looking decidedly uncomfortable at this stage. It is the Deputy Leader of the Opposition who is in that camp that is violently opposed to anything to do with uranium. If he had his way, he would close down Roxby Downs tomorrow. We know his stance when Roxby Downs and the indenture agreement were debated by this Parliament. We know of his opposition and, therefore, I hope on behalf of all those people in South Australia in that very important industry, particularly the people at Roxby Downs, that the Deputy Leader of the Opposition never again has the chance to lay his hands on power at Government level in this State.

The Hon. M.D. Rann: Nuclear power: is that what you're talking about?

The Hon. DEAN BROWN: No, I am talking about ministerial power.

Members interjecting:

The SPEAKER: Order!

The Hon. DEAN BROWN: I am saying that I am sure it would be a dark day for South Australia if the Deputy Leader should ever be allowed again to lay his hands on ministerial power in South Australia.

Members interjecting:

The SPEAKER: Order! There are too many interjections. I do not want to have to start warning members.

The Hon. DEAN BROWN: I found a letter of 21 October 1991 from the then Deputy Premier of the Government of South Australia (Dr Hopgood) to the Federal Primary Industries and Energy Minister (Mr Crean) which says:

> The South Australian Government acknowledges the need for disposal facilities for radioactive wastes to be established in Australia.

It goes on:

> South Australian Government—

Members interjecting:

The Hon. DEAN BROWN: Just hold on. It states:

> South Australian Government officials have participated from the outset in the collaborative development of proposals for national radioactive waste facilities through the Commonwealth-State Consultative Committee.

The Hon. M.D. Rann: All States.

The Hon. DEAN BROWN: No, I am talking about the South Australian Government. I also was amazed to find a Cabinet document of 10 December 1992, put up by the then Minister of Health, Mr Evans, the man who has now departed this Chamber. Perhaps he is going off to Canberra because nowhere in the detail as to what action was being taken to cooperate with the Federal Government does it state that there was any opposition to the proposal from the then South Australian Government. As members can imagine, it was a Cabinet submission, signed by the then Premier, the now Leader of the Opposition—the man who is trying to create the impression that he was opposed to the storage of such waste.

Members interjecting:

The Hon. DEAN BROWN: It was not rejected. The Cabinet document clearly shows that it was noted and asks for more action to be taken. Then there was the Cabinet document of September 1993, when the former Government noted further developments in this matter. But again—and this is only September last year—it did not reject this proposal. So, I just highlight that what we have been fed by inference from the now Opposition members of the Labor Party of South Australia clearly is in quite sharp contrast with what they did in Government. It highlights the divisions that now exist within the Labor Party.

Members interjecting:

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

TRANSPORT MANAGER

Mr FOLEY (Hart): Was the Premier consulted and did he agree with the decision by the Minister for Transport to direct the board of the State Transport Authority to dismiss the authority's General Manager?

The Hon. DEAN BROWN: I point out that the Minister has the authority to make directions to the board of the State Transport Authority, and she exercised that authority, and it was done with my knowledge. I am not prepared to go further, except to say that the matter was discussed in Cabinet and—

An honourable member interjecting:

The SPEAKER: Order! One question at a time.

An honourable member: Did you agree?

The Hon. DEAN BROWN: The honourable member knows that what goes on within Cabinet is subject to Cabinet—

Members interjecting:

The SPEAKER: Order! The Premier will resume his seat. There have been far too many interjections. The member for Hart has been continually interjecting. He has asked his question—I do not want to have to speak to him again. The member for Spence is warned for interjecting.

Mr LEWIS: I rise on a point of order, Mr Speaker. Is this matter not before the courts in the form of an appeal from the dismissed officer; and, if it is, is it not *sub judice*? Should you not rule accordingly?

The SPEAKER: Order! The Chair does not have any direct knowledge that this matter is before the courts, therefore I cannot uphold the point of order.

The Hon. DEAN BROWN: The matter was discussed by Cabinet. After Cabinet, the Minister made that direction to the board of the State Transport Authority and, as indicated

by the honourable member, it is inappropriate to discuss the matter subsequent to that because it is now *sub judice*.

ONKAPARINGA MILL

Mr EVANS (Davenport): Can the Minister for Industry, Manufacturing, Small Business and Regional Development explain what benefits are likely to flow from the reopening of the old Onkaparinga woollen mill at Lobethal on Friday?

The Hon. D.S. Baker interjecting:

The Hon. J.W. OLSEN: Well, the first week it was BTR Nylex with a $90 million investment, last week Cathay Pacific pilot training and this Friday the century-old Lobethal mill, which closed in November last year with the loss of 120 jobs, will reopen. The Smith Family, a Sydney based charitable organisation with commercial operations, has made a major investment in new technology to establish a new operation in the old Onkaparinga woollen mill at Lobethal. The new equipment will sort, shred, spin and recycle clothing and other fabrics collected by charities and convert them into yarn to make blankets, insulation and other fabric products.

The Smith Family operates a similar operation in Sydney with some 350 employees. The new operation at Lobethal will create at least 30 new jobs, substantially reduce land fill, introduce new technology, increase welfare funds in South Australia and lead to exports. Until now substantial quantities of material unsuitable for redistribution have been dumped as land fill. The new operation will eventually take all of this State's bulk waste, as well as bring in supplies from interstate. It is planned to install more equipment later in the year to manufacture blankets and other products from recycled yarn for the export market.

The Centre for Manufacturing played a significant role with bipartisan support, and the former Minister responded to a proposal put to the then Government by the Onkaparinga District Council to bring this project to fruition. I would like to acknowledge the role of the Centre for Manufacturing in that regard. The Lobethal site will provide jobs—increasing jobs—over the course of this year. Fifty per cent of any profit will be given to local welfare organisations, and the other half will be reinvested in the Lobethal plant. In short, creative and enterprising attitudes have led to solving a recycling problem, creating jobs and growth, and it could lead to potential export markets for South Australia.

PIPELINES AUTHORITY

Mr QUIRKE (Playford): Does the Treasurer believe that successful negotiations to ensure a 20 year natural gas supply for the State would ensure that the sale of the Pipelines Authority of South Australia was now in the financial interest of this State and, if this is not the case, what are the specific reasons why he has chosen to ignore Treasury advice against selling the Pipelines Authority of South Australia?

Yesterday the Treasurer confirmed that he had received advice from Treasury that the Pipelines Authority should not be sold because the sale price would not compensate for the loss of future income streams from the Pipelines Authority of South Australia. This advice was based on the assumption that gas contracts would be extended to 20 years. Yesterday the Treasurer, in answer to a question on this matter, indicated that we are dealing with a whole new set of figures which will increase the revenue streams to the Government and thus override Treasury's advice.

The Hon. S.J. BAKER: I thank the member for his question and, in answer to the honourable member's question yesterday, I should have alluded to the changes that are being pushed at Federal level. As the member would appreciate, there is substantial movement at Federal level to have a free market in gas and electricity. I presume that members opposite are well aware of that, because they were subject to previous discussions with the Federal Government on just this issue. Part and parcel of this new competitive environment—and the Federal Government is now looking at it, and I raised the question previously about tax compensation—is the issue of compensation because of the competition which is enforced on the States.

The Federal Government wants to treat every resource as a national resource and not a State resource. The long-term implications are that State Governments will not own or be party to these resources; they will be subject to the normal taxation requirements; and they will be subject to the normal competitive environment of the Federal Government. It does not want to see States with the capacity to produce their own energy; it wants it to be on a national system. In the case of electricity, it is a national grid system; in the case of gas, it wants any person with access to a gas pipeline to receive whatever gas they so desire.

So, there are some items on the agenda which indicate that the process we are going through at the moment is absolutely imperative, simply from that perspective, without addressing the issue of dollars and cents. What I said yesterday was that, because of our determination on the matter of ensuring future supplies for South Australia, and in locking up those supplies—which was not done by the previous Government, I might add—and because of our capacity now to provide stronger returns that we believe are possible, the figures that were previously presented by Treasury will be well and truly surpassed.

ONKAPARINGA CATCHMENT

Mrs ROSENBERG (Kaurna): Can the Minister for the Environment and Natural Resources indicate whether he supports the establishment of a catchment authority for the Onkaparinga River and, if so, what is happening to ensure that this is achieved?

The Hon. D.C. WOTTON: Yes, I would very strongly support the establishment of an Onkaparinga catchment authority, and I am delighted to hear the honourable member talk of a whole of catchment approach to water management and the need to involve all of the councils within the catchment. Total management catchment is the appropriate approach to managing water resources, and it is the approach being adopted by this Government. From discussions I have had with the honourable member, I was very pleased to learn of her interest in looking ahead to prevent a repeat of the situation that has arisen with the Patawalonga. We will be able to achieve that through a partnership between State and local government and also with the local community.

There are seven catchments within the metropolitan area of Adelaide, of which the Onkaparinga catchment is one. The Onkaparinga catchment includes the Marion, Happy Valley and Noarlunga councils. I would be most supportive of those councils coming together to form a catchment authority, and I look forward to further negotiations with the member and with those councils in achieving that goal.

The SPEAKER: The member for Spence. I request that the member for Spence use the same method as other

members when asking his questions. Ministers have difficulty determining to whom the honourable member is directing his question.

AYTON REPORT

Mr ATKINSON (Spence): Mr Speaker, I shall ask questions in accordance with Standing Orders.

The SPEAKER: I will ensure that you do. I point out to the honourable member that the Chair has two options: first, not to see the honourable member and, secondly, to withdraw leave. I will have no hesitation in doing so if the honourable member continues to defy the Chair.

Mr ATKINSON: Mr Speaker, does the Premier know the identity—

Mr BRINDAL: I rise on a point of order, Mr Speaker. Standing Order 96 clearly provides:

> Questions relating to public affairs may be put to Ministers. . .

Further, it also says that Ministers may be asked questions on matters for which they have a responsibility to the Parliament. In addressing you, Mr Speaker, the member for Spence was attempting to put a question to you for which you have no responsibility in this Parliament. I therefore request that you rule him out of order.

The SPEAKER: I am aware of the Standing Order. I have asked the honourable member to ask his questions through the Chair to a Minister. On this occasion I believe that the honourable member has improved his method of asking questions compared with that of other days. I am listening very clearly. I ask the honourable member to direct his question to the Minister from whom he desires an answer.

Mr ATKINSON: Does the Premier know the identity of the substantive source referred to by the Deputy Premier last week or any other source who provided to the former Opposition—

Members interjecting:

The SPEAKER: Order!

Mr ATKINSON:—the confidential Ayton submission on organised crime to the Federal Joint Parliamentary Committee—

Members interjecting:

The SPEAKER: Order! The member for Spence has the call.

Mr ATKINSON:—on the National Crime Authority?

The Hon. S.J. BAKER: I will ask the Premier at a later date, Sir.

TOURISM AWARDS

Mr ROSSI (Lee): I direct my question to the—

Members interjecting:

The SPEAKER: Order! The member for Lee has the call. I ask members to give him the opportunity to ask the question.

Members interjecting:

The SPEAKER: Order! It is unfair to the honourable member, who is a new member, in asking his question that there be so much conversation across the Chamber. The member for Lee.

Mr ROSSI: Will the Minister for Tourism inform the House of the significance of this week's launch of the South Australian tourism awards?

The Hon. G.A. INGERSON: I thank the member for Lee for this very important question. I know that the previous Minister of Tourism recognised the significance of the tourism awards, because these awards recognise the tourism associations, individuals involved in tourism and tourism companies that are very important to the economic growth of our State.

On Friday of this week, the tourism awards groups and I will be taking a special trip with the *Sealink* off Glenelg. The reason for using the *Sealink* was that last year this ship and company were responsible for the winning of four awards. I would have thought that the previous Minister of Tourism would have recognised that this South Australian company has done a magnificent job in encouraging tourism in our State.

The honourable member's question is very important because the economic growth of South Australia is in the hands of the tourism industry. It is the only industry that gives us an opportunity to employ young people; it is the only industry where robots cannot replace human beings. The awards on Friday will be a very important part of the tourism industry in South Australia.

WORKCOVER

Mr CLARKE (Ross Smith): Will the Minister for Industrial Affairs advise the House whether the Government's proposed amendments to the WorkCover legislation eliminating journey accidents for workers such as shop assistants, nurses and factory workers will apply equally to State members of Parliament? As members are aware, members of Parliament have accidents that occur occasionally whilst travelling to and from electorate functions and their claims would be met under the current rules.

The Hon. M.H. Armitage interjecting:

The SPEAKER: Order! The honourable Minister will answer the question.

The Hon. G.A. INGERSON: I thank the member for Ross Smith for his very intelligent question. As the honourable member would know, in all announcements that we have made so far, it has been very clear—and I will go slowly so that he understands it—that all journey accidents will be eliminated other than those that are directly involved with the work of the individual.

The Hon. M.D. Rann: A special deal for pollies.

The Hon. G.A. INGERSON: I will go slowly again. What that clearly states—

Mr Clarke: A nurse going to work does not get it but we do.

The Hon. G.A. INGERSON: Perhaps I should again tell the honourable member opposite about all the rorts that are going on in the journey accidents area. It is a very simple definition and it will be set by the people who do the employing. If the honourable member opposite would like the Government to sit down and clearly define the work relationships for members of Parliament, I would be very happy to cooperate. If he would like to have input into when he begins work and when he finishes work, and if he would like that information tabled in this place, I would be quite happy to talk to him.

CASEMIX

Mr ASHENDEN (Wright): What action has the Minister for Health taken to ensure that the community is fully consulted before casemix funding is implemented in South Australia? A number of constituents have contacted me expressing concern and often misunderstanding about just

exactly what it is that the Government is proposing to implement, and I would appreciate the Minister's advice.

The Hon. M.H. ARMITAGE: I thank the member for Wright for his question, because it is a particularly important one given that the casemix funding for hospitals is, in fact, a complete culture change in the way in which hospitals will receive their funding from the Government. The reason for that is that this Government is prepared to make some decisions and see the system improve rather than sit around in the bunker and occasionally lift its head and have it chopped off when the system is going badly wrong, as seemed to be the wont of the previous Government.

I assure the honourable member that the introduction of the casemix funding system is absolutely and completely full of community consultation so that we can maximise the involvement of the community in this new process. It is a uniquely South Australian solution to the problem.

I have already met with a large range of peak health organisations and unions to explain to them the process and our consultation time line. So far, I have met with the South Australian Salaried Medical Officers Association, the Australian Nursing Federation, the PSA, the Miscellaneous Workers Union, the AMA, the Council on the Ageing, SACOSS and community health organisations, and I am happy to meet with anyone else who believes that they may potentially be disadvantaged by the casemix system of funding. In fact, I assure them that will not be.

Hospitals and administrators have already received letters outlining the process. Later in the week I will be releasing a major discussion paper in relation to the basic approach to casemix, after which there will be a number of formal public meetings at which every player and stakeholder in the health system will be able to have a say. I have extended the invitation to anyone who has asked that, if they wish to have input in the intervening time, my officers and I will be delighted to receive it.

Taking into account all the feedback that we will receive and discussions at the formal meetings, a draft policy document will be released early in April. Again, having released a draft document, it will go out for consultation so that everyone has an opportunity to have their input and to present their views on the final documentation.

In devising this system to produce a new funding arrangement within the hospital service implementation and improvement strategy, I emphasise that casemix is not a new health system: it is a funding mechanism only. However, it is a new and fairer funding system that is driven on incentives; it encourages efficiencies and, more importantly—unlike the historical funding, by which hospitals were funded over the past decade—it discourages inefficiencies.

I assure the member for Wright that between now and 1 July there is ample opportunity for input from all members of the community. I also assure him that the consultation process will not end on 1 July 1994, because this is a particularly important funding mechanism. It is one in which the key players are keen to play a part, and I am quite sure that those players and the Health Commission, over the next two to three years, through the consultation process, will allow the system to be finely tuned at the edges and we will end up with the best health system in Australia.

GULF LINK

The Hon. FRANK BLEVINS (Giles): My question is directed to the Premier. What support will the Government give to the Cowell/Wallaroo Gulf Link ferry project.

The Hon. DEAN BROWN: Our policy—and we put this down before the State election—is that this whole project is fairly complex in its nature because, first, it requires infrastructure and financial assistance provided by the Government. It does have some economic benefits, but one needs to look at the extent of those economic benefits. We felt that it should be appropriately and fully assessed by the Industries Development Committee of the Parliament. It is a bipartisan approach to reviewing this project, and we put that down as a policy. Once that committee is established—and it is about to be established under the new Economic and Finance Committee—this project will be referred to it for full assessment, including whether or not it should receive Government assistance and, if so, to what extent.

CASEMIX

Mr TIERNAN (Torrens): Will the Minister for Health assure the House that the impact of casemix funding on the elderly will be addressed in the consultation process? A considerable number of elderly people have approached my office with concerns, one being that over the past five to 10 years both Federal and South Australian Governments have made considerable changes to the health system adversely affecting the aged without any form of consultation. They usually learn about these changes through the media. Can that consultation methodology be tailored to suit the needs of the aged?

The Hon. M.H. ARMITAGE: I thank the member for Torrens for his particularly important question in relation to aged people and the effect of casemix funding on services to the aged and the anxieties of some of the elderly people in our community. I assure the honourable member that I am well aware that older people are major users of the health system. Their illnesses frequently require more than one diagnosis and they are potentially more difficult to treat so that they take longer to recover. It is important to realise that casemix funding payments are not based on some unreal minimum cost: they reflect the real cost of the illness—real patients, real illnesses and real costs. The fact that people over 65 years are major users of the health system and the fact that this system encourages efficiencies will ensure that the elderly are advantaged rather than disadvantaged by casemix funding.

To that end, the Government has undertaken a consultancy to assess the impact of casemix funding on older people, which is being jointly funded by the Health Commission and the Minister for the Ageing. This does nothing more than to keep one of our election promises whereby we told people who were anxious about this that we would ensure that casemix funding would not see elderly people disadvantaged. The main fear of elderly people is that, because this system concentrates on efficiencies, they may be put through the hospital system more quickly and hence suffer at the end of the process.

I assure the member for Torrens and the elderly people in our community that, first, we will increase and improve services at the end of the process by increasing funding to domiciliary care services, home based nursing and so on. I also assure elderly people that one of the major tenets of the

casemix funding system is to have an inappropriate readmission audit, in other words, for people who come back to hospital because they were discharged too quickly or too early. That will be studied and hospitals that do that on a frequent basis will be asked to explain and, in fact, will be financially disadvantaged by the casemix system. The elderly people, as prime utilisers of our health care system, stand to be one of the largest groups to benefit from the casemix funding system.

PIPELINES AUTHORITY

Mr QUIRKE (Playford): Does the Treasurer now acknowledge that compensation by the Federal Government for payment of Commonwealth company tax is an important factor in selling the Pipelines Authority of South Australia, and will the Government be making a special request to the Federal Government to reinstate such compensation so that it can proceed with the sale of the Pipelines Authority and other assets?

On 7 December the Premier stated on ABC radio, when he was the then Leader of the Opposition, that the Liberal's asset sales program had been put together with 'no allowance for Commonwealth compensation'. The Leader went on to say that, because the Pipelines Authority does not pay State taxation, it would not receive any compensation from the Federal Government. The Leader at the time stated:

> The Premier is wrong in saying we would miss out on compensation.

In answer to a question yesterday, the Treasurer stated:

> . . . there is a strong economic argument that taxation compensation should be provided on the sale of assets.

The Liberal Government's debt reduction program relies heavily on asset sales, and without Commonwealth tax compensation, as was provided for the State Bank, the Government's asset sales program simply cannot be achieved

The Hon. S.J. BAKER: The honourable member has put forward a *non sequitur*. We did our financial calculations based on no tax compensation. As the honourable member points out, tax compensation is an important item. It will be back on the agenda, it will be pushed by all the States and there is some chance that it may succeed.

STATE DEBT

Ms HURLEY (Napier): My question is directed to the Treasurer. Does the Government still believe that State debt will be reduced by $700 million to $800 million by December this year? On 6 October 1993, the current Treasurer announced that a Liberal Government would cleanse unwanted assets and expected to cut debt by between $700 million and $800 million in the first year of office.

The Hon. S.J. BAKER: I will have to refer back to that statement. What we have said consistently is that, over the four year period of the Government, we intend to sell a number of assets. Those assets were outlined in our debt reduction strategy. It is quite clear that we said at the time that we would reduce the debt by $1 billion below the proclaimed level, which was altered at the last minute by the then Premier. We are sticking to that time frame. There is no inconsistency. We will be reducing debt by that $1 billion over the four year period of the Brown Liberal Government. We have set in train all the things that are necessary to achieve that end. It will proceed as we laid down. It will be successful.

UNEMPLOYMENT

Mr BECKER (Peake): Will the Minister for Employment, Training and Further Education outline initiatives being undertaken to address unemployment in the western suburbs and will he provide some examples of action being taken? As the Minister and members would know, I have inherited an electorate that, regrettably, has one of the worst unemployment records in the State, and I urge the Minister to take all necessary action to correct the situation.

The Hon. R.B. SUCH: I thank the honourable member for his question, which is a very important one. The western metropolitan region, as the honourable member indicated, has one of the highest unemployment levels in the State. For the region as a whole, the level is close to 17 per cent and in some sections it is well over 20 per cent, and that is quite unacceptable.

Furthermore, many unemployed people in the western region have been unemployed for a very long time. As a Government, we are trying to activate the western region in cooperation with local councils, skill centres and community groups to create a western region economic development board so that we can energise that area and create employment and training opportunities. To that end, I am currently working with local government to put that mechanism in place.

DETAFE has several Kickstart programs operating in the western region, and they have been quite successful in terms of creating employment, but a lot more needs to be done for a region which has a lot of potential to offer. It is close to the CBD and to significant transport links, including the airport and the rail line, and it has appropriate zoning for light industry and warehousing: it is an area that has a lot of potential. As a Government we want to see the west side boom and prosper. To that end, we are working vigorously to create employment and training opportunities in that area in conjunction with other authorities, particularly local government.

GRIEVANCE DEBATE

The SPEAKER: The question before the Chair is that the House note grievances. The honourable member for Newland.

Mrs KOTZ (Newland): On the majority of occasions on which I have spoken about Tea Tree Gully council, it has been to commend or congratulate initiatives taken by that council and its members, initiatives that would enhance community interest. I have always believed that recognition and congratulations should be freely given when they are due, but it is unfortunate that the issue I raise now is more brickbat than kudos. I believe it is generally accepted that elected members of local councils, in a way similar to that involving members of Parliament, display professional responsibility to their ratepayers, on the one hand, and the manner in which they determine the business of council, on the other. In recent weeks, two elected members of the Tea Tree Gully council chose to attack the Government for inaction, in one instance, and disinterest, in the other.

If either member had attempted to express their concern to any Government representative on these issues and had then been rejected, I would have been the first to line up on their side and fight the issue with them, but neither member sought to determine the Government's response to the concerns they raised, and that is why I take issue with them now. In the first newspaper article to which I refer, which article I can only regard as scaremongering and irresponsible, it was suggested that a certain residential area of Tea Tree Gully would be engulfed by fire and if that occurred the council would hold the Government responsible. I ask whether that councillor took any pertinent steps other than in a flurry of publicity to ensure that safety measures had been taken by appropriate Government departments. I certainly have not received any letter of concern from council or its elected members identifying any problem, perceived or otherwise; nor have I had any contact from constituents of the area identified by the council representative. Following the newspaper report, I received telephone calls from residents of that area who are now fearful that their residences and their families are in danger.

The second report related to an upgrade of Montague Road suggesting that the Government was not interested. That again begs the question: did the council or councillor make any effort to approach the Government to ascertain its interest? My information suggests that the issue of the Montague Road upgrade was brought to the attention of the previous Labor Government some two years ago when the council approached the previous Labor member for Florey seeking a delegation to the Minister of the day. That was the last approach to the Department of Road Transport or its Minister, something which the councillor omitted to mention in the article.

The outcome of that delegation was obviously unsuccessful, as the upgrade of Montague Road never reached sufficient priority to be placed on the Department of Road Transport's five year plan. The councillor also omitted to mention that at the time of his public announcement the Minister of the day was not approached with any formal request on this matter. In fact, in the same *Messenger* article, the Tea Tree Gully council's technical services manager contradicted the stated concerns of the elected member by commenting that the upgrade was not a huge issue. It would therefore seem that council members and officers are in contradiction with each other and perhaps need to get their act together to achieve a professional and efficient representation in the Government sphere.

I also find it somewhat contradictory that the councillors who have jumped into public print to seek to lay blame upon the new Government of the State were surprisingly quiet on similar matters when the Labor Party held the reins of Government. Their lack of public outcry for the past 10 years is tantamount to their lack of what now apparently is meant to show public interest. If the elected council members are unaware of Government departments or procedures that deal with the matters they have raised, I am quite happy to inform them in an effort to assist their efficiency and professionalism in dealing with matters which affect their area of responsibility and that of the State. I am quite sure that, with the four new members of the Liberal Government elected into the area of Tea Tree Gully, any elected member who wishes to ask questions of any of those representatives will most certainly get a sympathetic hearing if they choose to be serious about their concerns instead of downgrading important issues by what appear to be purely publicity seeking stunts.

The Hon. FRANK BLEVINS (Giles): And the honourable member has never done a purely publicity seeking stunt! I want to express my disappointment with an answer that was given today by the Premier regarding the proposed ferry between Cowell and Wallaroo (the Gulf Link project), of which you, Sir, would be well aware. My disappointment with the Premier was that his response to my question ascertaining what support the Government would give to the Cowell-Wallaroo Gulf Link ferry project was, 'I will send it to a committee.' In my 19 years in Parliament I have never seen a Government send so many things to committees. Everything is going to a committee; everything will be assessed. No decisions have been taken other than to sack the odd typist around the place—members opposite are all full of macho then. This project does not need to go to a committee; what it needs is a commitment from the Government, which claims to represent people in rural areas, to assist the company to get on with the project.

Quite clearly, this project ought to be supported for a whole range of reasons. The shorter distance that produce and products would have to travel from west to east would be a huge saving in itself. Lower rural costs and the reduction of wear and tear on the roads between Cowell and Port Wakefield, for example, would be an enormous saving to any Government. We all know how much those roads are being knocked around with the demise of rail through lack of use by, in many cases, primary producers. The project is worthy of support, because I understand that it will involve the investment of about $20 million which will create about 500 jobs in the construction of the project and the vessels and about 70 jobs in the operation of the ferry or ferries.

I understand that the company is not asking for cash but for a $5 million Government guarantee. Such a guarantee would, I understand, ensure that they themselves could raise the money to fund the project. It seems to me that that is a very small amount to ensure that this project goes ahead. A considerable amount of infrastructure would be required, and that, in part, is where the jobs would come in. We hear almost *ad nauseam* about the lack of development on Eyre Peninsula and the way in which its population is diminishing. That is a fact, but it is not good enough just to wring your hands about it or to say, 'Isn't it awful!' and make projections for a few years time when some of these places on Eyre Peninsula may have no population at all.

The cry will be, 'Why is the Government not doing something about it; why is Adelaide constantly expanding with all the infrastructure that is required; why are we trying to protect the southern vales, or why are we going so far north and having to extend public transport and roads, etc.?' when we can do something about development outside Adelaide if we have the will to do it. The Industries Development Committee is not the worst committee around by any means, and I will certainly be watching that committee with interest when it considers this project. However, the Premier did disappoint me, because this matter does not require a committee: it requires action.

I know that the member for Flinders, during the election campaign, made great play of supporting this project, and I hope that in the Party room she will have some influence in persuading the Government to drop its idea of shoving everything off to a committee and to actually support the people of Eyre Peninsula. I will look forward to that.

The SPEAKER: The honourable member's time has expired. The honourable member for Flinders.

Mrs PENFOLD (Flinders): I wish to raise the issue of volume loading for the livestock road transport industry in South Australia. As members are all aware, the road transport industry in South Australia has taken on the massive task of shifting most of the livestock that are moved around the State and also interstate. Australian National still carries some cattle by rail into Gepps Cross from the Alice Springs and north-west pastoral regions. However, most of the remaining livestock in South Australia find their way into stock crates at some stage or another.

Volume loading has been an industry goal for many years. It has many advantages over the present axle limits set to control overloading. For the benefit of members I point out that the Highways Department has many permanent and semi-permanent axle weighing stations dotted around the State for the purpose of weighing trucks and buses. All operators and drivers of these vehicles must observe strict axle limits. This is only right and just to avoid damage to our roads system.

However, the livestock industry has difficulty in observing these axle limits as it is hard to predetermine the weight of the livestock to be carried. Recognising this fact, the Interstate Commission for the Road Transport Industry recommended the introduction of volume loading for livestock in November 1989. Queensland, that State so often held up for ridicule in this House and elsewhere, has had volume loading for its road transport operators for many years. It is time that we in this House consider with some feeling the welfare of animals. In fact, I would be surprised if I discovered a lack of resolve to get on with the introduction of this measure.

I would be concerned if any member of this House were not fully informed about how frustrating and restrictive the present laws are to transport operators. As an example, I refer to the case of an Elliston based transport operator. In this case the cargo was cattle bound for liveweight selling at Gepps Cross in Adelaide on a Monday morning. The industry has a curfew operating in Gepps Cross and it closes at 4 p.m. on the Sunday before the Monday morning market for selling the cattle over weighing scales. In this case the transport operator had timed his run from the West Coast to be at Gepps Cross in plenty of time to meet the deadline. However, just outside Port Augusta at the highways weighing station the transport was stopped for a normal axle test.

The cattle were heavier than expected and the truck was overweight. Two cattle had to be offloaded and their welfare attended to before the truck could continue on its journey. This all took some time to organise, and the truck missed the curfew that was imposed at Gepps Cross. The only exception to this curfew has been granted to Australian National as it is impossible to tamper with the railway crates on their way from the Alice Springs region to Gepps Cross.

There is an optimum loading density for livestock, and every good operator knows what that is. If the stock crates are packed too tightly the animals get down and are bruised. No farmers would allow their stock to be carried in this manner. However, if too much space is left in each pen animals tend to rush around the pen, leading to slipping and bruising and also causing large trailers to sway. Operators know what the optimum density is for each class of animal carried in their stock crates. It is only when the operators have their trucks weighed at Highways Department weighing stations that they know whether they are overweight.

In cases where axle limits are exceeded it is rarely by large amounts as most of the modern trailers are designed to meet axle limits presently set. Often when the axle limits are exceeded the Highways weighing officials will demand that one or two animals be removed from the transport until the axle weights are under the limits set. This is against all good commercial transport operations. Often these transporters have to meet deadlines set by the abattoirs or meet curfews imposed by liveweight selling over scales.

The delays caused by offloading a few cattle and making arrangements for their welfare are time consuming and unnecessary. It is causing resentment and frustration in the industry and leading to lost market opportunities for the producers. The benefits of volume loading were estimated by the interstate commission to outweigh costs by 12 to one. I seek the indulgence of this House to support immediate steps to introduce volume loading for the livestock transport industry in South Australia.

The SPEAKER: The honourable member's time has expired. The honourable member for Reynell.

Ms GREIG (Reynell): Mr Speaker, thank you for the opportunity to put my grievance before this House. This is an issue that should not have to come before this House again but, if it does, I hope that the Government will be in a position to act on behalf of the victims, and they are South Australians whose previously elected members of Parliament, having lost office, retaliated on their former constituents by destroying and, in some circumstances, removing records and files and then leaving no indication of who or what needed to be followed up.

How many members here today have taken office and found nothing but shredded paper and deleted computer programs? This is a crime; it is a crime against the community. It is something that we all know is morally wrong. Those records belong to constituents, who deserve to have their information treated with respect and passed on to the new member who could follow through or at least maintain continuity within the local electorate.

A young person came into my office wanting to talk about the problems he faces each day in searching for a job. He sought my help. After some long positive discussions I suggested that this person give me a *curriculum vitae* together with various other details that I thought would be useful. He then informed me that this information was in his file. He had left all his details with a former member of this House who had offered him assistance. Destroying these files did not hurt me. Yes, I was annoyed and, yes, it has added to an already busy workload, but my concern was for my constituent; a constituent who does not have a job, who does not drive and who had to walk 5.5 kilometres to meet with me in my office only to discover that I had none of the background information he had previously provided on file. Unfortunately, he is not the only victim of this vindictive behaviour.

Constituents in my electorate expected better from their previous member and they are assisting me to compile new files by providing previous correspondence relating to their issues. I see our position as one of trust. We are elected to office to work on behalf of all our constituents and we have no right to jeopardise the trust placed in us to serve our community to the best possible advantage. I could go on with a number of other cases that were also brought to my attention, but I think most people here would know the story because I am sure that in many electorate offices a similar situation has arisen. I hope that we all take it upon ourselves to do the right thing by our constituents and to make sure this does not happen again.

The SPEAKER: The honourable member for Ross Smith.

Mr CLARKE (Ross Smith): Before I address the Chair, Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr CLARKE: Today I want to address the House on the Native Title Bill, and in particular the lamentable position that the State Government has adopted which, as far as I can tell publicly, is a do-nothing position. From the last I read on the Native Title Bill and the State Government's position on it, it is apparent that it is considering its position and is discussing the matter with other State Governments, and particularly the Premier of Western Australia, Mr Richard Court. I do not think that that is an acceptable proposition.

This Government has been in office long enough, and the Native Title Bill has been subject to sufficient community debate over the past 12 months, for this State Government to have addressed itself to the matter and announced its position one way or another. What I fear is that the Premier of South Australia will be coerced by, or will willingly go along with, his conservative counterparts in the other States in opposing the Commonwealth's legislation with respect to the Native Title Bill and align himself and, more particularly, the State of South Australia with the social reactionaries. That would be a very sad blot on the history of South Australia, as we in this State have enjoyed a reasonable degree of bipartisanship with respect to Aboriginal affairs.

The Pitjantjatjara Land Rights Bill commenced under the Corcoran Government back in the late 1970s but, as a consequence of our losing office in 1979, the passage of that legislation was finally ushered through under the Tonkin Liberal Government. That was a commendable action on the part of the Tonkin Government and showed a commendable spirit of bipartisanship. What I fear is that the State Government will adopt the sort of stupid attitude that prevailed amongst the Liberal Party federally on this whole issue, where it opposed the Native Title Bill lock, stock and barrel, antagonising its own supporters and, in particular, the National Farmers Federation, which wanted to see some worthwhile amendments put through the Senate, and which would have been accommodated by the Commonwealth Government. It would seem, by the silence of the Premier, that he has joined with Dr Hewson and adopted an attitude of total opposition and of not offending their conservative colleagues in Western Australia in particular.

South Australia should not be seen to be irrelevant and impotent on this very important social question in respect of Australia's Aboriginal population. It is all very well for the member for Adelaide, in his capacity as the Minister for Aboriginal Affairs, to speak piously and quite rightly about the terrible health conditions suffered by the Aborigines in South Australia. But, on one of the most fundamental issues of importance to the Aboriginal community, notably the Native Title Bill, this Government is extremely poor in not having taken any position on it whatsoever, particularly given that the Premier is going to Hobart this week, where that matter will certainly be an item for discussion amongst all heads of Government, as well as the Federal Government. With those concluding remarks, I urge the State Government to not dally any longer with respect to the Native Title Bill but to get on with it and support the Commonwealth Government's position.

Mr CAUDELL (Mitchell): I would like to continue my speech of 17 February this year on waste management and recycling. In summary, over the past 10 years Governments and communities as a whole have got the situation completely wrong. They have had some noble achievements, that is, their aim for a 50 per cent reduction in waste taken to land fill. However, with the policies of the previous Labor Government in directions to councils over the past 10 years, that aim would be unachievable. Fifty per cent of waste or land fill is basically green waste or bio-waste. There is a need to put it all together so that the ends of the circle can meet. There is a need to share resources with regard to councils. There is also a need for new technology to be implemented. However, at this stage there has been no direction with respect to this subject. Unless there is some direction with respect to the sharing of resources and technology, we will not reach our aim of a 50 per cent reduction of land fill.

In the past much has been said about recycling, and basically many of the statements in the past have been motherhood statements. Many people were complaining of high storage of recyclable products with nowhere to market them. I refer members to two press releases from the Marion and Mitcham councils. The first, dated 3 February 1994, states:

> Marion and Mitcham councils are beginning to see the fruits of developing markets for recyclables in South Australia. The sale of 1 000 plastic recycled products made in South Australia from local recyclable material has seen the recycling loop close.

On 12 August 1993, the Marion council once again put out a press release, as follows:

> The rubbish householders throw out today is about to be sold back to them as useful, value-added products. In a unique joint venture which marks an important breakthrough in the use of recycled plastics, two innovative Adelaide councils are taking discarded plastic bottles and turning them into compost bins and other garden products.

So two councils in Adelaide, without any direction from the previous Government, are getting it together and are closing the recycling loop.

No longer is it appropriate to consider environment and economic development issues separately: they are inextricably linked. We need to find win-win solutions to environment and economic development problems. We also must have a very long-term view of waste management. We have disposal sites, such as Pedlars Creek, which are valuable community assets, and they should be enhanced and protected from urban development. There needs to be a recognition that the three spheres of Government will work together. No single sphere has all the answers. The Patawalonga and the Coast Protection Board are prime examples of this State Government and councils working well together for the good of the community. The same must be said of waste management and recycling.

It is recommended that local government in South Australia puts on hold the implementation of any more wide and varied schemes to allow the State and local governments to investigate new technology for the disposal of waste, incorporating resource sharing for the disposal of green and bio-waste. Using Marion's example, new products have been created from recyclable materials generated through local businesses, and that will mean jobs for South Australia.

ACTS INTERPRETATION (COMMENCEMENT PROCLAMATIONS) AMENDMENT BILL

Received from the Legislative Council and read a first time.

The Hon. S.J. BAKER (Deputy Premier): 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.

Section 7(3) of the Acts Interpretation Act 1915 states that where an Act provides that it will come into operation on a day to be fixed by proclamation the Governor may by proclamation fix a day for the entire Act to come into operation, or fix different days for different provisions to come into operation and, if desired, suspend the operation of specified provisions. It has been common practice for commencement proclamations to specify a future date for an Act, or provisions of an Act, to come into operation. Once such a proclamation has been made it is impossible to alter the proposed date of commencement because the Governor does not have the power to vary or revoke the proclamation.

The lack of power to change the commencement date has become a problem in relation to the new Children's Protection Act 1993. This Act came into force on 1 January 1994 except for provisions relating to family care meetings which will come into operation on 1 March 1994. The Courts Administration Authority has advised the Government that the administrative arrangements for family care meetings cannot be in place by 1 March 1994.

The purpose of this Bill is to insert a power into section 7 of the Acts Interpretation Act 1915 to enable the Governor to delay the commencement of the provisions of the Children's Protection Act 1993 relating to family care meetings. The provisions of the Bill are as follows:

Clause 1: Short title. This clause is formal.

Clause 2: Amendment of s. 7—Commencement of Acts. This clause makes the required amendment to section 7 of the principal Act.

Clause 3: Repeal of s. 7(4a) of the principal Act. This provision is inserted so that subsection (4a) inserted by clause 2 can be removed from subsequent reprints of the Acts Interpretation Act 1915 after it has served its purpose.

Mr ATKINSON secured the adjournment of the debate.

ELECTORAL (ABOLITION OF COMPULSORY VOTING) AMENDMENT BILL

The Hon. DEAN BROWN (Premier) obtained leave and introduced a Bill for an Act to amend the Electoral Act 1985. Read a first time.

The Hon. DEAN BROWN: I move:

That this Bill be now read a second time.

This Bill implements an important election policy of the Liberal Government in this State. The object of the Bill is to abolish compulsory voting. The right to vote is a precious right and is the basis for any society to be democratic. In many large democracies such as the United States of America, the United Kingdom, France, Germany and Canada, and in smaller democracies such as New Zealand, the right to vote has been accompanied by a freedom to choose whether or not to exercise that right by attending at a polling booth, obtaining a voting paper, marking it and placing it in a ballot box.

In countries like India there is no compulsion to vote. Even in the Philippines, when voting on a new constitution, voting was not compulsory. The newly emerging democracies of Eastern Europe all provide for voluntary voting. Australia and the Australian States are in a small minority of western democracies where compulsory voting is the law. In South Australia voting has been compulsory for 40 years, although enrolment remains voluntary.

In countries with voluntary voting there is no doubt that candidates and Party machines are more active in endeavouring to persuade the electors to go to the polling booths and to vote for them. The carriage of voters to the polling booths in those countries is well organised. In countries like New Zealand and the United States of America, the membership of political Parties is significantly higher because of the need to have active supporters prepared to give a higher level of commitment to get voters to the polls than under a compulsory voting system.

In Australia for a very long time compulsory voting has removed the need for Parties to get out the voters on election day, and to canvass every household. As a result, Australian political Parties have relatively small memberships. It is estimated that fewer than 3 per cent of voters are members of a political Party, whereas in Britain the proportion has been up to four times higher. This should change with voluntary voting. Then, electors will have to want to exercise the power given to them in casting their vote and be prepared to make the effort to do so. They will have to be convinced about policies and personalities.

There is no doubt that voluntary voting will enhance the political process in South Australia as it has done in democracies where the freedom to choose whether or not to vote is recognised. The right to vote should be taken seriously, but there is no reason to make it a dull and boring and onerous responsibility under pain of penalty for not attending at the polling booth and marking one's name off the list. Voluntary voting will add some vigour to the electoral process. Voters will have to be convinced about the need to vote and the candidate to vote for.

We already have voluntary enrolment in South Australia although, regrettably, that does not follow through to the Federal arena. While some would argue that people should be compelled to exercise that right as the price of being part of a democracy, that is a blatant contradiction in terms. A democracy allows freedom of choice, but in this instance the State is denying that choice. It is all very well for people to argue that, technically, the only obligation of an elector is to go to the polling booth and have one's name marked off the roll after collecting a ballot paper which need not be completed, but that is to split hairs and does no justice to the debate.

While some politicians regard this semantic argument as a serious assessment of the present situation, it ignores the substance of the issue of compulsion. Some who argue against freedom of choice see great harm in allowing political Parties to organise transport to polling booths. Some opposed to freedom of choice in voting argue that transporting people to the polls allows undue influence to be exerted, but that is not a justifiable criticism because that may occur now under the present system of compulsory voting.

One can put up arguments about comparative resources available to the Parties to promote themselves, but that matter will never be resolved. For example, Liberals may argue that the trade union affiliates of the Labor Party will compel their members to vote or will have greater human resources to arrange to get people to the polls, but that ignores that a substantial number of union members will not be dictated to by their unions or even vote for them. If a substantial number of union members did not vote Liberal at State and Federal elections, we would never win elections.

On the other hand, some Labor supporters will argue that voluntary voting plays into the hands of the Liberals because Labor supporters will be less likely to go to the polling booths. That argument must be rejected. It debases the intelligence of voters. The fact is that, in all Western democracies, opposing Parties do have opportunities to govern and they are elected; in the United States of America, the pendulum swings between the Democrats and the Republicans; in the United Kingdom, the pendulum swings between Labour and the Conservatives; in New Zealand, the pendulum swings between the Labour Party and the National Party.

There are complacent electors supporting both sides of the political spectrum, but voluntary voting would give them a choice—to show they care or to remain complacent. At the very least, voluntary voting will make blue ribbon seats less blue ribbon and require candidates and members of Parliament to work for their electorates and woo the electors with policies as they have never done before. Parties, members of Parliament and candidates will no longer be able to take the electorate for granted. Parties will really have to do the work which compulsory voting presently does to get people to the polling booths. The Liberal Government believes voluntary voting at elections is a positive and necessary reform.

Mr Clarke interjecting:

The SPEAKER: I warn the member for Ross Smith for the first time. This is an important measure, and I am going to insist this afternoon, when other members participate, that interjections cease.

The Hon. DEAN BROWN: I was going to comment on the rejection of this proposal by the Labor Party and the Australian Democrats before I had even had the opportunity to introduce the measure into Parliament or to put an argument before Parliament. It shows the blind opposition that both the Labor Party and the Australian Democrats have to the issue of voluntary voting. It shows the extent to which, for instance, the Australian Democrats are apparently acting out of self interest, as outlined on radio this morning by Dr Dean Jaensch.

Members interjecting:

The Hon. DEAN BROWN: I think it is very significant that both the Opposition Parties in this State—and one is not much bigger than the other—have not even had the decency to allow the Government's measure to be introduced into the Parliament before announcing their opposition to it. That shows the extent to which they are prepared to give any credence whatsoever to the parliamentary system. However, I think more fundamental issues are at stake here. We have just had a State election, with an overwhelming majority given to the Liberal Party to form a Government. A key part of the platform at that election was voluntary voting. It was a key part of the election speech that I brought down just before the election. If the Labor Party and the Australian Democrats had one ounce of respect for our system of democracy, the least they would do is allow this key platform of the Liberal Party to be passed through both Houses of Parliament as quickly as possible.

The Liberal Government believes that voluntary voting at elections is a positive and necessary reform. Two side benefits of voluntary voting are that the estimated 2 per cent donkey vote will be eliminated and that those who fail to vote will not have to be followed up with so-called 'please explain' notices, nor will those who fail to vote be asked to pay a fine and in default of paying that expiation fee be prosecuted. That will be a thing of the past.

Following the 1989 State election, 34 262 people were sent 'please explain' notices for failing to vote; 9 228 expiration notices were posted; and 4 828 summonses were posted to those who failed to provide an acceptable excuse or failed to pay the expiation notice. The cost to the State electoral department of non-voter processes was $121 614—an amount we could be saving ourselves by adopting this measure. Why not put that money into education or some of the essential Government services that need to be built up in this State after 11 years of Labor? The sum of $30 450 was received by way of expiation payments and further moneys were received into general revenue by way of fines imposed by the courts. If we put all of these sums together, we are looking at well over $150 000 that had to be paid because of compulsory voting here in South Australia.

This Bill will relegate to history the costly and time consuming non-voter processes that I have just outlined. This Bill simply repeals division VI of part IX of the principal Act which provides for compulsory voting. I commend the Bill to members.

The Hon. LYNN ARNOLD secured the adjournment of the debate.

PAY-ROLL TAX (MISCELLANEOUS) AMENDMENT BILL

The Hon. S.J. BAKER (Treasurer) obtained leave and introduced a Bill for an Act to amend the Pay-roll Tax Act 1971. Read a first time.

The Hon. S.J. BAKER: 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 seeks to revise various aspects of the principal Act which have become outdated, uncertain in application or require harmonisation with corresponding laws enacted by other jurisdictions which also collect pay-roll tax.

Provision has also been made to clarify the definition of monthly return period to ensure that double taxation does not arise and also to ensure that wages paid in the State are not liable to tax where services are rendered overseas for periods longer than six months. Wages will be liable to pay-roll tax if paid outside of Australia if the services are rendered mainly in the State.

The proposed amendments relating to the joint and several liability of group members and the basis upon which the liability of wages to pay-roll tax is to be determined will ensure continued uniformity in respect to those matters with the corresponding legislation of the majority of other Australian States and Territories and will remove any doubts that may have arisen regarding the joint and several liability of members of a group.

The draft Bill has been the subject of consultation with relevant industry groups and the Government appreciates their valuable contribution.

Explanation of Clauses

Clause 1: Short title

Clause 2: Commencement

Clauses 1 and 2 are formal.

Clause 3: Amendment of s. 3—Interpretation

Clause 3 inserts a definition of 'record' into the Act. It provides that 'record' means a documentary record, a record made by an electronic, electromagnetic, photographic or optical process or any other kind of record.

It also updates the definitions of 'corporation' and 'voting share' to bring them into line with the *Corporations Law*.

Clause 4: Amendment of s. 7—Secrecy

Section 7 of the Act provides that a person may only divulge information acquired in connection with the administration of the Act

to certain people. Clause 4 amends section 7 of the Act to include the Australian Securities Commission as a body to whom information may be divulged.

Clause 5: Amendment of s. 8—Wages liable to pay-roll tax

Clause 5 amends section 8 by striking out subsection (1) and inserting subsections which provide that with the exception of two situations, all wages are liable to pay-roll tax. The first situation relates to wages paid in the State. It provides that wages paid in the State are not liable to pay-roll tax if they relate entirely to services performed or rendered wholly in one other State or if they relate entirely to services performed or rendered outside Australia and the employee has not, during the six months immediately preceding the month in which the wages are paid, performed or rendered services for the employer in the State. The second situation relates to wages paid outside the State and provides that those wages are not liable to pay-roll tax if they relate entirely to services performed or rendered wholly outside the State or mainly outside Australia.

It also amends subsection (3). Subsection (3) provides that where a cheque, bill of exchange, promissory note or money order is sent or given by an employer to a person at a place in Australia in payment of wages, those wages are to have been taken to have been paid at that place at the time the instrument was sent or given. The proposed amendment includes the electronic transfer of funds, providing that where funds are transferred electronically to a bank account maintained in Australia, the wages are taken to have been paid at that place at the time the funds were transferred.

Clause 6: Amendment of s. 18—Power to obtain information and evidence

Clause 6 amends the principal Act to include in the Commissioner's power to obtain information and evidence that any record that is not in writing and in an intelligible form be produced as a written record in a readily intelligible form.

Clause 7: Amendment of s. 18b—Grouping of corporations

Clause 7 is a consequential amendment—*see clause 3.*

Clause 8: Amendment of s. 18d—Grouping of commonly controlled businesses

Clause 8 is a consequential amendment—*see clause 3.*

Clause 9: Amendment of s. 18i—Exclusion of persons from groups

Clause 9 is a consequential amendment—*see clause 3.*

Clause 10: Amendment of s. 28—Liquidator to give notice

Clause 10 is a consequential amendment—*see clause 3.*

Clause 11: Amendment of s. 33—Contributions from joint taxpayers

Clause 11 inserts a subsection into section 33 to provide that any tax payable under the Act by a member or members of a group is a debt due jointly and severally by every person who was a member of the group during the period in respect of which the tax became due.

Clause 12: Amendment of s. 38—Offences

Clause 12 is a consequential amendment—*see clause 3.*

Clause 13: Amendment of s. 48—Records to be preserved

Clause 13 is a consequential amendment—*see clause 3.*

Clause 14: Amendment of s. 49—Access to records, etc.

Clause 14 amends section 49 of the Act to provide that if a record is not held in writing in an understandable form, a person who has the custody or control of the record must, at the request of the Commissioner or authorised person, produce a written document, in a readily intelligible form, setting out the contents of the record.

Clause 15: Amendment of s. 51—Service of documents by the Commissioner

Clause 15 is a consequential amendment—*see clause 3.*

Schedule

This is a statute law revision schedule to amend the penalty provisions of the Act.

The Hon. LYNN ARNOLD secured the adjournment of the debate.

STATE BANK (CORPORATISATION) BILL

The Hon. S.J. BAKER (Treasurer) obtained leave and introduced a Bill for an Act to provide for the transfer of part of the undertaking of the State Bank of South Australia to a company formed to carry on the business of banking under the law of the Commonwealth; to make consequential amendments to the State Bank of South Australia Act 1983; to make consequential amendments to the Commercial and Private Agents Act 1986, the Government Financing Authority Act 1982, the Industrial Relations Act (SA) 1972, the Land Agents, Brokers and Valuers Act 1973, the Legal Practitioners Act 1981, the Local Government 1934, the Oaths Act 1936, the Public Finance and Audit Act 1987, the State Supply Act 1985 and the Trustee Act 1936; and for other purposes. Read a first time.

The Hon. S.J. BAKER: 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 marks a fresh start for the State Bank.

It is time to get on with planning the future and that includes restructuring the State Bank to contribute to that future.

At its core, the Bank provides a range of services which South Australians value. These include:

- lending for housing and personal loans;
- convenient deposit facilities;
- credit card services;
- rural lending and trade finance;
- lending for South Australian business and leasing;
- school banking and sponsorship.

These activities are appropriate for a solid regional bank.

They are the areas in which it has solid expertise. They are the services provided by the majority of staff in branches throughout the State.

The Bank has a core of good, loyal staff who are expert in providing banking services to ordinary South Australians. It clearly has not had the necessary expertise for the big national or international corporate scene.

Over the past three years, the Bank has been shedding the activities which got it into difficulty.

With this Bill, the Government is moving decisively to complete the process.

From 1 July 1994, the Bank will be focussed completely on its core activities, the activities in which it has expertise and which it has shown that it can do well. This is primarily banking in South Australia, with only limited activities in other States, which are to be carefully controlled and restricted to areas of the Bank's expertise in small scale leasing and commercial lending.

From 1 July 1994, the Bank will also be run on the same basis as most other banks.

It will be a company like other banks, rather than a statutory authority and it will be capable of being sold or listed on the stock exchange. Accordingly, the word "State" will be dropped from its name and it will become Bank of South Australia Limited, or BankSA for short.

It will have a new logo, retaining the existing colours of red, white and blue, but based on the State floral emblem, Sturt's Desert Pea. This signifies the continuing nature of the Bank's core business, but also the Bank's new beginning.

Like other banks, it will be formally supervised by the Reserve Bank of Australia. As Members are aware, the Reserve Bank is charged with the supervision of the Australian banking system. The Reserve Bank supervises all of the major banks and it is appropriate that it should supervise our Bank too. To achieve this, the Bill provides for the State to refer its banking powers to the Commonwealth in respect of Bank of South Australia. From 1 July 1994, it will come under the Commonwealth Banking Act.

As with other banks too, the Bank will be subject to the Corporations Law. The Corporations Law, which is administered by the Australian Securities Commission, sets stringent requirements for the directors of public companies and it is appropriate that the directors of Bank of South Australia should be subject to these requirements.

From 1 July 1994, the Bank will also pay Commonwealth tax.

Like other regional banks, it will provide the security which comes from specialising in loans for housing, personal loans, loans for small business and supporting corporate South Australia, rather than large scale national business.

Retail deposits currently held by the State Bank will be transferred to BankSA. However, with these changes, it will neither be appropriate nor necessary for the State Government guarantee on deposits with BankSA to continue indefinitely. However, all retail customer deposits will be guaranteed at the time the new Bank commences business on 1 July 1994 and will continue to be

guaranteed until 1 July 1999. Term deposits in existence on 1 July 1994 and maturing on or after 1 July 1999 will continue to be guaranteed until maturity. Arrangements regarding new deposits and additions to existing deposits will not change for twelve months, but any deposits made after 28 February 1995 (including additions to existing deposits) will not be guaranteed.

On 1 July this year, Bank of South Australia will come into being as a bank with a bright future, operating on the same basis as other banks.

This Bill provides for the steps necessary to achieve this. This Bill alone, however, is not sufficient. Complementary legislation will also be introduced by the Commonwealth and by other States and Territories.

As Members will note from the Bill, the actual process involved in creating the new Bank is a technically complex one. However, apart from the change of name and logo, there will be little change for most customers on 1 July 1994. Present deposits will still be Government guaranteed and there will not be any disruption to loans, investments or other services. In this respect, the change will be no greater than the changes which occurred with the original Bank merger in 1984.

Over time, however, the change will provide better service for customers. The Bank will be smaller, with about $7 to $8 billion of assets compared to $16 billion at June last. It will be focussed on South Australia and be a simpler operation. As a result, it will be better able to concentrate further on servicing the needs of its customers. One of the Bank's first actions will be to seek the suggestions of its customers on further improvements to service.

The creation of the new Bank also includes the strengthening of the Board and management, while providing necessary continuity. In this respect, I am pleased that Mr John Frearson, the current Chairman of the State Bank, has agreed to be the inaugural Chairman of the Bank of South Australia. Other appointments to the Board and senior management will be announced in due course.

The Government has a very clear purpose in creating the Bank of South Australia. We are committed to sale of the Bank.

Our preference is for a public float, although all options remain under consideration.

To be capable of being floated, Bank of South Australia will need to be competitive and this will require further operating improvements. However, the Government's approach offers the opportunity of greater job security for staff than would an early trade sale to another bank.

It also offers the possibility of significantly increasing the value of the Bank. Like many banks, the present bank has an excessive cost base. By improving the efficiency of the new Bank, over the next year or so, the value of the Bank will be increased and, at the same time, job security will also be increased.

On this basis, the Government expects to retain a shareholding in the new Bank until 1996 or thereabouts. However, this does not preclude an earlier sale of part of all of the Bank if market conditions are favourable.

Among other things, the Bill provides for the transfer of staff from the existing entity to the new company.

Not all existing staff will be transferred to BankSA. Those associated with activities being wound down, together with the Group Asset Management Division, will remain behind in the existing statutory authority.

The large majority of existing staff, however, will transfer and will be doing much the same jobs as they are doing now. As the Bill makes clear, the transfer of staff will not affect the remuneration of employees, their leave or their continuity of service.

The Bill as introduced does not cover all staffing matters, particularly in respect of superannuation. For example, because the Bank will ultimately be sold, there is likely to be a need to change arrangements in respect of the old State Superannuation Scheme. The Government believes that these matters should be the subject of consultation with staff and negotiations are currently underway. Accordingly, the Government will introduce the necessary provisions by way of amendment.

The existing statutory authority will continue in existence to facilitate the continued operations of the Group Asset Management Division, the wind down of performing assets which are not appropriate for the Bank of South Australia and the wind down of the present Bank's Government guaranteed liabilities to the capital markets. The Bill provides for the authority to be renamed the South Australian Asset Management Corporation. The Corporation will be a sizeable entity, with an opening balance sheet of the order of $7 to $8 billion. It will continue to be Government guaranteed. This will include a sizeable funding facility of approximately $3 billion provided to Bank of South Australia for a transitional period.

SAFA will also have an important role in the new arrangements in managing the Corporation's liabilities and the funding facility to the new Bank.

An information paper on Corporatisation for the information of Members is also being tabled.

Part One of the Bill covers preliminary matters.

Part Two allows the Treasurer to subscribe capital to the Bank of South Australia. As noted previously, the Bank's capital base is expected to be between $400 million and $500 million compared to the capital base of the present Bank of over $600 million.

Part Three provides that Bank of South Australia is not an agency of the Crown. This is appropriate for an entity which will be privatised. The provisions of this Part will also render it subject to Commonwealth taxation, even while it is wholly owned by the State. This fulfils one of the conditions agreed with the Commonwealth Government.

Part Four provides for the transfer of assets and liabilities from State Bank to Bank of South Australia. While the provisions are relatively complex, they operate to free customers of the need to do anything to transfer their business to the new Bank. Similar provisions will be enacted in a number of States and Territories in which the Bank undertakes business.

Part Five deals with staffing. As already noted, the overriding principle is that the transfer of staff to BankSA will not affect remuneration, leave or continuity of service. At the same time, it will not constitute a retrenchment or give rise to any right to damages. Staffing provisions are a very important part of the legislation and the Government believes that they should only be enacted after close consultation with staff. Accordingly, further provisions may be introduced, following such consultation.

Part Six deals with the Government guarantee.

Part Seven provides for the reference of banking power to the Commonwealth. This is necessary to make BankSA subject to Reserve Bank supervision under the Commonwealth Banking Act. This is another condition agreed with the Commonwealth.

Part Eight contains miscellaneous provisions.

Schedule Two of the Bill provides for consequential amendments to the State Bank Act.

Some of the more important amendments include:

- changing the name of the Bank to South Australian Asset Management Corporation;
- providing for a Board of between four and six members;
- providing for the Board to be subject to the direction and control of the Treasurer;
- provisions to allow the present capital in the Bank held by SAFA to be transferred to the Treasurer;
- provisions to protect customer confidentiality.

It should be noted that the amendments do not vary Section 21 of the existing Act which is concerned with the Government guarantee of the Bank's liabilities. This Section remains without amendment.

There will also be legislation in other States and Territories which deals primarily with the transfer of assets and liabilities to BankSA. Legislation in a number of States is common in situations of this type and has often been needed in the course of bank mergers.

Commonwealth legislation is necessary to bring the Bank within the Banking Act, to facilitate bringing BankSA within Commonwealth taxation legislation and to avoid various administrative problems.

Because Bank of South Australia will be a company, its operations will be governed by its Memorandum and Articles rather than legislation. There will also be a Shareholders' Agreement and a Lending Agreement for the funding facility provided by the Corporation. Outlines of these documents will be tabled prior to the commencement of the debate on this Bill.

As I noted at the outset, this Bill marks a fresh start. The Bank of South Australia will be a solid, viable regional bank based in Adelaide. With support from its customers and commitment from its staff, the Bank will have a bright future.

I commend the Bill to Honourable Members.

Explanation of Clauses

The provisions of the Bill are as follows:

PART 1

PRELIMINARY

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

This clause provides for the measure to come into operation on a day to be fixed by proclamation.

Clause 3: Interpretation

This clause contains definitions of terms used in the measure.

"Assets" and "liabilities" are given expansive meanings.

"BSAL" is defined as the public company with the name "Bank of South Australia Limited" formed under the *Corporations Law*.

"SBSA" is the State Bank of South Australia.

"SBSA subsidiary" or "subsidiary" is—

(a) a company specified in Schedule 1; and

(b) any company classified by proclamation as an SBSA subsidiary.

"Transferred assets" and "transferred liabilities" encompass assets and liabilities transferred under a corresponding law of another State or a Territory as well as those transferred under this measure.

Clause 4: Territorial application of Act

The measure is to apply both within and outside the State and is to apply outside the State to the full extent of the extra-territorial legislative power of the State.

PART 2

PROVISION OF CAPITAL TO BSAL

Clause 5: Capital subscription, etc.

The Treasurer is empowered by this clause to provide capital or loan capital to BSAL and to transfer non-pecuniary assets of the Crown to BSAL.

Unless the Treasurer otherwise determines, capital subscriptions and advances are to be paid out of the Consolidated Account.

The Treasurer may exercise these powers on conditions which may include conditions providing for the issue of shares to the Treasurer.

Provision is made exempting an instrument to give effect to such a transaction from stamp duty.

PART 3

BSAL'S RELATIONSHIP WITH CROWN

Clause 6: Relationship with Crown

The clause declares that BSAL is not an instrumentality or agency of the Crown, does not have the privileges and immunities of the Crown, does not represent the Crown, and is not a public or government authority.

The clause is designed to ensure, as far as is possible in terms of the Commonwealth Constitution, that BSAL is subject to Commonwealth banking and taxation laws.

This Part should be read together with Part 7 of the measure which, by way of reinforcement, provides for the reference of a banking power to the Commonwealth Parliament.

PART 4

TRANSFER OF ASSETS AND LIABILITIES TO BSAL

Clause 7: Transfer of assets and liabilities to BSAL

This is the basic provision of the measure and empowers the Treasurer to transfer assets and liabilities of SBSA or an SBSA subsidiary to BSAL. This is to be done by order in writing made before, or within the period of six months beginning on, the appointed day (a day fixed by proclamation). However, this period may be reduced by proclamation.

An order may be varied or revoked by the Treasurer by further order in writing made before the order takes effect.

The clause declares that a transfer of an asset or liability operates by force of the statute and despite the provisions of any other law or instrument.

It further declares that the transfer of a liability operates to discharge the body corporate from which the liability was transferred from the liability.

Clause 8: Conditions of transfer

Under this clause, the Treasurer may fix the conditions on which assets or liabilities are transferred to BSAL under this measure or a corresponding law.

The conditions of transfer may free transferred property from a trust (if each beneficiary is SBSA or an SBSA subsidiary) and may fix the value of transferred assets and liabilities and impose a liability on the transferee reflecting that value.

Clause 9: Transferred assets free of statutory trust in favour of Crown

This clause is intended to make it clear that a transferred asset is not subject to any statutory trust in favour of the Crown arising under the *State Bank of South Australia Act 1983*.

Clause 10: Indemnity if transfer and discharge of liability not recognised under other law

This clause deals with a possible private international law problem. It provides that if the transfer of a liability from a body to BSAL and the consequent discharge from the liability is not recognised under the law of a place outside South Australia, the body is entitled to be indemnified by BSAL for any payment it may be required to make under the law of that place.

Clause 11: Transitional provisions

This clause contains a series of transitional provisions related to transferred assets and liabilities. The general purpose of the provisions is to put BSAL in the same legal position as SBSA or the SBSA subsidiary from which assets or liabilities are transferred.

Clause 12: Direct payment orders to accounts transferred to BSAL

This clause is designed to ensure that an instruction, order or mandate given to a bank or other financial institution for payments to be made to an account at SBSA or an SBSA subsidiary continues to operate so that the payments are made to the account when transferred to BSAL under this measure or a corresponding law.

Clause 13: Registering authorities to note transfer

Under this clause, the Registrar-General and any other registering authority will be required to register or record in the appropriate manner the transfer to BSAL of any transferred asset or liability and to register an instrument in registrable form, executed by BSAL, relating to property that is a transferred asset even though BSAL is not registered as the proprietor of the property.

The Registrar-General or other registering authority is authorised by the clause to register a dealing with Bank group property by SBSA or the subsidiary in whose name the property is registered or by BSAL without being concerned to inquire whether the property is or is not a transferred asset.

Clause 14: Exclusion of obligation to inquire

Under this clause, a person dealing with SBSA or an SBSA subsidiary or with BSAL is relieved of any obligation to inquire whether property to which the transaction relates is or is not a transferred asset.

Further, the clause provides that if SBSA or an SBSA subsidiary was entitled to property before the appointed day, and after that day, SBSA or the SBSA subsidiary, or BSAL, purports to deal with the property as if entitled to it, the transaction is valid even though the body corporate purporting to deal with the property is not entitled to do so because the property is, or is not, a transferred asset.

This will not, however, validate a transaction if the party dealing with SBSA, the SBSA subsidiary or BSAL has actual notice of the deficiency of title, or acts fraudulently.

Clause 15: Caveat in respect of land not transferred to BSAL

This clause is intended to prevent the possibility of there being a dealing by BSAL with land that has not been transferred. Earlier provisions of the measure facilitate dealings by BSAL by removing any requirement for registering authorities or third parties to inquire whether property has or has not been transferred to BSAL. This clause will allow SBSA or an SBSA subsidiary to lodge with the Registrar-General a caveat under the *Real Property Act 1886* in respect of such land forbidding the registration of any dealing with the land by BSAL without the consent in writing of SBSA or the SBSA subsidiary concerned.

Clause 16: Re-transfer of assets or liabilities

The Treasurer is authorised by this clause to re-transfer assets or liabilities (or both) from BSAL to SBSA or an SBSA subsidiary.

Clause 17: Stamp and other duties or taxes

This clause provides an exemption from stamp duty, financial institutions duty or debits tax in respect of any transfer effected by order of the Treasurer under this measure, any other transfer or assignment of assets or liabilities by SBSA or an SBSA subsidiary to BSAL and anything done for a purpose connected with, or arising out of, such a transfer or assignment.

Clause 18: Evidence

This clause provides for a certificate issued by the Treasurer to be conclusive evidence as to whether an asset or liability is or is not a transferred asset or liability.

PART 5

STAFF

Clause 19: Transfer of staff

Provision is made for the transfer of Bank group staff to the employment of BSAL by order of the Treasurer.

The clause declares that such a transfer does not affect remuneration, leave rights or continuity of service and does not constitute a retrenchment or redundancy.

It further declares that such a transfer is not to give rise to any right to damages or compensation.

PART 6
GUARANTEE

Clause 20: Government guarantee

This clause provides for a statutory guarantee by the Treasurer of certain BSAL liabilities. For the purposes of this guarantee, the clause (at subclause (11)) establishes a guarantee period—eight months from the transfer date or a longer period fixed by regulation.

The liabilities to be guaranteed are—

(a) liabilities of BSAL on deposits, being deposits at call or on a period of notice, transferred from SBSA to BSAL together with interest accrued on the deposits up to the transfer and further interest accrued on the deposits up to the end of the guarantee period;

(b) liabilities of BSAL on deposits, being deposits at call or on a period of notice, made with BSAL within the guarantee period, but only to the extent of $1 000 000 in respect of any one account together with interest accrued on the deposits (to the extent that they are guaranteed) up to the end of the guarantee period;

(c) liabilities of BSAL on term deposits transferred from SBSA to BSAL together with interest accrued on the deposits up to the transfer and further interest accrued on the deposits until payment or satisfaction;

(d) liabilities of BSAL on term deposits maturing no later than 30 June 1999 made with BSAL within the guarantee period, but only to the extent of $1 000 000 in respect of any one account together with interest accrued on the deposits (to the extent that they are guaranteed) until payment or satisfaction;

(e) transferred liabilities arising on negotiable instruments, bank guarantees or letters of credit;

(f) such other transferred liabilities and liabilities incurred by BSAL within the guarantee period as are specified by the Treasurer, by notice published in the *Gazette* within the transfer period, on terms and conditions fixed in the notice.

The guarantee is to expire on 1 July 1999.

However, the guarantee continues if a written demand is made not later than 30 June 1999 for payment of a guaranteed liability falling due on or before that date, or, in the case of a liability falling due after that date, if a written demand is made for payment not later than six months after the liability falls due.

The clause authorises the Treasurer, after consultation with the board of directors of BSAL, to make an order fixing charges to be paid by BSAL in respect of the guarantee as it relates to specified liabilities and imposing restrictions binding on BSAL as to the acceptance of deposits by BSAL within the guarantee period or the variation by agreement at any time of the terms or conditions governing any guaranteed liability. Any such order must be made within the transfer period.

Under the clause, BSAL may agree with a depositor that a deposit is not to be subject to the guarantee.

The clause makes it clear that if the Treasurer makes a payment to a person under the guarantee, the Treasurer is subrogated, to the extent of the payment, to the person's rights (including rights of priority as a creditor in a winding-up) in respect of the liability guaranteed.

PART 7
REFERENCE OF BANKING POWER TO COMMONWEALTH

Clause 21: Reference of banking power to Commonwealth

Section 51 (xxxvii) of the Commonwealth Constitution empowers the Commonwealth Parliament to make laws relating to matters (not otherwise within its powers) referred to it by a State Parliament. The power of the Commonwealth Parliament to make laws with respect to banking does not extend to State banking. In this context, the measure refers the matter of State banking to the Parliament of the Commonwealth.

However, this reference is, under the clause, to operate only—

(a) in relation to the banking business of BSAL to the extent (if any) that it constitutes State banking and is not otherwise included in the legislative power of the Parliament of the Commonwealth; and

(b) for a period from the commencement of this provision until a day fixed by proclamation as the day on which the reference is to terminate.

Further, the clause limits this by excluding any power on the part of the Parliament of the Commonwealth—

(a) to prohibit BSAL from carrying on banking business without holding an authority under the law of the Commonwealth or to provide for the granting of such an authority to BSAL; or

(b) to impose a restriction affecting the name in which BSAL may carry on business; or

(c) to provide for the sale or disposal of BSAL or any part of its undertaking, or for the merger or amalgamation of BSAL or any part of its undertaking; or

(d) to provide for the reconstruction of BSAL.

PART 8
MISCELLANEOUS

Clause 22: Exemption from stamp duty, etc.

This clause provides for further exemptions to be granted by the Treasurer, by notice published in the *Gazette*, from stamp duty, financial institutions duty or debits tax. Such exemptions are for—

(a) a transaction involved in the winding up of a trust in which SBSA or an SBSA subsidiary is a beneficiary or discretionary object; or

(b) the assignment of the beneficial interest, or a part of the beneficial interest, in a trust by or to SBSA or an SBSA subsidiary; or

(c) a transaction involved in the winding up of a partnership of which SBSA or an SBSA subsidiary is a member; or

(d) the assignment of an interest in a partnership by or to SBSA or an SBSA subsidiary; or

(e) any assignment or other transaction involved in the winding up of the affairs of SBSA and the SBSA subsidiaries; or

(f) an application or entry made, or receipt given, or anything else done for a purpose connected with, or arising out of, such an assignment or other transaction.

Clause 23: Dissolution of SBSA subsidiaries

Under this clause, the Governor is empowered to dissolve an SBSA subsidiary by proclamation.

The clause provides that if an SBSA subsidiary is so dissolved, its assets and liabilities are vested in SBSA.

Clause 24: Act overrides other laws

This clause is designed to ensure that the measure has effect despite the provisions of the *Real Property Act 1886* or any other law.

Clause 25: Effect of things done or allowed under Act

This clause declares that nothing done or allowed under the measure 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, understanding or undertaking; or

(c) constitute a breach of a duty of confidence (whether arising by contract, in equity, by custom, or in any other way); or

(d) constitute a civil or criminal wrong; or

(e) terminate an agreement or obligation, or fulfils any condition that allows a person to terminate an agreement or obligation, or gives rise to any other right or remedy; or

(f) release a surety or other obligee wholly or in part from an obligation.

Clause 26: Regulations

This clause is the usual regulation-making provision.

SCHEDULE 1
SBSA subsidiaries

This schedule lists subsidiaries of the State Bank.

SCHEDULE 2

Consequential amendments to State Bank of South Australia Act 1983

This schedule makes a number of consequential amendments to the *State Bank of South Australia Act 1983*.

Clause 1: Interpretation

This clause is formal.

Clause 2: Substitution of long title

A new long title is provided for:

An Act to continue the State Bank of South Australia in existence as the South Australian Asset Management Corporation with the function of managing certain assets; and for other purposes.

Clause 3: Amendment of s. 3—Interpretation

A new definition of "the Bank" is inserted reflecting the change in name to the "South Australian Asset Management Corporation".

Clause 4: Substitution of heading to Division I Part II

The heading is amended to reflect the provision for change of the corporate name.

Clause 5: Amendment of s. 6—Establishment of the Bank

The section is amended to make it clear that the body is now an instrumentality of the Crown and to ensure that it is exempted from State taxes in the same way as other instrumentalities of the Crown.

Clause 6: Insertion of s. 6A—Change of corporate name

The clause inserts a new section providing that the Bank continues in existence as a body corporate under the name the "South Australian Asset Management Corporation".

Clause 7: Amendment of s. 7—Membership of the Board

The Board of the Bank is reduced in size from a minimum of 6 and a maximum of 9 to a minimum of 4 and a maximum of 6.

Clause 8: Amendment of s. 8—Term of office

The clause adds a new provision to ensure that a person who, at the time of appointment as a Director of the Bank, is an employee in the Public Service of the State ceases to be a Director on ceasing to be an employee in the Public Service.

Clause 9: Amendment of s. 9—Casual vacancies

This clause makes a similar amendment so that a public servant on the Board of the Bank may be removed from office by the Governor while the person remains a public servant for any reason the Governor considers sufficient.

Clause 10: Substitution of s. 15—Control and direction by the Treasurer

The clause replaces section 15 (setting out the general banking policies to be observed by the Board) with a new provision that the Board is to be subject to the control and direction of the Treasurer.

Clause 11: Amendment of s. 17—Staff of Bank

The clause adds a new provision allowing the Bank to make use of the services of persons employed in an administrative unit of the Public Service.

Clause 12: Amendment of s. 19—General functions of the Bank

The clause restates the functions of the Bank as being to manage, realise and otherwise deal with its remaining assets and liabilities and, with the approval of the Treasurer, other assets and liabilities of the Crown or an instrumentality of the Crown, to the best advantage of the State.

Certain provisions relating to banking operations are removed in view of the new limited functions of the body.

Clause 13: Amendment of s. 20—Advances by the Treasurer

The section is amended by striking out subsection (3) which prevented repayment of capital grants to the Bank except on resolution of both Houses of Parliament.

Clause 14: Insertion of s. 20A—Capital or advances provided by SAFA

The clause adds a new provision authorising the Treasurer to determine that capital or advances provided to the Bank by the South Australian Government Financing Authority, or a specified part of any such capital or advances, is to be treated as capital or advances provided to the Bank by the Treasurer.

Such a determination may include provision for compensation of the South Australian Government Financing Authority.

Under the clause, the Treasurer may require the Bank to repay to the Treasurer the capital or advances or a specified part of the capital or advances.

Any such determination or requirement must be made before the appointed day (the day for transfer of assets and liabilities to BSAL).

Clause 15: Substitution of s. 22—Surplus funds

The clause replaces section 22 of the Act (providing for tax equivalent payments and payments in the nature of dividends to the Treasurer) with a provision requiring any annual surplus to be paid into the Consolidated Account or otherwise dealt with as the Treasurer may determine.

Clause 16: Amendment of s. 23—Accounts and audit

The clause inserts a provision requiring audits of the body's accounts to be by the Auditor-General rather than an auditor appointed by the Board as currently required under section 24 of the Act.

Clause 17:Repeal of s. 24

This clause provides for the repeal of section 24 and is consequential to the preceding clause.

Clause 18:Substitution of ss. 26, 27 and 28—Customers Unclaimed Moneys Account

This clause removes sections 26, 27 and 28 of the principal Act dealing with, respectively, the Bank's powers in relation to the money and securities of customers who have died or become of unsound mind, the Bank's handling of unclaimed money and payments to minors. The clause inserts a new provision continuing the Bank's obligations in relation to unclaimed money in the account established for that purpose.

Clause 19:Substitution of ss. 29a and 30—Validity of transactions of Bank

Sections 29a and 30 of the principal Act are repealed and a provision is substituted ensuring the validity of prior Bank transactions despite any deficiency in the corporate capacity of the Bank.

Section 29a dealt with customer confidentiality and is replaced by proposed new section 35a dealing with the same matter. Section 30 (relating to notice of trusts affecting deposits and investments with the Bank) is no longer required in view of the new limited functions of the Bank.

Clause 20:Substitution of heading to Part VI

The heading to Part VI of the principal Act is replaced with a heading extending the reference to the restructuring of the Bank to the disposal of BSAL.

Clause 21:Amendment of s. 32—Definitions

The clause adds to the definitions for the purposes of Part VI a definition of "BSAL".

Clause 22:Amendment of s. 34—Restructuring and disposal

Section 34 of the principal Act currently provides for action (the "authorised project") necessary in preparation for the restructuring of the Bank and its subsidiaries. This is now largely completed with the proposal for transfer of assets and liabilities to BSAL and plans for the disposal of assets of or shares in that body.

The clause, accordingly, enlarges the scope of the authorised project so that it will include the disposal of assets of, or shares in, BSAL. Subsection (3) of the section is the basic provision ensuring access to Bank group information as required for the authorised project. This is now reworded by the clause so that it applies both to Bank group information and to information that will be in the possession or control of BSAL and so that it relates to disposal of BSAL assets or shares.

The clause makes other similar consequential amendments and removes subsection (6) which deals with matters now to be covered by proposed new section 35A.

Clause 23:Substitution of s. 35—Confidentiality

Section 35 of the principal Act currently deals with confidentiality as to customer matters. This is replaced by a new confidentiality provision in wider terms.

Under the new provision, a person who, through membership of the Board or staff of the Bank, or involvement in the authorised project, has acquired information about the affairs of some other person who is or was a customer of the Bank must not disclose or make use of the information unless—

(a) the disclosure or use of the information is reasonably required for, or in connection with, the carrying out of the authorised project or the proper conduct of the business of the Bank or BSAL; or

(b) the other person approves the disclosure or use of the information; or

(c) the disclosure or use of the information is authorised or required by or under some other Act or law.

A penalty is fixed for such an offence at the level of a maximum of $5 000 if the offender is a natural person, or if the offender is a body corporate, a maximum of $50 000.

Despite this offence, provision is made authorising information to be provided to the Treasurer about any Bank group transaction under which another party to the transaction is in default. Where confidential information is so provided to the Treasurer, the Treasurer must in turn observe confidentiality in respect of the information except to the extent (if any) that his or her duties of office otherwise require.

The clause also inserts a new section 35a protecting the disclosure or use of information relating to Bank group or BSAL matters from any civil law consequences where the disclosure or use of the information is reasonably required for, on in connection with, the carrying out of the authorised project or the proper conduct of the business of the Bank or BSAL.

Clause 24:Amendment of second schedule

The clause removes certain provisions relating to Bank staff and classification of offices, promotions and discipline.

Clause 25:Expiry of certain provisions

This clause provides for the expiry of subsections (3) and (4) of section 34 of the principal Act on a day fixed by proclamation for the purpose. These provisions require the disclosure of information by the Bank group and BSAL for the purposes of the Bank group restructuring and disposal of BSAL assets or shares.

SCHEDULE 3

Consequential amendments to other Acts

This schedule makes consequential amendments to certain Acts other than the *State Bank of South Australia Act*.

Clauses 1, 4, 5 and 7 remove definitions of "bank" that make reference to the State Bank. The term "bank" is left to its ordinary meaning for the purposes of each of the Acts concerned.

Clause 2 amends the *Government Financing Authority Act 1982*. Section 16 empowers the Treasurer to give directions to semi-government authorities as to borrowings and investments, but makes an exception from this for the Local Government Finance Authority and the State Bank. The exception for the State Bank is removed in view of its new more limited functions.

Clauses 3 and 6 replace a definition of "prime bank rate" with a new definition of the term based on the indicator rate for prime corporate lending of the Commonwealth Bank rather than the State Bank. The references to this term appear in the *Industrial Relations Act (S.A.) 1972* and the *Local Government Act 1934*.

Clause 8 amends the *Public Finance and Audit Act 1987*. A provision requiring the current Group Asset Management Division to be treated as a public authority is removed. Also removed is a provision authorising investment of money under the Treasurer's control in the State Bank. Section 18 of the Act requires the Treasurer's consent for certain financial transactions entered into by semi-government authorities, but makes an exception from this for the State Bank and SAFA. The clause changes this reference to the Bank to that body under its new name the South Australian Asset Management Corporation.

Clause 9 amends the *State Supply Act 1985* so that it is clear that that Act applies to the South Australian Asset Management Corporation.

Clause 10 amends the *Trustee Act 1936* by widening the meaning given to "bank" in section 5(1) of that Act.

The Hon. LYNN ARNOLD secured the adjournment of the debate.

LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) AMENDMENT BILL

The Hon. J.K.G. OSWALD (Minister for Housing, Urban Development and Local Government Relations) obtained leave and introduced a Bill for an Act to amend the Local Government Act 1934. Read a first time.

The Hon. J.K.G OSWALD: 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.

The revision of Local Government's primary legislative framework will continue along the lines of the agreed model, which involves distinguishing between "constitutional" and "operational" provisions and dividing operational provisions into "administrative", "electoral", and "lands" packages.

It is now proposed that a Local Government Constitution Bill proceed in the Budget session of Parliament rather than in this session, to allow everyone time to fully consider the issues which are involved. During the months of March and April the draft Constitution Bill circulated by the former Government will be reviewed in the light of submissions received prior to 1st March and ongoing discussions with the Local Government Association. In the same period proposals will be developed for the revision of administrative and electoral provisions. After consultation with councils, interested groups and members of the public, a Constitution Bill, together with legislation dealing with administrative and electoral matters, should be available for the Budget session. Dealing with constitutional, administrative and electoral provisions at the same time will make it easier for everyone to understand what is being proposed and how the model for this review fits together.

In the interim it is necessary to deal with these amendments in advance of that wider review.

I will briefly outline the various provisions of the Bill.

Council liability insurance

I refer to Local Government liability insurance in this State. The Local Government Association Mutual Liability Scheme provides unlimited cover to member councils for civil liabilities which include both public liability and professional indemnity.

All councils in this State are members of this voluntary scheme at the present time.

The Local Government Association Mutual Liability Scheme was established in 1989 by a deed of trust between the Local Government Association and the Council Purchasing Authority which is the trustee of the scheme.

Members of the scheme contribute to a fund established under the deed and claims for indemnity made against the fund are assessed by a board of management.

The Local Government Association Mutual Liability Scheme to date has been a success. Since its commencement it has, from a zero base, accumulated reserves of about 2.4 million dollars. Unlike interstate Local Government insurance arrangements suffering steep increases in premiums, contributions to the South Australian Scheme have remained relatively stable.

Its success can be largely attributed to an emphasis upon prevention achieved through pro active initiatives to ensure potentially hazardous situations are identified and that actions are taken to minimise risks.

This has kept claims at a low level and had the positive effect of protecting the community from injury in the first instance.

An amendment to the *Local Government Act* has been requested by the Local Government Association to provide a statutory base for the scheme. The Local Government Association is seeking to simplify the scheme's administrative structure and provide for greater transparency and accountability in the operation of the scheme.

The Local Government Association's desire to review the operation of the scheme has also been reinforced by technical concerns expressed by the auditor for the Council Purchasing Authority about the original deed.

The Crown Solicitor has examined the deed and advised that it does not provide for the winding up of the fund, so that the trust created by the deed may be void under the common law rules against remoteness of vesting, otherwise known as "the rule relating to perpetuities".

Advice has been received that these problems can be overcome by providing for the scheme to be conducted by the Local Government Association, and by ensuring that the rule against perpetuities does not apply and has not applied in the past.

A further problem with the current arrangement relates to the scheme's continued exemption from paying tax on its retained earnings. It is possible that the role of the Council Purchasing Authority may expose the scheme to tax liability.

The Crown Solicitor has provided advice that the scheme's case for tax exemption might be reinforced if, in addition to providing for the scheme to be conducted by the Local Government Association, the Association was instituted as a public authority.

In general these amendments to the *Local Government Act* clarify and update the Association's role in providing insurance services to Local Government in South Australia.

Equal Employment Opportunity

Secondly, I refer to the Local Government equal employment opportunity reporting provisions which were introduced into the *Local Government Act* in 1991. The Bill extends the sunset on the provisions from the 30th June 1994 to the 30th June 1997.

The provisions introduced in 1991 established the Local Government Equal Employment Opportunity Advisory Committee to assist councils in developing and implementing equal employment opportunity programs, to collate information on the activity of councils in this area, and to promote the principles and purposes of equal employment opportunity within local government administration.

The Advisory Committee has developed equal employment opportunity guidelines and produced implementation packages. It has also been responsible for extensive equal employment opportunity awareness training including conducting regional workshops in the city and country areas to assist councils in formulating and implementing their own programs.

The equal employment opportunity provisions also require councils to submit draft equal employment opportunity programs and annual reports to the Advisory Committee. The first reports were submitted in November 1992.

All councils reported for the first time to the Advisory Committee in November 1992 and again in 1993 but notwithstanding that progress has been made, the reports demonstrated that a majority of councils were yet to comprehend and develop appropriate strategic planning processes for equal employment opportunity programs.

It is recognised that the substantial changes required to the policies and practices of councils in this area will take some time, and it is proposed, therefore, to extend the sunset clauses for a further period of 3 years to 30 June 1997. This will enable consolidation of the work already commenced and guard against the potential waste of the effort and resources already invested in this program.

Minimum Rates

Thirdly I turn to the proposed amendment to section 190(3) of the *Local Government Act* which extends for two years the time within which Councils are required to reduce to no more than 35% the number of properties in their areas whose rates are increased as a result of levying a minimum rate.

This section of the Act permits councils to declare a minimum rate and specifies the limit beyond which the law regards a minimum rate as inconsistent with the general scheme of rating established in the Act.

Councils have had six years since the enactment of the section in which to reach compliance. In 1989/90 some twenty-six councils were applying a minimum rate which affected more than 35% of their properties. Most have made a serious and successful effort to bring their rating policy into line with the 1988 formulation. It is possible that only four or five councils will need to take advantage of this amendment, though there may be up to ten. Variations in valuations from year to year coupled with other constraints on council budget planning make it impossible to be precise about these numbers.

The Local Government Association through its officers has indicated that the proposed amendment is acceptable as an interim measure, pending the review of the minimum rates and fixed charge provisions as part of the more general Local Government legislative framework review. They have also indicated their willingness to help councils not yet in compliance to formulate the plans required to bring them into compliance by 1996/1997.

Explanation of Clauses

Clause 1: Short Title

This clause provides for the short title to the Bill.

Clause 2: Commencement

The measure will come into operation on a day or days to be fixed by proclamation.

Clause 3: Amendment of s.34

This amendment provides that the Local Government Association is constituted as a public authority.

Clause 4: Substitution of s.34a

This clause expands the power of the Local Government Association in relation to the establishment, conduct the management of indemnity of self-insurance Schemes relating to Local Government. The Local Government Association is to manage the *Local Government Association Mutual Liability Scheme* and continue to conduct its workers compensation self-insurance Scheme. It will be able to establish other similar Schemes. The rules of a Scheme will be published in the *Gazette*. The Local Government Association will be allowed to transfer the management of a Scheme to another body if its members (by an absolute majority) resolve that such a transfer occur. The legislation will provide that a Scheme under the section is not subject to the rules relating to perpetuities or the accumulation of income, in a manner similar to section 62a of the *Law of Property Act 1936* in relation to trusts of any employee benefit Scheme.

Clauses 5, 6 and 7

These clauses amend sections 69b, 69c and 69e of the Act to extend their "sunset" provisions to 30 June 1997.

Clause 8: Amendment of s. 190

The period within which councils must achieve a maximum of 35 per cent of properties subject to a minimum rate is to be extended by two years. However, councils which exceed the 35 per cent level in the 1994/1995 financial year will be required to prepare and publish a plan outlining the steps that they will take in order to achieve that level by the 1996/1997 financial year.

Mr ATKINSON secured the adjournment of the debate.

PETROLEUM (SUBMERGED LANDS) (MISCELLANEOUS) AMENDMENT BILL

The Hon. D.S. BAKER (Minister for Mines and Energy) obtained leave and introduced a Bill for an Act to amend the Petroleum (Submerged Lands) Act 1982. Read a first time.

The Hon. D.S. BAKER 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.

Petroleum exploration in South Australia is administered under three separate Acts:

1. The *Petroleum Act 1940* applies to all onshore areas and the waters of a number of bays and gulfs including those of St Vincent and Spencer;

2. The *Petroleum (Submerged Lands) Act 1982* applies to a narrow strip of offshore waters (the territorial sea) extending three miles seaward of the territorial sea baseline;

and

3. The *Petroleum (Submerged Lands) Act 1967* (Commonwealth) applies to all waters outside of the three mile territorial sea to the limit of the continental shelf.

The arrangements made between the Commonwealth and the State for the administration of petroleum exploration in offshore South Australia provide that:

> 'the Commonwealth, the States and the Northern Territory should endeavour to maintain, as far as practicable, common principles, rules and practices in the regulation and control of the exploration for and the exploitation of the petroleum resources of all the submerged lands that are on the seaward side of the inner limits of the territorial sea of Australia'. (see the preamble to the South Australian *Petroleum (Submerged Lands) Act 1982*).

This Bill proposes one combined batch of complementary amendments to the South Australian *Petroleum (Submerged Lands) Act 1982*, following four separate sets of amendments made to the Commonwealth *Petroleum (Submerged Lands) Act 1967* during 1987, 1988, 1990 and 1991. Similar complementary amendments have been enacted or are in the process of being enacted in all States and in the Northern Territory. Although a considerable number of amendments are involved, all are relatively inconsequential and are mainly aimed at the more efficient administration of the Act. The amendments proposed are complementary to the Commonwealth Act and are principally designed to:

1. Enable the level and form of fees provided for in the legislation to be established in regulations;

2. Abolish refunds of application fees for unsuccessful applications for various tenements under the legislation;

3. Enable the offering of a grant to renew a title to be made to persons who are the registered holders of the title at the time of the offer, whether they were the registered holders at the time of the application to renew the title or not, thereby enabling a transfer of the title to be registered between an application for renewal and the granting of that renewal;

4. Enable the Minister to grant an access authority to a holder of a special prospecting authority;

5. Abolish the requirement that the holder of a production licence spend a minimum amount, or recover production to a minimum value, during each year of the licence;

6. Ensure that any operations preparatory to, or knowingly connected with, petroleum exploration in the area to which the Act applies require approval under the Act rather than just petroleum exploration itself;

7. Ensure (consistently with other provisions of the Act) that the provision of false or misleading information in relation to dealings in petroleum titles is an offence only if the information is known by the offender to be false or misleading;

8. Replace the current discretionary requirements for exploration permits, retention lessees, production licensees and pipeline licensees to take out insurance against potential liabilities which could arise from relevant operations with a mandatory requirement for such insurance;

9. Clarify that a report of operations under an access authority submitted by the holder of the access authority to an affected titleholder need only contain a summary of the facts ascertained from the relevant operations rather than a statement of all of the facts ascertained from those operations;

10. Extend the period of confidentiality for basic data recorded under speculative non-sole risk surveys from the present maximum of two years to a maximum of five years, at the discretion of the Minister;

11. Extend the application of certain provisions of the Act to provide for the release of information and materials such as cores, cuttings or samples furnished to the Minister under the Act prior to the commencement of the *Petroleum (Submerged Lands) Act Amendment Act 1987*;

12. Repeal provisions relating to the prosecution of offences to ensure that matters of prosecution are subject to our general State law;

13. Abolish the existing requirement that securities be lodged by exploration permits, retention lessees, production licensees and pipeline licensees, as appropriate insurance will be mandatory.

In addition, there are many minor amendments that are a necessary consequence of the above amendments.

The provisions of the Bill are as follows:

Explanation of Clauses

Clause 1 is formal.

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

Clause 3 amends section 18 of the principal Act by inserting new subsection (2). Section 18 makes it an offence for a person to explore for petroleum in the area to which the Act applies unless that person has a permit or is otherwise authorised by the Act to do so. New subsection (2) provides that a person is to be deemed to explore for petroleum if they do anything preparatory to, or knowingly connected with, exploration.

Clause 4 amends section 19 of the principal Act by striking out subsections (3), (4) and (5). Section 19 empowers the Minister to invite applications for exploration permits in respect of specified blocks. The invitation must be published in the *Gazette* and must specify a time within which applications must be made. Under subsections (3), (4) and (5), where no successful application is made in respect of any block specified in that invitation, the Minister can, after publishing a further notice in the *Gazette*, accept applications in respect of that block at any subsequent time. This amendment removes that power of the Minister.

Clause 5 amends section 20 of the principal Act by deleting the fee of $3 000 set by that section for an application for an exploration permit and substituting a power to set the fee by regulation. It also removes the existing requirement to refund nine-tenths of the application fee if the permit is not granted.

Clause 6 amends section 21 of the principal Act by deleting the existing requirement that a successful applicant for an exploration permit must lodge a security for compliance with the Act, regulations and permit conditions.

Clause 7 amends section 22 of the principal Act by striking out subsections (2) and (3). Section 22 empowers the Minister to invite applications for exploration permits in respect of specified blocks that were formerly subject to a lease, licence or permit. The invitation must be published in the *Gazette* and specify a time within which applications must be made. Under subsections (2) and (3), where no successful application is made in respect of those blocks, the Minister can, after publishing a further notice in the *Gazette*, accept applications for permits in respect of any of those blocks at any subsequent time. This amendment removes that power of the Minister.

Clause 8 amends section 23 of the principal Act by deleting the fee of $3 000 set by that section for an application for an exploration permit (in respect of surrendered, etc., blocks) and substituting a power to set the fee by regulation. It also removes the existing requirement to refund nine-tenths of the application fee if the permit is not granted.

Clause 9 amends section 24 of the principal Act by deleting the existing requirement that where the Minister offers to grant an exploration permit (in relation to surrendered, etc., blocks), the Minister must require a security to be lodged for compliance with the Act, regulations and permit conditions. This clause also repeals subsection (3) of section 24 as a consequence of the repeal of section 22(2) of the principal Act by clause 7.

Clause 10 amends section 25 of the principal Act by deleting the existing requirement that a successful applicant for an exploration permit (in relation to surrendered, etc., blocks) must lodge a security for compliance with the Act, regulations and permit conditions.

Clause 11 amends section 26 of the principal Act by deleting the existing requirement that an exploration permit only be granted (in relation to surrendered, etc., blocks) where security for compliance with the Act, regulations and permit conditions has been lodged with the Minister.

Clause 12 amends section 29 of the principal Act by deleting the fee of $300 set by that section for the renewal of an exploration permit and substituting a power to set the fee by regulation.

Clause 13 amends section 31 of the principal Act. New subsections (1) and (2) make it clear that where an application is made for the renewal of an exploration permit, the Minister can offer to grant that renewal to the person who is the holder of the permit at the time the Minister makes the offer, whether that person was the holder at the time of the original application or not (that is, a renewal can be granted whether the permit has been transferred since the original application for renewal or not).

In addition, new subsections (1), (6) and (7) and amendments to subsections 4*(b)* and (5) together remove the existing requirement that a successful applicant for renewal of an exploration permit must lodge a security for compliance with the Act, regulations and permit conditions.

Clause 14 repeals sections 35 and 36 of the principal Act and substitutes new sections 35 and 36. Both the repealed and the new sections provide for the declaration of a 'location' for the purposes of the Act where petroleum is discovered within an exploration permit area.

Under the repealed sections the location is determined by the nomination of a block within the permit area by the permit holder (or by the Minister if the permit holder fails to do so when requested) following the discovery. The location consists of the block nominated and all adjoining blocks that are within the permit area and not within another location. The location so formed must include at least one block in which petroleum was discovered.

Under the new sections the location is formed by the nomination of blocks within the permit area to which the discovered petroleum pool extends. The area is not restricted to a nominated block and surrounding blocks. A nomination cannot be made by a permit holder unless petroleum has been recovered from the petroleum pool to which the nomination relates, although it does not matter for that purpose whether the recovery from that pool took place within the permit area or not. Where separate petroleum pools are located in adjoining blocks within the permit area, the blocks relating to each pool can be nominated as one location. As under the repealed sections the Minister can make a nomination where the permit holder has failed to do so when requested. The new sections make it clear that the Minister may only declare a location if the Minister is of the opinion that the permit holder is entitled to nominate the block or blocks. New section 36 also empowers the Minister to vary a location (by adding or removing blocks) without the consent of the permit holder, provided that notice is given to the permit holder and any objections are considered by the Minister.

Clause 15 amends section 37 of the principal Act to strike out a reference to section 36 of the principal Act as a consequence of the repeal and substitution of that section by clause 14.

Clause 16 amends section 37a of the principal Act by deleting the fee of $600 set by that section for an application for a retention lease by a permit holder and substituting a power to set the fee by regulation.

Clause 17 amends section 37b of the principal Act by deleting the existing requirement that a successful applicant for a petroleum retention lease must lodge a security for compliance with the Act, regulations and lease conditions.

Clause 18 inserts new section 37ba. This new section provides that where an exploration permit holder applies for a retention lease under section 37a, but then transfers the permit before a decision has been made on that application, the transferee takes the place of the former permit holder for the purposes of the lease application.

Clause 19 amends section 37f of the principal Act by deleting the fee of $600 set by that section for the renewal of a retention lease and substituting a power to set the fee by regulation. In addition, subsection (4) is amended to make it clear that the Minister can continue to consider an application for renewal of a retention lease even if the lease is transferred after that application is made.

Clause 20 amends section 37g of the principal Act. New subsections (1) and (2) make it clear that where an application is made for the renewal of a retention lease, the Minister can offer to grant that renewal to the person who is the holder of the lease at the time the Minister makes the offer, whether that person was the holder at the time of the original application or not (that is, a renewal can be granted whether the lease has been transferred since the original application for renewal or not).

In addition, new subsections (1), (7) and (8) and amendments to subsections 4*(b)* and (6) together remove the existing requirement that a successful applicant for renewal of a retention lease must lodge a security for compliance with the Act, regulations and lease conditions.

Clause 21 amends section 39 of the principal Act. It makes a consequential amendment to subsection (1)*(a)* that reflects the lifting by new sections 35 and 36 of the previous restriction on the size of a location and clarifies who can apply to vary a production licence under section 39(2)*(b)*. It also makes it clear that the holder of an exploration permit who is the holder of a production licence may

make certain applications whether that permit holder is the person to whom the production licence was originally granted or not.

Clause 22 amends section 39a of the principal Act. It makes a consequential amendment to subsection (1)*(a)* that reflects the lifting by new sections 35 and 36 of the previous restriction on the size of a location. It also amends section 39a to make it clear that where an application for a production licence has been made in respect of part of the area to which a lease relates, further licence applications can be made by the lessee in respect of the area to which the lease relates whether the lessee is the person who made the original application or not.

Clause 23 amends section 40 of the principal Act by deleting the fee of $600 set by that section for an application for a production licence and substituting a power to set the fee by regulation.

Clause 24 amends section 42 of the principal Act by deleting the existing power of the Minister to require an applicant for a production licence to lodge a security for compliance with the Act, regulations and licence conditions.

Clause 25 amends section 43 of the principal Act by deleting references to the security that the Minister can no longer (as a result of the amendments made by clause 24) require an applicant for a production licence to lodge under section 42.

Clause 26 inserts new section 43a. This new section provides that where an application has been made for the grant of a production licence under section 39 or 39a by the holder of an exploration permit or a retention lease, but the applicant transfers the permit or lease before a decision has been made on that application, the transferee takes the place of the former permit holder or lease holder for the purposes of the licence application.

Clause 27 amends section 45 of the principal Act by striking out references to section 36(1). This is a consequence of the repeal of section 36 and substitution of new section 36 by clause 14.

Clause 28 amends section 46 of the principal Act. Section 46 empowers the Minister to invite, by notice in the *Gazette*, applications for the grant of a production licence in relation to certain blocks. The notice must specify a period within which applications should be made. Where no successful application is made, subsections (4), (5) and (6)*(e)* currently empower the Minister, after publishing another notice in the *Gazette*, to accept applications in respect of that block at any subsequent time. This amendment removes that power of the Minister.

Clause 29 amends section 47 of the principal Act by deleting the fee of $3 000 set by that section for a production licence application (in respect of surrendered, etc., blocks) and substituting a power to set the fee by regulation. It also removes the existing requirement to refund nine-tenths of the application fee if the licence is not granted. This clause also alters a number of references to sections 46 and 48 as a consequence of amendments to those sections by this Bill.

Clause 30 amends section 48 of the principal Act by deleting the existing power of the Minister to require an applicant for a production licence (in relation to surrendered, etc., blocks) to lodge a security for compliance with the Act, regulations and licence conditions. It also strikes out subsection (3) as a consequence of the repeal of section 46(4) by clause 28 of this Bill.

Clause 31 amends section 49 of the principal Act by deleting a reference to the security that the Minister can no longer (as a result of the amendments made by clause 30) require an applicant for a production licence (in relation to surrendered, etc., blocks) to lodge under section 48.

Clause 32 amends section 50 of the principal Act. It removes the fee of $300 set by that section for an application for more than one licence in exchange for an original licence and substitutes a power to set the fee by regulation. It also deletes the existing power of the Minister to require a person who makes such an application to lodge a security for compliance with the Act, regulations and licence conditions.

Clause 33 amends section 53 of the principal Act by deleting the fee of $600 set by that section for the renewal of a production licence and substituting a power to set the fee by regulation.

Clause 34 amends section 54 of the principal Act. New subsections (1), (2) and (3) and amendments to subsection (5) make it clear that where an application is made for the renewal of a production licence, the Minister can offer to grant that renewal to the person who is the holder of the licence at the time the Minister makes the offer, whether that person was the holder at the time of the original application or not (that is, a renewal can be granted whether the licence has been transferred since the original application for renewal or not).

In addition, amendments affecting subsections (6), (7)*(b)*, (8), (9) and (10) remove the existing power of the Minister to require an applicant for renewal of a production licence to lodge a security for compliance with the Act, regulations and licence conditions.

Clause 35 repeals section 56 of the principal Act, which specifies the works required to be carried out by the holder of a production licence during the first and subsequent years of that licence.

Clause 36 amends section 58 of the principal Act. Section 58 provides for the making of co-operative arrangements for the recovery of petroleum where a petroleum pool is located partly within one production licence area and partly within another (whether that other is within the area regulated by the principal Act or not). Where a petroleum pool extends from the area regulated by the principal Act into an area adjacent to Victoria or Western Australia that is regulated by the Commonwealth *Petroleum (Submerged Lands) Act 1967*, the Minister is currently required to seek the approval of the relevant Minister from the other State before approving an agreement or giving a direction under this section. The amendment requires the Minister to seek the approval of the Joint Authority under the Commonwealth Act (consisting of the Commonwealth Minister and the State Minister) before giving such an approval or direction.

Clause 37 amends section 63 of the principal Act by deleting the fee of $3 000 set by that section for an application for a pipeline licence and substituting a power to set the fee by regulation.

Clause 38 amends section 64 of the principal Act. New subsections (2) and (3) make it clear that where an application is made for a pipeline licence for the conveyance of petroleum recovered in a petroleum production licence area in respect of which the applicant is the licensee, the Minister may offer to grant that pipeline licence to the person who is the production licensee at the time of the offer, whether that person was production licensee at the time of the original application or not (that is, an application for a pipeline licence by a production licensee can continue to be considered whether the production licence to which it relates is transferred or not).

In addition, this clause deletes the existing requirement that a successful applicant for a pipeline licence must lodge a security for compliance with the Act, regulations and licence conditions. It also removes the requirement (in subsection (12)) that nine-tenths of the application fee be refunded if the pipeline licence is not granted.

Clause 39 amends section 67 of the principal Act by deleting the fee of $600 set by that section for the renewal of a pipeline licence and substituting a power to set the fee by regulation.

Clause 40 amends section 68 of the principal Act. New subsections (1) and (2) make it clear that where an application is made for the renewal of a pipeline licence, the Minister can offer to grant that renewal to the person who is the holder of the pipeline licence at the time the Minister makes the offer, whether that person was the holder at the time of the original application or not (that is, a renewal can be granted whether the pipeline licence has been transferred since the original application for renewal or not).

In addition, new subsections (1), (6) and (7) and amendments to subsections (4)*(b)* and (5) together remove the existing requirement that a successful applicant for renewal of a pipeline licence must lodge a security for compliance with the Act, regulations and licence conditions.

Clause 41 amends section 70 of the principal Act by deleting the fee of $300 set by that section for an application to vary a pipeline licence and substituting a power to set the fee by regulation.

Clause 42 amends section 77 of the principal Act by removing the power of the Minister, when considering whether to approve the transfer of a permit, lease, licence, pipeline licence or access authority, to require the transferee to lodge a security for compliance with the Act, regulations or permit (etc.) conditions.

Clause 43 amends section 78 of the principal Act by deleting the $30 fees set by that section for the alteration of certain particulars in the register of titles and special prospecting authorities and substituting a power to set those fees by regulation.

Clause 44 amends section 80 of the principal Act. Section 80 prevents certain dealings in relation to titles from having any force until those dealings are approved by the Minister and registered. At present an application for the approval of a dealing must be accompanied by an instrument evidencing the dealing and by an instrument setting out any particulars that are prescribed for the purposes of such an application. On approval and registration of the dealing a copy of the instrument evidencing the dealing is required to be retained by the Minister and made available for inspection in accordance with the Act. This amendment makes the lodgment of

the second instrument—setting out prescribed particulars—optional, but provides that where such an instrument is lodged, only that instrument must be made available for inspection in accordance with the Act and not the instrument evidencing the dealing. The new requirements as to the lodgment of instruments do not apply in the case of a dealing approved before the commencement of this Bill. The amendment also provides that a failure to comply with the requirements relating to an application for approval do not invalidate a subsequent approval or registration of the dealing.

Clause 45 amends section 80a of the principal Act as a consequence of the insertion of new section 80(4a) by clause 44 of this Bill.

Clause 46 amends section 83 of the principal Act, which empowers the Minister to require information from certain persons concerning transfers or dealings in permits, leases, licences, etc. It is currently an offence under subsection (2) for such a person to furnish information that is false or misleading in a material particular. This clause amends subsection (2) to make it clear that it is only an offence if the person knowingly supplies that false or misleading information.

Clause 47 amends section 85 of the principal Act. Section 85 makes the register and instruments relating to applications under the Act open to public inspection. This amendment makes it clear that copies of instruments are in appropriate cases included for that purpose. It also deletes the fee of $6 set by section 85 for an inspection of the register or of these instruments and substitutes a power to set the fee by regulation.

Clause 48 amends section 86 of the principal Act by deleting the fees set by that section for the supply by the Minister of extracts from the register (or from other instruments), and for the supply by the Minister of certain certificates, and substituting a power to set those fees by regulation.

Clause 49 amends section 91 of the principal Act by deleting the various registration fees specified in that section and substituting in each case a power to set the fee by regulation. It also makes provision for fees paid in respect of the registration of the approval of instruments under section 91 as in force prior to the commencement of the *Petroleum (Submerged Lands) Act Amendment Act 1987* to be taken into account for the purposes of determining other fees payable under the section.

Clause 50 amends section 96 of the principal Act by striking out subsection (6). That subsection currently provides that the conditions subject to which a permit, lease, licence, pipeline licence, special prospecting authority or access authority is granted may include a condition that the holder maintain (to the satisfaction of the Minister) insurance against liabilities or expenses arising out of work or anything else done in pursuance of the permit, lease, licence, etc. A new section relating to insurance—new section 96a—is inserted by clause 51.

Clause 51 inserts new section 96a. This new section replaces section 96(6) (which is struck out by clause 50). As under section 96(6), new section 96a(2) provides that a special prospecting authority or access authority may be granted subject to a condition that the holder maintain such insurance (against liabilities or expenses arising out of work or anything else done in pursuance of the authority) as the Minister directs, although new section 96a(2) makes it clear that the Minister can alter such directions from time to time. In relation to permits, leases, licenses and pipeline licenses, however, new section 96a(1) automatically requires the holder to maintain such insurance as the Minister from time to time directs: there is no need for such a requirement to be made a condition of the permit, lease, etc.

Clause 52 amends section 110 of the principal Act by inserting a power to prescribe a fee to be paid on application for a special prospecting authority under that section.

Clause 53 amends section 111 of the principal Act. Section 111 empowers the Minister to grant access authorities to enable permit, lease or licence holders to carry out, in areas outside the permit, lease or licence area, exploration operations or operations related to the recovery of petroleum from the permit, lease or licence area. Such access authorities can also be granted to persons who hold similar titles in adjacent State or Commonwealth areas who wish to carry out such operations in the area governed by this Act.

This clause amends section 111 to empower the Minister to grant access authorities (in relation to the area governed by the Act) to holders of special prospecting authorities.

In addition, this clause amends subsection (11) of section 111 to vary the responsibility of the holder of an access authority to provide information where the access authority relates to an area that is subject to a permit, lease or licence held by another person. At present the holder of the access authority is required to provide that other person each month with a full report of operations carried out in that area during the month and of the facts ascertained from those operations. Under this amendment it is made clear that although a full report of operations is to be supplied, only a summary of the facts ascertained is required.

Clause 54 repeals section 113 of the principal Act. Section 113 sets the amount of the security (for compliance with the Act, regulations or permit, lease, etc., conditions) required to be lodged under various provisions of the Act and deals with a number of other matters relating to those securities. Since this Bill removes the requirement for a security to be lodged from all relevant provisions of the principal Act, section 113 is no longer needed.

Clause 55 amends section 117 of the principal Act, which empowers the Minister to release (in certain circumstances) information contained in applications, reports, returns or other documents, and other materials such as cores, cuttings or samples, provided to the Minister under the Act. This clause deletes the $15 per day fee that is specified in a number of instances for the provision of that information or other material and substitutes a power to set the fee by regulation.

This clause also amends subsection (4) to allow the Minister to extend the period before information or materials are released in relation to a block that was vacant at the time the information or material was supplied to the Minister to a maximum of five years (instead of two years as at present) where the information or material was collected for the purpose of the sale of information on a non-exclusive basis. It also amends subsection (5a) to correct an anomaly that arose when the principal Act was amended in 1987.

In addition, this clause extends the operation of certain amendments concerning the release of information and materials that were made by the *Petroleum (Submerged Lands) Act Amendment Act 1987* to information and materials furnished to the Minister prior to the commencement of that amending Act. The 1987 amendments ensured that information in applications and accompanying documents supplied to the Minister could be released after specified periods and provided for the first time for the release of conclusions based on such information (after a specified time and after the consideration by the Minister of any objections to such a release). Under new subsections (10) and (11), such information provided to the Minister prior to the 1987 amendment will now be available for release in accordance with the provisions of the principal Act.

Clause 56 repeals section 132 of the principal Act, which makes special provision for the prosecution of offences against the Act. Section 132 specifies that offences against the Act that are punishable by imprisonment are to be indictable offences. It also provides that, despite being indictable offences, those offences can be dealt with in a court of summary jurisdiction where the Court, defendant and prosecutor agree that it is appropriate to do so. A lesser maximum penalty is then applicable. The classification of offences as indictable or summary, and the issue of where such offences should be heard, have recently been the subject of considerable amendment in relation to offences against South Australian law. The repeal of these specific provisions in section 132 will result in the application of those new general provisions to offences against the principal Act.

Clause 57 amends section 133 of the principal Act. Section 133 provides that where a person is convicted of an offence against certain sections of the principal Act, the court can, in addition to imposing a penalty, order the forfeiture of aircraft, vessels or other equipment used in the commission of the offence. The court can order the forfeiture of petroleum recovered or conveyed in the course of committing the offence or the payment of the monetary equivalent of that petroleum. At present section 133 only provides for these powers to be exercised by the Supreme Court on conviction of the offender by that Court. Under the recent amendments to South Australian law referred to above, however, the offences concerned will normally be dealt with by the District Court. This amendment therefore gives the District Court power to exercise these additional punitive powers.

Clause 58 amends section 137b of the principal Act by striking out a reference to the Australian Shipping Commission from a provision dealing with bodies corporate established for public purposes under a law of the Commonwealth. The Commission was converted into a public company under the *ANL (Conversion into Public Company) Act 1988* of the Commonwealth.

Clause 59 repeals sections 138, 138a, 139 and 140 of the principal Act and substitutes new section 138. The sections repealed

by this clause require the payment of, and specify the amount of, the annual fees payable in respect of permits, leases, licences and pipeline licences under the Act. New section 138 requires the payment of such annual fees in relation to permits, leases, etc., as are prescribed by regulation.

Clause 60 amends section 141 of the principal Act by deleting a reference to sections 138a, 139 and 140, which are repealed by clause 59.

Clause 61 inserts new sections 148a and 148b. Under section 142 of the principal Act a permit, lease or licence holder is (subject to the Act) required to pay royalty on petroleum recovered by that person in the permit, lease or licence area at the rate of ten per cent of the value of the petroleum at the well-head. Under section 146 the value at the well-head is such amount as is agreed between the permit (etc.) holder and the Minister or, in default of agreement within the time allowed by the Minister, an amount determined by the Minister. Under section 148, that royalty is payable not later than the last day of the royalty period following that in which the petroleum was recovered.

New section 148a provides that where the value of the petroleum has not been agreed by the parties or determined by the Minister under section 146, the Minister can determine a provisional value for the petroleum. That provisional value is then to be treated as the value of the petroleum for the purposes of the Act until an agreement is reached or a determination made under section 146.

New section 148b provides that where a provisional value has been set under new section 148a but a different value is subsequently agreed or determined under section 146, the change in royalty flowing from that change in value must be settled between the parties. If the agreed or determined value is higher than the provisional value set by the Minister, the increase in the royalty is payable by the permit (etc.) holder within 28 days. If the agreed or determined value is less than the Minister's provisional value, the difference in royalty must be deducted from any subsequent payment by the permit (etc.) holder. New section 148b also provides for the application of this scheme of payment adjustments where an error was made in the original calculation of the royalty due or in the procedures followed in calculating the value of the petroleum.

Clause 62 amends section 151 of the principal Act, the regulation-making power. The other clauses of this Bill delete the various fees currently specified in the principal Act and substitute in each case a power to set those fees by regulation. This amendment empowers the Governor to make regulations prescribing and providing for the payment and recovery of fees (and providing for the waiver or refund of fees or parts of fees in specified circumstances).

Clause 63 inserts a sixth schedule into the principal Act. This schedule deals with transitional matters.

Clause 2 of new sixth schedule: under section 35 of the principal Act a block from within a permit area in which petroleum has been found can be nominated to form the basis for the declaration of a 'location' for the purposes of the Act. Section 36 determines the extent of the location that may be declared on the basis of the nominated block. Clause 14 of this Bill repeals sections 35 and 36 and substitutes new sections 35 and 36, which provide in a different manner for the nomination of blocks and the declaration of a location. This clause of the new sixth schedule provides that where a nomination is made before the commencement of this Bill but no declaration is made before that commencement, the nomination and declaration are to proceed as if this Bill had not been enacted. Once the declaration is made it is then to be treated as if it had been made under new section 36, as are all declarations that took place under the repealed section 36.

Under the new arrangements for the declaration of a location, the number of blocks forming the location will sometimes be less than would currently be the case under the principal Act. Where a permit is granted before the commencement of this Bill but the declaration is made after that commencement and the permit holder (or the holder of a subsequent lease) applies for a production licence under section 39 or 39a of the principal Act, that lower number of blocks could result in the payment of a higher rate of royalty than would have been the case if this Bill had not been enacted. This clause of the schedule therefore provides that the Minister can in these circumstances determine that, for the purposes of sections 39 and 39a, the location is to be treated as having the higher number of blocks.

Clause 3 of new sixth schedule: under section 80 of the principal Act an application for the approval of a dealing must be accompanied by certain documents. The amendments to section 80 effected by clause 44 of this Bill make the lodgment of one of those documents—an instrument containing particulars prescribed by regulation—optional, but provide that where such an instrument is lodged only that instrument is to be made available for inspection under the Act. This transitional clause provides that where, at the time that the first regulations for the purposes of section 80 (as amended) come into operation after the commencement of this Bill, a person has lodged an application but has not had it approved or refused, that person will be given time to take advantage of the amendment to section 80 and the new regulations if the person wishes to do so.

Clause 4 of new sixth schedule: new section 96a (inserted by clause 51 of this Bill) requires the holder of a permit, lease, licence or pipeline licence to maintain such insurance (against liabilities arising under that permit, etc.) as the Minister from time to time directs. This clause of the new sixth schedule provides that where an existing holder of a permit (etc.) maintains such insurance to the satisfaction of the Minister, any security that that holder previously maintained under the Act is discharged on the issue of a certificate by the Minister.

Clause 5 of new sixth schedule: new sections 148a and 148b (inserted by clause 61 of this Bill) empower the Minister to set a provisional value in relation to recovered petroleum for the purpose of calculating royalty payments. The amount payable is then adjusted when the actual value is agreed or determined. This clause of the new sixth schedule restricts the operation of these new sections to—

(a) royalty periods beginning after the commencement of the new sections;

or

(b) royalty periods beginning before the commencement of those sections if the value of the petroleum has not been agreed or determined for royalty purposes before that commencement.

Mr ATKINSON secured the adjournment of the debate.

ADDRESS IN REPLY

Adjourned debate on motion for adoption.

(Continued from 22 February. Page 192.)

The SPEAKER: Before calling the Leader of the Opposition, I intend to see that the Leader is treated with the courtesy to which he is entitled and I will therefore not tolerate continued interjections. The Leader.

The Hon. LYNN ARNOLD (Leader of the Opposition): Thank you, Mr Speaker. I appreciate your comments. It is 11½ years since I last gave an Address in Reply speech, and in a way it almost feels like a maiden speech. Mr Speaker, I take this opportunity to congratulate you upon your election to that office. As I have previously commented, I believe you will serve with distinction in the Chair and look forward to your work in that capacity.

I also take this opportunity to congratulate Her Excellency the Governor on the continuing public service that she gives to South Australia. Her appointment was one that was met with great support by all South Australians and she has fulfilled that role with great distinction. I could cite many instances as evidence of that, but one particular instance that sticks in my mind is the occasion when we chose to meet as a Cabinet in the north-west of the State—the very first time that that had ever happened—and on that occasion Her Excellency asked why we were not also conducting an Executive Council meeting in that part of the State. We did so. She came there, and the image of Her Excellency along with members of my Cabinet and members of the Pitjantjatjara community sitting together in Talking Creek in what were very cold conditions will remain with me for a long time. A very solid performance was put in by Her Excellency on that day, symbolic of the efforts she has made throughout her time as Governor and for a long time to come.

The election result last year has brought with it a new Government. On the night of the election I rang the Premier and congratulated him on his victory, and I take this opportunity to congratulate the Government on its election and to congratulate all members of Parliament on winning their seats and welcome to the Parliament all new members. I particularly want to congratulate the members for Napier, Hart and Ross Smith. It is very pleasing to have them in the Parliament on our side. I believe that they will contribute to the strength of the Labor Party in this State and I am confident that they will serve their electorates and the Labor Party very well indeed. I note that in each case they have a long history within the Labor Party and of community service. I know that one member, the member for Napier, faced particularly difficult circumstances: she was caught in a situation of crossfire. It was unfortunate that she found herself in that situation, but she acquitted herself very well indeed in the campaigning process and in being determined to represent the electorate of Napier well.

I also welcome to the Parliament all members of the Government who won seats at the last election and hope that they find their time in this Parliament fulfilling. I have no doubt, of course, that for many of them it will be a brief part of their career, as they will have four years of service and no more. Nevertheless, I hope it will be an experience that they will enjoy and look back on with fondness for the rest of their life when they are defeated at the next election.

Many members on my side were defeated at the last election and some retired. I want to pay my tribute to them, the work they did within Parliament, the work they did for their community and their electorate, and the work they did for the community in a wider sense, as well as for their work for the Labor Party. I will sorely miss them, as will my colleagues.

First, we will miss them for their capacity for work, for the effort they could make, for their ability and also for their counsel. I want to name all those who lost their seats: the Hon. Greg Crafter, the Hon. Kym Mayes, the Hon. Susan Lenehan, the Hon. John Klunder, the Hon. Bob Gregory, the Hon. John Trainer, Mr Kevin Hamilton, Mr Paul Holloway, Mrs Colleen Hutchison, Mr Vic Heron and Mr Don Ferguson, who left this place to stand for a seat in another place but did not succeed. I also mention the Hon. Terry Groom, who was also caught in a very difficult situation and who I believe served with credit in the circumstances. In addition, a number of members retired at the last election: the Hon. John Bannon, the Hon. Don Hopgood, the Hon. Terry Hemmings and the Hon. Norm Peterson, who also sought election in another place but did not succeed. I wish all those members well in their future career and thank them for the service that they have given to the Parliament and to the people of South Australia.

The election result brought in a new Government, and I will make some comments in a moment on a series of issues that arise from that election, in particular from the Governor's speech to the Parliament. However, first, I want to make one comment to all the new members. I have been listening—or reading, because I have not had a chance to listen to—their Address in Rely contributions. I might say that it is to be expected that there will be a period of an orgy of self-congratulation taking place on the Government benches—that is, in the nature of things, I suppose, quite natural.

The Hon. Frank Blevins: Quite unseemly.

The Hon. LYNN ARNOLD: Certainly, it is quite unseemly. The status of politicians in our community is not high, and we have to acknowledge that: we are not held in great respect by many in the community. That is not a partisan comment: it is a comment on all politicians. Sometimes that is a most unjust reaction from the electorate. However, quite frankly, there are occasions when we bring it on our own head. Listening to the contributions of most of the members from the Government side who have spoken, I find that there is some just criticism that the electorate could level at us.

Why do I say that? I say that because, if one were to read those speeches, one would believe that nothing ever happened that served South Australia well in the past 11 years. The fact that we have 110 000 more South Australians working now than 11 years ago, the fact that we have a significant trade surplus now that we did not have 11 years ago, and the fact that we have seen vast improvements in the quality of our services in education, health and so many other areas have been ignored. There were certainly good records 11 years ago, but they are much better 11 years later.

I would have thought that in the fairness of politics—that which I think the electorate expects of us—due credit should be given to issues that have been addressed and to achievements that have been made. The member for Hanson probably knows the author to whom I now refer—Tony Campolo, who wrote a book entitled *Partly Right*. In that book he referred to the concept: 'I have met the enemy and he is partly right.' It was a very telling title and it is something that I have often held to myself. There is not a monopoly on the right on any side in any human argument. It should be acknowledged that there may be something else elsewhere to which credit should be given. That is something that new members, while they will enjoy their orgy of self-congratulations, might just think about in the future—that a process of due credit should be followed, I would have believed.

There is something else that I find quite interesting; a revisionism is rampant through many of the comments of members opposite, a revisionism as they go back on history past and choose to write it in the way that suits their purposes. I really think the electorate expects of us that we tell the truth or, at least, if we find that too difficult, that we keep silent and that we do not try revisionist tricks.

I cite one example of the member for Peake—formerly the member for Hanson. I was agog to hear over the speaker in my room his comments about by-elections that took place during the last Parliament. I was agog when he attempted to suggest that there was nothing political about the resignations of the Hon. Roger Goldsworthy and the Hon. Ted Chapman. I respect both those gentlemen and thank them for the service that they have given to the Parliament over the years, but there was clearly political motivation in their resignations. Granted, one of them was not very well at all and the other had had some health problems, but the timing of their resignations was part of a process by the Liberal Party rebuilding itself in this State—a process that was acknowledged at the time and a process that I think brings shame on members opposite if they now chose to pretend that it did not happen. So, if we are to earn the respect of people in the community, I suggest that we would do much better at least to be fair in remembering what actually has happened over years gone by.

I have had the great pleasure to have served so far in my political career for 11 years in the Cabinet of this State. It is a tenure that I look forward to being extended in years to

come. I look back on those 11 years with great pride that I had that opportunity given to me to serve South Australians and great pride in the number of things which were achieved in the various portfolio areas I worked in and which were achieved by the Government of which I was a Cabinet member.

In the past 15 months, I had the opportunity and the honour to serve as Premier of this State. Many things happened during that period that I think were significant. First, I saw the stabilisation of the Government's position as a key task that I had to address. There was no doubt that our position was not very secure. While it is not unusual for South Australia to have minority Governments reliant upon the casting vote of the Speaker, our position between 1989 and 1993 was worse than most of those minority Government situations. We relied upon three votes of Independent members: the two votes on the floor and that of the Speaker.

The circumstances that gave rise to that can be examined at great length and have been within the Labor Party. However, my task was to ensure that we stabilised the ship of State and enabled Government to go on addressing the tasks that were asked of it by the electorate—not constantly to play a defensive role. While many things were achieved during the period of my predecessor from 1989 onwards, it is clearly true that it was a very difficult role that he had to play when we were in such a defensive position.

So my first task was to see that we could unite all those of the same general political views. The Independents at the time proudly acknowledged themselves to be Independent Labor members of Parliament. So, I regard it with great pleasure that I was able to achieve a coalition with the two on the floor of the House and to create the first coalition on my side of politics since the first decade of this century.

Later, my being able to help in the re-entry of the former member for Elizabeth into this place was also, I believe, an important achievement for Labor politics in this State, be it in the State or Federal parliamentary arena. I might say that, while we will miss Martyn Evans from this Chamber, he will go on to serve with distinction the Labor side of politics in the Federal Parliament.

After the main task of stabilising the ship of state I also then saw it as my objective to establish new directions, to say to the electorate of South Australia that we hear the concerns that you have about the recession and how that has hurt us; about the State Bank and the problems that it brought, and the causes of that set of problems; and about a series of other issues. It was very important that the electorate felt that its Government was taking the reigns and taking those new directions.

We had a number of things happen during that 15-month period. Indeed, I have heard it mentioned that a number of things we did were really more in the tenor of a Government in its first year of office, not on the eve of an election. We knew that difficult decisions had to be made nevertheless, and they were difficult decisions. They were decisions that were certainly not, I believe, accepted by many in the electorate at the time, and 11 December, in part, shows that quite clearly.

The financial statement that was brought down by my Treasurer, the member for Giles, was part of that process. That financial statement, which was part of the economic statement that I brought down in April last year, established the important principles needed to get the State's finances under control and to ensure that we could reduce the impact of debt in this State. I knew when we did that that we could speak with a proud record because we were a Government that inherited a situation of financial difficulty in 1982; a situation which did see the State's debt as a percentage of gross state product higher than it had been for some years: something of the order of 24 per cent. We clawed that back by sound government over the 1980s to a figure in January 1991 of some 16 per cent. That figure then exploded again, and we know why it exploded. To the extent that we could control the situation we had a track record of proving we could do it.

What we aimed to do in April last year was to say the same again; that we could set targets that were achievable with some pain, but also achievable without compromising the important social justice principles of the Labor Party. One objective was to reduce by 1 per cent per year the level of expenditure. Another was to reduce the level of debt in real terms, and also to reduce the level of debt as a percentage of gross state product.

When we brought down that statement, which contained pain within it and was opposed for what it suggested would have to happen in terms of reducing public sector employment by 3 000, it nevertheless received credit from financial analysts. The first budget after that, brought down by my Treasurer the member for Giles, was proof that that could happen. I think that there is some kind of subliminal support for all of that which has come from the Government by the way it has made some comments since the election.

The ministerial statement that the Treasurer made just over a week ago indicated the point that the principles we outlined were working, that the budget we brought down will be a budget that will roughly come in on the target set by the middle of this year; that the situation they inherited was not one that was out of control; and that it was one where what we said would be the case was turning out to be the case.

The Hon. Frank Blevins interjecting:

The Hon. LYNN ARNOLD: The difficulties that will be there will result from their own spending patterns. That was the second important objective I felt we had to set. Of course, it was not just a matter of laying down a forward program: it was also a matter of taking on some hard decisions again—decisions that in many cases were harder on our side of politics than they were in the general arena. The decision to sell the State Bank was one such difficult decision. It was one that was essential in the circumstances; the States are now out of their debt. Following deregulation of the banking system in this country some years ago, the environment within which Australian banks now live is no longer one which is possible, I believe, for States to adequately control banks in public ownership.

We then had the situation of a key asset: SAGASCO. Again, after some internal problems within the Labor Party on that matter, that asset was sold, and sold very profitably indeed, for South Australians. I might remind members that the return to South Australians that would have been achieved had we followed what the then Leader of the Opposition, now Premier, wanted us to do, would have been a great deal less than what we were able to achieve—$100 million less. He was prepared, for simple self-serving ideological purposes, to forsake $100 million.

That was the kind of things that were going on in the last 15 months under the Government that I led, determined to prove to South Australians that we were getting finances under control and actually doing things and making decisions. In addition to that, two other areas were very important. One was the recognition that, notwithstanding the economic growth objectives that had been achieved in the 1980s, there

was a perceived need in the community to hear that trumpeted even more loudly; that growth was essential for this economy to provide the wherewithal whereby we would get the services we want from our Government and the standard of living would improve for South Australians generally.

I, as the then Minister of Industry, established the Arthur D. Little study into the State economy. That is now widely acknowledged as having been a watershed point in our history. As that reassessment process took place, without necessarily accepting everything that Arthur D. Little or its consultancies said, at least the debate was open and we recognised that things had to be addressed, perhaps in new ways because of new circumstances.

As Premier, my economic statement was targeted significantly at promoting economic growth. The economic development program that had been introduced by my predecessor was continued and expanded. The Economic Development Board was established, and I remind members that the legislation establishing the Economic Development Board, I believe, is very significant legislation indeed, giving an impetus to economic development in this State, the like of which we have not seen before. The opportunities given to the Economic Development Board by the legislation were very much more far reaching than anything else in this country.

As an aside, I might say how disappointed I am that the new Government chose not to continue the Chief Executive Officer Chair of the board, Robin Marrett, and members of that board. I consulted with the then Leader of the Opposition on Robin Marrett's appointment and said that this was the person we proposed to put in as Joint Chair and Chief Executive; would they support that—yes they would. What we did not know was that, yes, they would until they won the election and then they would get rid of him.

I also offered to the now Government the opportunity to submit names for consideration for appointment to the Economic Development Board. They may have been cynical about that offer, I do not know, but it was an offer made in good faith, as I believe is evidenced by the makeup of the board I finally appointed, as without knowing exactly which way they go in politics I was fairly confident they represented the spectrum of politics in our community. It was an offer made in good faith, but it was spurned. Instead, they wanted to bide their time and then take the opportunity to clean the board out. I do not think that was a particularly reasonable way of operating, not in a situation where we cannot afford that kind of partisanship about economic growth in this State.

When I have gone overseas and addressed people on economic missions, one of the things I have been able to say with considerable pride, until now, is that while we would disagree on many issues both sides of politics at least agreed on the need for economic growth. We were able to promise that the fundamentals that supported economic growth within the State would be supported no matter what happened as a result of the democratic process in the longer term, because the record showed that and the Government of which I was a member showed that in terms of what it did with the decisions made by the 1979-82 Government, and likewise going further back into the past. That has been damaged somewhat by the actions of the present Government with respect to the Economic Development Board. I hope that is a one-off situation and that members opposite will not be quite so tempted to destroy previous initiatives simply because they were taken by a Labor Government.

In other areas of the economic needs of the State, the establishment finally of the MFP Development Corporation and the appointment of its Chief Executive and its board were also things I was proud we were able to achieve—against, I might say, the then Opposition's constant nitpicking and carping. Of course, one of the very first back flips the Government has done since the election is to say, 'Well, we didn't really mean any of that; we actually think that everything you were saying and doing was quite correct, but we just couldn't say so before the election.' We wonder why the public do not have a great deal of respect for politicians.

The Hon. M.D. Rann: Even the name change lasted a fortnight.

The Hon. LYNN ARNOLD: That's right. In related areas we have heard much over the years about difficulties for major projects caused by planning problems in our State. My predecessor established the planning review, one of the major reviews that have taken place. At the moment, we are being subjected to a plethora of inquiries and reviews from the new Government. This is something that will weigh us down. It is not symptomatic of 'It'll be fixed by 9 in the morning', which is what the advertisements of Dean Brown told us before the election, but rather of a Government that cannot bring itself to actually do substantial things.

It was not one of those sorts of inquiries or reviews; it was a substantial overhaul of the planning system that my predecessor initiated, and it resulted in substantial change. It was during my time that that was legislated and the groundwork was laid so that we could say to all members of the community interested in major development projects, whether they be from an environmental or investment viewpoint, that processes would be adopted properly, fairly and expeditiously, that there would not be a weighing down of the investment process by 'administrivia' or artificial lengthening of the processes that have hurt so often in the past.

Then we had the area of mutual recognition. I am proud that it was during my time as Premier that we were able to achieve mutual recognition legislation in this State, notwithstanding the fact that we had to have two bites at it, not because of any wont of enthusiasm on our side for the significance of this legislation, which could be deemed as this century's equivalent of the rail gauge legislation, but because members of the Liberal Party did not know what they wanted to do. They knew that they wanted to gain the maximum political advantage for their short-term interests, but they did not know what they wanted to do in the longer term. So, first, as members would recall, they voted against it and later they voted in favour of it. I am pleased they did that back flip, and I said so at the time. It was not exactly a gold medal back flip, but it was a good one which deserved credit, so I gave credit for that.

In the area of social justice, a fundamentally important part of any Labor Party's program let alone of that of a Labor Government—and it will be an important part of the Labor Opposition's program as we scrutinise carefully everything the Government is doing in the area of services to people—significant achievements were made. The social justice statement that I brought down in this Chamber in the last session of Parliament indicated the great strides that we were making in this area with the defining of new boundaries that had to be looked at and looking at new achievements that could be made to build upon the achievements of the past.

It was supported by a budget that not only did not cut human services but in so many areas was actually able, in tightened financial circumstances and within the financial

responsibility plans spelt out in April, to increase support for many of those services. We will watch closely to see what happens to human services in the years to come, because many promises have been made but, frankly, we do not believe that this Government will honour those promises.

Another area which was a significant achievement was the reform of the public sector. This was not an attack on the public sector; rather, it was recognition that the public sector itself could not be immune to the very process of change that the private sector must undergo or that other organisations in the community feel they have to undergo—circumstances in the 1990s are different from those of the 1980s as they were from the decades before that—and that, therefore, to give the best service to the community with the best use of the taxpayer's dollar, there was an ongoing need to review the way in which public services are delivered.

That was started with the Bias for Yes program, involving the restructuring of Public Service departments, with entirely new sorts of thinking coming into place as to how Governments could address certain areas. It was not used as a ruse for cutting or for implementing policies that would worsen the situation for the socially disadvantaged in our society; rather, it was an attempt to get the maximum return from the taxpayer's dollars dedicated to the services of Government.

We were well praised for the work we were doing in that area. It is disappointing that, again, because such changes had the misfortune to have been made by a Labor Government, a number of those programs have been changed or stopped for no other reason than that they were done by a Labor Government. I hope that this orgy of self-congratulation taking place on the other side will eventually subside and that, in the cool light of day, members opposite will say, 'Maybe we shouldn't have changed that and maybe we might now change some of those things back.'

I want to acknowledge that upon the Liberals coming to Government a number of things have happened. A large amount of spending has been taking place that will take some accounting for at the end of the day. What I think is about to happen is that, unlike previous examples of an incoming Government saying, 'We have looked at the books and they're worse than we thought'—this Government cannot do that—it is about to wake up one morning and say, 'We've looked at the Cabinet meeting decisions of last week and the previous week, and they're worse than we thought. We can't afford them.' We will see that happening slowly over the months ahead.

However, some things have happened for which I think credit should be given, and I want to take the opportunity now to do so. I praise the Government for what it has done in the clean-up of the Patawalonga, something that we were working and moving on. However, I think, quite frankly, that we could have moved faster, and I acknowledge the fact that the Government did move very quickly indeed. It is one of the items on the list of things on which money is to be spent, that is true; nevertheless I give credit for that having been done. It was a project that needed to be implemented, and I look forward to its completion. I am also pleased that the Government has continued some projects that were under way. The continuing negotiations to export TAFE courses to South-East Asia, particularly to Thailand, is a case in point. Much of the groundwork for that was done under the Labor Government, but it is an example of something that survived the political test, that was able to be carried on and has resulted in some quick decisions being made.

Again, I congratulate the Government for that, as I do also in respect of the Mitsubishi situation. We had significantly advanced that. We had done everything possible to get that matter decided as quickly as possible. It is pleasing to note that, just because there had been an election and the hiatus of a campaign, in the period immediately after the election that was not allowed to undermine the momentum of those negotiations. On his visit to Japan recently the Premier was able to see those negotiations that were started by us reach a significant new step. I congratulate the Government for that.

I look forward to seeing developments in the casemix system that has been introduced into the health system in South Australia, as I believe it has some interesting possibilities. It appears that it may have some promise and that it may result in some improvement in services to South Australians, and I certainly hope it does. So, to the extent that it has, on the face of it, this appearance, it is something we will watch with great interest. Clearly we will be as scrutinising and as rigorous in our assessment of this as we are with anything else, nevertheless it does appear to be a new direction that has some promise.

There are many other areas in which we are yet to see what will happen. The Liberal Party policy speech last year contained a great many statements about what the Liberal Party would do if it won Government. It also contained some bold rhetoric. I mean this in a very flattering way, but I know that members opposite will take it as an insult, but it was almost 'Whitlamesque' in its vision. If you listened to that statement, you might remember that it promised a new direction, a unity of purpose and responsible planning for South Australia.

I suppose it is fair enough to say that many South Australians were probably not waiting with bated breath for the Governor's speech, which we all know is written by the Government of the day—and that is not a slight on Her Excellency—but some of us were at least interested to know what was going to come out in the Governor's speech. We had heard the great rhetoric of the campaign trail about how everything was going to be so different and about how decisions were going to be made so quickly. Do members remember the advertisement stating, 'It will be done by 9 a.m.; it will be signed by 9 a.m.' and all the Shadow Ministers, now Ministers, saying, 'It's fixed; it's done; it's a good idea and we'll support it'? I guess we expected that the Governor's speech might reflect some of that and that the activities of the Government to date might reflect some of that. However, that has not been the case.

Before turning to the Governor's speech, I point out that to date the partnership that we have heard about has been little more than a string of Government inquiries on anything that happens to stray past the Cabinet agenda paper, including an inquiry into rural finance and notwithstanding that a bipartisan committee of Parliament examined this area. I also mention adoption, and the construction of a bridge to Hindmarsh Island, which not only had a review but a suspension of the review, then a re-start of the review, a report and then another review.

An honourable member interjecting:

The Hon. LYNN ARNOLD: That's right; that will be next. Then we had the operation of the E&WS and the review into housing and urban development, and so the reviews and inquiries go on. At least it is a growth industry. For those who happen to be employed in the sector of reviews and inquiries, the outlook seems very promising indeed. Unfortunately, we are seeing a Government that has been elected with a sizeable

majority; as large as we have seen in this State for 60 years. However, it is not getting on with the process of actually governing: it is behaving like an Opposition in exile. Members of the Government seem to be uncertain about how to get on with the business of Government.

Of course, they have had to do some things just to stamp their mark on the place. They have set about introducing major changes at the senior public servant level. Of course, it is the right of every Government when it is elected to make changes at the senior level of the Public Service. I might say that the Government has taken that right not only to extremes but beyond a right into a wrong with some things it has done with respect to non-senior Public Service appointments.

An honourable member: Typists have been humiliated.

The Hon. LYNN ARNOLD: That is right; the Government has humiliated people in the public sector, and I believe that that brings no credit on it. Nevertheless, while the Government has the right to change senior level appointments, it should not do it for the sake of doing it. It should be done for a purpose. In the process, Government members have managed to cut off their own nose to spite themselves by virtue of some of the changes that they have made. I believe that all of those public servants are very talented people who are serving South Australia well. However, I accept that, under a new Government, some may well be better placed in different areas of responsibility than they had been in previously, but it was quite bizarre to see some of the moves. It was simply movement for the sake of it.

Then we have that long list of promises that the Government has made which will be called to account. We will call it to account in this place and in other forums. So, the Government need not think that those promises will be forgotten. The Government promised that it would create 12 000 jobs in its first year. We are three months into the first year of Government, so the clock is ticking, and we will see just how far it gets. The Government promised it would save $100 million on State debt interest annually. I might note that the look on the Treasurer's face today when the member for Napier asked about reducing debt by December 1994 by $700 million to $800 million was very interesting.

The Hon. M.D. Rann: It was a 'Where am I?' look.

The Hon. LYNN ARNOLD: It was certainly a 'Where am I?' look. He seemed to be thinking, 'Did I say that?' I remind the House what he said. On 6 October 1993, the former Deputy Leader announced that a Liberal Government would cleanse unwanted assets and that it expected to cut the debt by between $700 million and $800 million in the first year of office. Those members who are new to this place might be forgiven for not having heard that statement, but make it he did, in the public arena. He looked stunned today by that question. In fact, I think he had forgotten that he made that statement. He seemed equally stunned that we seemed to forget that he had ever made such a statement.

The Hon. Frank Blevins interjecting:

The Hon. LYNN ARNOLD: Yes; he also did not believe that anyone could be so stupid as to say it, as the member for Giles says. The Government promised to rebuild community services; to lift education standards; to halve hospital waiting lists; and to employ 200 extra police, and we do not know whether these 200 extra police are to be provided out of other positions that are being reduced around the place and what that will do to the reduction in employment levels elsewhere.

I asked questions recently about that matter, and we are still not getting clear-cut answers from the Government as to what is happening in relation to the reduction in public sector employment. Will it be over 3 900 or over 4 100, and how does that affect the balancing of the Government's books? We have heard the Government's commitment to provide computer services to the world. I remind the House that the Government was involved in deals that it was going to sign with major industry groupings around the place and, in one case, in the information technology area, it had a deal that was going to bring hundreds of millions of dollars of business to this State. That deal turned out to be with IBM; we speculated that it was IBM, and it turned out to be that company. We will be watching very closely to see how this much vaunted deal goes and whether it brings the results to South Australia that the Government has promised.

We said that South Australia needed growth of four per cent minimum per year, and our whole program was predicated upon trying to enable that to happen. However, our financial statement was not dreamily based upon hoping that revenues would improve as a result of such growth and therefore we could say that we would have a balanced budget or we would bring down the recurrent deficit or reduce debt because of improving revenues. We had a much more responsible approach. We looked at the expenditure side; that which you can control much more clearly than the revenue side, which is contingent upon economic circumstances not just in South Australia or Australia but, indeed, much wider than that.

The Government said we would have 15 per cent annual growth in export earnings and that Adelaide would be the export capital of Australia. I remind members opposite that all these things are being remembered and will be remembered. If the Government delivers 15 per cent growth in our export earnings, I will be pleased to congratulate it and say, 'You said that you were going to do that, and you have done it.' However, if the Government does not deliver, it will be found wanting by its own words—not by those that we have said about it. There are many other things that the Government has promised, such as a $28 million jobs program which, in fact, I know it can deliver because it has cut the $40 million economic development program, or that is what it promised it was going to do. So, it is actually promising money for development by cutting money for development.

So, I have no doubt we will see that one achieved, all for the sake of an appearance of change and support. The Government promised 600 additional traineeships over 12 months, and it promised a whole pile of other initiatives: $2 million for small business, $3 million to 200 young farmers, $10 million to children with learning difficulties, $80 million for the third arterial road, $7 million to recycle Southern Vales effluent, and so on.

The policy speech of the Liberal Party made that raft of promises, along with the promises made in the various other policies that the Liberal Party launched before the last election. The cost of all those promises is $612 million, which will lead to a $300 million blow out in the budget in its first year. The Government has said that it wants to reduce the debt, that it wants to reduce the deficit, yet it is spending money in the most irresponsible of ways—irresponsible because it is not accounting for how it will do it without extending the deficit and without increasing the indebtedness of the State.

The day of reckoning will come. There is clearly a political day of reckoning four years from now. However, a much earlier day of reckoning will come when the Government has to answer not only to this Parliament but to the people of South Australia as it attempts to go out and say,

'We now have to break some major promises in addition to the ones we have already broken on cuts to services and taxes.' Of course, that will be particularly interesting. The Government should not think for one moment that we have forgotten what the promise was on taxes and what the promise apparently still is on taxes, because the Premier has repeated it, and the Deputy Premier has reined in all the Cabinet in the same promise. We will have a lot of fun when the Government increases taxes, as it will have to do.

If the Government does not cut services to pay for its extra spending, or if it does not let debt blow out because of its extra spending, it will have to sheepishly come in here—because I cannot see it resigning (I think we all know that; it will not do that)—and work out the most semantic ways to justify its position. The Government will use the most specious of arguments to justify its position. When we heard Government members say that they would resign if they increased taxes, they did not actually mean they would resign. It was a kind of 'Don't watch my lips' argument, one of those things that you are not supposed to take at face value as you do watch the lips move and say, 'I will resign if I increase taxation or the rate of taxation'. Let it not be forgotten exactly what the Government said on that matter.

As I mentioned before, we had the policy speech, and we have had the action since the election. We then had the Governor's speech. The Governor's speech promised, before it was delivered, to be a very exciting document on the basis of the policy speech. It was not. It did not promise great new directions or great new vision. Certainly it promised some things. The Bills that will be brought before the Parliament include the GM&E legislation and amendments to the Meat Hygiene Act. I am very fond of the Meat Hygiene Act; along with the Minister for Industry, Manufacturing, Small Business and Regional Development, I was part of the select committee, when we were in Opposition last time, that gave rise to the Meat Hygiene Act. So I have a fondness for that legislation. My ears pricked up when the Governor's speech canvassed the Meat Hygiene Act. But I have to say that I do not consider it—

An honourable member interjecting:

The Hon. LYNN ARNOLD: I don't think too many other people's ears pricked up at this great new vision, this great new direction. That is the tenor I am talking about. But there is more, including the legislation to allow the electronic recording of police interviews, changes to the Real Property Act, legislation dealing with the early release of prisoners and regulations to the Environmental Protection Authority. They are all important issues but hardly matters of reform or vision that one would expect from a Party that promised so much and has had so long to prepare.

Of course, there are other issues that were not mentioned in the Governor's speech, and we will ask about those in due course. There are important issues that have come before us. We will examine issues related to the sale of the State Bank. Of course, it was our proposition in the first place, and we will be interested to see whether the Government is getting the best possible benefit for South Australians out of that area. There are two matters that require special attention, and the first is the major amendments to our industrial laws. These amendments promise to fundamentally change industrial relations in both the private and public sectors. Of course, the other matter is the Bill that will provide for voluntary voting, and that was introduced today. I know I cannot canvass that matter at this stage, and I do not intend to.

On that point, I remind the House that we have all heard of the concept of sore losers. In this situation we seem to have a concept of sore winners. Members opposite are saying that, because there is the possibility that some matters may not get through the Upper House, this is an outrage. I remind members that it was a Labor Government that first enabled the Upper House to be a democratic House. In fact, it is now a House that—over time, because it is elected by halves—reflects the popular will. It cannot be criticised by saying, 'It is a denial of the democratic will.'

That criticism could have been made in the 1970s before we changed the situation in respect of the Upper House. While it was still a place in which the likes of Ren Degaris felt so enormously comfortable, you could criticise it and, if the Upper House of those days had chosen to deliberately thwart the will of the Government formed in the Lower House, it justly brought criticism upon its head. I acknowledge that a former member of this place on the other side of politics was also part of the process of change, and I refer to Steele Hall. However, it was an agenda driven by us—

Mr Quirke: They got him, though.

The Hon. LYNN ARNOLD: They finally got him because of it; that's true. But now it is a popularly-elected House. So, how can it not be a democratic place that has the right to reflect the will of the people? Is the Government suggesting that we should do away with the Upper House? Is it suggesting that we should change the voting system for the Upper House? Of course, the former is something that we have suggested at various times over the years. I think it is a very poor example, as I said before, of sore winners, because members opposite are not prepared to accept that the Upper House is a Democratically-elected House and can make its decisions reflecting the will of the people of South Australia as expressed in the ballot box over consecutive elections.

On the matter of industrial relations, we indicated a number of things before the last election that we were worried about. We felt that the people of South Australia were not being told the truth. We were accused of scaremongering. We were accused of saying things that were not the truth about the intentions of the Liberal Party. We pointed to examples in other parts of Australia. Clearly, the electorate did not accept what we were saying about those matters; and I accept that point. But we now have a situation where industrial relations issues are starting to filter into this place, and they give rise to the very fears we expressed before the last State election.

I might say that the new member for Ross Smith has wasted no time at all in coming into this place and looking at the sorts of changes that are taking place. When these matters are debated—and the Minister for Industrial Affairs has foreshadowed a number of issues, and we have heard his comments on the media about some of them—we will look at those matters very closely indeed.

I could also deal with the Government's position on the finances of this State, but I am running out of time. I will conclude on a theme that I partially addressed at the beginning of my contribution. My Party was defeated at the last election. We cannot attempt to say that the electorate got it wrong—it did not want us to be in Government any more, and it made sure of that.

Perhaps in some cases they had been somewhat concerned about the surprise victory of Paul Keating in the Federal election last year and were determined that it was not going to happen again, and this resulted in the over-emphasis that the member for Giles talks about. But I want to make this

point: my team and I and the Labor Party we represent have heard that, and we are not about to pretend that it should not have been the case. We had a proud record in government. Many things were achieved over the 11 years of which I am not only not ashamed but very proud indeed. But I do have to accept that the electors felt it was time for a change.

I do have to accept that, while some things were caused by reasons other than us, people wanted us to wear some of the blame for that and they wanted us to hear that they were not satisfied that we were no longer listening to them as closely as we had in the past. The policies we put before the last election, I think, were as good a set of policies as we have ever put before the electorate. However, I believe that the electorate was saying, 'We don't believe you're listening to us properly.' We have a process now under way in the Labor Party, both within the organisation of the Party and in a process of review ourselves within the parliamentary Party. It started off with a very productive seminar on this matter.

We do not expect simply to have the electorate come back to us in the sorts of percentages that they have been with us over the past half century. We know we have to earn back their support. We know that we have to go to the next election and say to them, 'We have listened to what you have wanted to tell us about how we operate as a Party in the Parliament and how we would operate as a Government, and we also want you to know that we have listened to what you want our policies to be saying on different issues,' so that when the next election comes we can say, 'We have heard what you have to say. We believe that we are worthy of being re-elected into government.' We will not take the electorate for granted.

The voters wanted to speak: they have been heard. We will not spend our time in the obverse of the orgy of self-congratulation—an orgy of self-pity. Individuals in the Party and the Party itself will have to go through that process of re-examination; we are doing that. We have done it before. We are a great Party that has shown the capacity to do that so many times. The very fact that we are the oldest Party in Australia and still going strong is a sign of that. We have the capacity to make those changes and have shown so over the past 102 years, whereas, generally speaking, those on the other side of politics reach crunch points in their history and their result is to fall apart. Our result is to look at ourselves closely and make the sorts of changes necessary.

So, the next three years will see us in that process of rebuilding, in that process of listening to the people of South Australia and in that process, after the listening, of developing policies in consultation with the community, based on the fundamental principles of social fairness that are at the heart of the Labor Party. The next years will see us in this Parliament playing the role of constructive Opposition; examining closely all the matters the Government brings before Parliament; scrutinising the Government's legislation and its actions as Executive Government; calling members opposite to account for the promises they made to South Australians; calling them to account for the broken promises they have made and will make; but also giving credit where credit is due and being prepared to work with them where it is in the interests of South Australians to do so. How many times when we were in government we offered to work with the Opposition on issues of State interest—to go jointly to the national Government. Even when we were criticising our own Federal colleagues, I was prepared to do that, unlike the tame cat approach of the now Premier in the face of John Hewson, when he went to water on such issues as defending South Australian industry. We were prepared to argue against our Federal colleagues on the rate of tariff reform in the manufacturing sector, saying, 'You're doing it too quickly.'

But the now Premier agreed with Fightback. He put Party interests before the State. We offered them the chance to work with us, to go jointly. I stand by that offer. If there are things that we can do to promote the proper growth of South Australia, the proper areas of social development in South Australia and the economic development of this State, this Opposition, unlike its predecessor Opposition, will be a constructive Opposition.

I congratulate you, Mr Deputy Speaker, on your election to your post, and I am certain that you will serve this House well in that role. I thank members for listening to me today.

The DEPUTY SPEAKER: Order! Before calling upon the member for Davenport, I remind members that this is the member for Davenport's maiden address in this House. As such, the honourable member's speech should be afforded the usual courtesy afforded maiden speeches in this House and should be heard in silence. The member for Davenport.

Mr EVANS (Davenport): I support the motion for the adoption of the Address in Reply. In doing so, I congratulate Her Excellency on her address, in which she outlined a vision for the recovery of the South Australian economy under a Liberal Government. I also congratulate the Speaker in his absence and the Deputy Speaker for their rise to those positions and trust that they will treat the positions with respect and bring dignity to the House.

Davenport is a metropolitan seat based in the Mitcham Hills, taking in the suburbs of Crafers West, Upper Sturt, Coromandel Valley, St Marys, Bedford Park, Panorama, Pasadena, Belair, Blackwood, Bellevue Heights, Glenalta, Hawthorndene, Eden Hills, Clapham and Lynton. So it is a diverse district geographically.

It is named after Sir Samuel Davenport, who himself was a legislator. He was also a merchant, a banker and a manufacturer, and was involved in the development of the tobacco and olive oil industries in South Australia. The electorate was created in the 1969 redistribution and first represented by the previous member for Burnside, Joyce Steele. Joyce Steele holds an honourable place within the history of the Parliament in that on 18 March 1959 she was the first woman to be elected to the House of Assembly. She went on to be the first woman to hold the position of Minister in this Parliament, holding various ministries including education, housing, social welfare and Aboriginal affairs. As has followed the seat of Davenport, she also held the position of Opposition Whip.

Joyce Steele was followed by the now Premier, Dean Brown. I do not need to go into the excellent record of service that Dean Brown has had in this Parliament. He is currently the Premier, he has been a Minister, a shadow Minister and the Deputy Leader, and he has held various positions, and I congratulate him on his position of Premier and on the job he is doing of rebuilding this State. Obviously, it is a difficult task. With him and his Cabinet at the helm, the State is in very good hands.

After Dean Brown, I am very proud to say, the next member for Davenport was my father, Stan Evans. I am very proud to have the opportunity to follow my father through Davenport into this place. Stan was always an inspiration to me. His never-lie-down attitude always inspired me and, no matter how tough things got for him, he bit the bullet and worked through whatever problem confronted him. Politics,

of course, is in the history of the Evans family. Not many people would realise that my grandfather was on local council; I have an aunt on local council; I have an uncle who stood for Party preselection but lost in Playford's old seat; and I have a younger brother who is also on local council. So, politics is certainly in the blood.

As the member for Davenport, Fisher and Onkaparinga, Stan served some 25½ years in this place: I am advised that that it is somewhere near one-fifth of the parliamentary history, and that is a significant contribution. If he is in earshot of these comments, I think it is only fitting that at the appropriate time, when he has finished his gardening, he write a book about his involvement and the history of the Parliament while he was in this place.

Some past members have spoken to me in my short time in this place about Stan's sense of cunning and how he always spoke his mind. I think Stan's trademark was the fact that he always kept his word. If Stan said that he agreed with something or would support someone, they had that guarantee. There is no better example of that than when he was the Opposition Whip during the Tonkin years and Corcoran had applied the guillotine during a particular debate. Out of the House that night, granted leave with pairs, were Dunstan and Hudson. Because Corcoran had applied the guillotine, it was suggested at the dining table that Stan be asked to withdraw the pairs to catch out the Government on numbers. Stan advised the members of his own Party that, if they forced him to withdraw the pairs, he would cross the floor and vote with the Government, because he had given his word, and keeping his word to him was very important. I think that is to his credit.

His loyalty was unquestionable, and to some point I think his loyalty possibly cost him the achievement of various positions within this place, but the credibility he has gained as a result of maintaining that loyalty is to his credit, and I think he would prefer to have his credibility than the status of having achieved other positions.

He was an excellent grassroots campaigner, no better illustrated than when his back was to the wall in the 1985 campaign as an Independent. He worked very hard. In fact, the records show that he was home only five days out of the 365 days for the year. He represented the Parliament in the electorates of Onkaparinga, Fisher and Davenport. He was the second longest serving Whip in the world and the longest in Australia.

There is an interesting story about how he became Whip. He walked into the Party room after 18 months in this place and Steele Hall, the then Leader, slapped him on the shoulder and said, 'Vote for yourself, sonny'; Stan asked, 'What are you talking about?', and Steele Hall said, 'The Whip: vote for yourself.' Stan walked into the room, not even knowing he was on the ticket, and ended up being Whip. He further served under Steele Hall, the then Leader, as the Parliamentary Under-Secretary, he was Chairman of the Subordinate Legislation Committee and he held the shadow ministries of sport and recreation, housing, environment, transport and tourism. He fought very hard for the establishment of the position of Ombudsman in this State. Both Leaders—Hall and Dunstan—at the time said that position was not required, Steele Hall saying, 'We do not need a super inquisitor' and Don Dunstan saying, 'It is simply not required.' So one of Stan's contributions is the establishment of the position of Ombudsman in this State, and that position certainly plays an important role in the Government process.

I must refer to the tremendous support Stan has received from his wife Barb. Her resilience and capacity to work have been magnificent. She basically raised five children on her own, and I can say to you, Mr Acting Speaker, the other four children were very difficult to bring up. They have both been involved in various community works. Records show that some 200 different community organisations have enjoyed their membership over the years, and that is a significant contribution by a couple.

Normally in a maiden speech one would go on a tour of the electorate speaking about its various features. Today I have chosen not to do that: instead, I wish to speak about one issue, and that is farming in the electorate of Davenport. I wish to refer to an issue on which the two major Parties and one minor Party have all taken a similar stance over the years. It is one that has been supported by two Premiers and two Deputy Premiers from different Parties all holding the same view, and it is an issue that has been going on now for some 22 years. That issue, of course, is Craigburn Farm. I acknowledge, in his presence, the tremendous work that the member for Fisher, the Hon. Bob Such, has done in trying to keep Craigburn Farm as open space, because Craigburn Farm has been in his electorate or adjoining his electorate for some time, depending on the redistributions.

During my speech, I would like members to think about the need for development versus the need for open space, particularly the need for open space in 100 years. I wish members to consider the number of times that a promise has been made and then broken. I want them to consider the significant lack of infrastructure that is proposed in support, or non-support, of this development—I refer particularly to roads, public transport, schools and policing. This issue is as much about honesty in Government as about the need for open space, and I pick up the point by the Leader of the Opposition during his address regarding the need for accountability in Government.

There is no doubt that the people in my electorate are calling for accountability in Government. If we look at what has happened to Governments throughout Australia in the last decade, we see that all of them have been brought down by mismanagement: WA Inc.; the South Australian State Bank; the Kirner/Cain fiasco in Victoria; Joh Bjelke in Queensland; Greiner by his own legislation; and, of course, now we have Keating deciding to give himself a rostered day off from Question Time every second day because he does not want to be held accountable. It is disgusting for a Prime Minister and other Ministers to not make themselves accountable.

I wish members to think about the following: when a commitment is given, should it be kept? I intend to go through the history of Craigburn, because it is the most important issue in my electorate, as it will have an effect forever if Craigburn is developed. I want to place on record exactly what has happened regarding Craigburn over the past 22 years because, if the development does go ahead, it will start, there is no doubt in my mind, within the next six months. In the Craigburn file at the office, I found the following description of Craigburn (I am not sure when it was written, but I will cite it because it gives a very good description of what Craigburn was used for):

'Craigburn' was the name chosen by Mr Peter Cummings, the original owner of the property. Arriving in South Australia in 1847, Mr Cummings purchased this property from the Government in 1853. The property was retained by Mr Cummings until his death in 1896, when a Mr Austin acquired the property and subsequently sold Craigburn to the Downer family in 1905. Minda purchased Craigburn. . .

That is an important point to realise. It was not a gift; it is not held by trust; it was a capital purchase by Minda. It continues:

> Minda purchased Craigburn from the Downer family in 1923 by the sale of some of the Brighton property, together with a bank overdraft of £5 000 which was paid off over a number of years. Many changes have taken place since then and Craigburn presents itself today not only as one of the most diversified agricultural and horticultural properties in South Australia, but also as an activity therapy centre for the intellectually disabled.
>
> Some 23 intellectually disabled trainees are in residence on the property, living either in John Tassie house or McCabe cottage. A further 15 trainees live in three group homes situated within the Blackwood community. Other trainees working at Craigburn are intellectually disabled young people still living at home with their parents, or residents of Minda, Brighton. At present 65 trainees are employed on a daily basis. With the introduction of new work and training opportunities in the near future, more trainees will be able to gain employment. Not only does Craigburn provide a wide choice and variety of work, but it also provides Minda with almost all of its requirements of milk, meat, eggs, poultry and vegetables. [So it made a significant contribution towards keeping the cost down at Minda as far as the foods and edibles were concerned.] Some of the major work stations are as follows:
>
> 1. A complete 120 head dairy herd.
> 2. A 130 head beef cattle herd.
> 3. A piggery housing 18 sows and their offspring.
> 4. Layer hens. . .
> 5. 8 000 one-day-old chickens. . .
>
> A large market garden on Craigburn also plays an important role in training programs. Most mechanical repairs and maintenance work is undertaken on the property . . . In addition to catering for our own needs, Craigburn property is shared with a number of community organisations . . . such as Riding for the Disabled.

So we can see that Craigburn certainly had an interesting use, and still does, within the community of Blackwood. Craigburn is divided by the Sturt Creek, the northern area of some 350 hectares being in the Mitcham council and the southern area of approximately 185 hectares being in the Happy Valley council.

The 1962 Liberal Government development plan for Adelaide showed the whole of Craigburn Farm designated as 'special uses'. It was envisaged as part of an open space green belt and as a buffer separating Adelaide from the proposed southern suburbs. This was in 1962: now, 30 years later, if we look at the amount of development in the south, we can see that that was a very good concept put forward by the Liberal Government in 1962—a not dissimilar policy to that put forward by the Brown Government regarding the preservation of the Willunga Basin. I support the concept, because ultimately in 100 years the people surrounding the Willunga Basin will be grateful, just as the people have been grateful for the open space that our forefathers put aside for us to enjoy. So the question that has to be asked ultimately—and this is the point we will consider during the debate—is, 'Will Craigburn be put aside for open space for the people of South Australia to enjoy in 100 years?'

The debate really starts in 1970-71. Mitcham and the then Meadows (now Happy Valley) council introduced zoning regulations to implement that 1962 plan. The Meadows regulations at first zoned its part of Craigburn as special uses, but after many objections the council decided it would change it, for whatever reason, to Residential 1. The Mitcham regulations zoned about 60 per cent of the land rural A and the balance as special uses.

The then member for Fisher, Stan Evans, and the Hon. Ren DeGaris in another place jointly moved a motion to disallow the regulations. This would have kept the farm as open space. Unfortunately, this motion was defeated along Party lines—25 to 19. The then member for Fisher argued that it would give the land a high value and this would make it costly to keep as open space in the future, and, like any private owner, Minda would only naturally seek to capitalise on the value of that land at some point in the future.

It is interesting to note that the Liberal Party, in Opposition, showed its opposition to any development of Craigburn Farm in 1972 by every single member voting against the regulations allowing the zoning which would have allowed development. So, in 1972, the Liberal Party was unanimously opposed to any subdivision of Craigburn Farm. It is interesting to note that the voting members included: Steele Hall (the husband of the current member for Coles); Howard Venning, your father, Sir; the member for Peake, Heini Becker; and the current Speaker, Graham Gunn. They all voted against the regulations allowing subdivision of that land.

The then member for Fisher also requested that the Government purchase the land as a national reserve to go into the national parks. Unfortunately, the Government of the day declined that invitation. Despite all objections, the regulations were passed. It is interesting to note that it was this change of zoning to allow the land to be developed, and only this change of zoning, that gave the land any value—the value that it has today.

According to a council newspaper, a written assurance is alleged to have been obtained by the then Labor Minister of Environment, Mr Broomhill, from the then Chairman of Minda Homes Incorporated, Mr Justice Bright, that Minda had no intention of selling the property for subdivision. A sale would happen only if the level of Government funding fell below a workable minimum. If this unlikely event ever took place, Minda allegedly agreed to transfer not less than 40 per cent of the remaining land to the State free of cost as a public reserve. This is confirmed in the *Advertiser* of 5 October 1972.

The community believed that it was led to understand by a Labor Minister (Broomhill) that Minda had no intention of subdividing the property or selling it for subdivision. Thus, in 1972, the community had a guarantee from the then Labor Government and from a Labor Minister. It also had a Minda guarantee and the Liberal Opposition had unanimously voted to oppose the subdivision. So, every indication was that the land could not be subdivided. At the same time, Broomhill then released the Jordan report on the environment, which recommended:

> That open space should be provided on the Adelaide Plains, along the hills face zone, in the Mount Lofty Ranges and on the boundaries of the present urban development.

Craigburn came into at least three of those categories. It is along the hills face zone, although it is outside the zone; it is in the Mount Lofty Ranges—Mitcham Hills—and it was on the boundary of the then urban development.

It is interesting to reflect on what land has been put aside since 1962 to meet these objectives in this area. The then member for Mitcham, Robin Millhouse, argued for the retention of Craigburn Farm based on that Jordan report, saying that it met the criteria laid out in the then Government's own report.

Things went quiet. However, the community had those guarantees on the public record: a guarantee from Minda; a guarantee from the Labor Government; a guarantee from a Labor Minister; and, of course, the Opposition's public statement that it was against the subdivision. However, in 1978, Minda announced a study to consider the rationalisation of existing and possible future uses of Craigburn. In particular, it wished to investigate opportunities for raising

funds through the use of the land zoned Residential 1. Of course, this sent alarm bells ringing through the district and the community protested. Suddenly, after six or seven years, the deal had changed.

In 1979, only six years after the previous commitment by the Labor Minister for Planning, Hugh Hudson then gave his approval for a proposal for Minda to subdivide 135 hectares in the Happy Valley council area—formerly Meadows council—provided that undertakings were given by Minda. Those undertakings were, first, that an area known as Craigburn Scrub, which was south of the Sturt Gorge Recreation Park, should be preserved as open space at no cost to the Government. Secondly, all land north of the Sturt Creek was to be zoned as special uses to protect the existing open space character of the land.

The community was therefore led to believe that, through Hugh Hudson's deal with Minda, all land north of the Sturt Creek was to be kept as open space. I repeat that, prior to that, the community already had a guarantee that none of the land would be developed, but the deal had changed—Hudson changed the deal to allow the area south of the Sturt Creek to be developed. The community was naturally angry, and so it should have been. A Minister had given his word and within six years it had been reversed. From no houses on Craigburn Farm, suddenly we had 500 houses. Of course, once you get one house on the farm that opens the door and the battle goes on, as it is today.

Locals knew that there would be inherent infrastructure problems; they knew that it would cause problems to the Sturt Creek and its surrounds; and they knew that it was just the beginning of a fight. It was also in Hudson's agreement that the land north of Sturt Creek—some 350 hectares—was to be offered to the South Australian Government as a first option if ever it came up for sale. Yes, that option has been removed, and that is another breach of a promise made to the community by Labor. No longer did that option exist as a first option for the Government to buy the land. This agreement was confirmed by then Minister Des Corcoran in 1979. The then member for Murray (David Wotton), now a Minister, asked the following questions in this House:

1. What effect would the sale of parts of Craigburn (owned by Minda Incorporated), and the consequent use of the area south of the Sturt River for housing development, have on the Sturt River, the Sturt Gorge Recreation Park and the natural environment in that area?

2. Will the Minister give backing to this proposal similar to that given by the Minister for Planning [Hudson]?

3. Will the Minister strongly pursue the aim of incorporating the heavily wooded area south-west of this possible development in the Sturt Gorge Recreation Park?

Mr Corcoran's answer to the first question was that it would have no affect at all on the Sturt Creek. The answer to the second question was that the Government had already stated that it would support the development of part of the Craigburn property that was presently zoned for residential development, provided that part of this residentially zoned land became a conservation park. In addition, the Government would require a guarantee that all land north of Sturt River be retained as open space. I repeat: the Government would require a guarantee that all land north of Sturt River was to be retained as open space.

So, it is clearly in *Hansard* that the then Minister (Des Corcoran) also gave a guarantee to the community in answering that question that it was the policy of the Government of the day and the agreement it had stitched up that all land north of the Sturt Creek would remain as open space.

First, we had the then Minister Broomhill, then we had Hudson and now we had Corcoran all making that particular commitment. They were all senior Ministers giving public undertakings. There were no ifs, no buts or retractions. The community has every right to be angry with Labor if that commitment is eventually broken and the land is developed. The community did rely on Labor's word.

It is interesting to note that David Wotton, the then member for Murray, was in Opposition. It is reasonable to conclude that he asked a question in an attempt to get the Government to concede that the development might cause pollution problems. It is obvious that the honourable member had concerns in this area.

Of course, the community now has those same concerns about the current proposal, which is to develop some 1 300 houses on the north side of Sturt Creek. What will the Patawalonga be like in another 15 years if 1 300 houses are put on Craigburn Farm? Craigburn Farm is split by the Sturt Creek, which feeds the Patawalonga. History shows that the southern development of 500 homes proceeded, and here we are, 15 years later, and what are we talking about? We are talking about pumping out the Patawalonga; we are closing the beach and pumping it out; we are sending our tourists away; and we are setting up a Patawalonga catchment authority. Even today in the House, we heard about the proposal for the Onkaparinga catchment authority. It is a tremendous idea; I wish I had thought of it. We are spending $4 million on trash racks to help clean up the Patawalonga, and we are also going to enter the Sturt Creek in the Better Rivers program, which I also support.

However, at the same time, Minda and the community are seriously talking about placing 1 300 homes on the north side of Sturt Creek—the area guaranteed never to be developed. I just cannot understand how we can have a concept of trying to clean up the Patawalonga, setting up the Patawalonga catchment authority, and before the authority really has time to find its feet the planning process allows a development of 1 300 homes.

It is clearly evident—certainly, the communities believe it is—that it will have some effect on the environment of Sturt Creek and its surrounds. It is obvious to all in the local community that Corcoran was wrong and David Wotton was right. It must have had some effect on Sturt Creek and thus the Patawalonga. I am advised that Professor David Shearman from the Conservation Council said on radio in the past fortnight that if the Government was serious about cleaning up the Patawalonga it would be better to spend $4 million contributing towards the purchase of Craigburn Farm as open space than spending it on trash racks for the Patawalonga.

In 1981 Craigburn Scrub was transferred as agreed and was added to the Sturt Gorge Recreation Park. So, that promise on behalf of Minda was kept. Late in 1982 Mitcham council stated that it saw the long-term future of the whole of Craigburn land as open space and wished to rezone it accordingly. In 1983 Mitcham council was planning to hold a public meeting to discuss the rezoning of Craigburn, but Minda went to court and issued a Supreme Court writ that prevented public discussion. In 1984 Craigburn Farm was recommended in the study to become part of the second generation parklands between Gawler and Port Noarlunga.

I make the point that it is no good leaving all the hilly terrain as open space without some flatter, undulating land, because in 100 years time the aged still want to walk on some flat or slightly undulating land, younger children will not be

able to walk on very steep land and the disabled will need some flat and slightly undulating land. At present the community is being left all the hilly land, the mountain goat country, but land of reasonable flatness for people to use in their passive recreation is being swallowed up by the urban sprawl. At the end of the day we have to realise as a community that the land that is ideal for housing—and I have been involved in the building industry since 1981—is also quite often ideal for recreation, as well as for parks, future ovals or future sporting needs.

Mr Acting Speaker, you can understand the community becoming very cynical and bewildered with the handling of Craigburn. Each deal that was made by Labor was ultimately broken. I take the point that the Leader of the Opposition made during his Address in Reply speech where he said that the Parliament, the Government and Opposition Parties, have to listen to the people. What is the point of listening if, when you get into power, you do not then enact what the people have told you?

In February 1984 Minda presented to Mitcham council plans to subdivide all the rural land into some 1 380 blocks, only five years after its commitment that that would not happen. It is reported in the *Advertiser* of February 1984 that it had no intention of proceeding:

> Subdivision plans are just tactics, say Minda. Minda Incorporated has plans to subdivide its controversial Craigburn property at Coromandel Valley into 1 380 housing allotments. But it says it has no intention of proceeding with the development, which is the latest tactical move in a complicated and bitter battle over the 335-hectare property. Minda says the plans are primarily to protect the . . . asset (value of) the property. . . Any move to implement the plans will be strongly opposed by the SA Government, conservationists and the Mitcham City Council because of their desire to ensure the area remains open space. . . The current value of the property, which has a plant nursery and is farmed by Minda residents, is derived from a zoning. . .

The last paragraph states:

> A spokeswoman for Dr Hopgood said the Government was 'very concerned' at the subdivision plans. She said Minda had promised in 1978 that its land north of Sturt River would remain open space and would be given a special uses zoning.

It is interesting to note that the article confirms the value was only there because of the zoning given to Minda by this parliamentary process. It again confirms that the Government wanted the land to remain open space. This article also raises the question that, if Minda had no intention to proceed with the subdivision, why did it pay consultants and the like to prepare the plans? Imagine the cost it would have incurred in preparing plans for a 1 380 home residential subdivision. Minda argues that it was allowed to show the real value of the property as it could show that a certain number of blocks could be created. Some in the community doubt that particular reason.

The then Minister for Planning and Environment, Don Hopgood, considered the application to be of major social and environmental importance and used various sections of the Planning Act to try to stall the proposal. In fact, this is confirmed in writing to Mitcham council as follows:

> In a letter to Mitcham council, Dr Hopgood has backed council's move to rezone the land and retain it as open space. Mr Hopgood said that successive Governments had always intended the Craigburn land to remain as open space.

This article also raised the problems about traffic, but I will address that problem later. The community now had guarantees from four Labor Governments and four Labor Ministers that Craigburn would not be developed: firstly, Broomhill, Hudson, Corcoran and then Hopgood. How many times does a Government have to promise something and not deliver it? How many times are the community's hopes raised only to be erased at the stroke of a pen? It is interesting to note that Hopgood says it was intended by successive Governments that Craigburn remain as open rural land. Labor Governments prior to 1979 made guarantees to keep Craigburn as open space. The Liberal Government from 1979 to 1982 did not Act on Craigburn because it understood that the agreement was watertight: it thought the previous agreement would hold.

Even Labor Governments up until 1992 held the view that the north side of Craigburn should be open space. The community understanding was that both parties wanted Craigburn as open space: it was clear by both their public actions and their public statements. Minda had submitted plans for some 1 300 homes; Hopgood had taken them under section 50; Minda therefore threatened legal action; and a working party was established between Minda, local and State Government representatives to try to reach a compromise. In August 1984 the then Minister, Dr Hopgood, announced the concept of second generation parklands and indicated that Craigburn was included in that.

In all three major parkland and open space studies undertaken since 1962, Craigburn has been identified as needing to be open space. In 1985 the community were delighted when the then member for Davenport, now Premier Dean Brown, said in a letter to residents:

> I strongly support the retention of the Craigburn land, north of the Sturt River, as open space for general community use. This land should not be subdivided for housing development. Any land not required by Minda Incorporated for a farm should be purchased by the State Government over a number of years, and then that land should become part of the second generation parklands of Adelaide. Minda Inc., which carries out such magnificent work for the intellectually handicapped within our community, should not suffer financially.

One could be excused for thinking that the parties had exactly the same policy, and on this issue they did have the same policy. It should be noted, of course, that the then electorate of Davenport did not take in Craigburn (it was still in Fisher) but it is important to note that the then member for Davenport was commenting on it because, as the Deputy Leader, to him it was then clearly a State issue.

A further article in the *Messenger Press* again confirmed the then member for Davenport's stance on the issue. It was important because this article was the first time the Liberal leadership position had publicly stated its stance on Craigburn farm. This article also mentioned trees, and the beautiful red gums on the property are still there today. The community is trying to seek legal protection of the trees if the development proceeds. The article also recognised the huge development in the suburbs south—Flagstaff Hill, Aberfoyle Park, Happy Valley, and the like—and how Craigburn Farm acted as a circuit breaker, a breathing space, for those suburbs in between the urban sprawl and the suburbs south.

When we look at the area south of Craigburn, we see that the population has gone from 19 000 in 1981 to 29 300 in 1986 and some 34 000 in 1994—a huge growth of population in the southern area. In 1985 the then member for Fisher, Stan Evans, who had been arguing since 1972 to have Craigburn as open space, moved a private member's motion which was never voted on due to an election.

It was an election year and, if we pause to see what the community had as regards Craigburn, we see that it had the Labor Party committing itself four times to keeping it as open space, with the Liberal Party, of course, voting against the original subdivision and its members now publicly coming

out to keep it as open space. They believed they had the Liberal Party voting against the subdivision from the outset; they believed they had guarantees from Minda that the land north of Sturt Creek would not be developed; and they believed they had a council opposed to the subdivision. On reflection, the community felt some security in that Labor, through Broomhill, Hudson, Corcoran and Hopgood, had wanted the land as open space.

These were senior people: the Premier and a number of Deputy Premiers came from this group. These were, supposedly, the people with vision, the ones who were going to support this State for a long time. Every one of them to a person had committed themselves publicly and in writing through press releases and letters to keeping Craigburn Farm as open space. In 1986, it was recommended that Craigburn Farm be part of the metropolitan open space scheme. This was on top of the recommendation that it be open space as part of the second generation parklands scheme and the 1962 Adelaide development plan. The community had no doubt that Craigburn should be open space.

These Statewide discussion papers recognised the value of Craigburn to the State on three out of three separate occasions. In 1987, Minda submitted a development application for 1 300 allotments on Craigburn, just three years after it had said that the plans were just tactics. So, three years earlier, these plans were just tactics—'Don't worry about it; we're not going to go ahead. They're only there to show the value.' Three years later: 'We're going to develop it.' To stop the development application for the 1 300 allotments, the Government tried to place a section 50 over the development, and Minda again threatened legal action. So, yet another working party was set up to look at this issue.

In 1988, Don Hopgood wrote to the then member for Davenport and said, in part:

> In 1978 agreement was reached between State Government and Minda Incorporated to allow land division on the south side of the Sturt River on the clear understanding that the land to the north of the river would not be divided but retained as open space.

There could not have been a clearer commitment from a Government Minister than what is contained in that paragraph. I will read the important section again:

> . . . on the clear understanding that the land to the north of the river would not be divided but retained as open space.

The letter also states:

> I further indicate that at an appropriate time the Government could negotiate to purchase the land for it to form an integral component of the second generation parkland [scheme].

The letter also states:

> I have no instructions from Cabinet which would allow me to countenance giving approval to developments which would put out of court for ever the chance of the South Australian community being able to use the beautiful area currently occupied for open space and recreational purposes.

It also states:

> . . . I have to say that the Government would use whatever mechanisms available to it to forestall a subdivision.

His summary line is undeniable; it states:

> You will see from the above that the Government is firmly committed to retaining this land as open space.

If the community had received that letter, it would have had absolutely no doubt that that Minister, on behalf of the Government, had made a clear undertaking, as had his three predecessors on behalf of their Party, that that land north of the Sturt River would be kept as open space—absolutely no doubt.

At this point the then member for Davenport smelled a rat. Hopgood's letter also states the following:

> In order to protect this land from premature subdivision, the Governor. . .

That is where the rat comes in; it is a sham to bring the Governor into this letter, because we all know in this place that the Governor acts only on instructions from the Government. So the Minister is saying that in order to save this land from premature subdivision the Governor will take some action. What he is really saying is that the Government will take some action. The sentence concludes:

> . . . the Governor has declared the land to be subject to section 50 of the Planning Act.

Under whose instruction did the Governor declare it? Obviously, it was the Government's instruction. With all due respect to Her Excellency the Governor, she does not sit there and suddenly ring up the Minister and say, 'Hey, Don, I've got a good idea. Let's put Craigburn under a section 50.' Members of this House know that it does not work that way. With the utmost respect to Her Excellency, clearly it was a Government instruction. The then member for Davenport then wrote to Minda seeking its comments on Minister Hopgood's letter. Minda replied, as follows:

> The letter you have received from the Minister. . . sets out some facts concerning the rezoning issue; however, there are some matters which Minda needs to clarify with the Minister before making any further comment.

These are the three groups: the Minister's staff, Minda and local government. They served together on two working parties; they had already concluded and produced their recommendations. So, clearly Minda had some conflict with the Minister. The recommendations were already in place—the reports were finished. On 22 June, Minda wrote again, saying:

> I think the best way to respond to the issue is to advise you of the most current status. . .

In other words, let us not worry about what the report says. Now that the Government and Minda have got together and had another chat about it, let us talk about the current status. Members will see that definitely something was going on. In its letter Minda stated:

> I understand that Cabinet did not agree to the proposal; however, Minda did indicate its agreement in principle.

In his letter, the Minister states:

> The State Government particularly, and Minda Incorporated as well, had difficulty in accepting the recommendations.

I do not know whether they attended the same meeting. Minda said it was happy; the Government said that Minda was not happy. They went away and had another chat and came back to decide what they would do with the land. The community suspected that the Government was holding a gun at Minda's head. It definitely had some sort of agenda. We do not know what the recommendations were, because two reports have never been released; and I will take up that matter with the current Minister in due course. However, the community suspects that the Labor Government did not purchase the land because State Bank and SGIC problems and other Labor disasters had started to raise their head at this time.

Things went quiet; it was indeed the calm before the storm. In April 1992, the Mitcham council received in the post a draft Craigburn Farm supplementary development plan for comment by 11 May. The Government gave the council a generous 19 days to consider this development. It had been

going on in the community for 20 years, and the Government gave the council 19 days. On 4 May, the council sought an extension of time and received a letter in reply on 13 May saying that the extension was not granted and that the submission was due on 11 May. One wonders about the workings of the former Labor Government.

The Government worked hand in hand with Minda to develop the SDP, but despite 20 years of assurances and guarantees from Labor Ministers Labor did a deal that possibly would help to develop Craigburn Farm. The unusual thing about this SDP is that about four acres of the whole development happened to be in the Happy Valley council area. The importance of those four acres is that it meant that the development was spread over two council areas, which meant that neither council could act as the development authority. Therefore, the Government's planning department had control of the development.

Some people in the community believed that was done deliberately so that the local community could not control the development. However, the community saw a glimmer of hope when on 14 July 1992 Liberal Leader Dean Brown released a press statement on Craigburn Farm, which states, in part:

> 'The parliamentary Liberal Party met last week and agreed that Craigburn Farm, one of the largest tracts of vacant land in the metropolitan area, should be maintained as open space,' Mr Brown said.

It states further:

> In accordance with past commitments, Mr Brown said the Liberal Party supported the retention of the whole of the Craigburn Farm property, including the development of open space for recreation.

The community believed that this could be interpreted in only one way: that the Liberal Party's position was, as it had been in the past, that it supported the retention of the whole of the Craigburn property, including the development of open space for recreation. It is interesting to note that over that 20 year period from 1972 to 1992 that was the consistent Liberal policy.

It was at about this time that the *Hills and Valley Messenger* reported that the Institute of Architects had stated publicly that Craigburn Farm should not be developed. Those trained in professional development and building design said that Craigburn should not be developed. In February 1993, an article in the *Sunday Mail* stated that then Minister Crafter had announced a 1 600 home development on Craigburn Farm and that the land area had increased from 62 to 69 hectares. The parliamentary Environment, Resources and Development Committee recommended a 90 day moratorium, but the Government rejected that proposal.

We have now reached a stage where this development is being discussed between Minda and the council. Concern in the community is still strong. Even the State Executive of Girl Guides—hardly the strongest political lobby group—has come out and asked the local member for Davenport to reject the development of Craigburn Farm.

During the consultation process 590 submissions were made to the Advisory Committee on Planning, and that is a State record for any development. So, if people think it is not a big issue, and if people think that the community is not concerned about it, I ask them to consider that there were 590 submissions on the one planning application. Over 16 000 signatures have been presented on petitions in this place opposing the development of Craigburn Farm, including one from the then member for Elizabeth, the Hon. Martyn Evans. So, when the people of Elizabeth are petitioning to save land at Blackwood, it must be considered an Adelaide metropolitan and South Australian problem.

Another indication of the community support is the excellent work in setting up a community trust, which is trying to raise money to fund the purchase of the land. In 1993, the then Labor Government purchased 181 hectares of open space, which does not have to be paid for, by the way, until after the year 2000. Not a bad deal! It made the commitment to buy it and shoved the price on to the next Government. That is not a bad way to do business! We must be aware that, in relation to that land, it did a deal for cheap open space. There is no doubt in the community's mind that the then Government said to Minda, 'You give us some open space land cheap and we will allow you to develop some of the better land for a low to medium density housing development. You get your money out of that development, and the Government does not have to spend much money to get the open space.'

The point I make about the open space is that it is steep, unusable country. In 100 years people will not want to play football or fly a kite on that land, because it is suitable for only mountain goats. In 100 years we do not know what sporting facilities will need what land, so it is pointless preserving only the steep unusable land.

I turn now to traffic in the area. In a letter to the residents in August 1985, the then member for Davenport (Hon. Dean Brown) said:

> The Old Belair Road is a public disgrace.

In *Hansard* in 1985 he described the Old Belair Road as follows:

> The worst road in the metropolitan area particularly when one considers the large volume of traffic, which was 5 500 vehicle movements per day.

In fairness to the authorities, some minor work has been carried out since then. Parts of Old Belair Road have been widened where the rocks were jutting out, it has been resurfaced and a roundabout has been placed at Blythewood Road. However, between 1985 and 1994 traffic has increased from 5 500 vehicle movements a day to 14 500 vehicle movements a day. So in 8 years the traffic volume has nearly trebled, and this is a consequence of the development down south that I spoke about earlier. A further 9 000 vehicle movements are recorded on Belair Road, which makes a total of 23 500 vehicle movements on the main road of Belair every day.

I ask members to consider that, on South Road, where there are three lanes for traffic in each direction, there is an average of 5 125 vehicle movements per hour in peak hour as of this date. The traffic going through Belair is equivalent to 14 hours of peak hour traffic on South Road in one lane. The development at Craigburn will add an estimated 2 000 vehicles per day on a road that has been described as 'a national disgrace' and 'one of the worst roads in the metropolitan area.'

I do not know whether the Minister for Transport (Hon. Di Laidlaw) or I was more surprised when two weeks ago the *Messenger* reported the following:

> Road Transport Department spokesman Martin Lindsell said there were no plans to upgrade Old Belair Road and James Road or to build another access road from Belair to ease the traffic snarls. . . ..Statistics based on traffic flows, accident rates and pedestrian use showed that 'other roads had higher priorities and higher needs.'

Mr Lindsell is quoted in the article as follows:

> Many other roads in the Adelaide Hills have similar problems.

The article also states:

> He also said Craigburn Farm, if developed, was unlikely to prompt any new plans for Old Belair Road or James Road because the department tried to encourage people to use main arterial roads, not local roads.

I do not know which main arterial road he is talking about, because there is no main arterial road out of Belair; we have only two roads out of Belair, and they are Old Belair Road and Belair Road. I do not know which arterial horse tracks he is talking about, because essentially that is all they are—slightly widened, slightly flattened old horse and buggy tracks that have been bituminised. Yet, we have all this traffic from down south travelling down these roads. The article also states that many other roads in the Adelaide Hills have similar problems. That may be true, and I have lived in the Adelaide Hills all my life so I am aware of what he is talking about, but other areas in the Adelaide Hills do not have a Craigburn Farm being developed, and they do not have the traffic coming from the south that the Blackwood area has.

Previous Governments have gone to extraordinary lengths to try to prevent development in other areas of the Adelaide Hills. We all remember the uproar when the Hon. Susan Lenehan brought down the Mount Lofty Supplementary Development Plan banning all development from Victor Harbor through to the Barossa Valley. So, it is all right to say that the other Adelaide Hills roads have similar problems, but they do not have the development to contend with or the traffic flowing through them. The reason there is no pedestrian use is quite simple: there is no footpath or cycling track. The cycling track essentially consists of the two inches of road to the left or the right, depending on the lane in which you are travelling, if you are game enough to risk it. Personally, I am not that game.

The previous Government's attitude to the traffic problem in relation to the Craigburn development may well have been summed up in a *Messenger* press article of March 1993, where a planning department manager, Elmer Evans (who is not related to me), is quoted as saying:

> The report outlined heavy traffic on Hills roads if Craigburn was developed, but the Government thought it would not affect the Adelaide metropolitan road network and that is why the development was approved.

I hope that Mr Evans is not implying that, because the road is not in the Adelaide metropolitan area, it is not important. I would be delighted to hear the thoughts of the member for Unley about whether any of the Hills traffic contributes to the traffic problems on Unley Road in his electorate. Despite all these problems, the STA is now on record as saying in its submission to the Planning Commission:

> No evening or Sunday bus services are provided in the Blackwood hills-Coromandel Valley area. . . .The STA has no proposals to extend public transport. . .

The STA also comments on the safety aspects of closed culs-de-sac in an area of high fire risk. So, we have on record from the STA that we are not going to get any extra public transport in this area if Craigburn goes ahead. The problem is that the traffic will flow over into all the other minor roads such as Brighton Parade. It is clear that public transport will not be extended for this development, and that is simply unbelievable.

The traffic congestion combined with the right conditions will one day see a holocaust occur in the Mitcham hills because of fire if Craigburn is developed. There is absolutely no doubt about that in my mind. Craigburn is technically out of the bushfire prone area, according to the authority's definition. Why, I do not know; we only have to look at the New South Wales experience to realise that the Mitcham hills and Craigburn will burn if the conditions are right. However, there is a history in the area of fires getting out of control due to a lack of water pressure or volume. Caddy's Tavern burnt down due to a lack of water pressure and volume and, when attending a fire at the Blackwood Primary School, the local firefighting units had to wait while they ran out extra hoses to the main road because there was not enough firefighting capacity in the water pipes feeding to the schools.

Water is so scarce that the Blackwood High School principal goes to the school at 12 midnight to water the garden and the ovals because there is simply not enough water and not enough pressure in the pipes to water during the day. That is an amazing situation; yet they intend to put a development within three or four kilometres of another 1 300 homes. Water is supplied to some of the area through water storage tanks, and I hope the new development is not part of that area because, only two weeks ago, the pumping system on the storage tanks failed. It would be a disaster if that occurred when it was needed for firefighting purposes. My family has lived in the Hills now for six generations, and I know that one day a fire will occur; it may not be in my lifetime, and it may not be in my son's lifetime, but it will happen. My real concern is that the roads will not carry the traffic out of the area on the day the fire comes, and the locals know that. A further development will contribute to the problem. I have a lot more to say on this topic, and I hope to pick it up on another day.

I thank my campaign committee for its assistance and also my family for their assistance during the preselection process and during the election. We certainly fought a very hard battle and we were delighted to win it. I hope I have the opportunity to pick up some more of these comments in due course.

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

The SPEAKER: Order! I point out to the House that this is a maiden speech, and I ask that the normal courtesies apply to the member for Coles.

Mrs HALL (Coles): Mr Speaker, I am pleased to support the motion for the adoption of the Address in Reply for the first time tonight as the member for Coles under your oversight. The definition of 'volunteer' is a person who serves without payment and who undertakes work by free choice. The victory in Coles and, indeed, in South Australia would not have happened without the large numbers of Liberal Party members and campaign workers, the talented and tireless women, the volunteers who worked so hard over so many years to see our Party win enough seats to sit on the right of the Speaker. They obviously did it so well that eight of us have had to overflow. In my case, I pay tribute to my campaign committee, the electorate committee, the branches of Athelstone, Auldana, Skye, Magill and Rostrevor, and the Coles Young Liberals, along with many friends and supporters, for their commitment and part in our victory.

Multi-skilling is on the rise in the community, but very specifically within the Liberal Party. These days it is not just the magnificent hard-working Young Liberals who are expert in the night duties of poster patrols, the talent required to create campaign roses, the art form and speed requirements for folding literature and, of course, the satisfaction of door knocking in searing heat. To them, I say, 'Thank you, and the

effort was certainly worth it.' I give a special thank you to my family who tolerated and supported an active and tired candidate for more than 12 months, often severely disrupting their own busy and active life styles.

The exploits of Sir Jenkins Coles, after whom my electorate is named, makes great reading. He was born and spent his early days in New South Wales and, after a sojourn in England, he arrived in South Australia in 1854, aged 21 years. He worked in the Mid North as a stock and station agent, married Ellen Henrietta Briggs, who had 11 children, and won a seat in this House in 1875. His policies were described as sober, sane and safe. Quite obviously, he was not cut from the same cloth as the previous Labor Government. Later, as a Minister, he supervised his lands and immigration portfolio. Mr Speaker, you will no doubt be interested to know that in 1889 Sir Jenkins Coles was elected unanimously to the position you now occupy after electorate turmoil and the restructuring of a Cabinet. 'The best prize fighter makes the best referee', the papers said at the time, and so it turned out to be. Coles, as one account had it, was alert, suave and a wise arbiter.

Mr Speaker, I am sure that your service will be accorded the same glowing reviews. I congratulate you upon your election as our Presiding Officer. It is a culmination of and a fitting reward for your long and extremely active service to your electorate and the Parliament. I can assure you that I do not plan to cause you difficulty in maintaining order—deliberately, at any rate—on this crossbench. I am delighted to be part of this new reforming Liberal Government, and I look forward to working within this parliamentary system to rebuild the living standards of South Australians.

Along with other new members, I have listened with great interest to the Address in Reply debate. There can be few occasions in our State's history when so many first-time members have entered Parliament together, and I have spent a good deal of time reflecting on what it means to be a representative in the South Australian Parliament and, indeed, a South Australian. What is it that best symbolises this State of ours? Is it the coat of arms that adorns official documents, or the various designs of the piping shrike representing the toil and the optimism of our pioneers? Is it the history in our parliamentary growth from a British colony to a self-governing State within the Commonwealth of Australia? Is it our trail-blazing reforms of voting rights for women 100 years ago and legislation for women to stand for Parliament before the rest of the world? Is it our rugged geography, our cities and towns, rivers and coast lines that make our State unique? Is it our economic growth that gives us our agricultural, mineral and industrial muscle to sustain our population, or is it the growth of that population itself? I reflect, somewhat to my amazement that, since I arrived in the world in 1946, South Australians have grown in number from 640 000 to 1.46 million in 1993, an increase of about 125 per cent. In truth it is all of these, but most obviously South Australia is best portrayed by its community, and we are a community and a State because we are a people.

This Parliament is the link and representational force between the community and the ordered and civilised society that people need. It is their public opinion expressed in the many ways our democratic society provides that makes society work. I offer my congratulations to all office bearers in the House and to those who serve on the various parliamentary committees. In particular, I congratulate the Premier for his leadership and for the stunning success on 11 December last. But the election is over, and now it is time to get on with the business of Government and serving our electors as best we can and in a manner they deserve.

We all deplore the cynicism the public has about politicians and the political process. However, it is understandable, given the performance of the previous Government. Our massive election victory has given the new Liberal Government the chance to repair this and regain the respect of the South Australian public. It is the responsibility of all of us who are part of this Government to ensure that our administration is of the highest standard and that we understand the contract we have now entered into with all South Australians.

Many campaign promises outlined in the Governor's speech have already been translated into positive action, and I congratulate the Ministers on those initiatives. This new direction, confidence and enthusiasm is the way back to economic health for South Australia. Our State has been deeply wounded. My electorate of Coles has not been spared the distress. Coles is a people electorate where people live and enjoy their local community and sporting services, and many head off elsewhere to go to work; in fact, more than 10 000 of them travel by car.

Coles is well-served by three areas of local government: the Corporations of Campbelltown, Burnside and East Torrens. People come from a diverse range of backgrounds and countries. For example, the Italian language is spoken by nearly 20 per cent of the people in Coles; Greek and German by about 3½ per cent; and Chinese by nearly 3 per cent. Overwhelmingly, the major issues confronting the people of Coles are jobs, employment opportunities and the need for economic growth and development. I was not surprised by the result of an electorate survey I conducted in mid-1993. As well as those issues, the poll also uncovered additional matters of major concern to my constituents, namely, the lack of security and public safety at the Paradise interchange and the need for feeder bus services to encourage greater use of public transport, in particular the O-Bahn, and the other matter of the potential fire danger through lack of management in the Black Hill Conservation Park. Over the coming weeks, I intend to pursue these issues. Given the time of the year, the fire hazard in the Black Hill Conservation Park is of particular concern.

I have already made representations to the Minister, who is anxious to redress the lack of resource and management plans of the previous Government. I look forward to establishing a partnership with my electors to serve their local needs and their wider interests across the State. Unfortunately, the relationship of the previous Government with the people of South Australia was anything but a partnership. There is little need for me to detail here the failures of the Bannon and Arnold Governments. The voters' sweeping condemnation of the Labor Government at the last election was a demand for higher standards in administration and a far more open Government.

But allow me to cite just one particular instance of Labor's arrogance and inaction in office, and the cold neglect of its humanitarian responsibilities. This saga should be of concern to all members of this House. On 25 November 1992 around midday, nearly 16 months ago, the De Corso family, residents of Gorge Road, Paradise, and constituents of Coles, experienced the horror of losing their home of nearly 30 years. They did not lose their home to a bank or finance company repossession, nor indeed was their loss due to any neglect of their own.

The drama began when an E&WS Department pipe exploded violently, flooding their house, ruining their

possessions and setting off a chain of events that shattered the lives of five people. That day their troubles only began; sadly, they are not yet over. In the days following, the E&WS Department acknowledged the fact that the pipe had burst, admitted that it had been repaired several times in the previous decade, assisted in the clean up of the De Corso home and pledged its ongoing cooperation. The insurer, FAI, stated that it would honour the house insurance cover, and it should be commended for its cooperative approach to this incident.

But after six weeks and little further contact with the De Corsos, the then Minister of Public Infrastructure, who also happened to be the local member supposedly representing the De Corso family, reportedly said through a spokeswoman that the E&WS Department would not admit liability and urged the family to seek compensation through their insurance company. Dismissively, the Minister added that there was not much he could do, and he washed his hands of the matter. I ask you, Mr Acting Speaker, where was the accountability, where was the compassion and where was the good old-fashioned local representation from the previous member and Minister?

Over the next few months the De Corso family sought legal assistance. The engineers got busy with technical reports and the E&WS Department explained that the pipe had not been expected to corrode so quickly. That provided little consolation and certainly no resolution. Again, the previous Government chimed in, not with any offer of assistance but with a statement that the E&WS Department could not guarantee compensation until the De Corsos reached agreement with FAI insurance. The family moved into a nearby unit that they owned and lodged claims for personal items and household contents. Back came the bureaucracy, armed with a plethora of reports dominated by toing-and-froing over the technicalities of the incident. Again, no action to assist and still no resolution.

Once more, the Government and the then Minister/local member prolonged the agony of this family with lame excuses. I am not a patient person when in the pursuit of justice. Justice should be swift, and in this case it has been anything but. This affair is a classic example of Government inaction at its breathtaking worst. Sadly, there is more. Members of the De Corso family have had to receive counselling to enable them to deal better with their trauma, their sadly changed circumstances and their ongoing plight. A petition was organised and presented to this Parliament: the E&WS Department criticised it. Still, the Government did not act. Only the usual: nothing. Again, nothing at all.

In August last year the member for Heysen put a question to the Minister and local member in this House. The response was predictable: a ringing endorsement of the manner in which he and his department had handled the situation—but with sensitivity, you will be pleased to know. No action, no intervention, no settlement, but sensitivity. Now, nearly 16 months on, I do not intend to sit here and listen to the excuses for a vanquished Minister or a deaf department. Is it any wonder that cynicism abounds when ordinary people speak of politics, bureaucracy and the law? Is it any wonder that people feel that they are being cheated by the very systems we have put in place to serve them?

How do we convince the De Corsos that we are here to help? How do we convince the voting public that we are on their side when an issue such as this contrasts so vividly with, for example, the separation pay-outs at the time of the State Bank debacle. For several months I have been working through this ordeal with members of the De Corso family. I am committed to having this dreadful situation resolved as soon as possible, and I seek support from the new Minister for Infrastructure to take action as a matter of urgency. I cannot comprehend the attitude of a Minister or of a Government that would fail to admit responsibility for damage so obviously caused by its own installation.

Sadly, this indifference and buck passing was all too prevalent during the tenure of the now defeated and disgraced former Labor Government. I hope the remnants have learned a lesson. Just ask the lonely ones who sit over here—the 10 green bottles hanging on the wall. But I am sorry, Mr Acting Speaker, it is now down to 9, because one just fell off into Bonython.

One person who never forgot the duty to her electors was Jennifer Cashmore. Along with many other Liberals, I shared the joy and excitement of her election in 1977. In that year she won the seat of Coles and commenced a successful political career that lasted until her retirement last year. Jennifer was an effective and reforming Minister of Health in the Tonkin Government, and it is to our State's detriment that the majority of her service was spent on the Opposition benches. Even so, Jennifer Cashmore's contribution to the political process, to Parliament and to Government, was significant. Her pursuit of policy initiatives in areas of the status of women, women's health, the environment and tourism and, of course, her determination over the State Bank issue will be remembered and applauded. I know that this Parliament and the people of Coles wish Jennifer a happy and active retirement from formal public life. As her personal and political friend, I join with them in extending my thanks and best wishes, as she embarks upon the next stage of her life, sharing her time with her husband and friend Stewart Cockburn.

Jennifer's retirement from this House came on the eve of the centenary of women's suffrage. This year in South Australia we celebrate 100 years of voting rights for women. As Jennifer's successor, I am proud to be the fourteenth woman to speak in this Chamber. However, I am sure that members on both sides of this House will agree that the number of women here is still too small. This forty-eighth Parliament is an improvement on the last, at least, because there are more women and certainly many more Liberals. But there are still giant leaps to be made if the number of women in Parliament is to be in healthy proportion to the number of women in the community.

I share the sentiments expressed in the many tributes given during this debate to the late Joyce Steele and Jessie Cooper. However, I recommend some of the reading material contained in the women's suffrage centenary kit. It is an instructive and thought provoking set of material. In addition, of course, it concentrates the mind on the further attitudinal change that must take place. It is fascinating to reflect on the views of many in the debate over women's suffrage that took place a century ago.

What evils and ills would befall our society if women were accorded the right to vote? The 'nay' sayers of the day said it best:

> Women are smaller than men. Their brain is also smaller. Does it not follow that their intellect also cannot be so great? You may now and again find some clever woman, with far more intellect than the average man; but that does not put the sex as a whole upon an equality. They never can be on an equality, for nature has not made them equal. Therefore, to add largely to the weaker voters who are still more weak would be an absurdity.

That was 1894. But there is more:

> It is a grave mistake and crime against the next generation for women who hope some day to be mothers to spend in study or labour the physical and nervous vitality that should be stored up as a kind of natural banking account to the credit of their children. Every woman who uses up her natural vitality in a profession or business or in study will bear feeble, rickety children, and is indeed spending her infant's inheritance on herself.

That again was 1894. But, of course, they were speaking on the question of women being allowed to vote: standing for Parliament was another thing altogether. I again quote:

> Notwithstanding their intelligence, I doubt whether they would ever be able to form a sound, substantial opinion on such questions as public works, water conservation and the building of railways.

A pretty enlightened bunch! Happily, though, their voices were heard, they were drowned out by those of reason. But a century later, of the 47 seats in this House, only five are named after women. In subsequent redistributions I would like to see a lot more women's names given to the State electorates.

As progressive as we in South Australia have been in attempting to provide equality of opportunity for women, our State has also been in the forefront of electoral reform. We were early pacesetters to establish a full democracy. Later that led into a lethargy that held back essential reforms until the 1960s and 1970s.

In recent years a great deal of scrutiny has been given to the mechanics of fixing electorate boundaries. This in a way has been a surprise, given that the changes that took place nearly a quarter of a century ago gave us a system that was expected to be fair because it was based on one vote one value. However, problems arose from the geographic imbalance that existed in South Australia in the distribution of Liberal and Labor votes.

Following the 1989 election, when a strong 52 per cent Liberal vote resulted in the return of a Labor Government, the Parliament legislated to require the Electoral Commissioners to take note of political Parties' voting strengths and draw boundaries aimed to produce the maximum number of marginal seats. We in the Liberal Party surely cannot complain about the results. Nevertheless, Parliament should know the results of the Commissioners' work in some detail and their reasoning should be available to the voters so that they can better understand the system by which they elect their members. The Act requires another distribution and this action to be taken after each election. The expectation is that this work will be carried out with efficiency and without partisan dispute. However, electoral distributions and the impact of the Constitution and the Electoral Act under which they operate are always with us.

I believe we should establish a joint parliamentary standing committee on electoral matters. This would enable constant monitoring of such work, review the conduct of the 1993 election campaign, review other matters referred to it by the Parliament, recommend appropriate reforms and from time to time report publicly on their effect. In proposing a new committee, I do not suggest the additional expense of more committee salaries. In fact, I believe that since State parliamentary salaries have been raised to the national standard committee members should not expect an additional salary. The chairman, yes, and any expenses incurred by members in attending such meetings should certainly be reimbursed. However, in promoting the formation of a new joint parliamentary standing committee my intention is not to begin a controversy over payments to members of existing committees who have accepted their assignments in good faith. I would like to see the general question of those payments at some time seriously examined.

As a pointer to the future, I suggest service without additional salary for those who would serve on an electoral committee such as I have suggested and on any other committee that the House sees fit to establish in the future. The work of the parliamentary committees should be an important instrument in the delivery of more efficient Government services and greater accountability as we move towards the twenty-first century. We have been through trying times in South Australia and many other issues merit mention; however, I can assure my colleagues that I will detain them only a while longer.

All segments of our society are affected by what we do here. It is often said that a community is judged by the way it treats its elderly citizens; others say we should be judged by the way we care for our children. As a long-time member and supporter of UNICEF, the United Nations Children's Fund, and currently a member of the South Australian committee and a director of the national board, I draw your attention to three important UNICEF publications: 'The State of the World's Children 1994', 'Child Neglect in Rich Nations' and 'Progress of Nations'. I do this because of a number of the disturbing trends and findings contained in these reports.

As a nation we cannot be cannot be proud to head the list of industrialised countries in suicides of young people. The figures graphically show that the number of suicides by those aged between 15 and 24 in this country has nearly doubled from 8.6 per cent per 100 000 in 1970 to 16.4 per cent in 1990. In addition, another chart shows Australia third among industrialised nations of children living in poverty. In a nation like Australia, such figures are totally unacceptable. They demand that we focus on policy goals and outcomes as they affect individuals, not 'others' or 'them', but people's sons and daughters, grandchildren, nieces and nephews.

The question of our declining child immunisation program is another defect in our society that is entirely preventable with just a little effort. As a nation we are now listed twenty-sixth in the industrialised world with only 68 per cent of our children immunised against measles. We are well behind the world average of 77 per cent, and shamefully behind a number of the developing nations, including a Commonwealth nation, Zimbabwe—83 per cent of whose children under five years of age are vaccinated. Priorities of a country or a State sometimes need to be refocused, and our immunisation program is one we should seriously address. I commend these three publications to my colleagues. They are thought-provoking documents and a source of startling comparisons and revelations.

I hope members of this Parliament will favourably consider an invitation that is about to be extended to them to join a parliamentary 'Friends of UNICEF' committee with shared objectives, which would involve keeping a watching brief on these and other matters, as well as buying attractive greeting cards and products to assist the world's children. It may seem simplistic and self-evident, but the myriad things we seek to do on behalf of the people of this State will be possible only if we can generate sufficient economic viability to support them. South Australians are justly proud of their growing export markets. The world car concept is the leading edge for us on the industrial export front through the expansion of Mitsubishi and General Motors-Holden's, and

Asia beckons through its wide diversity as our major trading link.

However, a 20 million population figure is in sight for this country. Our home market will be our biggest market for secondary industries for a long time into the future. Our industries need more than the support of Government. When any of us buys imports instead of Australian and South Australian products, we shift jobs out of our work force and send them overseas. More and more people understand that we can make a difference if we buy Australian. More still need to realise this simple truth.

I trust that the Government will be vigilant, too, in supervising its purchasing authorities to buy Australian jobs wherever possible. We need to capitalise on the early successes of our Government. We will attract investment funds into South Australian enterprise only if we are seen to be promoting sound business practice. We are due for some share of good fortune after the debilitating problems of recent years. It may arrive in the form of the recently revealed mineral potential in the north of the State; it may be success in the continuing and tantalising search for petroleum.

Dr Hewson's recent support of the Federal car plan removes the shadow of uncertainty from our local car industry—a welcome change of direction from policies that could well have meant the end of local manufacture and the loss of thousands of jobs. Now we can look forward to increased investment and still more jobs for South Australians. We must continue to represent our case with the other States and on the Federal scene. Above all, we must maintain Australia-wide Government support for the financial equalisation scheme between the States. As one of the smaller economic units, South Australia is dependent on the assessment of the Grants Commission and the determination of the Federal Government to compensate disadvantaged States.

In this wider context, I am sure that these issues are in good hands that will negotiate wisely on behalf of South Australians. I look forward to the working year of this Parliament. I have great pleasure in supporting the Address in Reply.

Motion carried.

SUPPLY BILL

Adjourned debate on second reading.

(Continued from 22 February. Page 162.)

Mr QUIRKE (Playford): This Bill, as indicated by the Treasurer's explanation, contains an appropriation of the order of $1 800 million to enable the Government to continue to provide public services for the early part of 1994-95. It is rather interesting that twice during the parliamentary year we go through the exercise of considering a Supply Bill providing for the appropriation of such funds. This Bill provides for Supply for some considerable time into the future. Then, later in the budget session of Parliament, we go through the whole exercise all over again.

It is interesting to see from the Treasurer's speech the way in which the new Government is approaching the economy and tackling some of the issues that face it in terms of where the money is coming from and how it is being spent. We note, for instance, references to the transfer of many of the traditional services that have been undertaken by—and, indeed, have been the province of—Government agencies. The argument now is that they will be contracted out, and I will come back to that in a moment.

Indeed, much of the debate associated with the Supply Bill revolves around the fact that many things will be done very differently in the future. What we find, for instance, is that many of the assets owned by the Government on behalf of the people of South Australia will be progressively privatised. We have seen some estimates in dollar terms as to how much those privatisation programs will mean over the next 12 months and, indeed, over the term of this Parliament.

Some figures have been bandied around. I heard one mentioned today, although I believe that there is some doubt about that particular figure. It is said that an asset sale program can obtain about $800 million by the end of this year. As I understand it, the figure being touted around the place is in the order of $1 billion over the first parliamentary term. That is in addition to many of the other programs initiated by the last Government. These asset sales are meant to be over and above those foreshadowed in the last Supply Bill and in the 1993 budget.

Let us look at some of the assets that may be going to the auction block. I use the word 'may' because, as I understand it, in a number of instances the actual value of these assets is somewhat dubious and the figures are somewhat questionable. First, a public float of SGIC has been suggested. I understand that that seems to be the preferred option of the new Government. There was some suggestion by the NRMA that it would be interested in a trade sale of SGIC, or at least the larger part of it, because I believe the Government has decided that it will retain SGIC's compulsory third party operation. I am actually pleased to hear that, because I think one of the great success stories with compulsory third party and SGIC has been the holding down of premiums.

Members will recall that in the late 1970s SGIC picked up compulsory third party insurance when none of the other insurance companies would have anything to do with it. It is very interesting to see that registration statistics now show that in South Australia compulsory third party insurance is about 65 per cent of the cost of a similar level of insurance in New South Wales.

If we look at SGIC as a body and we remove the compulsory third party insurance operation from the whole equation, what is SGIC worth? One of the things that needs to be said immediately is that SGIC has already had a great deal of provisioning by the previous Government, much of that involving 333 Collins Street. According to the figures supplied to this House last week, SGIC returned to profitability in the latter half of last year. However, on our estimates, a public float of SGIC would not be possible without a very substantial capital injection by the Government. A public prospectus could not be issued without an injection of possibly as much as $200 to $300 million. The net return from privatising SGIC would then be measured in tens and not hundreds of millions of dollars.

Put plainly, SGIC's worth—which was the subject of some parliamentary questioning in this place last week—is much less than any reasonable assessment in terms of a public float would indicate. We therefore find that SGIC is not likely to make any great contribution to the $1 billion that is supposed to come off the State debt. Indeed, it may well cost more to sell SGIC by way of a public float than a public float itself may obtain.

The Pipelines Authority of South Australia is another issue which has been debated in this House over the past few days. There is some confusion between the Premier and the Treasurer as to whether or not the provision of compensation from the Commonwealth Government is essential to make

that a viable exercise. Indeed, what we are finding with the Pipelines Authority of South Australia is that there seems to be some doubt as to the overall value of selling that enterprise, particularly given that the Commonwealth Government, since its agreement in respect of the State Bank of South Australia and the sale of the State Bank of South Australia, has now walked away from paying any further tax compensation to the States.

Before the election the Opposition said that tax compensation really did not matter. It now says that it is an issue, that it will raise it, and it will discuss it at COAG. The Government says that it will discuss it wherever it can, and it will discuss it at the Premiers Conference. At the end of the day, it is now vital to the equation. It is the Labor Party's view that the Pipelines Authority of South Australia will not contribute very much to the piggy bank that the Government seems to talk about.

The State Bank of South Australia is a very interesting exercise. Provisioning to the tune of $3.15 billion is an enormous amount of money. Indeed, the amount of interest that is necessary to prop up that provisioning is about $175 million per annum. The figure varies depending on the level of interest rates. It may well be the case that, in a few years, interest rates, and the amount of money that has to be found out of the budget to pay those interests rates, will be much higher than what they are today. Interest rates, in a nominal sense, are at their lowest level for many years. A number of people have taken advantage of that in our broader community. I do not know how much of that has flowed through into the rural community. I understand that some of the benefits of those lower interest rates have flowed out there, but not as many as in other areas of endeavour. Certainly, where the Government is concerned, the interest bill for that provisioning for the State Bank is much lower than would have been the case some three years ago at the interest rates that prevailed then.

Current interest rates may be with us for only some years. I hope I am wrong where that is concerned, but interest rates have fluctuated greatly in the past 20 years, particularly since 1984 with the deregulation of the banking sector. It is my view that we cannot base all our future figures on the present cheap rate of money. I believe that last year the good part of the State Bank of South Australia registered a profit of about $110 million. However, that pays for the losses of only some 65 per cent of the provisioning of the bad bank.

The previous Government decided to sell the State Bank as a whole entity, and the reasoning behind that was two-fold. The first reason was that the good bank's network in South Australia was its greatest selling point. The network which is out there, and I refer to the 177 branches or shopfronts, is the main reason that somebody would want to buy the bank. As a consequence of that, the idea of selling it to one of the existing banks that already had a network was not seriously entertained, nor, as I understand it, was it a very popular option for any potential purchaser. There were others who could buy the network as a whole, use it as a whole, and guarantee the maximum level of employment in that area.

It appears that the new Government is not going down that road. The new Government is going down the road of a float or a share sale of the State Bank of South Australia. Indeed, from statements that were made yesterday, both in this House and outside, we find that apart from the share float and the Bills soon to come in here to corporatise the State Bank of South Australia—and all the attendant parts to that—a float of the bank is preferred over a trade sale, and the Government is going to keep a large and controlling shareholding in the State Bank of South Australia. If that is the case, the sorts of figures that could be realised from the sale of the State Bank, which were factored into the Labor Party's debt reduction strategy last year—and as I understand it there is no pass to this extra $1 billion that will be achieved in the piggy bank—are unlikely to be realised. If the Government sells off the whole of the State Bank of South Australia in a float, our estimate is that about 65 per cent of what the bank would be worth as a trade sale will be the figure achieved.

If the Government is intent on keeping a large shareholding in the bank, or if it is going down the road of keeping a golden share in the bank, the value of that float will be much less. So far, looking at SGIC, the Pipelines Authority, the bad bank and the good bank, we have not found the sort of money that was being talked about before the election and is still being talked about by the Liberal Party.

I now turn to the Adelaide Entertainment Centre. Basically, commercial assets sell on the basis of profitability. You cannot have it both ways. Something cannot be hopelessly unprofitable and at the same time worthy of a sale that will significantly add to the coffers of this State.

Another item that is going to the auction block is Enterprise Investments. The Economic and Finance Committee looked at this organisation last year. Indeed, it is a reasonably well cashed up entity, and I would be quick to concede that Enterprise Investments has gone out there and invested relatively wisely. That surprised some of us who looked at it because it was supposed to have been a source of risk capital for enterprises in South Australia that could not get capital from any other source. We found that it put some 60 per cent of its money into guilt-edged stocks and, at the point that we had looked into it, it was an extremely affluent organisation. If Enterprise Investments is liquidated, the money that that would realise might just about balance the books with respect to the Entertainment Centre. However, we still have SGIC, the bad bank and the Pipelines Authority of South Australia.

As I understand it, the new Government is looking for a quarter of a million dollars of land sales. That is an enormous amount of land. The figure with respect to the sale of land out there for retail or commercial development is about $4 per square metre. If I multiply that out, it works out to millions of square metres. With a commitment already in the Golden Grove area and in the Regency Gardens area adjacent to my own electorate, which involves some 7800 home sites, and with a number of other smaller projects around the place from the Urban Lands Trust, there is little likelihood of being able to sell a further $260 million worth of land over the next three years.

I refer now to increased economic growth. I think there are some signs that we are seeing an increase in economic activity. There is no doubt that that will have a number of effects that will be of positive benefit to the South Australian coffers.

If the value of real estate continues to rise as it has for the past six months and if the number of sales continue at the sorts of levels on which we have received information over the past few weeks—and I believe the Treasurer made a statement to this effect last week—we will see a modest increase in the amount of return from, in particular, stamp duty in South Australia. In addition, however, the Liberal Party's election promises have, as I understand it, been given a fairly good costing by the Treasurer. In a statement that he made in the *Australian* last Friday week, the Treasurer indicated that about $178 million would be needed to fund all

the Liberal Party's promises that were made in the period leading up to the election on 11 December. If that is the case, no doubt we will debate in this House not only Supply but a number of tax increases or a significant number of service cuts.

The reality of the past few years is that we have been living in South Australia on not only what we have received from Canberra and what we have been able to generate by way of taxation but also on credit cards. There has been a significant increase in the level of State debt in South Australia which is not attributable to the State Bank or SGIC. What has happened is that, in respect of our recurrent expenditure, despite the fact that interest rates in many respects have plummeted, as has the cost of borrowed money, we have balanced the books by borrowing ever larger amounts of money to fund the budget. Recognition of this in 1992 led to a series of packages being offered to State Government employees. The number that has accepted those packages I do not have with me now, but I understand that the original program put forward by the Arnold Labor Government is pretty well on target.

The Premier indicated yesterday that about 1 100 of that target, which is to be realised by the end of this financial year, has yet to be achieved. According to our estimates, the amount of money from all the targeted job separation packages that were announced in 1992 and 1993, the full benefit of the GARG exercise and the further cuts on top of that, was about $100 million. If that is the case, in order to fund the election promises (about a further $178 million), we will have to have either a significant increase in State taxation or a cut in services in most of the key areas.

If we look at the amount of money contained in the budget, particularly those funds which go towards key services, we find that, of a budget expenditure of about $4.6 billion in South Australia, the lion's share, about $2 950 million or 61 per cent of the overall outlay in South Australia (61¢ in every dollar), goes towards education and health. With respect to health, the Government says that, at this stage, it will be able to maintain the same level of service and even find extra funds to increase that level of service over the next 12 months. We have yet to see that happen, but if that is the case it seems to me that there must be resultant cuts elsewhere.

We find a degree of silence on education, but it is a large budgetary ticket item. Last year, the State Government of South Australia spent $1 442 million on education in South Australia—the second biggest budgetary allocation. If we add to that the amount of money that we put into tertiary studies in one form or another and preschool programs, the figure is even greater than the health budget. What it all comes down to is this: at the end of the day the South Australian budget must be modest and responsible, it must have an effective debt reduction program, and it also must provide services which all our constituents are used to. From the information that we have received so far—and I am talking about the material available up to the 11 December election last year—and from statements that have been made in this House subsequently and answers to questions in the House, it is our view that the promised extra $1 billion that is to be found through asset sales will not be realised. It is also our view that the sorts of asset sales that have been countenanced by the new Government may, in some instances, cost more money than they will generate.

That brings us down to the basic equation, which has bedevilled all Governments. If the budget is to blow out further, it will be paid for from loans, from increased taxation or by taking a knife to some of the key areas. In this State we could effect a significant cut to a number of principal services and still generate an amount of money that is quite trifling in the whole budgetary exercise. For example, I understand that we spent about $420 million on the various provisions for law and order in South Australia, including the police, the courts and a range of associated services. It is not the intention of either side of this House to see any of those areas cut, but even if a significant cut of 10 per cent was made in one of those areas the generated savings would be very little indeed. The really big ticket items in the budget are the interest on the State debt, education and health, in descending order. I understand that more than about 70¢ in every dollar is consumed by those three items.

One can only hope that an interest rate increase will not significantly escalate the amount of resources that this State must find to pay off the debt. One would also hope that the Liberal Government realises the fiscal position, and that this $178 million worth of election promises, which were largely generated, in my view, irresponsibly before the election, will be reviewed. It seemed quite clear to me at the end of last year that the Liberal Party did not have to promise anything where the election was concerned. In my view—and I made it public at the time of the election and afterwards—the Government had run its course and would not be re-elected. The Liberal Party has made a number of promises, many of which, in my view, are irresponsible and will be achieved either by terrific increases in taxation or through a reduction in services. If my analysis of asset sales is wrong and even if the Liberal Party's figures are correct and if $1 billion can be generated by the sale of those and other smaller assets, the problem is this: a further $178 million will still need to be found to fund the promises made at the end of last year.

The Opposition would like to see a much cooler analysis of where the State is going and whether or not we can afford those sorts of promises. Certainly, it is our view that those promises cannot be carried out without drastic cuts to services or without hiking up taxation, or both.

We have heard much about the contracting out of services in the Government sector. We have an open mind on some of these exercises, and we believe that, if it can be proved that some savings can be generated by contracting services out, that is fine. But experiences overseas, interstate and even here in South Australia indicate that, in some instances, the work is not carried out to the appropriate level of satisfaction. Indeed, the level of service that is expected by the community is not in evidence, and there are a number of examples of this.

As I understand it, one of the first things that happened in New South Wales after the election of the Greiner Government was the complete contracting out of all the services associated with the laying of water pipes. If a water main burst, the relevant Government authority would turn off the water, but the whole job then had to be contracted out over the next so many days in order for a contractor to come in, give some sort of a quote, re-lay the line and then turn the water on. That is the sort of thing that the community of South Australia has never had to live with under Governments of either persuasion and, in my view, it will not take too kindly to that sort of service in order to save, at best, a few dollars.

I can cite a number of examples. In most of our schools, particularly in the schools in my electorate, SACON has done much of the refurbishing work. Some problems have occurred in a couple of areas which cannot be attributed to SACON but

which involve its lack of management. Problems were caused by private contractors who came in with the idea of making a fast buck and providing what really was not required by the client. In fact, in many instances the SACON workers who came in, particularly those who went into extensive painting programs, did an extremely good job. I was surprised to see how far those Government workers in SACON went on many of those projects. The ideological stance which says that we must contract out irrespective of whether that is in the best interests of the community or whether it provides the level of service that is necessary in order to save a few dollars is a very short-sighted policy and, in my view, will not lead to the sorts of savings that the new Liberal Government seems to think it will achieve.

The Opposition will debate a number of different issues in respect of the Supply Bill. Many of us will be taking the opportunity to speak in the 10 minute grievance, which has traditionally been a part of any Supply debate since the time of King Charles I. However, at the end of the day the key issue for us is that we do not want to see, first, taxation increase as a result of irresponsible policies or, secondly, drastic cuts in basic services which our constituents need and which, in many instances, they depend upon.

Mr BECKER (Peake): After 11 years of socialist Governments in this State, the new Treasurer has to set forth with his first Supply Bill and, in preparation for the State budget, rebuild the economy of South Australia. He has to rebuild the confidence of the people of South Australia; he has to rebuild South Australia in a way that will attract investment and encourage manufacturing, commerce and industry to gear up again, hopefully creating valuable employment opportunities and thus enabling the people to share in the opportunity of the rebuilding program in South Australia.

In any economy, particularly in one as fickle as South Australia's, it is important that we tackle the unemployment situation, that we continue to provide affordable housing and that, at the same time, we compete and attract markets that will provide the necessary employment. It is a very difficult job, after a few weeks in government, to take up the challenge to rebuild the State, when the State's economy was so severely mauled by the philosophy of the previous Government, which really did nothing but use money to try to preserve its political survival.

I find it incredible that there are nine members of the Opposition and not one of them is present in the Chamber tonight. That is the attention they give to the Supply Bill; that is the attention they give to the resolution of the financial problems that they helped to create in this State. When the Treasurer introduced the Supply Bill, he said that the first thing we must do is to establish a special task force to advise the Treasurer on the assets: to identify the surplus assets and the problems associated with the current assets and their maintenance. A strategy is to be adopted for the disposal of the surplus assets so that we can obtain maximum return for the State coffers. The fact that we have to sell off assets to pay for the folly of the management of what was known as the people's bank is, in itself, a tragedy.

The Savings Bank of South Australia was the people's bank; it truly never belonged to a Government to manipulate, but that happened. It was merged with the Government's own operation of the State Bank, which was a very small bank which was there for the convenience of the Government of the day and which had long-term lending policies for the rural sector and some industrial sectors. The Savings Bank of South Australia was really a glorified cooperative building society: it was a penny bank. Every child in South Australia had a savings account—

An honourable member interjecting:

Mr BECKER: As the Minister at the bench says, it was part of the school tradition. It encouraged the children and the people of South Australia to save money not only for their future but for the sole purpose that we developed through our education system and through the family way of life in South Australia—that you saved for your home. South Australia had one of the highest levels of home ownership in Australia and it was a very proud tradition. The money that was provided by those small deposits of school children was a valuable injection of funds into that bank. Not only did the children bank with the Savings Bank but they maintained their banking habits when they were employed and, going back to the 1940s, the 1950s and the 1960s, there were plenty of opportunities for employment. However, with a change to the socialist way of life and the socialist philosophy, those employment opportunities gradually disappeared, until we had the ridiculous situation where a socialist Federal Government deregulated the banks in Australia and created one of the most horrendous, idiotic systems that ever befell the Australian financial institutions and the economy.

So irresponsible was the move, so irresponsible were the banks and so irresponsible were the State Governments that money was lent willy-nilly on any kind of asset, many of them not good, stable assets. They lent money to the full value of those assets, and nobody could say exactly what was their full value. They even capitalised the interest, which meant that the loans very quickly exceeded any reasonable estimate of those assets.

That is what really caused one of the worst commercial banking crashes in the Australian and possibly in the world banking system. It was all guaranteed by a State Government. I can understand the attitude of the Federal Treasurer when he said some years ago that the State banks should go. He said that he did not like the State banking systems and he wanted to get rid of them, because they were an embarrassment to the country's fiscal policies; there was just no limit to what any rogue Government could do with its own bank in relation to doling out a guarantee.

If we accept what the Auditor-General has to say, the contingent liabilities of this State total about $46 000 million and assets total about $38 000 million; we are $8 000 million short. If ever those guarantees are called up, this State will be bankrupt—well and truly bankrupt. It is a ludicrous situation to put the State in. I just simply cannot accept—and the taxpayers of South Australia do not accept—that anybody should escape freely by saying, 'Well, it was one of those terrible errors that was made. Let's forget the whole deal; let's got on with it.' Sure, let us get on with it, but it must never happen again in the history of this country. Of course, the damage that has been caused is something that we will pay for for many generations to come.

I well remember that in 1980-81 I stood in exactly the same position as I am in tonight, after the Government of the day had borrowed money from a loan account to prop up the general revenue account, and I said how dangerous and foolish that was, because the children who were not yet born would have to bear the repayments of that folly. The few million dollars that was borrowed in those days is chicken feed to what has happened in the past few years. Now we have to dispose of the bank.

I do not agree with the Opposition's attitude that the bank should not be floated by shareholders. It is strange that we had a State Government which supervised the worst mismanagement of a bank and which said, 'Sell it as a commercial entity; sell it straight out. Get rid of it.' If I had a housing loan with the State Bank, I would not like some foreign bank to own the mortgage over my house, because I could not guarantee what it was likely to do with it. That is what worries the people of South Australia. Let us be dead honest: when there has been talk of certain overseas banks wanting to take control of the State Bank, the people have resisted very strongly. The best and only option is to give the people of the State the chance to own a share of what was once their great pride—their bank—so that they can, at the appropriate time, still supervise the operations of that bank. We would not get a better performance from the board or management than if we had all the shareholders turning up at the Adelaide Town Hall demanding the answers, because the new board would not escape public scrutiny if the people were the shareholders. There you would have the opportunity, not through a few politicians questioning the management of Marcus Clark and a few others but through people from all walks of life demanding to know what is happening to their bank.

I say, 'More power to the people: more power to the Government in letting the people have shares in the bank.' They will get their value for money. If the bank is worth so much, that value will be set on the shares. It is folly for the Opposition to say that the bank should be sold straight out, because what did its own Party do with the Commonwealth Bank of Australia? Never did I think that the Labor Party would partially privatise, let alone think of selling, any part of the Commonwealth Bank of Australia. The Commonwealth Bank was the true monument of the philosophy of the Australian Labor Party. Again, it was the people's bank, for the people, owned by the Government so that the profits could be given back to the people. What has happened? We have seen two privatisation sell-offs of shares of the Commonwealth Bank so far; the Commonwealth Government still maintains control but is gradually feeding out shares to the business community.

Of course, the only danger in share floats is the timing and the amount of new capital raised on the stock market in these periods. However, that will be left to the Treasurer, in whom I have total faith in adopting a responsible attitude to raise the best possible amount for the bank. As I said, more power to the people in owning the shares in their bank. It is the last chance the people have of retaining at least something of that organisation.

The Treasurer in the second reading explanation of the Supply Bill, in relation to the ideals of the Asset Management Task Force, said:

> The proposed structure for the corporatisation and sale of Government business enterprises will have the following features—
>
> 1. Subject to Cabinet direction, the Treasurer will take responsibility for the corporatisation and sale.
>
> 2. The Asset Management Task Force will advise the Treasurer at the strategic level in respect of each corporatisation and sale.
>
> This structure should ensure that the corporatisation and sale procedure is accountable, that it is reviewed and that it remains under Government control.

He went to say about asset management:

> In 1987 the Public Accounts Committee drew attention to potential major funding problems for replacing the State's ageing infrastructure and for delivery of associated services. The committee highlighted the need for substantial effort in refining asset replacement estimates and developing funding and service delivery strategies.
>
> As revealed by the 1992 report of the Economic and Finance Committee, agencies and the former Government have paid insufficient heed to the earlier PAC report and there are no refined estimates or strategies in place on this vital matter.

In 1992, the Economic and Finance Committee had to report to this Parliament that the previous Government had not heeded the warning of the Public Accounts Committee and had done very little with regard to the replacement of ageing assets, estimates for which run into hundreds and hundreds of millions of dollars and which involve the replacement of properties and the repair of damaged pipelines. And I believe about $250 million is now needed to bring our schools up to date.

I am horrified that in my new electorate there is a high school which is almost 30 years old and which does not have an appropriate gymnasium, an assembly hall or a multipurpose hall. When the Underdale High School, which has 800-odd students, has a presentation day, it must hire a marquee or have the assembly on the oval. It is unbelievable to think that there is a modern high school in the metropolitan area that lacks so many facilities. On my inspection of it last Monday, I saw two huge broken windows. The school had been broken into over the weekend, and I am told that vandalism of some sort is almost a weekly occurrence at that school. During the Christmas school holidays the school had to spend $4 000 to clean the graffiti off the buildings. This school has just been allowed to run down. It is typical of many others that have been neglected and forgotten. As I said, we are talking about a sum in excess of $250 million.

I want that school refurbished. It is not an unreasonable request: it is a commonsense request. For 29 years the interior of the Underdale High School, as far as I can find, has never been repainted. How many people will live in a house where the interior has never been repainted or has not been repainted in 29 years? Our education staff have to work in those facilities. I went into the stationery store, which is no bigger than half the size of a normal bathroom. I do not believe the window has ever been cleaned; it has 29 years of dirt on it. I find it impossible to accept that a school could be left like that and, as I told the staff, I would not work under these conditions; I would not tolerate them.

We have inherited this problem and now we have to straighten it out. So, the task that faces the new Treasurer and the new Government is horrifying. We have to try to bring some sanity to the excesses of the previous Administration, the very poor management, and the lack of courage to say 'No' occasionally to those who continuously put demands on the Government. We now have to clean up this very sad mess. It is just one of many examples. The Torrensville Primary School was promised hundreds of thousands of dollars of refurbishment and benefits through the proceeds of sale of the Thebarton Primary School. The Treasurer will have a dreadful shock when he finds out the book value of the old Thebarton Primary School and what the school was sold for.

I believe that the Asset Management Task Force will come up with some horrifying figures to show what the previous Government did in its dying days to try to buy votes and prop up its popularity—all at the future expense of the taxpayers of South Australia. The Treasurer went on to say that part 2 of his strategy would look very closely at program performance budgeting, another initiative brought in by the Public Accounts Committee in the early 1980s, when I was Chair-

man. We insisted that program performance budgeting be introduced.

As the Treasurer said, the objectives were gathering and analysing information to assist in policy formulation and implementation, program design, planning and administration, budgeting, accountability and the reallocation of Government resources. So, that is the second challenge that the poor Treasurer now has to accept in bringing some sanity to the State's financial situation. The Appropriation Bill is worth about $1.8 billion and enables the Government to continue with funding well into the next financial year. I have never been happy with the way the budgets are being brought down. I believe that we should be discussing the budget now for the next financial year so that on 1 July everything is in place and we do not have this mad scramble of disbursing the budget around October or November.

I believe that move is starting to occur in Canberra. At the same time we need to get into a much tighter financial situation and better management. Already, with the distribution of the Consolidated Account, the first lot of figures in over eight months, we have seen the financial situation of South Australia and how the State is faring. With a proposed $1.7 billion worth of taxation receipts, already we have received $873 000. And in the areas where there could be confidence generated by the new Government, we find that stamp duties may exceed the budget, which is a healthy sign.

Unfortunately, business franchises and levies will help to swell the State coffers, but also the financial institutions duty and the debits tax, those two horrifying taxes brought in by the previous Government, amounting to $121 million, look like being exceeded. But that indicates that there is confidence, there is movement, and that the State is starting to benefit from the change of Government.

Mr Deputy Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr FOLEY secured the adjournment of the debate.

ACTS INTERPRETATION (COMMENCEMENT PROCLAMATIONS) AMENDMENT BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 208.)

Mr ATKINSON (Spence): During the term of the previous Labor Government the Labor Party resolved that it would seek to change the juvenile justice system in the direction of greater rigour. The Labor Party proposed the amendments to the Children's Protection Bill and, as I recall, those amendments had three main features designed to instil greater discipline in our youth in so far as the law can do so. The first was to give power to the police if police found children at risk, as defined in the Act, in a public place to return those children to their parents; or, if it was during school hours, to return those children to their school.

Alas, the Liberal Party and the Democrats combined to restrict that provision to police officers of commissioned ranks, and those people in my electorate who have been the victims of juvenile crime know precisely how many—

Members interjecting:

Mr ATKINSON: It has, actually. They know precisely how many commissioned police officers are in patrol cars around the Spence electorate. So, that provision was neutered. Secondly, the Labor Party sought to include in the definition of 'child abuse' the word 'significant', so that baseless allegations of child abuse would not clutter the community welfare bureaucracy. We were also defeated on this amendment by the Liberal Party and the Democrats, who combined to ensure that the smacking of children by their parents would be embraced by the definition of 'child abuse'.

Mr Brindal: Is there actually something wrong with that? I thought that was called democracy.

Mr ATKINSON: I do not think that the listeners to Radio 5AA would agree with the member for Unley that parents smacking their children—that is, reasonably chastising their children—is child abuse, but if that is the Liberal Party policy then I will take it from the member for Unley.

The third feature of the Child Protection Bill was the inauguration of family care meetings, and it is these about which this Bill is directly concerned. The family care meetings were proposed by the Labor Party in situations where children were in dispute with their parents, where they were possibly runaways, and the purpose of the family care meetings was to try to reconcile the child with his or her parent or guardian so that the matter did not need to go on to judicial proceedings. The Liberal Party and the Democrats agreed with us on this, but they insisted that, in addition to the child having an officer of the Department for Family and Community Services as his or her advocate, the child should have a paid advocate attached to the court's administration.

In effect, the Liberal Party advocated QCs for runaway children at the taxpayer's expense, and because we did not have the numbers in the Legislative Council at that time we were forced to accede to that amendment. At the time, I can assure you, Mr Speaker, we said in the House and also in the conference of managers that this was an unworkable provision, setting up a panel of paid advocates from the court's administration for children who were alleged to be the subject of child abuse. We said that it was expensive, that it would cost hundreds of thousands of dollars and that the panel could not be assembled in time for the projected proclamation date of the Bill.

Mr Brindal: Who said this? You?

Mr ATKINSON: The Labor Party said it; yes, as a matter of fact I said it.

Mr Brindal interjecting:

Mr ATKINSON: Yes, the then Attorney-General and the then Minister for Health said it. We all said it; the trinity said it. We were pooh-poohed at the time by this coalition of left Liberals and Democrats, but we buried our pride and we accepted the will of the permanent majority in the Legislative Council. With our Assembly mandate, we gave way to the Upper House on all points. So, it is not a surprise to me that now, in February 1994, already the new Government wants to change the legislation, for two reasons: first, it has found out that the panel of advocates will cost hundreds of thousands of dollars, as we predicted; and, secondly, there is the trouble of the court's administration assembling these advocates.

So, the Attorney-General in another place wanted to amend the Act to bring in a later proclamation date. Now, I for one have always had a great respect for the rule of law. I have always had a horror of retrospective legislation, and in particular I have a horror of the Executive's suspending the operation of laws passed by Parliament. That is something I share with those who were in the House of Commons and the House of Lords at the time the Bill of Rights was passed, because one of the chief features of the Bill of Rights is to try to stop the Executive's suspending the operation of statutes.

I am not sure whether the Attorney-General in another place shares that doctrine and heritage, but when he realised that he needed to extend the proclamation date of the Child Protection Act, instead of amending that Act he came into Parliament with an amendment to the Acts Interpretation Act which would allow him to suspend all such laws and extend their proclamation date—a kind of tyranny we have not seen since the Stuart reign. Fortunately, on this occasion, the Democrats got together with the Labor Party to prevent the tyrannical ambitions of the Attorney-General. The Democrats and the Labor Party pointed out that the Attorney would be better served by merely amending the Act concerned and extending its proclamation date rather than introducing a general principle into the law of South Australia which would allow the Executive to postpone on the Executive's initiative the proclamation of Bills passed by Parliament.

However, the Attorney, not having a great respect for the rule of law or for the proper operation of Parliament, said that it was too much trouble to draft an amendment to the Child Protection Act. Instead, we have this amendment to the Acts Interpretation Act which applies only to the Child Protection Act. In my view, that is a misuse of the Acts Interpretation Act. It is a lazy way of legislating and it is a bad principle that the general law—in this case the Acts Interpretation Act—should be amended in order to cover a single case, namely, the Child Protection Act. Nevertheless, we are in awe of the Government's majority and its mandate and, accordingly, we agree with this soiled legislation.

The Hon. S.J. BAKER (Deputy Premier): I thank the Opposition for allowing the passage of this legislation. The member for Spence gave an interesting exposition on the processing of the last Bill and indicated how changes came about which were not of his choosing. However, it is quite clear that the Government intends to press ahead with the principles that were outlined in the Parliament when this matter was previously debated. We believe that there has to be this level of professionalism at the court level. There may have been a lack of liaison by the previous Attorney with the court's administration, the Chief Justice particularly failing to understand the time frame under which the change could take place.

As the honourable member so rightly pointed out, it is a matter of cost in this instance. It is also a matter of being able to assemble the appropriate personnel to do justice to the new arrangement. I am sure that the honourable member appreciates the difficulty faced by young people and the need to have some advocacy at that level. He may say that the cost will be too high. He may also believe that there are not sufficient personnel. However, we must also realise that a transition process is necessary. The honourable member is quite right in referring to the Acts Interpretation Act: there have been some changes to the way this Bill is being treated compared to when it entered the Parliament.

The Government accepts the changes. We are simply varying the date of proclamation of a provision of the Children's Protection Act 1993, and there is a further repeal provision on 31 December 1994. It is not one of the smoothest operations transacted by the Parliament, but it is a necessary process. We must ensure that justice is done as well as being seen to be done, as they say in the classics.

Mr Atkinson: *R. v. Sussex Justices.*

The Hon. S.J. BAKER: I see. In this case, we are proceeding in the direction that we set prior to the last election. We are firmly committed to the process that we managed to convince the Parliament of at the time. Therefore, I commend the Bill to the House.

Bill read a second time and taken through its remaining stages.

SUPPLY BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 243.)

Mr FOLEY (Hart): I would like to begin my contribution by talking about the element of the Treasurer's statement that concentrated on the State Government's debt reduction strategy. I have mentioned in this House previously the need for some decisive action in tackling the State's debt. It is important that this Parliament scrutinises the Government to ensure that that happens.

We have a Government that has said that it will not raise taxes; it will not make any further savings or work force reductions in the Public Service; and it will achieve its debt reduction program simply through asset sales. I would like to begin my contribution by looking closely at the sort of assets that the Government has said it will sell to achieve its debt reduction strategy. The Brown Government has indicated its intention to cut debt by a further $1 billion as against the Arnold Government's projections in its Meeting the Challenge statement. This will be achieved largely through a program of asset sales. One of the key elements of the Government's asset sales list is the Pipelines Authority of South Australia. We already know that the Treasurer received advice from Treasury before Christmas that this would not result in a net reduction in State debt: it would simply be neutral or close to it.

The Hon. S.J. Baker: That's not true. You didn't even listen to your own arguments.

Mr FOLEY: It is true. The Treasurer mentioned that Treasury told him that there was not an overwhelming case to sell it—and that is a fact. The State Government Insurance Commission is listed as an asset for sale, as are the Adelaide Entertainment Centre and the Central Linen Service. A figure of $260 million is listed as 'unspecified Government land and property'. In terms of enterprise investments, the list includes $100 million in future timber contracts and certain amounts of Urban Lands Trust property. The total is somewhere between $1 billion and $1.25 billion. I must say that the extent to which this debt reduction strategy is achievable is highly questionable. This view is shared by the ratings agency Standard and Poor's, which states that the new Liberal Government is likely to net no more than an additional $500 million beyond 1994-95 out of its proposed $1.2 billion in asset sales.

Mr Brindal interjecting:

Mr FOLEY: I am just quoting Standard and Poor's. I would not want to question Standard and Poor's. I suspect it is a reasonably—

Mr Brindal: I was led to believe they consulted you for advice.

Mr FOLEY: I only wish. Given that the Government's objective is to retain a AAA credit rating, obviously its debt reduction strategy has to be met. I will now look more closely at these assets. I would like to have the State's balance sheet, as published in 1993-94 Financial Paper No. 1, recorded in *Hansard*. I will quote a few figures from that paper so that we can start to get a picture of the State's balance sheet.

We have assets less accumulated depreciation of $21.04 billion, representing infrastructure, buildings and other improvements, plant and equipment. We have $261 million in inventory; approximately $3.6 billion in land; $552 million in forests; and $640 million in cultural collections. For fear of being called a philistine, I sometimes wonder whether we need to keep such a huge amount of money tied up in the State's collection of artworks. However, I suspect that I will invite a large battle if I push that issue too far. We have listed equity investments of $342 million.

Mr Brindal interjecting:

Mr FOLEY: No, just a few hundred million dollars of them stuck in attics and basements around Adelaide, but I suspect that I will not win that argument on either side of the House. The State's total assets are $27.38 billion, less liabilities, giving us a figure of about $13.5 billion. Consequently, we have a very small number of State assets in value terms from which the Treasurer can sell approximately $1 billion. I note that in the Treasurer's pre-election statement no valuations were placed on these assets: there was simply a figure of $1 billion to $1.2 billion along with the list. I believe that the Government was doing the State a disservice in that it was not prepared to try to itemise the assets and at least put some notional figure on them. Obviously, for any public enterprise to be sold for anything less than its net present value for future cash flows is simply to give away the future taxpayers' money and represents, on any constructive view, extremely poor public administration.

Mr Brindal interjecting:

Mr FOLEY: I am quite happy to stand here tonight and say that I support asset sales. Given the State's severe debt situation, asset sales are an appropriate tool with which the Government can attack debt. I have no problem with an asset sales program. However, I think it is important that we put it into perspective. We cannot say that we will simply sell $1 billion worth of assets and off comes $1 billion from the State's debt; it simply does not happen that way.

I briefly mentioned the land register in the State's balance sheet. We have Government land worth $3.657 billion. This is clearly the one area in which the Government is saying that it can achieve significant debt reduction. However, as we know, the Government has given no details of the location of the land that it is targeting—

The Hon. S.J. Baker interjecting:

Mr FOLEY: No, we found some of it. And the Government has not told us the portfolio areas under which this land is held.

The Hon. S.J. Baker interjecting:

Mr FOLEY: We have already sold it—that is part of my point. The previous Government sold some $600 million of it over the previous three or four years.

Mr Brindal interjecting:

Mr FOLEY: There is no argument. I am not going to try to defend the fact—

The DEPUTY SPEAKER: Order! I remind the honourable member that comments should be addressed through the Chair. Interjections are out of order and therefore should not be responded to.

Mr FOLEY: I will try to ignore him, Sir. As this is my first debate on a Bill, I apologise for transgressing, Mr Deputy Speaker. Perhaps those members who have been here for some time should not encourage new members into bad habits.

The DEPUTY SPEAKER: I will not disagree with the honourable member.

Mr FOLEY: The largest single item in the State's land register is Housing Trust land valued at $1.485 billion. This accounts for more than 40 per cent of the Government's land-holding. A further 30 per cent of this land is accounted for in land occupied by schools, hospitals, parks, reserves, highways and authorities such as ETSA, E&WS and the STA. So, some 70 per cent of the land that the Government would sell is held by the Housing Trust or is occupied by important public utilities such as schools, hospitals and so on.

We are dwindling or reducing very quickly the available pool of land, unless the Treasurer has a hidden agenda to sell Housing Trust land. I know that some members opposite have spoken about the need to look at some form of sell off of Housing Trust assets. I am sure that the Treasurer would not head down that road.

As I said, the former Government sold some surplus land. In fact, the former Government disposed of a total of $500 million of surplus land over the past three years, and one might suggest that there is probably no longer a lot of surplus land. When talking about land, you have to do more than simply state a figure. The Government simply said that $260 million of unspecified Government land and property would be sold. I think the Treasurer owes the public of South Australia some detail on that, and I hope that the Asset Management Task Force gives us that detail. Clearly, there are a lot of holes in the Government's debt reduction strategy, and I hope that it moves quickly to rectify that.

Looking further at the various assets, I make the point again that, as one who supports asset sales, it can only ever be one element of a debt reduction strategy. I quote the Treasurer's statement to the House yesterday, which in some ways contradicts his earlier statements. He said:

> Asset sales are an important element of our debt reduction program and can provide the initial impetus which is vital but that impetus will be lost and eventually reversed unless annual deficits are contained. The long-term debt reduction program must be one in which operating agencies seek constantly to find better ways to deliver services and central agencies assist them in that process.

I support that statement but, given that the Government has said that it will not reduce outlays any further in terms of expenditure and that it will simply sell land, to me that is somewhat of a contradiction.

I turn now to PASA. I think we need to look at some of the individual assets that the Government has put on the table and examine their worth. I will let all members, particularly those opposite, make up their own mind as to whether there is value of $1.2 billion. It is assumed that PASA's income stream before depreciation and tax will stabilise at about $25 million per annum. This is based on public comments made by the former Government. This income stream should be valued over 15 to 20 years, depending on the length of gas contracts. Current gas contracts are for 15 years, but it is likely, given what has been said recently, that the Government will try to secure contracts for 20 years. The cost of the Government's foregoing PASA's income stream is the cost of funds for borrowing the equivalent amount.

If the sale of PASA is to be of net benefit to the State, the Government must obtain a price in excess of the net value of the future income stream, that is, between $205 million and possibly as much as $250 million. To sell PASA for anything less would simply deprive the State of revenue. PASA is worth much less to a private sector purchaser than to the State Government. This is clearly because a private company would have to pay company tax on profits which State Governments are exempt from paying. Having said that, I

think there are other reasons why the Government might want to sell PASA, but I do not think the Government should try to tell the public of South Australia that, by selling PASA for $150 million, automatically $150 million is taken off our bottom line debt. Clearly it is not.

The PASA sale is made even more difficult because in a speech at the ANU last night the Prime Minister stated quite clearly that tax compensation from the Federal Government is no longer on the agenda. I do wish the Premier and the Treasurer well in Hobart. I would like nothing more than for them to get the Prime Minister to change his position on that. Clearly, he will not do that, and obviously that will affect the Treasurer's asset sales program.

The Government has also listed the Central Linen Service as an item for sale. Again, there may well be sound arguments as to why Governments need to be in this business. We cannot include the Central Linen Service as an asset that will reap the Government millions of dollars if it should sell it. That is clearly not the case. The Central Linen Service has returned to profitability in the past few years and has been giving the Government revenue. I understand that the State Government has received in excess of $10 million in profit from the Central Linen service in recent years, but that is nowhere near the magnitude of the hundreds of millions of dollars that the Treasurer would want us to believe he will achieve from his list of asset sales.

I turn now to the State Government Insurance Commission. I am no fan of SGIC's activities and behaviour over recent years—it is inexcusable. To suggest that SGIC is some asset worth $200 million or $300 million, as some experts would like us to believe—I think professor Cliff Walsh has said that SGIC could be worth a couple of hundred million dollars—is clearly not true. SGIC, I suspect, would have very little value in it. Some would even argue that it has negative value as an asset for sale. SGIC's balance sheet as at 30 June 1993 shows that it had total assets of $1.584 billion, offset by liabilities of $1.519 billion, resulting in a net worth on paper of about $65 million. However, $41 million of this $65 million consists of future income tax benefits. If this amount is excluded, SGIC would have a net worth of only $20 million.

Under new accounting standards, SGIC must revalue its share portfolio and other assets at market value at the end of each financial year. The value of its assets and net worth position is therefore quite susceptible to movements in the share price. Clearly, at present we have somewhat of a boom in the share market and SGIC, on paper, is looking far more healthier than it was 12 or 18 months ago when the sharemarket was in somewhat of a trough. We have to be careful about the way we value SGIC, bearing that in mind.

We also have to acknowledge that SGIC received $350 million in financial assistance from the previous Government to assist it with its capital inadequacies: $36 million in relation to capital payment to the compulsory third party fund was provided by the former Government, and $314 million was forgiven—and I am not sure how we could ever forgive it for what it did—in relation to debt incurred on the 333 Collins Street property in Melbourne. Despite this assistance, SGIC would still require a substantial injection of capital of around $200 million for it to conform to guidelines applied to private insurance companies. Clearly, the guarantee which the Government provides to SGIC reduces the need for SGIC to have working capital by providing a degree of security for investors and clients. Unless the Government was to maintain its guarantee of SGIC, it would need to make a further substantial capital injection into SGIC before it could be sold. Clearly, that defeats the purpose of selling it. I turn now to the State Bank as another of the assets listed by the Treasurer.

Mr Brindal interjecting:

Mr FOLEY: I think members on my side have to face the fact that we cannot run away from the State Bank. I have made the point to the House before that I do not approve of what happened in the past, and the former Government has been held accountable for that. At least in the period when the former Premier (Hon. Lyn Arnold) was in power, during which I had a role, we were prepared to tackle the issue of the bank. I think the former Premier and his Treasurer (Hon. Frank Blevins) should be commended for at least having the guts to take on a lot of the issues with the bank when perhaps former Treasurers of this State were not able to grasp the complexities and difficulties of the State's problems. The small role I played in that gives me some licence to speak about it now.

The former Government announced in late 1993 that the pre-sale corporatisation process was well advanced and proceeds from the sale of the bank were expected in 1994-95. Whenever we look at the value of the State Bank we must realise that SAFA retains capital in it somewhere in the order of $540 million. Therefore, if the bank is sold for about $1 billion, the net proceeds to the Government will be only $460 million.

The point I make is that, if the bank is sold for $1 billion, $1 billion is not written off from the State's debts: it is far more complex than that. To further compound the problem, of course, the $1 billion that was talked about was on advice from one of Australia's leading merchant bankers and corporate advisers, Baring Brothers Burrows, who simply said, 'Yes, there is a fair chance you could achieve a figure of about $1 billion through a trade sale.' Their advice to the former Government was, 'Put as few encumbrances as possible on who can buy the bank to allow market forces to come up with a buyer who would pay a premium.' They strongly counselled against a float because, whilst a float may work in terms of having enough people taking script in the bank, you run the risk of having a sale value many hundreds of millions of dollars less than you would get from a trade sale.

Given that we have had to take a decision to sell the bank—and to many people that was a difficult decision, but I think most would realise, in the end, it was a somewhat inevitable decision—let us at least sell it for as much money as we can so that we can offset as much of the debt that has been incurred by the bank as we can. Whilst some people will get a nice, warm inner glow from floating the State Bank and maintaining it as some sort of regional entity in South Australia, I argue that we need to look a bit broader afield than that. My view is—and the member for Hanson does not share this view—that it would be good for this State if we were able to attract an international buyer for the State Bank which was prepared to centre its banking operations in Australia out of South Australia. I do not think that is an unrealistic expectation. I urge the Treasurer and members opposite not to be too hasty with the float. In the pre-election period, the idea of a float was tempting—I understand the politics of that—but with the huge mandate that the Government has won, I ask that it use it responsibly and decisively, be prepared to make somewhat less popular political decisions and support a trade sale.

The ACTING SPEAKER (Hon. H. Allison): Order! The honourable member's time has expired. I call the member for Unley.

Mr BRINDAL (Unley): Mr Acting Speaker, I apologise for distracting the member for Hart during his speech. I should have known better, and I accept your correction, but I was a little bit carried away, having sat in this Chamber and listened to the member for Spence, as you know, Sir, that practitioner of sophisticated rhetoric who quickly becomes inebriated by the exuberance of his own verbosity. Every member of intelligence in this House will clearly recognise the hypocrisy perpetrated by that honourable member tonight, for last night in this Chamber he condemned the Parliament which condemned the Stuart kings of England, and tonight he was in this same Chamber praising the same Parliament for introducing the Bill of Rights. If that is not a contradiction in terms, I do not know what is.

I go back to the member for Hart. I am sorry for misleading the honourable member—I apologise to him—but yesterday he said by way of interjection that he is part of the new broom and that we see in him a new breed of Labor politician. I would like to acknowledge that. It is good to see a Labor politician with some camber and some penchant for speaking the truth as he sees it and not gilding the political lily. If I might be the first in this House to do so, I would like to put on the record that I see in the member for Hart perhaps a future Leader of his Party, because he obviously has much more talent than just about anyone else sitting opposite. I think all members on this side would do him the credit of recognising this.

An honourable member interjecting:

Mr BRINDAL: If we can help, we are always willing to do so. This Supply Bill is limited, as the member for Playford said, but it is not limited in the way he alleged: it is limited not by the aspirations or desires of this Government but by the financial incompetence of past Labor regimes in this State and, more importantly, by the myopic vision and despotic tendencies of the man who would be king in Canberra, because this Supply Bill cannot be viewed in isolation. We are part of a nation; we are part of a Federation, and whatever this Parliament does is intricately interwoven with the processes that take place in Canberra. When it comes down to it, when we consider the arguments put forward by the member for Playford, there are two sides to the equation: as I have said, one side is this Government and the other side is clearly found in Canberra.

Canberra is overwhelming in its political dominance of this country and it, before all other organisations, Governments and instrumentalities, determines the distribution of wealth amongst the citizens of this country. Deliberately or otherwise, it seeks to create two nations between whom there is no intercourse and no sympathy, who are ignorant of each other's habits, thoughts and feelings as if they were dwellers in different zones or inhabitants of different planets, who are formed by different breeding, are fed by different food, are ordered by different manners, and are not governed by the same laws. I speak of the two nations which Labor has created in this country: the nation of the rich and the nation of the poor.

To illustrate the point, I am told that recently at a business persons breakfast a senior employee of the EDA addressed the group and set forward his concept of the brave new South Australia which would have been engendered had Labor continued in power. He waxed lyrical: he put forward all the plans that would have been in place, and he was well received. After the breakfast when he was taking questions, one of the businessmen said, 'You've spoken well and you've set out a new plan, a blueprint for those people in South Australia who are highly educated and literate, but what about the process workers, the shop assistants and the legions of young employed?' I am told that without batting an eyelid that senior employee of the EDA turned around and said to the business people assembled there, 'Those people will never work again.' In other words, there is a feeling amongst segments of this country—and I put to members a feeling that predominates in Canberra—that a segment of our society can be consigned to oblivion, will never be able to work and will forever be recipients of the welfare dollar. That more than all things is what makes it difficult for this Government to work through any budget.

Members interjecting:

Mr BRINDAL: It is obvious that the member for Playford is more content to listen to himself than to anyone else. The honourable member berated us by saying that our promises were irresponsible; indeed, he had the gall—and I wrote it down—to call for a cooler analysis of what we can afford. I put to members that he did not ask this Government to put before the people a cooler analysis of what is needed but of what can be afforded. I find this absolutely unacceptable, because this comes from a member who in the last Parliament was prepared to sit on the Government benches and to hurl at the Opposition and the then Leader of the Opposition day after day a concept called social justice. It is amazing when they abandon the Treasury benches and sit opposite just how much they are prepared to abandon social justice.

Day after day they hurled at us the title 'economic rationalists'. I put to you, Sir, that after the member for Playford's speech tonight that mantle sits rather more perfectly on his shoulders than it does on the shoulders of many members on the Government benches. I commend the Treasurer and the Premier for their courage in going to the electorate and promising what we would try to achieve: to help the people and to fulfil a mandate which the previous Premier and his predecessor introduced into this place—a mandate for social justice for the people. As I said, our problem is not related to this Treasurer so much as to the hypocrisy that comes out of Canberra, because with less and less money and with contempt for the increasing number of unemployed it expects this Government to provide more and more services.

If the equation does not work, let not the Opposition, who are members of the same Party as that which rules in Canberra, come here and berate the Government for its irresponsibility: let them put pressure on their Federal colleagues to do something about social justice. I fear that we will then hear deathly silence, as we heard previously from the Opposition when it was in government in relation to any matter where their lord and master in Canberra was concerned. He would be king and he will be king if members opposite have anything to do with it, and he will probably get himself a lovely crown of Argyle diamonds to sit on his head.

An honourable member: It's better than a wig.

Mr BRINDAL: Interjections from members opposite prove that, daily in this place, they find it much easier to be critical than correct.

Members interjecting:

Mr BRINDAL: Exhausted volcanoes are always a joy to look at. I know there is one in your own electorate, Sir, and

you know how beautiful that is. The one opposite is nearly as much of a joy.

An honourable member interjecting:

Mr BRINDAL: The member for Playford, this new economic rationalist, would do well to go to his colleagues and put a proposition to them—and this should be of great concern to everybody who serves in the Parliament in this country and to the Federal Parliament itself: that we have chortled in western democracy somewhat, and I think somewhat wrongly, at the fall of the command economies of Europe. We have said far too glibly that the command philosophies fell because their philosophies were wrong.

I put to members that the traditional shape of society since the beginning of time has been largely that of a pyramid, at the base of which has always been a mass of underprivileged, working class or even lesser treated people. Those people were controlled by a middle class, which was generally not very large, and at the top of that pyramid were very few people of rank and privilege. With the industrial revolution we undoubtedly saw a change, and that change brought in universal education, universal franchise and many other things which every person in this country would laud as being hallmarks of the equality of man. But let us make no mistake that those things came into being only because those people who were rich and powerful suddenly found that they needed a literate and intelligent work force. So while there were philanthropists who wanted a universal education, there were also industrialists who needed a universal education, and that is why it came in.

The people were educated not because of any great desire on the part of the high and mighty but because of an absolute need for their services. That worked very well, and the shape of society changed briefly from a pyramid to more of a ball. The problem is that we have now, with the technological revolution, moved past the need for a mass education. You hear people asking today, 'Why do we need universal education; why does everybody have to be educated?' We are very quickly moving back, and this country affords a good example of our movement back towards the same pyramid that has traditionally existed, whereby the wealth and the power of this country, under a decade of Labor Government, is concentrating in fewer and fewer hands and whereby the number of people in need of social welfare at the bottom of the pyramid is expanding almost daily.

That is the problem that this Government faces, that is the problem of the Supply Bill and it is the problem of this nation because, as fewer and fewer people are given the wealth and as the Government continues to require that wealth to be spread among a greater base, so there is the opportunity for social ferment. We have heard from the Opposition about a privileged class: we have heard, 'You have to provide all this for the people, but we must not raise the taxes, because those people who make all that money will not want their taxes raised.' So you hear them say, 'Don't raise the taxes' on one hand but 'Give everybody more' on the other, and that is the problem the Treasurer faces: the few who have the wealth want more and more, and those at the bottom expect a better share. I believe there will be resistance from those at the top in relation to dispersing their wealth and, if we are not careful, discontent from those at the bottom who want it.

If some of those opposite who think law and order is such a joke and such a non-existent event analyse why the incidence of breaking and entering has gone up, why the level of theft of property has risen and why crimes against property are out of all proposition, they should also look at the boredom of young people who are consigned to the scrap heap with nothing better to do than to lull themselves away in a sense of false security induced by drugs, or who get some sort of adrenalin high by breaking into houses and robbing them and taking from people a share of that to which they believe they are rightfully entitled. I do not expect members opposite to pay much attention to what was said tonight or, even less, to take it any further than this Chamber. That would be asking too much, because that would be asking them to exercise their responsibility on behalf of the people who elect them to represent them. I have not seen them doing that for four years and, judging from the new acquisition that we have been privileged to get in this place from the electorate of Ross Smith, there is a downward trend in this process.

I see some hope and I see that hope in the Premier of South Australia, and I would particularly like to commend him in the context of this Supply Bill on the statement which he made today before this House. He said:

> In relation to financial issues dealing with vertical financial imbalance and decreasing proportion of funds that are tied is crucial to improving the flexibility and viability of the budgets of the States and Territories. At COAG on Friday South Australia will take the position that, as a precondition to its cooperation with the economic reform issues being driven by the Federal Government, Canberra must be prepared to participate in a genuinely cooperative way to achieve real progress in addressing urgent financial issues, and to allocate clearly responsibilities between the Commonwealth and the States.

The Premier is to be commended for his stance on that issue, while the Opposition might be more content to gaze at the ceiling and look for inspiration. And believe me, the member for Ross Smith should be told that his predecessor gazed at the ceiling for about 10 of his 11 years here and so missed out on what was going on around him that we find ourselves in the present predicament. The Premier, as I said, is to be commended because he, unlike other members opposite, is going down the right track and, I hope, putting pressure on Canberra to get some of the mess that Canberra has caused sorted out.

It is refreshing to see a Premier in this place who has his eyes fixed not only on the good of South Australia but who is also capable of stretching his gaze beyond the horizon and acknowledging himself first as an Australian, with a heritage which belongs not only to us as South Australians but also to every person in this nation. Such vision is not the stuff of the normal politicians found in this place, and it is the stuff of which statesmen are made. I believe this Premier will play an important part not only in the development of this State but also in the leadership of this nation. I notice and I am grateful that the member for Price has come in; he finds it a bit funny. I would put to the member for Price that on this side of the House there is nothing to be ashamed of in being proud of our current leaders. If, in the past few years, he could not feel proud of his leaders on his side of the House, that is his worry, but when we stand up here and unashamedly express the point of view that our Premier and Ministers are going down the right track, I am disappointed that the member for Price should find it amusing.

Mr Clarke: They have to make a decision first.

Mr BRINDAL: Sir, I would put to the member for Ross Smith that he had best resign and let the people of Ross Smith have a by-election, because if the honourable member is not aware of all the decisions made not only by the Treasurer but also by every Minister of this Government in the couple of months that it has been in office, then he, like the member for Playford, has been on an overseas trip and does not know

what is going on in this State. If there is one thing that every member in his electorate is probably aware of it is that at long last we have a Government in South Australia that is prepared to do something. I also suggest that the member for Ross Smith should have listened to what the member for Hart said, or even the Leader of the Opposition, because he was probably so busy thinking up his next line that he obviously did not listen to his own Leader, who at least gave credit where credit was due.

Mr QUIRKE: On a point of order, Mr Deputy Speaker: I cannot see what this drivel has to do with Supply. I have been trying hard.

The DEPUTY SPEAKER: The member for Unley has strayed somewhat from the point of the debate. He has very little time left to return to it.

Mr BRINDAL: In conclusion (and the member for Playford strayed because he managed to interrupt only the last minute), I commend this Treasurer for his efforts, and I put on record the fact that every member on this side of the House will support him, because if there are any failings they will be the fault of Canberra, not of this Government.

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

Mr CLARKE secured the adjournment of the debate.

ADJOURNMENT DEBATE

The Hon. S.J. BAKER (Deputy Premier): I move:

That the House do now adjourn.

Mr BROKENSHIRE (Mawson): I endorse many of the remarks of the member for Unley. I thought there was a lot of sense in that, particularly—

An honourable member: What a groveller.

Mr BROKENSHIRE: (No, not a groveller, just someone who likes to talk sense)—when he backed up our Treasurer, who is doing a brilliant job in this House. It was disappointing today to hear the Leader of the Opposition noting that there would not be any claim from our side that the debt was worse than we or the public thought. I do not know what the Leader of the Opposition was really talking about there, because at the moment our Treasurer is doing a great job going through with a fine toothcomb and auditing the whole debt structure of this State, and he has already said that he will be putting a report to the House in the next few weeks.

Mr Brindal: They didn't know when the State was collapsing, so you can't take notice of them.

Mr BROKENSHIRE: That may be the case also. In this grievance debate tonight I want to object strongly to the notice given by the Federal DEET today to its regional areas in South Australia that it will extend the time people will have to be unemployed before they are eligible for JobStart from six months to 12 months. I see this as a deplorable move by DEET federally, particularly in an electorate like mine where, as I said yesterday, we have the highest youth unemployment in Australia. In the short time we have been in Government we have started to turn the corner, and there are employers in my area now starting to look at programs like JobStart.

JobStart is one of the better programs that DEET has put forward. But to make a decision which means that you will not be able to claim JobStart until you have been unemployed for 12 months will, unfortunately, simply put a lot more youth out on the scrap heap, because if you do not have a job within six to eight months of leaving school it becomes very difficult. Whether it is right or wrong, when you go to an employer and the employer asks, 'What have you been doing?' and you say, 'Well, I've been unemployed for 11 or 12 months,' the employer—and I am disappointed with their attitude—will look at people who have been unemployed for a lesser time.

Whilst I agree that we have to look at initiatives and incentives to be able to get these long-term unemployed back in the work force, we will not succeed if we allow the Federal Government to extend the time for JobStart. What we must do—and I hope we can be bipartisan on this matter, because it is important that members on both sides of the House have their heart set on getting job creation going in this State—is lobby the Federal Government to be serious for once: not to try to throw a bit of money at the problem but to look at what really is the problem.

The problem in Australia is that we are not competitive compared with other countries, particularly those growing countries in Asia, because our employment costs are just too high. I am talking not about dollars per hour but about all the add-ons, imposts such as the highest Federal fuel tax of any western nation and no assistance to the State so that we can try to reduce our payroll tax, and so on. The abolition of these sorts of add-ons will really create employment, whereas if we simply say to the employer, 'You can have a rebate for 30 or 90 days,' the employer will eventually start to pick up those costs again and will just become uncompetitive in the marketplace.

The Federal Government's argument for extending this time is that there is not enough increase in the percentage that it targeted for the long-term unemployed to come onto the JobStart commencements. That really only reinforces the fact that it is so difficult for those people, for the reasons that I have just mentioned. My unemployed constituents totally disagree with this directive. Only the other day a couple came into my office and said that they had been unemployed for five months, that they had been to job interviews and the employer had said that they would like to take them on. However, because they are not sure whether we have totally bottomed yet and are not confident enough to say, 'Right, I'll definitely commit myself,' employers are looking for these incentives such as JobStart, and they would like to know for the next 90 days that they have a $140 a week rebate to take on board not only the youth but the general unemployed.

The confidence is starting to come back, and all this directive will do is hold that back. We on this side of the House have already put in place a lot of incentives such as picking up the WorkCover levy on students who left school in 1993 and also on the long-term unemployed—those who have been unemployed for 12 months. They are further incentives for employers to start to employ. I ask, 'What will happen to those unemployed for five or six months?' They will just be there in 12 months and, as the member for Unley said, they will not see any light at the tunnel. When we drive home at night we see a lot of these youth on the street, aimlessly wandering around or getting into trouble because they have no reason to get up in the morning. That is why it is so important that we make sure that this job creation program goes ahead.

Currently, people are undertaking courses at TAFE, WEA and other such institutions because they know that they are only about a month away from being able to take a JobStart program with an employer. In other words, basically they have had a nod from the employer. What will happen to them

when the Federal Government does not even allow a sunset clause for this provision? In other words, there was no lead time at all: it was just a directive that told the regional managers, 'That's it! From today you will not be able to offer JobStart to any of these people until they have been (what the Federal Government calls) LTU'd.'

Another thing that concerns me greatly with JobStart, and again illustrates where the Federal Government is getting off track, is that the Federal Government has decided that family members—in other words, children of mums and dads who have their own businesses—are not able to claim JobStart. I see that as total discrimination. Whilst we have to make sure that there is no rort, it was previously up to the discretion of the regional manager to decide whether or not those children were being employed on a genuine basis by their parents. Those parents have battled to keep their businesses going and have tried to keep their current employees on, to the detriment of their own families. Now that their businesses are starting to pick up—and they have had to sit there with the pain of their children being unemployed so that they do not rock the boat for the people whom they already employ—they get to six months or even 12 months and, bearing in mind the way the Federal Government has it set up now, they will not be eligible for JobStart because they are the children of the employer. I feel that is also deplorable.

This will create another huge anti-confidence pill for the many people who are unemployed. We have tried to introduce incentive policies quickly to do our share of job creation at State level. It is really up to the Federal Government now to get serious about this once and for all. I object strongly to this direction and have registered an objection today to the Federal Government through Senator Grant Chapman's office. Senator Grant Chapman will take this up in Canberra tomorrow, but I appeal to all members in this House to get on the phone to their Federal colleagues tomorrow to let them know that these directives will not help South Australia or Australia to get these people out of the dole queues.

Another thing that ties in with all this is general infrastructure. If we are to get general infrastructure back in place in this State, we cannot be expected as a State Government to give more and more dollar incentives to employers, because we do not have enough money as it is, thanks to the mess that we have picked up. We have third arterial roads to be built; we have to put more money into TAFE to retrain these people; and—

An honourable member: And farms to buy.

Mr BROKENSHIRE: And farms to buy as well, because we have farmers with an average age of 59 on our farms at the moment and that is simply not good enough. At the end of the day, the backbone of this State will always be agriculture. As a State Government, we cannot be expected to put money into infrastructure, to create the incentive programs that we have already created, and then try to come up with even more dollars to get youth back into work.

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

Ms HURLEY (Napier): All members of this House would have had significant contact with community groups working at local level. Many of the new members have mentioned the hard work and dedication of those groups in their maiden speeches. More importantly, the work of community groups has been acknowledged as being useful and relevant to the community. I should like to add my voice to this litany of congratulations.

There are a number of key organisations serving the Napier electorate. They include neighbourhood centres such as the Elizabeth West Neighbourhood House and the Lynay Centre, the Elizabeth Women's Community Health Centre and the Anglican Mission. Each of these groups works directly with people in need. The staff are necessarily dedicated and professional. They work within tight budgets and give many hours of extra service. They are supported by volunteers who give many hours of their day to centres that they see as vital to their communities.

Many of these groups are very concerned about their future under this Government. They are unsure of continued State Government funding. The sentiments expressed on the other side are very supportive, but will they be backed up by adequate funding?

I was particularly interested to listen to the Treasurer yesterday and the Premier today. Yesterday, when talking about State Government funding matters, the Treasurer spoke eloquently about the need for program performance budgeting, program evaluation and 'achieving the Government's objectives. . . at reduced costs'. I was very impressed. He went on to talk about finding better ways of delivering programs to free up resources for use elsewhere.

An honourable member interjecting:

Ms HURLEY: Excellent plans, and the theory is well devised. But, I would ask the Treasurer, when this plan is implemented, to pay heed to the Premier's words today. In this case the Premier was talking about Federal Government funding to the States rather than State Government funding to its organisations. Here the emphasis was on loosening the restrictions imposed by tied grants. Here the plea was to allow the State Government to have more control over its own operations.

The Premier asked for genuine cooperation, flexibility and predictability in grants. He spoke of the need for the States to use untied grants for proactive regional policies. I would ask the Treasurer to consult closely with the Premier when he comes to imposing State Government requirements on community agencies and groups.

These invaluable community organisations would be delighted to have genuine cooperation in their funding discussions. They would rejoice in flexibility and predictability in grants. They would revel in the chance to put forward proactive local policies. I sincerely hope that the Premier will oblige them. Workers in these centres are due to get a pay rise as due recognition of their responsibility and professional abilities. I call on the Government to adequately fund the increased salaries that the professionals working in these groups will get and to put in further funds to put their projects in place. Of course, let them be accountable, ensure that there is adequate review and make sure that they are correctly targeted.

Members will know that professional staff spend a significant proportion of their time chasing grants from Federal, State and private sources and are well versed in justifying grants before they get them, during their implementation and after their completion. I am sure that they will cope well with any review. Unfortunately, they are also very well versed in paring their operations to the bone. The recession has created increased demand on their services, and the stubbornly high levels of unemployment have exacerbated the problem. The member for Mawson has just gone through that matter.

Community organisations are in a position to put in proactive programs in areas such as preventive health and

literacy. It is important to get these programs in place to prevent problems arising. I hope that the Government will give these organisations the flexibility and power to continue and expand their operations.

Motion carried.

At 10.13 p.m. the House adjourned until Thursday 24 February at 10.30 a.m.