HOUSE OF ASSEMBLY

Wednesday 30 March 1994

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

TICKERA COASTAL PORTION

A petition signed by 49 residents of the Hundred of Tickera requesting that the House urge the Government to transfer the coastal portion of the Hundred of Tickera to the administration of the District Council of Northern Yorke Peninsula was presented by Mr Meier.

Petition received.

LITERACY

A petition signed by 37 residents of South Australia requesting that the House urge the Government to continue community language and literacy programs was presented by Mr Rossi.

Petition received.

HOUSING MINISTERS' MEETING

The Hon. J.K.G. OSWALD (Minister for Housing, Urban Development and Local Government Relations): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.K.G. OSWALD: Housing Ministers meet annually to discuss issues of specific and joint concern to their areas of responsibility. Ministers met most recently in Canberra in February of this year to discuss, among other things, directions for the Commonwealth-State Housing Agreement. This agreement sets down the arrangements by which the States and Territories allocate funds from the Commonwealth and from their own resources for housing purposes.

The Council of Australian Governments (COAG) met a few days before this meeting. At that meeting, COAG made clear its intention to oversee a clearer delineation of roles and responsibilities at different levels of government to produce more efficient and effective service delivery, eliminate overlap and duplication, minimise imposts on the economy and enhance accountability. Within this context, the council agreed that Housing Ministers should bring forward to its meeting scheduled for August this year a report that broadly considers the scope for reforming housing assistance arrangements.

COAG's deliberations featured significantly at the Housing Ministers' Conference. Arising from this was a statement by the States and Territories to grasp the opportunity to negotiate and reform the conditions under which they are granted funds for housing purposes by the Commonwealth, with a view to improving efficiencies and, of course, client outcomes. At that conference I offered to facilitate the reform process by inviting Housing Ministers to Adelaide for a 'special' meeting which will take place next week on 7 and 8 April. Over the course of the two days, Housing Ministers, together with their most senior advisers, will make a critical assessment of the current Commonwealth-State Housing Agreement, explore options for reform and agree a work program toward the preparation of a report for COAG by August. This meeting presents a valuable opportunity for the States and Territories to improve the efficiency of housing assistance delivery and to ensure the continued viability of State housing authorities.

QUESTION TIME

ENTERPRISE BARGAINING

The Hon. LYNN ARNOLD (Leader of the Opposition): Will the Minister for Industrial Affairs say why he urged unions and Government agencies to continue enterprise bargaining negotiations at the meeting of the Industrial Relations Advisory Committee (IRAC) on 9 February this year when just one month later Cabinet directed chief executive officers to cease those negotiations?

IRAC is a peak body created by an Act of Parliament to ensure that the Government consults about industrial relations issues with representatives of both employers and employees. The official minutes of the IRAC meeting of 9 February reveal that unions sought clarification on the status of public sector enterprise bargaining and expressed concern that negotiations were not moving forward. The minutes state that the Government was not opposed to the agreement, presumably the enterprise bargaining framework, and that the Minister 'urged interested parties to continue negotiations'. On 14 March Cabinet determined that all enterprise bargaining negotiations at Government departments and agencies, which in some cases had been going on for several months, were to cease.

The Hon. G.A. INGERSON: Let us hope that the Leader of the Opposition has not in fact breached the IRAC Bill, because it is my understanding that minutes and happenings of the IRAC Bill are confidential. But let us now answer the question. At that meeting I advised all those present that they should continue to discuss the enterprise bargaining arrangements as they related to their department. On 14 March the Cabinet decided that, because of the urgency of the Audit Committee's report coming down, we should go back to the union movement and advise it that there had been a changed position as far as the Government was concerned and that it wanted it to be halted.

Yesterday in this House the Leader of the Opposition made some very interesting statements. I did not have this information available to me yesterday, but I am quite sure the House would like to know it today. On 16 March of this year at a meeting attended by Mr Chris White, Mr Rob Bonner (representing the Nurses Association), Jan McMahon (from the Public Service Association) and Barry Schultz (from the Allied Liquor Association), it was stated that on 14 March the Cabinet had made the decision as it relates to enterprise bargaining and that the Minister for Industrial Relations had had a discussion with Mr Lesses to inform him accordingly. They were also told by Mary Beasley, the CEO of my department, that there was to be no further development of the plans.

Let us remember who we are talking to. We are talking to the PSA at a public sector forum to discuss enterprise bargaining. They were also clearly told that a review team was to be set up involving Paul Case (who is a director of my department), David Proctor from Treasury, Graham Foreman from the GME section, David Smythe from my department

and Matthew O'Callaghan. This particular group was to discuss future enterprise bargaining arrangements with the public sector unions mentioned above. It is fascinating that Mr Lesses does not seem to be getting the information from Mr White, because these minutes, written independently of me, state the following:

> Chris White reiterated that the unions wish to begin negotiations at the earliest opportunity. . . Mr Rob Bonner [who is also a union representative] suggested that the next six weeks could usefully be used to debate the framework agreement.

It is fascinating that the Leader of the Opposition, who is getting all his information sent to him from his union mates, cannot even get them to tell him what has actually happened at a formal meeting of the Government and the union movement about enterprise agreements. Yesterday we had a situation where the Leader of the Opposition did not bother to check with his union mates as to what really was going on in this whole area. It is about time that the Leader of the Opposition walked down to South Terrace, sat down with Mr Lesses and his mates and found out what is happening. This Government is consulting with the union movement on a continuous basis. The other day Mr Lesses made the interesting comment that he had had more visits from the current Premier and the Minister for Industrial Affairs than he had from the previous Minister in the whole time that he had the industrial relations portfolio.

FREQUENT FLYER POINTS

Mr LEGGETT (Hanson): My question is directed to the Premier. What is the Government's policy in respect of the use of frequent flyer points allocated as a result of travel undertaken by Ministers and public servants at taxpayers' expense?

The Hon. DEAN BROWN: The Government has a very clear policy that any public servant who flies under a frequent flyer bonus scheme must then use all the benefit out of that scheme, particularly in terms of further free travel that may be accrued, for official Government use by that public servant, and it cannot be used for private use. In fact, an instruction was issued late last year on this matter, as follows:

> 9111.6 Chief executive officers are to ensure that officers in receipt of frequent flyer points incurred on Government-related business utilise these rewards for 'free flights' in relation to their own future Government travel requirements.

So it is quite clear. I mention this matter because I understand it was raised this morning by the Economic and Finance Committee. I stress the fact that the Government has put out this instruction to CEOs. The Government's position is very clear. Furthermore, if one looks at the code of conduct of Ministers, one sees that that is also very clear. This is the new code of conduct put down by the new Government, and it is very clear that Ministers cannot use such free travel for personal use—it can be only for ministerial use.

The Hon. H. Allison: What used to happen?

The Hon. DEAN BROWN: The honourable member behind me interjects. There was the classic case, about three years ago, under the former Government, where one of its Ministers went out and auctioned a free flight. That is indicative of the lack of standards that applied under the previous Government. It just highlights the clear standards which are now put down by the Liberal Government and which apply to all public sector employees. I stress to the CEO from the MFP, Mr Kennan, who appeared this morning and who did not seem to know this policy, that he had better come up to speed with the policy pretty quickly. I will make sure that a copy is faxed down to him, so he knows exactly what the policy is, particularly if he is flying first class.

ENTERPRISE BARGAINING

The Hon. LYNN ARNOLD: Did the Minister for Industrial Affairs take a recommendation to Cabinet that Government departments be directed to go ahead with negotiating enterprise agreements and, if so, when, and was he rolled? The official minutes of the Industrial Relations Advisory Council meeting of 9 February reveal that a union representative requested that the Government give the okay to go ahead with negotiating enterprise agreements in the public sector, as some departments seem to be dragging their feet. It is further stated that the Minister said that he would recommend to Cabinet that a direction be given to this effect.

The Hon. G.A. INGERSON: First, as I said in my previous reply, it is my understanding—and I am quite sure that it is the Leader of the Opposition's understanding—that all minutes of IRAC are confidential. As the previous Premier would clearly know, there is no question at all about the confidential nature of Cabinet minutes and Cabinet recommendations.

CIRKIDZ

Mr CAUDELL (Mitchell): Will the Minister for Housing, Urban Development and Local Government Relations advise what action he intends to take in relation to the circus and performing troupe Cirkidz who may soon be asked to vacate their premises at Brompton? The South Australian Housing Trust is selling 6 West Street Brompton, which has been the home of Cirkidz for nine years. I understand that negotiations are well under way and the contracts will be finalised within two weeks.

The Hon. J.K.G. OSWALD: The property at Brompton to which the honourable member refers is one of several that are currently being sold or transferred to rearrange the titles between a private company and the Hindmarsh council with a view to allowing for the expansion of S.D. Tillett, the monumental masons, who are about to undertake a multi-million dollar expansion with regard to overseas and inter-state export, which will result in significant employment. I understand that the land in question is valued at $270 000. Situated on the site is a very old house, a tiny cottage, in which Cirkidz is located and for which it pays $1 a week nominal rental. I visited that site this morning and for the life of me I cannot understand why the former Government did not do something to help out Cirkidz and attempt to find it new premises, because the condition of the existing premises is such that they should have been condemned and bulldozed a long time ago.

This little place is probably only 16 to 20 feet wide and not much more in depth. Behind it is another property, a small area owned by the council, which is also rented to Cirkidz. Cirkidz has occupied those premises for nearly 10 years. The land, as suggested in the question, is owned by the South Australian Housing Trust and has been made available at a peppercorn rental. Contracts have been prepared for the sale of the land but have not yet been formally signed. One of the conditions of the contract is that Cirkidz remains on the premises for another year. Over the course of the next year we will find alternative premises for Cirkidz.

Only this morning I had a discussion with the Town Clerk of Port Adelaide, who was very receptive to attempting to find premises in the area. He said he would actively encourage the group to relocate in the Port Adelaide area. I think we will probably find that the same position applies elsewhere. I would be most surprised if over the next year I cannot find suitable premises, as all Cirkidz requires is a shed about 10 metres by 15 metres with a high ceiling in which to relocate the theatre.

The Government is aware that Cirkidz is a unique youth development organisation in South Australia. It has trained hundreds of disadvantaged young people in circus skills and others who have come through from the universities. I am disappointed that Cirkidz chose to have a street march and demonstration on the steps of Parliament House today without coming to me first, because I would have been able to tell the group that it will be given the opportunity to relocate into something far superior than the former Government ever considered for it.

When I visited the premises this morning I thought it was an absolute disgrace that for 10 years the former Government allowed this group to co-exist at the back of an industrial site in a house which should have been condemned years ago. Certainly, the Housing Trust would not have allowed anyone to inhabit the place. Twelve months is a long time. I am confident that we will find a location for Cirkidz, and I assure the group that it does not have a worry. Over this period we will find a location. I am also acutely aware that because of the nature of the organisation it does not have the ability to pay market rent and will need to be subsidised. Over the next 12 months I am confident that I will find premises with which Cirkidz will be quite content.

ENTERPRISE BARGAINING

Mr CLARKE (Ross Smith): Will the Minister for Industrial Affairs explain why Cabinet decided to cease enterprise bargaining in the public sector until the Industrial Relations Bill is passed when the present law allows for enterprise bargaining without disadvantage to workers? The minutes of the meeting of the Industrial Relations Advisory Council of 9 February clearly indicate that the Minister encouraged enterprise bargaining negotiations to continue under the existing Industrial Relations Act. One month later, Cabinet cancelled negotiations—

The Hon. S.J. BAKER: I rise on a point of order, Mr Speaker. I ask whether the question is out of order, because I do not believe it is proper for the decisions of Cabinet and the reasons behind them to be questioned in this House.

The SPEAKER: Order! The Chair was considering that point. This question is similar to one asked previously. I therefore ask the member for Ross Smith, in explaining his question, to be very precise or I may have to rule him out of order.

Mr CLARKE: One month later, Cabinet cancelled negotiations pending the passage of new industrial relations legislation. That is the end of the explanation. The Minister has an answer or he does not.

The Hon. G.A. INGERSON: It is amazing when you have a new boy on the block what a slow learner he is. Here we have a so-called union official, an excellent negotiator, an understander of facts and a new member of Parliament. In most instances, new members of Parliament have a look at the rules and try to understand as simply as possible what the rules of Parliament and Government are. A simple answer to the honourable member's question—and I will try to keep it very slow and in simple words—

Mr Clarke interjecting:

The SPEAKER: Order! The member for Ross Smith will not interject and the Minister will not invite interjections.

The Hon. G.A. INGERSON: Mr Speaker, I will go very slowly. As the honourable member opposite should understand, submissions to Cabinet are confidential. I will spell it if he would like me to, but it is confidential.

Members interjecting:

The SPEAKER: Order! The member for Frome has the call. The member for Ross Smith and the Minister have had their opportunity.

DRIVERS' LICENCES

Mr KERIN (Frome): Is the Minister for Youth Affairs aware of any possible changes to the age limit for a person wishing to obtain a driver's licence in South Australia? Recently, young people and parents from my electorate expressed concern about the possibility of the Government raising the minimum age for obtaining a driver's licence. The effect of this could see many of them lose out on possible employment opportunities and create unnecessary inconvenience for both them and their families.

The Hon. R.B. SUCH: The question is a very important one, as this issue is causing a lot of concern in country areas, particularly amongst young people who need to access part-time employment and study as well as other community activities. I am pleased to inform the honourable member, after consultation with the Minister for Transport in another place, that there are no plans to raise the minimum age at which a person can obtain a driver's licence. It is being considered at the Federal level by a committee, but this Government does not support any move to increase the minimum age at which a licence can be obtained. I reassure young people both in the country and in the city that it is not on our agenda and it is not something that we support, because we are mindful of their need to access employment opportunities and recreational and other community activities in their areas.

CONSULTANCIES

The Hon. M.D. RANN (Deputy Leader of the Opposition): Can the Treasurer assure the House that a full disclosure will be made of all consultants used in producing the Audit Commission report, including how much each consultant was paid and on which section of the report each consultant worked? Can the Treasurer also assure the House that no consultant who works on the report is guaranteed or has been promised further work or other pecuniary benefit based upon their recommendations?

Recent experience with commissions of audit around the country, and in Western Australia in particular, have shown that Governments have been extremely coy about releasing details of the consultants used. There has been much conjecture that some consultants have benefited directly from their own recommendations in dodgy make work projects.

The Hon. S.J. BAKER: I again wonder why the question was asked, given the Opposition's record on consultancies. I think the bill was $150 million and all the reports that were written by those consultants finished up in the bin, never having been addressed. Taxpayers' money has been—

The Hon. M.D. Rann interjecting:

The Hon. S.J. BAKER: Quite frankly, I would have thought that the Deputy Leader would keep his mouth shut, given the history of his Government and the fact that $150 million worth of taxpayers' money was wasted for no conceivable outcome; none of the recommendations were ever taken up. I will not even reflect on whether some of his friends or some of his Government's friends got contracts because of that friendship. However, I will point out to the House that we have hired a team of professionals to do the job. It is an important job for this State and it will be done.

FEMALE CIRCUMCISION

Mrs KOTZ (Newland): Will the Minister for Family and Community Services advise the House what action the South Australian Government is taking to outlaw the practice of female genital mutilation or female circumcision? This cultural practice is still undertaken in some parts of the world, in particular in Africa, to enforce virginity. It is of great concern that there is evidence that female genital mutilation may be practised here in Australia on young girls and that, in some circumstances, young girls are sent overseas to their country of origin to be circumcised as part of this cultural practice. I seek an explanation of the Government's position given the widespread community concern about this matter.

The Hon. D.C. WOTTON: The extent of this practice in Australia is unknown. However, health and welfare workers in various parts of Australia have raised considerable concerns about female genital mutilation. The practice is considered by concerned workers to be a violent abuse of women and children and it can cause long-term health and emotional problems in these people. Female genital mutilation is implicitly outlawed under South Australian statutes in the Criminal Law Consolidation Act and the Children's Protection and Young Offenders Act as well as in common law dealing with consent to medical procedures.

Australia has endorsed the World Health Organisation resolution to outlaw this practice, which also contravenes several other international conventions, such as the Declaration of Human Rights and the United Nations Convention on the Rights of the Child.

At the health and community services joint ministerial council in Perth last week, I spoke on this issue on behalf of the South Australian Government and stressed that strong action was required to outlaw this practice. The members of the joint ministerial council agreed that female genital mutilation is totally unacceptable in this country and that Governments should take whatever steps are necessary to put an end to it. I should also say that, as this is a strongly held tradition in certain communities, it will be possible to outlaw this practice only if there is a process of education and community awareness run in parallel with any strengthening of legislation in this area.

AYTON REPORT

Mr QUIRKE (Playford): Did the Premier mislead the House about the identity of the source who provided the then Liberal Opposition with the confidential Ayton submission to the NCA? On 4 March 1993, the Premier, when in Opposition, quoted from a confidential submission from Superintendent Ayton of the Western Australian Police to the Joint Parliamentary Committee on the NCA. Following a formal complaint from Superintendent Ayton, the joint parliamentary committee commenced an investigation of this unauthorised disclosure of information. The recent tragedy surrounding the bombing of the NCA office in Adelaide has raised awareness that leaks from the NCA, or any committee supervising it, are a serious matter. On 16 February this year, the Premier told the House:

> I can indicate that. . . the Labor Party in Canberra have been trying to suggest that the leak has come from a South Australian Federal member of Parliament. I can assure the honourable member that our source of information was not the person who has been suggested by the Federal Labor members of Parliament.

In answer to a subsequent question on 16 February, the Deputy Premier stated that he had received the document from someone described as a substantive source. On 9 March the Premier was asked if he knew the identity of the source who provided the former Opposition with the confidential Ayton submission and whether the Deputy Premier had provided him with any information about the source of the Ayton submission. The Premier replied 'No' and 'No'. As the Premier claims he does not know the identity of the source of the Ayton submission and did not receive any information about the source, can he state that the document was not received from the member of the joint parliamentary committee?

The Hon. DEAN BROWN: The honourable member asked one question at the beginning—which was appropriate—and then asked a quite separate and different question at the end. Therefore, I will make it quite clear, because I was going to answer 'No': my answer 'No' is to the first question asked. I forget the last question, at any rate, but it is not relevant. It is a pretty shabby tactic for a member, particularly one of the honourable member's experience, to ask the original question and then try to throw in other questions; in fact, it is in clear breach of Standing Orders, at any rate, Mr Speaker, and I am sure you would not allow such a thing to occur. So, I answer 'No' to the original question.

TAFE

Ms HURLEY (Napier): Will the Minister for Employment, Training and Further Education explain to the House why he was unable to wait until after the next meeting of Ministers of Vocational Education, Employment and Training before changing the name of 'institutes of vocational education' to 'institutes of TAFE' and, indeed, changing the meaning of the acronym 'TAFE' to 'training and further education'; and can the Minister describe the consultation process he went through to arrive at this decision, particularly with the coalface of TAFE? Yesterday in this House the Minister, in response to a question from the member for Torrens (who alleged lack of consultation with coalface TAFE staff), said that he had decided to revert to the acronym 'TAFE' in advance of the Ministers' meeting to be held in a few weeks time when national uniformity in naming institutes of vocational education will be discussed.

The Hon. R.B. SUCH: I indicated yesterday at a meeting at the Adelaide Institute of TAFE that I was changing the name, and I got a standing ovation (mainly because people were already standing, but there was spontaneous applause) from a very large group of about 200 people—mainly TAFE staff. This matter has been under discussion within the TAFE sector for some time. We have had informal discussions with all the other States, and it is still appropriate to raise it at the Ministerial Council meeting in a few weeks time, but the point is: why wait? The trouble with members opposite, when they were in Government, was that they rarely made any

decisions; and, if they did, they made the wrong ones. Our objective is to get the State moving again and not to indulge in talkfests and delayed inquiries.

It is to be called 'training' (rather than 'technical') because technical training will still be part of the TAFE sector, but 'training' is a more appropriate generic term. We train in a whole range of areas, involving hundreds of different programs, which go beyond technical training. I can assure the honourable member that within the TAFE sector lecturers and part-time lecturers are delighted with the change of name and wish that it was never altered in the first place.

COMMONWEALTH GAMES

Mr ANDREW (Chaffey): Will the Minister for Recreation, Sport and Racing advise the House of any developments in relation to the possible bid for holding the Commonwealth Games in Adelaide?

The Hon. J.K.G. OSWALD: I thank the honourable member for his question, which I know is of great interest to every member in this Chamber. On 2 February I met with Sir Peter Heatly, the immediate past Chairman of the Commonwealth Games Federation, here in Adelaide, and I actually had a working breakfast with him. Sir Peter's organisation is the international governing body for the Commonwealth Games movement, and he and I had an interesting conversation which I will relate briefly to the House. He advised us that, although our bid was unsuccessful, it was so professional in the run up to the 1998 games that Adelaide was still prominent in the minds of delegates overseas. He predicted that by the year 2006 South Africa would become a prominent contender and, in fact, he said that that country would probably bid for the 2004 Olympic Games and that, whilst they would not succeed, they would receive considerable sympathy, particularly in Africa, and when they ran for the 2006 Commonwealth Games they would get the African bloc vote. There has never been a Commonwealth Games in Africa and that would help them.

The advice from Sir Peter Heatly was to look seriously at the 2002 games. Tomorrow I fly to Canberra, accompanied by the Lord Mayor of Adelaide and Mrs Marjorie Nelson (formerly Marjorie Jackson), and I will be discussing our bid with Senator Faulkner to solicit Federal support for the bid. The delay has only been because of the upheaval through the departure of the former Sports Minister and we have had to mark time waiting for a new appointment to be made. While I am convinced of Adelaide's capacity to run a high quality and cost effective Commonwealth Games, the most important aspect of the bid is still securing support from the Australian Government. Indeed, we need support, based on the previous bid, of somewhere between $25 million and $30 million. To attempt to continue negotiations without a commitment from the Federal Government would make it very difficult indeed for Adelaide to stage the Commonwealth Games.

The influence of Sydney 2000 is also crucial to our considerations, because Sydney is not well disposed for Adelaide to pick up a Commonwealth Games two years after the Sydney Olympics, although it is my view that there will be a vacuum. There is nothing more dead in the sporting world than the day after an Olympics or Commonwealth Games closing ceremony. We will be bidding on the basis that a strong need exists for a follow up event and we will be bidding for the 2002 games.

I also have a meeting arranged with Mr David Dixon, Honorary Secretary of the Commonwealth Games Federation, who will be in Adelaide on 8 April and, on the basis of the meeting in Canberra tomorrow, the former meeting with Sir Peter Heatly and also the upcoming meeting, we will be in a good position to know whether Adelaide will be able to run for 2002 or whether it will be a pointless exercise.

LYELL McEWIN HOSPITAL

Mr WADE (Elder): Will the Minister for Health advise whether it is true that the Lyell McEwin Hospital in Labor's heartland seat of Elizabeth has struggled under severe handicaps imposed by the former Labor Government since 1982? Will this hospital receive a fairer deal under the present Government? I was recently in the Elizabeth area, where many residents expressed their concern at the long waiting lists at the hospital, and they said how distressed they were because it appears that they have been let down—and let down badly—by the previous Government in respect of all hospital services.

The Hon. M.H. ARMITAGE: I thank the honourable member for his question, which obviously was stimulated by his time doorknocking in the seat of Elizabeth last weekend. He is, as everyone realises, quite correct, because the areas of Elizabeth, Munno Para, Salisbury, and so on, are relatively disadvantaged areas with the high levels of unemployment as well as high levels of health problems, as recognised by many surveys which, unfortunately, everyone other than the previous Labor Government has recognised.

The Lyell McEwin Health Service has had a raw deal by anyone's standards. I congratulate it as it has addressed the problems through making efficiencies. For example, 53 per cent of all elective surgical operations are now done on a day surgery basis. That is a remarkable achievement, with no thanks to the previous Labor Government. The health service has also introduced a post-natal domiciliary care service, which means that 45 per cent of women following childbirth chose to leave the hospital early and have post-follow up in their own homes—a remarkable achievement on which I congratulate the hospital—and, again, no thanks to the previous Labor Government.

In spite of these and other efficiencies, the Lyell McEwin Health Service has unfortunately not been able to cope with the demand. Elizabeth—the heartland of the Labor Party—has the highest number of people on the waiting list for elective surgery per head of population in South Australia.

Members interjecting:

The Hon. M.H. ARMITAGE: Yes, the highest. The waiting time for non-urgent gynaecological surgery at Lyell McEwin is 10 months: this from a Government which used to shout from the rooftops about how unbiased it was towards women. They must wait 10 months for non-urgent gynaecological surgery. For anyone wanting non-urgent neurological operations at the Lyell McEwin Hospital, the waiting time under the previous Labor Government was 2½ years—this despite the fact that the previous Government often said that the northern metropolitan area was under resourced. That is indeed thanks to Labor, as there is no-one else to blame.

Studying the statistics, between 1987 and 1994 the numbers on the Royal Adelaide Hospital waiting list fell by 100 people. Between 1987 and 1994 the number of people waiting at the Lyell McEwin Hospital doubled.

Mr Clarke interjecting:

The SPEAKER: Order!

The Hon. M.H. ARMITAGE: What might the residents in the Labor heartland in the seat of Elizabeth expect from a

Liberal Government? As we have announced, we will have a funding system called casemix funding, which will see efficient hospitals such as the Lyell McEwin Hospital funded appropriately. They will be funded in a fair manner so that people will not have to wait 10 months for gynaecological surgery or 2½ years for non-urgent neurological surgery, and so on. It will be a fair system and, for the first time, it will reward efficiencies such as the Lyell McEwin Health Service has introduced.

The people of Elizabeth can rest easy under a Liberal Government, because they will benefit under us as they certainly did not do under the previous Labor Administration, despite all the shibboleths that the previous Government used to spout on a regular basis. It was the Liberal Government that put the Lyell McEwin Hospital in the area of Elizabeth in the first instance, it is a Liberal Government that will restore it to the position of prominence that it deserves and, with the advantages of the casemix funding system, it will be a Liberal Government that will provide appropriate health care services for the people of Elizabeth.

STATE BANK

The Hon. DEAN BROWN (Premier): I seek leave to make a ministerial statement.

Leave granted.

The Hon. DEAN BROWN: I simply wish to inform the House that, on the advice of the Crown Solicitor, legal proceedings have been issued in the Supreme Court today against Mr T.M. Clarke and former directors of the State Bank, namely, Mr L. Barrett, Mr D. Simmons, Mr R. Bakewell, Mrs M. Byrne, Mr W.F. Nankivell, Mr R. Searcy and Mr A. Summers in respect of the acquisition by the State Bank of South Australia of Oceanic Capital Corporation. I table the ministerial statement issued in another place this afternoon relating to this matter.

NATIVE TITLE

Mr CLARKE (Ross Smith): My question is directed to the Premier. Has the Government finalised its position with respect to the Commonwealth Government's Native Title Act? If so, what is it and, if not, when will the Government announce its policy position?

The SPEAKER: Order! That was three questions in one.

The Hon. DEAN BROWN: It would appear that every hopeless question they think up on the other side they give to the new member for Ross Smith. They keep giving him these hand grenades from which they have already pulled the pin. For more than 12 months the former Government of this State was unable to put down its position on Mabo. The new Government has been looking at the native title issue very actively. We have had a subcommittee of Cabinet meeting every two or three weeks and taking evidence from a large number of groups of people. I do not know whether the honourable member has looked at the Federal legislation that has been introduced: I suspect not, because all I can say is that it is extremely complex when you look at it in terms of the Constitution of Australia and the implications of that on a State.

The Liberal Government has not yet finalised its position on Mabo or, more accurately, native title. We are consulting with a significant number of groups and we have had recent meetings. We have many more meetings to come, and it will be quite some time before the Government can put down a definitive position. One reason for that is that the Federal legislation itself is now under challenge in the High Court of Australia. Therefore, I think it unlikely that any State Government in Australia will put down its definitive position until that challenge has been finalised.

I understand that the High Court is likely to try to hear that challenge as quickly as possible, for obvious reasons, and that it may be heard later this year and early next year to get it out of the way, because there is no doubt that the Federal legislation and the uncertainty now surrounding it are starting to cause very significant problems in a number of industries, including the mining industry. This creates uncertainty for both exploration and mining, because a company involved in land over which there could be a native title claim must designate that in its annual report.

More importantly, I understand that the lending institutions are becoming very nervous about lending over areas where there may be a native title claim. There is a great deal of uncertainty, and that uncertainty will continue. It is beyond the control of the South Australian Government. The uncertainty is created by legal action taken by the Western Australian Government against the Federal Government, but I understand that equally there could well be a counterclaim by the Federal Government against the Western Australian legislation as part of this legal action. Until those matters are resolved, State Governments around Australia will find it very difficult to put down a definitive position.

CONSTRUCTION INDUSTRY TRAINING FUND

The Hon. M.D. RANN (Deputy Leader of the Opposition): My question is directed to the Minister for Employment, Training and Further Education. When will arrangements be finalised with local government for the collection of training levies due to the Construction Industry Training Fund, and what arrangements will the Minister make for industry to pay the levy where local councils have refused to cooperate? The Construction Industry Training Fund has been in operation since 1 September last year. Whilst local government has been offered a collection fee, some councils have refused to cooperate, and this will make the process of obtaining a building approval unnecessarily inconvenient to the public.

The Hon. R.B. SUCH: I understand that some councils were reluctant to collect that levy, but further information suggests that payment can be made now via the Australia Post collection agency, so the problem has been resolved. I understand that the councils that were objecting have also come to terms with what is a very innovative training proposal and fund collection system, and I do not expect that there will be any further problems.

SHACK SITE FREEHOLDING COMMITTEE

Mr LEWIS (Ridley): My question is directed to the Minister for the Environment and Natural Resources. How much longer will he need before he establishes the shack site freeholding committee we promised at the last election? As we approach the holy days on which we contemplate and celebrate the crucifixion and resurrection of Our Lord Jesus Christ, many people are planning visits to their holiday homes and shacks. They have anxiously asked me to find out when we are going to get on with the job we promised to do of setting out the way in which they can freehold their shack.

The Hon. D.C. WOTTON: I am absolutely delighted to be able to inform the honourable member that later today I will be giving advice regarding the establishment of a shack site freeholding committee to look at the freeholding of shack sites on Crown land. I realise that there has been much expectation about the establishment of this committee. It is an important committee, and it has a very important job to do. I will be instructing that committee to report on the best methods of freeholding shacks on Crown land, wherever possible, providing they meet appropriate environment and health standards. We need to recognise that not every shack will be able to be freehold, but the committee is to recommend solutions to problems rather than to obstruct the process of freeholding, and I have made that very clear.

Later today I will release details relating to the terms of reference. The establishment of this committee fulfils an important election promise. The freeholding of appropriate shacks will be done on a user pays system in accordance with our policy. The committee, I am pleased to say, will be chaired by the Hon. Peter Arnold, the former member for Chaffey and a former Minister of Water Resources and Lands—

An honourable member: Jobs for the boys!

The Hon. D.C. WOTTON: I cannot think of a better person to chair that committee.

Members interjecting:

The SPEAKER: Order! I warn the member for Ross Smith.

The Hon. D.C. WOTTON: As a former Minister of Lands it is totally appropriate that the Hon. Peter Arnold be given that responsibility, and I am delighted that he has accepted the challenge.

Members interjecting:

The SPEAKER: Order! The member for Ross Smith has been given ample warning. There have been too many interjections.

The Hon. D.C. WOTTON: Finally, the committee will be expected to provide a progress report to me on a monthly basis, and I have asked that a final report, with recommendations for Cabinet, be submitted to me no later than 30 November this year. I am delighted with the membership of the committee and, as I said earlier, later this afternoon I will release details concerning the terms of reference that I have provided for that committee to carry out its task.

PORT ADELAIDE TAFE

Mr De LAINE (Price): Will the Minister for Employment, Training and Further Education inform the House of the current status of the new world class TAFE college in Port Adelaide and when this Labor Government built facility will be open?

The Hon. R.B. SUCH: It is a marvellous facility, and if it does not win an award I will be surprised. Although members may not know, it is right on the waterfront at Port Adelaide. I have inspected it and it is outstanding in terms of architectural design and useability. It incorporates a child-care facility, which is quite significant. It also has a very successful Aboriginal studies program, and the great thing about that is that not only are Aboriginal people accessing the specific Aboriginal studies programs but, because of the way it has been run and the contribution of people such as Janice Koolmantrie, Aboriginal people are engaging more and more in mainstream courses. That is a significant development and it is the way to go. It is an exciting development. A few touches still have to be completed in terms of fitting out the cafeteria, but we expect it to be officially opened within the next few months. It is my intention to ask the Premier to open it as an indication of the importance that we place upon training in this State.

NATIVE FAUNA

Ms HURLEY (Napier): Does the Minister for the Environment and Natural Resources propose any additional resources to prevent illegal trading in native fauna?

The Hon. D.C. WOTTON: As the member would appreciate, and as all members of the House would know—I hope—an extensive review has been carried out into matters relating to the National Parks and Wildlife Act. I have made very clear that I want the recommendations coming out of that report, which I will release shortly, to be implemented as quickly as possible. A number of matters relating to that legislation will be addressed. The matter to which the honourable member refers is just one of those, and I will be very pleased to provide a copy of the report personally to the member when it is made available. At this stage, the answer is that we will be looking at the matter of added resources to national parks in a number of areas, and the matter to which the honourable member refers is just one of those that will be under serious consideration.

MENTAL HEALTH

Mr BECKER (Peake): Will the Minister for Health assure patients currently residing in Hillcrest Hospital and their carers that they will not be disadvantaged as a result of changes in mental health services? I understand the *Standard Messenger* newspaper of 9 March carried an article on the closure of Hillcrest Hospital, citing the concern of Mr Tony Ellmers of the Housing Trust Tenants Association.

The Hon. M.H. ARMITAGE: I thank the member for Peake for a most important question relating to the care of people with mental illness. In providing an answer, I acknowledge the diligent representation of the member for Torrens in whose electorate Hillcrest Hospital stands.

Members interjecting:

The SPEAKER: Order! Unparliamentary comments are being made across the Chamber.

The Hon. M.H. ARMITAGE: I assure the new member for Ross Smith that the member for McKillop's comment may have been droll but it was true. I can assure the community—especially those with mental illness and their carers—that the Government's direction in mental health will definitely be to their advantage. I have seen the article in the *Standard Messenger* to which the member for Peake referred, and it is unfortunate in that some misapprehensions are frequently put around in the public arena. It is essential that people realise that some of the statements in the article are not true. I quote in particular one line where, in reference to institutionalisation, the association spokesman said:

> It's never worked anywhere.

Now, that simply is not true. In areas around the world it has worked very well, and we are merely doing what has been proven by all research around the world to be a way of providing better care. The writer of the letter to the *Standard Messenger* goes on to say:

> The community will need more support facilities not less.

I agree completely, and that has always been the concern of the community in relation to the devolution process: were appropriate community facilities provided? I made a ministerial statement last week to answer those questions, and I addressed the matter of whether the financial savings of $11 million, which the previous Government identified, were realisable, because without those savings the community facilities cannot be provided. The writer of the letter also states:

> There are people who can be deinstitutionalised but there are many who cannot.

Again the writer is correct, because there are people for whom community facilities are inappropriate, but the plan to deinstitutionalise patients from Hillcrest Hospital does not include deinstitutionalising all the people, and that is the very reason why many facilities are remaining—to look after those people who are in need of care.

I am writing to Mr Ellmers of the Housing Trust Tenants Association to assure him that the relocation of Hillcrest beds will not represent a reduction of services but rather a transfer of services to support local communities so that facilities and mental health care are available where people need it. So, the services at Hillcrest will be wound down but, rather than reduce clinical services, the funds will be used to develop new and better services. To that end, I recently opened the Lyell McEwin Health Service, and I acknowledge—somewhat belatedly—the presence of the member for Napier at that opening. That was an excellent example of facilities where there will be inpatient hospital beds not in a large institution such as at Hillcrest but close to the clients, the people who need them, and that is collocated with the northern community care team which will provide services to the community. So, services are being put in place, and they have been sought by consumers for many years.

Many of the deficiencies of the past 10 years, during the stewardship of the previous Government, were identified by both the Burdekin report and the national mental health strategy, and we are certainly addressing those deficiencies. I indicate a personal crusade in this matter, because I am old enough to have studied medicine at a time when Z Ward at Glenside Hospital was still operational. To see the facilities there when people were incarcerated behind large walls, with barbed wire on top, and basically given pharmacological straitjackets, was appalling. We are moving to an era of providing community care where patients need it, and that is an example of how much mental health care has improved in the past 20 years.

LOTTERY SYNDICATES

Mr BASS (Florey): Can the Treasurer advise whether the Government is considering allowing house syndicates to take part in lotteries in South Australia? In Victoria I understand that authorised lottery agents are able to conduct house syndicates, and the term 'house syndicate' commonly refers to a syndicate comprising the proprietor of a lottery agency and one or more customers of that agency.

The Hon. S.J. BAKER: I thank the member for Florey, who has raised this question previously. He has been approached by a constituent who quite likes the idea of having house syndicates in South Australia. At this stage, we will not be introducing house syndicates into South Australia. The reason is that they are open to some levels of corruption. They exist in Victoria, I understand under the auspices of Tattersalls, and that is acceptable to Victoria; at this stage it is not acceptable for South Australia. One of the issues that has been raised by the member's constituent is the extent to which South Australians may be missing out on lottery prizes as a result of the unavailability of house syndication in this State.

We took out some figures on the extent to which South Australians were benefiting from the X-lotto prize pools, which of course are much larger since we joined with our interstate counterparts. In the 1992-93 financial year, which is the last year for which we have detail, the total prize money paid out to South Australians was $81.03 million. That compares to only $78.22 million contributed by South Australia. So, whilst it may not prove the point very validly, it appears that we are doing far better on average than our interstate counterparts, and we are taking more out of the pool than we are putting in.

So in terms of whether house syndication assists us to get a greater share of the prizes, the evidence actually operates in the opposite direction. We have concerns that house syndications can be manipulated by the people who run them. If a member of a syndicate is asked to look after the tickets, there is a chance that one of those tickets will disappear when the winner is drawn. Under those circumstances, I think the validation of house syndicates could be fraught with considerable danger and fraudulent consequences.

LEGISLATIVE REVIEW COMMITTEE

Mr CUMMINS: I bring up the seventh report 1994 of the Legislative Review Committee and move:

> That the report be received and read.

Motion carried.

Mr CUMMINS: I bring up the eighth report 1994 of the Legislative Review Committee on regulations under the Education Act relating to the Alberton Primary School Council and move:

> That the report be received.

Motion carried.

Mr CUMMINS (Norwood): I bring up the ninth report 1994 of the Legislative Review Committee and move:

> That the report be received.

Motion carried.

JOBLING, MR DAVID

The Hon. S.J. BAKER (Deputy Premier): I lay on the table the ministerial statement made this afternoon by the Attorney-General on Mr David Paul Jobling.

GRIEVANCE DEBATE

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

Mr ASHENDEN (Wright): I want to address another issue today regarding education, specifically the teaching profession and teachers themselves. I do not think that any other group within our community is given less thanks for the professional effort that it makes in an attempt to provide an education for the young people of this State. The task those teachers have is frequently a thankless one; in fact, they are

often subjected to unjust criticism for the manner in which they undertake the education of the children who are entrusted to their care. I understand very much the frustration that so many teachers must feel at the moment because of the apparent lack of support they receive to overcome many of the problems with which they are being confronted in their day-to-day teaching lives.

I could refer to a number of matters, but I want to refer specifically to the problems with which teachers are being confronted because of the lack of discipline that is so evident in society today. I remember that when I was a teacher many years ago the task was extremely enjoyable. When I was before a class, the children usually or invariably offered no problem in terms of discipline because they wanted to learn, and that made the task easy. Unfortunately, however, today that is no longer the case. I think it is a reflection of society as a whole that so many children in our schools today do not have any idea of self-discipline and at any opportunity will reject any form of discipline that is placed upon them.

This is having an adverse impact on many people. It is impacting on teachers who are under tremendous stress and strain because they are virtually hamstrung in dealing with disciplinary problems. Teachers are even more concerned about the impact that this is having on the children in the classes they teach. They are almost at the point of asking, 'What on earth can we do to ensure that the children who are well-behaved and who want to learn will not be impacted upon negatively by the behaviour of some of the children who are present within the class or the school?'

I have been given so many examples as I have moved around the schools in my electorate that, as I said before, it is almost enough to turn my hair even greyer than it is now. I cite the example of a six year old child in only his second year of school who, virtually, cannot be controlled by teachers, or by anyone for that matter. The parents, instead of accepting the fact that discipline should start with them at home, are trying to turn the problem around and place the blame on the school. The teachers are unable to control that child, who is causing so much trouble within the classroom that other children are not getting the education they rightly deserve. The teachers ask, 'What on earth can we do? We are not allowed to discipline this child; we are not allowed to put this child out: we must retain him in the school. If we were to expel him it would just mean that he would go to another State school.' Even at the age of six years, this child is aware of that, as are his parents. They are virtually holding a gun at the head of the teachers at the school to which I refer.

More importantly, the professionalism of the teachers is such that they are asking, 'Why should we have such disruptive elements in our schools that are having such a negative impact on the rest of the children and on the education that we should be providing them with?' I believe that this issue will have to be addressed seriously in the very short term if we are to have a situation where our professional, hardworking teaching staff is able to provide the education that they have been trained to do rather than trying to administer discipline under guidelines and rules that are so lacking.

I would briefly like to turn my attention to one other point concerning education—the devolution of authority to school principals. Unfortunately, time will not allow me to go into full detail. I think this is an excellent idea, an initiative of the present Minister which I admire greatly; principals will be given the control that should so rightly be theirs. They are, after all, as the word 'principal' denotes, the first person within that school, and it is great to see that at long last they are being given some authority, but it is unfortunate that other members of the Public Service are not allowing that to occur.

Mr CLARKE (Ross Smith): I wish to refer to answers given in the House today by the Minister for Industrial Affairs. What is important for the House to note from the Minister's comments today is that by his silence in response to some questions he has confirmed that he was rolled by his Cabinet colleagues with respect to enterprise bargaining negotiations within the public sector. The Minister was reticent today about giving information on Cabinet decisions. This is not a question of confidentiality. One wanted to know why the Cabinet took a decision. No Minister, including from the Premier down, has been reticent about coming forward in this House and giving very fulsome reasons when it has been to what they perceive as their political advantage. Ministers stroll into this House confidently, dragging their knuckles along the carpet and beating their chests about the wonderful things they have done.

I refer to the minutes of the meeting of 9 February 1994 of the Industrial Relations Advisory Council and a question asked by the President of the Australian Institute of Teachers, Ms Clare McCarty. The minutes state:

> C. McCarty requested that an okay be given by the Government to go ahead with negotiating agreements as some of the departments seemed to be dragging their feet. The Minister said that he will recommend to Cabinet that a direction be given to this effect.

It must have been a wonderful argument that he put forward to Cabinet, because not only did it not accept his recommendation but it cancelled all enterprise negotiations as from the date of the Cabinet meeting—14 March 1994. The Minister has effectively been neutered and considerably wounded. His relevance in this House as a Minister for Industrial Affairs must be seriously in question when so early in a Government's term of office a Minister has been comprehensively rolled, as he has been, on the issue of enterprise bargaining with the Government's own employees.

The real reason for the Cabinet's about-face in rolling the Minister for Industrial Affairs on 14 March is quite simple. It is because the Government wants to be able to use the provisions of clause 75 of its own industrial relations Bill which allows enterprise agreements to be entered into; those agreements must be ratified unless there is substantial disadvantage to employees—the substantial disadvantage test versus its pre-election commitment to a no disadvantage test. Under the existing legislation enacted by the former Labor Government, in any negotiations on enterprise bargaining—and this was accepted by the present Minister, as evidenced by his response to a question by Clare McCarty on 9 February 1994—there is a no disadvantage test with respect to employees. The Government's Bill goes so far as to provide that even the so-called minimum standards under the Bill can be circumvented: the commission can certify enterprise agreements that go below those minimum standards.

It is very important for this House, the media and the general public to note the Minister's response to questioning today. It comprehensively confirmed that, as a Minister for Industrial Affairs, he is of no consequence to his own Government or to this House. Regarding a most vital issue confronting any Government, that is, the payment of and enterprise negotiations for its own employees, his recommendation, which was to proceed under the current guidelines, rules, and legislation, has been dropped. It is worth quoting into *Hansard* the rest of the paragraph on page 5:

J. Lesses [the Secretary of the Trades and Labor Council] sought clarification on the status of the public sector enterprise agreement and expressed concerns that negotiations were not moving forward. There was an indication from the Government that they are not opposed to the agreement although the Minister raised concerns about areas of practical implementation. . .

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

Mr QUIRKE (Playford): The other day I was very pleased to read in the newspaper that my good friend Keith Rasheed and his wife are looking forward to a project which will do the Flinders Ranges some justice. I want to refer this afternoon to the Flinders Ranges. I am no expert on that area: I have been there on only three occasions and, on each one of those occasions, the scenery was majestic. I believe it is one of South Australia's premier tourist areas. The point needs to be made that the Flinders Ranges is one of the most unique features in South Australia. It is very important for our tourism; it is a very important natural heritage area for every South Australian.

When we were in government we attempted to exploit the area for its tourism potential and at the same time to reconcile those very difficult issues of the environment, development and the problems of large numbers of tourists visiting sensitive areas. The purpose of my address is that Keith and his wife Lynette follow a family tradition that has gone on for decades in that area. As people who have opened up that area, the Rasheeds have done a very good job. I would like to put on the record that in years gone by these people—Keith's father in particular—and very few others, have put some basic infrastructure on the ground. They have done it with some support from Government, but probably nowhere near as much support as would have been desirable in the past 20 or 30 years.

It is my fervent hope, given the media articles and the announcements that have been made, that we will see a new chapter in the development of tourism in the Flinders Ranges. It is my view that the Rasheed family, within their own resources, has done an excellent job. I hope that in the future, with a combined Government and Rasheed involvement in that area, we will see the sorts of tourist facilities that should be there. It is quite clear that the grandiose Ophix schemes, to which I will not refer in detail today, were always going to be difficult to pull off, particularly in the climate we found ourselves in during 1990, 1991 and 1992. It is my view that the sort of development we need to see in the Flinders Ranges can be largely masterminded and supported by Keith and his wife. I hope they continue to play the role that they have played up there for the sake of all South Australians, because this is a very important area for us. Credit must go to the Rasheed family for what has happened up there over many years.

Mrs ROSENBERG (Kaurna): I wish to recognise a talented team of researchers at the Flinders Medical Centre. My reason for doing so is that South Australia has many centres of excellence and the Flinders Medical Centre is certainly one of those. I am pleased that centres of excellence such as those will benefit under this Government's plans to concentrate MFP money into areas of excellence. The particular team that I would like to draw attention to in this debate is a group that was assembled by Professor John Chalmers in the Department of Medicine. The hypertension research group consists of Professor Chalmers and Doctors Pilowsky, Llewellyn-Smith, Minson and Arnolda. The group represents the only multi-disciplined group of its kind in the world. Each member of this research team is a world recognised expert in their field and inputs to the overall program from an area different from each other and bringing different areas of expertise to an overall program. It is an important method of research that is not repeated in many other areas in the world. It is important to recognise that South Australia, and particularly the Flinders Medical Centre, has one of them.

This group has just been awarded a $2.5 million program grant from the National Health and Medical Research Council (NH&MRC). This research team's grant is only one of two for the setting up of new programs in South Australia. The grants are awarded on a five year basis and for exceptional research excellence. The work of this team certainly fills that description of excellence.

This group's area of research is brain control of blood pressure, and it is an important area because hypertension and blood pressure is a major health problem in the western world. Approximately 15 per cent of the Australian population will suffer with this problem at some time. This team is mapping the nerve pathways that link the brain to the spinal cord and on to those control areas in the body. One team member has developed an electro-physiology technique to observe the responses of individual cells when they are infused with drugs which change blood pressure. The central pathways and neuro-transmitters critical for blood pressure control have been discovered through their research. All of this work is breaking new barriers in the extreme of scientific knowledge.

This team's latest research direction is the characterisation of neurons or nerve cells according to their expression of particular genes. The particular advantage of this line of research is that it may eventually be possible to treat blood pressure by using synthetically produced gene fragments to block gene expression which is used to raise blood pressure. Support of this type of research will eventually lead to a much more permanent control of blood pressure and less drug-reliant remedies.

This group has been instrumental in discovering the central pathways and the neuro-transmitters widely accepted to control blood pressure. It is extremely important, I believe, that bodies such as ours recognise the cutting edge research that is being performed by groups right here in our own State and city—researchers quietly going about their work without much fuss and largely unnoticed while contributing immensely to our health and well-being.

I would like to use this forum to congratulate publicly Professor Chalmers and his research team and to wish them well in their future program. I would also like to take this opportunity to put on the record yet again the need for all Governments to support this type and similar types of research in South Australia. The degree of detail and time taken by these groups to write the applications for research funds takes very valuable time out of the laboratories and from behind desks. We must follow the lead of the Flinders Medical Centre volunteer service, which has recently continued its commitment to medical research by presenting a $50 000 cheque to the Flinders 2000 program. I would like to congratulate Professor Chalmers and his team and seek the commitment of further funding from this Government and the Federal Government to programs such as his.

Mr TIERNAN: Mr Speaker, I draw your attention to the state of the House.

A quorum having been formed:

Mr CAUDELL (Mitchell): I want to use this time to talk about the Industry Commission's petroleum products overview, which was released on Monday. This overview was requested by the Federal Government to look into all aspects of marketing associated with the petroleum industry. Unfortunately, given this particular report, one wonders what the trade-off has been between the oil industry and the Federal Government. Maybe it is a review of the tax procedures and the pleasant surprises coming up in the Federal budget; maybe the Government has had the agreement of the oil industries no longer to complain about the secondary boycott provisions being taken out of the Trade Practices Act; maybe it is an agreement between the unions and the oil industry over the Laidely agreement and a decision not to create too much of a situation in that area.

However, in terms of the petroleum marketing aspects, we are faced with a recommendation by this group for the repeal of the Federal Sites Act, the Franchise Act and the Motor Fuel Distribution Act as operated in South Australia. The Sites Act, which was implemented in 1980, restricted the oil industry from having a tied-up situation in relation to the marketing of petroleum products. The repeal of the Sites Act will allow the oil industry to go back to its old ways, that is, marketing the fuel through its own company-operated sites.

The repeal of the Franchise Act, which was enacted in 1980, also will allow the oil industry to reduce the term of service station dealers' leases. Currently service station dealers have a three-year lease with two further options of a three-year lease. The repeal of this Act will return service station dealers to what they had previously, with the need to negotiate a year's lease without any security of tenure.

With the repeal of the Motor Fuel Distribution Act we will basically be forced into the situation that we had in the 1960s, of a service station on every corner—or a gasoline alley such as South Road at Darlington. However, what concerns me more particularly at this stage about this overview is the statements on temperature correction. I refer to the last page of the overview, which states:

> The National Standards Commission has proposed that petrol be sold on a temperature-corrected basis. This is a contentious issue within the industry and there are some conflicting estimates of likely benefits and costs.

It further states:

> In the commission's view there is no evidence that Governments should intervene to require sales of petroleum products to be on a temperature-corrected basis.

There are two areas of contention with regard to using a temperature-corrected basis for the selling of motor fuel: the first is in the retail area and the other is in the wholesale area. Liquefied petroleum products, commonly referred to as LPG, are presently sold on a temperature-corrected basis, with a rating of 15 degrees celsius. In the wholesale area, service station dealers currently pay 'volumetrically' for their fuel: that is, the amount of fuel that is supposed to be in the tanker is what they are supposed to pay for.

The oil industry is the only industry that I am aware of where the retailer, when buying from the manufacturer, pays for more product than is actually delivered. For instance, a service station dealer is supposed to receive 30 000 litres of petroleum product but receives only 29 500 litres: the oil company gets a cheque for 30 000 litres but—surprise, surprise!—pays tax on only the 29 500 litres. It is no wonder that the oil industry has continually tried to cover up this abominable situation in previous years. The oil industry became aware that agents in North Queensland were making an enormous profit out of this practice of selling petrol 'volumetrically' but having to pay the oil industry only on the basis of 15 degrees celsius.

Mr SCALZI (Hartley): I would like to comment on last Saturday's incident in Rundle Mall. First, I would like to commend the Premier, the Minister, the Government and the Adelaide City Council for the action they have taken. I also commend the Opposition for its support. Of course, I applaud the action taken by the police in respect of that terrible incident about which I am sure we are all appalled.

That incident, however, is only a symptom of a more widespread problem with youth, and it is that problem that I wish to talk about today. Whilst the action taken is important and appropriate, we must be firm—I commend the cooperation of the various authorities in relation to this matter—and we should also look at the wider aspects of the problem. Until we do so, we will unfortunately have more incidents such as that which took place on Saturday night, not only in the mall but in other places throughout the State. I am sure that many members here could cite incidents of youth violence. The symptoms are expressed in our schools and in suburban shopping centres with graffiti, damage to property, and so on.

Unless we look at the real causes, we will be merely tackling the symptoms and not the disease. I am appalled by the apparent racism that exists, but I believe that racism is the first resort of the poor and the underprivileged—the people who are alienated from our society—and, unfortunately, the trend is that a lot of young people feel that way. Unless we do something about this, we will have more of those incidents.

I have stated previously in this House that unless we tackle youth unemployment we will not alleviate the problem. We cannot and should not tolerate a 43 per cent youth unemployment rate for the 15 to 19 year old age group statewide—and in many places in South Australia it is much higher; in fact, in some places where the incidence of violence is more prevalent, it is up to 60 or 70 per cent. There has always been a strong correlation between this sort of behaviour and unemployment, involving youth who feel that they are powerless and are not a part of society.

Unfortunately, for too long our welfare system has camouflaged the real problem, but no amount of welfare, no amount of Austudy, family allowances, and so on, will give real self-esteem and self-respect to young people. We must find meaningful jobs for them, and again I commend the Government for having this as a top priority. We have to create jobs, because unless we do we will have many more of these incidents.

If we look at history, we see that the most well-known instigator of political violence was Adolf Hitler, and that violence came about at a time of widespread unemployment, alienation, disempowered youth, and so on. So, with the critics of multiculturalism in our society who seem to ask the question 'What is it costing us?' we must ask ourselves the question 'What will it cost us if we do not promote it?'

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

ACTS INTERPRETATION (MONETARY AMOUNTS) AMENDMENT BILL

The Hon. S.J. BAKER (Treasurer) obtained leave and introduced a Bill for an Act to amend the Acts Interpretation Act 1915. 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 is to allow agencies to round down to the next five cents the amounts that they accept for settlement of accounts.

Members will be aware of the decision by the Federal Government to withdraw one cent and two cent coins from circulation in the community. This has meant that the cash currency available for making payments does not always exactly match the amounts due for supplies or services.

The cent remains the basic unit of currency and payments involving cheques, credit cards, or electronic funds transfer can continue to be made to the exact cent. However, payments made in cash need to be rounded to multiples of five cents.

In general, Government agencies have been instructed to round down to the nearest five cents when setting prices, when preparing invoices, or when receiving cash.

A few situations remain however where the amount included on Government invoices is determined by legislation and therefore cannot be adjusted to ensure that it is a multiple of five cents. For example the amount of water rates is determined under legislation.

The Government has decided not to introduce separate Bills to change each of the Acts in which this problem arises but rather to introduce this Bill seeking an amendment to the Acts Interpretation Act to allow agencies where necessary to round down to the next five cents the amounts which they accept for payment of accounts.

Explanation of Clauses

Clause 1: Short title

This clause is formal.

Clause 2: Insertion of s. 45—Rounding down of monetary amounts

The new section allows a calculated amount that is not an exact multiple of 5¢ to be rounded down to the highest multiple of 5¢ that is less than the amount.

Mr QUIRKE secured the adjournment of the debate.

DEBITS TAX BILL

The Hon. S.J. BAKER (Treasurer) obtained leave and introduced a Bill for an Act to provide for the imposition and collection of a tax in respect of certain debits made to accounts kept with financial institutions; to repeal the Debits Tax Act 1990; and to make a related amendment to the Taxation (Reciprocal Powers) Act 1989. 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.

In July 1990 the Commonwealth announced its decision to relinquish debits tax and leave the field of taxation of financial transactions to the States.

The South Australian *Debits Tax Act 1990* which gave effect to arrangements with the Commonwealth for the transfer of the benefit of debits tax to South Australia and provides that the Commonwealth *Debits Tax Administration Act 1982* (with certain exclusions) applies as law of South Australia, came into operation on 1 January, 1991.

Essentially the Commonwealth continued to collect debits tax as our agent. Similar arrangements were entered into by all Australian States and the Northern Territory with the Australian Taxation Office.

In August, 1993 the Commonwealth advised that it did not intend to renew the agency arrangements with the States beyond the end of 1993.

As the South Australian *Debits Tax Act* picks up all the relevant provisions of the Commonwealth Act and applies them as law of South Australia the existing South Australian legislation is only valid as long as the Commonwealth Government does not repeal the *Debits Tax Administration Act 1982*.

South Australia has received a formal undertaking from the Commonwealth that it will not repeal its legislation before 30 June, 1994.

In order for South Australia to continue to collect debits tax past this date it will be necessary for South Australia to pass legislation in its own right. Failure to enact appropriate legislation will result in a significant loss of revenue to the State.

This Bill provides for an Act for the ongoing imposition and collection of debits tax in South Australia and in general terms mirrors the current Commonwealth legislation. From a practical perspective neither the financial institutions nor their clients will be aware of any significant change in approach.

The Government has consulted with relevant industry groups and appreciates their contribution.

Explanation of Clauses

The provisions of the Bill are as follows:

Clause 1: Short title

This clause is formal.

Clause 2: Commencement

The measure will come into operation on 1 July 1994.

Clause 3: Definitions

This clause contains definitions for the purposes of the proposed Act. The following are key definitions:

(a) exempt debit—a class of debit that will never be subject to the tax irrespective of the nature of the account;

(b) excluded debit—broadly, a debit to an account held by a person who is entitled to exemption from the tax;

(c) taxable debit—a debit to an account (as defined), other than an exempt debit;

(d) eligible debit—a debit to an account, other than an exempt debit or an excluded debit (i.e. a debit for which the account holder and not the financial institution can, in special circumstances, be required to pay the tax. This might occur where a South Australian resident attempts to utilise an account outside South Australia in order to avoid payment of the tax).

Clause 4: Deemed separate debits

This clause requires a debit made to an account in respect of two or more account transactions to be treated as separate debits in relation to each of those account transactions.

Clause 5: Debits to be expressed in Australian currency

This clause requires a debit made in a currency other than an Australian currency to be expressed in terms of Australian currency.

Clause 6: General administration of this Act

The Commissioner will be responsible for the general administration of the Act.

Clause 7: Delegation of functions

This clause enables the delegation of functions by the Commissioner.

Clause 8: Imposition of tax

This clause imposes the tax on various debits of not less than $1 made to various classes of account.

Clause 9: Amount of tax

The amount of tax is as set out in schedule 1.

Clause 10: Liability to tax

This clause establishes the liability to pay the tax imposed by the proposed Act. The financial institution and the account holder are jointly and severally liable to pay the tax imposed on a taxable debit made to a taxable account. The account holder of an account other than a taxable account is liable to pay the tax imposed on an eligible debit made to the account.

Clause 11: When tax payable

This clause specifies when the tax is to be paid. Tax payable by a financial institution in respect of a taxable debit made during a month is to be paid by the 14th day after the end of the month. Tax payable by an account holder under an assessment of tax made by the Commissioner is to be paid within 14 days after the day on which notice of the assessment is served on the person.

Clause 12: Recovery of tax by financial institutions

This clause creates a statutory right for financial institutions to recover from their customers tax paid in accordance with the proposed Act.

Clause 13: Certificates of exemption from tax

This clause governs the issue and revocation of certificates of exemption by the Commissioner. The function of a certificate of

exemption is to authorise a financial institution to make tax-free debits to the account to which the certificate relates.

Clause 14: Offences relating to certificates of exemption

This clause creates offences relating to the forging or unlawful alteration of certificates of exemption and misrepresentations concerning certificates of exemption.

Clause 15: Returns in respect of taxable debits

This clause requires the furnishing of periodic returns by financial institutions to the Commissioner of taxable debits made during the periods to which the returns relate to taxable accounts kept with the financial institutions.

Clause 16: Refund of amounts incorrectly paid

This clause enables the Commissioner, on application made in accordance with the clause, to refund any amount of tax overpaid by a financial institution, other than an amount paid as a result of an assessment made by the Commissioner.

Clause 17: Refunds for tax paid on excluded debits

This clause enables the Commissioner, on application made in accordance with the clause, to make a refund in respect of tax which has been paid by a financial institution in respect of an excluded debit made to a taxable account.

Clause 18: Special assessments

This clause entitles a financial institution, if it wishes to dispute the amount of tax payable by it in respect of a return, to request the Commissioner to make an assessment of the amount of tax payable.

Clause 19: Default assessments

This clause empowers the Commissioner to make an assessment of tax payable by a financial institution or an account holder, whether or not any return has been furnished.

Clause 20: Penalty for failure to furnish return, etc.

This clause imposes additional tax, as a penalty, on a financial institution or account holder who fails to furnish information required by the proposed Act to the Commissioner or who furnishes false or misleading information.

Clause 21: Amendment of assessments

The Commissioner will be able to amend an assessment at any time within three years after it is made and provides for the effect of any such amendment.

Clause 22: Validity of assessments

This clause ensures that in any objection or dispute relating to an assessment, the objector can only challenge the correctness of the assessment and not any act or omission of the Commissioner in making the assessment.

Clause 23: Definition of "tax

This clause defines tax, for the purposes of the proposed Part, to include additional tax under clause 20 or 34 so as to confer rights of objection and appeal in respect of any form of tax payable under the proposed Act.

Clause 24: Objections and appeals

This clause enables a person who is dissatisfied with an assessment of the Commissioner, or with certain decisions of the Commissioner, to object to the Treasurer, or appeal to the Supreme Court. The scheme is similar to the scheme that applies under the *Financial Institutions Duty Act 1983*. If a person makes an objection and is dissatisfied with the Treasurer's decision, an appeal may be lodged with the Supreme Court.

Clause 25: Onus on objector

This clause places the onus on the objector to establish on the balance of probabilities that the tax in question was wrongly assessed.

Clause 26: Nature of Court's decision

The Act will apply to any assessment of tax made by the Court in the same way as it applies to assessments made by the Commissioner.

Clause 27: Payment of tax assessed and calculation of refund by Supreme Court

This clause provides for the payment of any tax assessed or refund calculated by the Supreme Court.

Clause 28: Liability not affected by objection, etc.

This clause provides that the lodging of an objection or appeal does not affect the objector's liability to pay tax, except to the extent otherwise permitted by the Commissioner.

Clause 29: Assessment not otherwise open to challenge

This clause is similar to a provision in the *Financial Institutions Duty Act 1983* and ensures that the only method of judicial review is as provided under the Act. The provision therefore attempts to avoid multiplicity of proceedings.

Clause 30: Commissioner may state case

This clause enables the Commissioner to state a case to the Supreme Court on a question of law.

Clause 31: Evidence

This clause provides for the giving of certificate and other documentary evidence signed by the Commissioner in proceedings under the proposed Part.

Clause 32: Recovery of tax

This clause requires tax due and payable under the proposed Act to be paid to the Commissioner and gives the Commissioner the right to sue for the recovery of unpaid tax in a court of competent jurisdiction.

Clause 33: Extension of time and payment by instalments

This clause authorises the Commissioner to grant an extension of time for the payment of tax.

Clause 34: Penalty for unpaid tax

This clause imposes additional tax at the rate of 20% p.a. by way of penalty for late payment of tax. The clause also gives the Commissioner a limited power to remit the additional tax.

Clause 35: Evidence

This clause provides for the giving of certificate and other documentary evidence signed by the Commissioner in proceedings for the recovery of unpaid tax.

Clause 36: Offences—generally

This clause makes it an offence for a person:

- to fail or neglect to furnish a return or information or to comply with a requirement of the Commissioner;
- without just cause, to fail or neglect to give evidence, answer questions or produce records required by the Commissioner or an authorised officer;
- to furnish a false return or give a false answer.

Clause 37: Evading taxation

It is an offence for a person to evade or attempt to evade tax.

Clause 38: Time for commencing prosecutions

A prosecution for an offence may be commenced within three years after the date of the offence or, in the case of an offence relating to the furnishing of a return, at any time.

Clause 39: Penalty not to relieve from tax

The payment of a penalty does not relieve the offender from any liability to pay tax.

Clause 40: Obstructing officers

This clause makes it an offence to obstruct an officer acting in the administration of the proposed Act or the regulations made under it.

Clause 41: Disclosure of information, etc.

This clause specifies the circumstances in which information obtained in the administration of the proposed Act or the regulations made under it may or may not be disclosed.

Clause 42: Institution of prosecutions

This clause enables information for offences to be laid in the name of the Commissioner by authorised officers and sets out the procedure for instituting prosecutions.

Clause 43: Proceedings for offences

These proceedings constituted by the measure are summary offences.

Clause 44: Return in relation to exempt accounts

This clause requires a financial institution to furnish an annual return to the Commissioner setting out details of exempt accounts kept by the financial institution during the year.

Clause 45: Representative officers, etc., of financial institutions

This clause requires financial institutions to be represented, for the purposes of the proposed Act, by specified officers of the financial institutions.

Clause 46: Access to books, etc.

An officer duly authorised by the Commissioner must be given access, at reasonable times, to all books, records and other documents held by any person.

Clause 47: Commissioner to obtain information and evidence

This clause enables the Commissioner to require, in writing, any person to furnish any information, to attend before the Commissioner and answer questions, on oath or otherwise, or to produce any books, records or other documents in the person's custody.

Clause 48: Service on partnerships and associations

This clause causes service of a document on a member of a partnership or on the committee of management of an unincorporated association or other body of persons to be taken to be adequate service of the document on each member of the partnership, association or body.

Clause 49: Commissioner may compromise a claim for tax

This clause enables the Commissioner to compromise a claim for tax because of difficulty in ascertaining the amount of tax.

Clause 50: Collection of tax from persons owing money to taxpayers

This clause enables the Commissioner to garnishee money owed to or held on behalf of a taxpayer who has defaulted in payment of tax.

Clause 51: Preservation of records

Financial institutions must preserve, for a minimum of five years, records sufficient to enable their liability for tax to be assessed.

Clause 52: Official signature

This clause provides for the authentication of documents issued by the Commissioner for the purposes of the proposed Act.

Clause 53: Regulations

This is the regulation making power for the purposes of the measure.

Clause 54: Payments from Consolidated Fund

This clause provides for the appropriation of any amounts required by the Commissioner under the Act.

Schedule 1

This schedule sets out the rate of taxation.

Schedule 2

This measure is to replace the scheme that applies under the *Debits Tax Act 1990*, which Act is to be repealed.

Schedule 3

This schedule sets out various transitional provisions for the purposes of the new measure.

Mr QUIRKE secured the adjournment of the debate.

PARLIAMENTARY COMMITTEES (MISCELLANEOUS) AMENDMENT BILL

Second reading.

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.

This Bill seeks to amend the *Parliamentary Committees Act 1991* to establish the Statutory Authorities Review Committee and the Parliamentary Public Works Committee.

The express policy position of this Government is that it will ensure that Government is more accountable to the people through Parliament. Parliamentary Committees enable Members of Parliament to investigate issues of public importance and particularly to keep Government Departments and Agencies under scrutiny. It is the view of the Government that when Parliamentary Committees function effectively, they are one of the most important means by which a Government is held accountable to the Parliament.

In order to implement these principles, the Government promised at the last election that it would legislate to establish a Parliamentary Public Works Committee to investigate public works projects where the cost of such work exceeds a limit to be fixed by statute.

The Government also promised to legislate to establish a Statutory Authorities Review Committee to investigate the functions and operations of designated statutory authorities, report on whether particular authorities should continue to operate and if so, in what form and subject to what constraints.

PUBLIC WORKS COMMITTEE

The previous Public Works Standing Committee was established by its own Act of Parliament in 1927. The Act (and thus the Committee) was repealed by the *Parliamentary Committees Act* in 1991. Under the *Parliamentary Committees Act*, there is no obligation for capital expenditure to receive the additional approval of what was the Parliamentary Public Works Committee. No Parliamentary Committee scrutinises significant Government construction projects or monitors their progress.

It is the view of this Government that this is a major deficiency in the Parliamentary Committee structure.

The Government is of the view that the Government must be accountable to the people through the Parliament for all aspects of major public works and that these should be subject to the scrutiny of a special Committee established to approve and then review and monitor the project and the expenditure of public moneys.

Accordingly, the Bill provides that a public work must be referred to a Public Works Committee established in the House of Assembly if the total amount of the project exceeds four million dollars. It requires that a project of this magnitude must be inquired into by the Committee and a final report presented to the Parliament before any sum of money can be applied for the actual construction of the public work.

In this way, public works can be fully considered before any moneys are committed and any work has commenced and an informed decision taken as to the viability of the project without wasting resources. A critical report of the Committee will alert Parliament to any problems inherent in the project prior to commencement and the application of taxpayers' money.

The Public Works Committee has extensive functions under the Bill, to inquire into the necessity or advisability of constructing the work, the public value of the work, the recurrent or whole-of-life costs associated with the work and the efficiency and progress of construction of the work.

STATUTORY AUTHORITIES REVIEW COMMITTEE

In the past eleven years, Liberal Members have introduced Private Members Bills in both Houses of Parliament to establish a Statutory Authorities Review Committee in the Legislative Council.

A Statutory Authorities Review Committee would make the operations of statutory authorities more open to detailed scrutiny to determine the desirability of their continuation and the propriety of the inactivities and actions.

The Economic and Finance Committee of the House of Assembly presently scrutinises the financial affairs of the Government. One area in which large losses of taxpayers' money have been incurred is statutory authorities such as the State Bank, State Government Insurance Commission and the South Australian Timber Corporation. Bodies such as these clearly need to be more open to detailed scrutiny to endeavour to avoid repetition of the losses which have occurred in the past. It is the Government's view that bodies such as the State Government Insurance Commission should be subject to the scrutiny of the Committee and, accordingly, no statutory authority is specifically excluded from review under the terms of the Bill.

The Bill provides for the establishment and membership of the Committee and details its functions. The functions of the Committee include inquiring into the need for an authority to continue in existence, the effect of the authority and its operations on the finances of the State, whether the authority and its operations provide the most effective, efficient and economical means for achieving the purposes for which the authority was established and whether the functions or operations of the statutory authority duplicate or overlap in any respect the functions or operations of another authority, body or person.

In the case of both Committees proposed, the functions detailed in the Bill are not exhaustive. This Bill provides that either Committee can be required to perform such functions as are imposed under the Parliamentary Committees Act or another Act or by resolution of both Houses.

If a report of a Committee contains a recommendation it must be referred to the Minister with responsibility in the area concerned for the Minister's response within four months.

The Bill also removes responsibility for subordinate legislation from the Environment, Resources and Development Committee and returns it to the Legislative Review Committee. It has been a concern of the Government, while in Opposition, that the review of subordinate legislation under the *Development Act 1993* and the *Environment Protection Act 1993* had been removed from the Legislative Review Committee to become the responsibility of the Environment Resources and Development Committee which is not equipped or established to review subordinate legislation but rather to address policy issues on environment and related issues.

Explanation of Clauses

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: Amendment of s. 3—Interpretation

This clause makes amendments to existing definitions consequential on the proposed new Public Works Committee and Statutory Authorities Review Committee and inserts the following new definitions:

"Public work" is defined to mean any work that is proposed to be constructed where—

(a) the whole or a part of the cost of construction of the work is to be met from money provided or to be provided by Parliament or by a State instrumentality;

(b) the work is to be constructed by or on behalf of the Crown or a State instrumentality;

or

(c) the work is to be constructed on land of the Crown or a State instrumentality.

"Work" is defined to mean any building or structure or any repairs or improvements or other physical changes to any building, structure or land.

"Construction" is defined to include—

(a) the making of any repairs or improvements or other physical changes to any building, structure or land;

and

(b) the acquisition and installation of fixtures, plant or equipment when carried out as part of, or in conjunction with, the construction of a work.

"Land" is defined to include an area covered by the sea or other water.

"Statutory authority" is defined as a body corporate that is established by an Act and—

(a) is comprised of or includes, or has a governing body comprised of or including, persons or a person appointed by the Governor, a Minister or an agency or instrumentality of the Crown;

(b) is subject to control or direction by a Minister;

or

(c) is financed wholly or partly out of public funds,

and as including a company or other body corporate that is a subsidiary of, or controlled by, such a body corporate, but as not including—

(d) a body wholly comprised of members of Parliament;

or

(e) a council or other local government authority.

Clause 4: Amendment of s. 6—Functions of Committee

Section 6 of the principal Act sets out the functions of the Economic and Finance Committee. The functions are narrowed so that they do not overlap with the functions of the proposed new Statutory Authorities Review Committee.

Clause 5: Amendment of s. 12—Functions of Committee

This clause makes a drafting amendment consequential on the proposed new section 16A providing for referral by force of the Act of major public works to the proposed new Public Works Committee.

Clause 6: Insertion of Part 4A—Public Works Committee

Proposed new section 12A provides for the establishment of the Public Works Committee as a committee of the Parliament.

Proposed new section 12B provides that the Committee is to consist of five members of the House of Assembly appointed by the House of Assembly.

Under proposed new section 12C the functions of the Public Works Committee are to be as follows:

- to inquire into, consider and report on any public work referred to it by or under the Act, including—
  - the stated purpose of the work;
  - the necessity or advisability of constructing it;
  - where the work purports to be of a revenue-producing character, the revenue that it might reasonably be expected to produce;
  - the present and prospective public value of the work;
  - the recurrent or whole-of-life costs associated with the work, including costs arising out of financial arrangements;
  - the estimated net effect on the Consolidated Account or the funds of a statutory authority of the construction and proposed use of the work;
  - the efficiency and progress of construction of the work and the reasons for any expenditure beyond the estimated costs of its construction;
- to perform such other functions as are imposed on the Committee under an Act or by resolution of both Houses.

It should be noted that, while the public works described in proposed new section 16A are referred to this Committee by force of that section, other public works may be referred to the Committee under section 16 of the principal Act.

Clause 7: Insertion of Part 5A—Statutory Authorities Review

Proposed new section 15A provides for the establishment of the Statutory Authorities Review Committee as a committee of the Parliament.

Proposed new section 15B provides for the Committee to consist of five members of the Legislative Council appointed by the Legislative Council.

Under proposed new section 15C the functions of the Statutory Authorities Review Committee are to be as follows:

- to inquire into, consider and report on any statutory authority referred to it under the Act, including—
  - the need for the authority to continue in existence;
  - the functions of the authority and the need for the authority to continue to perform those functions;
  - the net effect of the authority and its operations on the finances of the State;
  - whether the authority and its operations provide the most effective, efficient and economical means for achieving the purposes for which the authority was established;
  - whether the structure of the authority is appropriate to its functions;
  - whether the functions or operations of the statutory authority duplicate or overlap in any respect the functions or operations of another authority, body or person;
- to perform such other functions as are imposed on the Committee under an Act or by resolution of both Houses.

Clause 8: Amendment of s. 16—References to Committee

This clause makes a drafting amendment consequential on the proposed new section 16A providing for referral by force of the Act of major public works to the proposed new Public Works Committee.

Clause 9: Insertion of s. 16A—Certain public works referred to Public Works Committee

Proposed new section 16A provides for a public work to be referred to the Public Works Committee by force of the section if the total amount to be applied for the construction of the work will, when all stages of construction are complete, exceed $4 000 000.

The proposed new section goes on to provide (as was the case under the repealed *Public Works Standing Committee Act 1927*) that no amount may be applied for the actual construction of such a public work unless the work has first been inquired into by the Public Works Committee and the final report of that Committee on the work has been presented to its appointing House or published under section 17(7).

Clause 10: Amendment of s. 17—Reports on matters referred

This clause makes a drafting amendment consequential on the proposed new section 16A providing for referral by force of the Act of major public works to the proposed new Public Works Committee.

Clause 11: Amendment of s. 20—Term of office of members

This clause removes a transitional provision that has served its purpose.

Clause 12: Amendment of s. 24—Procedure at meetings

This clause makes an amendment designed to make it clear that Standing Orders may include provision governing the procedures of Committee meetings.

Clause 13: Amendment of s. 30—Committee may continue references made to previously constituted Committee

This clause makes a drafting amendment consequential on the proposed new section 16A providing for referral by force of the Act of major public works to the proposed new Public Works Committee.

Clause 14: Transitional provision

This clause provides that the first members of the Public Works Committee and of the Statutory Authorities Review Committee are to be appointed as soon as practicable after the commencement of this measure.

SCHEDULE

Consequential and Related Amendments

Clause 1: Amendment of Development Act 1991

This clause removes subsection (9) of section 108 of the *Development Act 1991* which requires regulations under that Act to be referred to the Environment Resources and Development Committee. With the removal of this subsection, such regulations will be subject to the scrutiny of the Legislative Review Committee in the normal way.

Clause 2: Amendment of Environment Protection Act 1993

This clause makes a corresponding amendment to section 140 of the *Environment Protection Act 1993*.

Clause 3: Amendment of Parliamentary Remuneration Act 1990

The *Parliamentary Remuneration Act 1990* is amended by this clause to provide for additional salary for the Presiding Members and other members of the new Committees—an additional 14 per cent for the Presiding Members and 10 per cent for the other members.

Mr QUIRKE secured the adjournment of the debate.

STATE BANK (CORPORATISATION) BILL

Adjourned debate on second reading.

(Continued from 23 February. Page 215.)

Mr QUIRKE (Playford): This legislation represents a milestone in the history of South Australia. Indeed, what we are seeing here is the corporatisation of an entity, which 10 years ago would have disappointed some of the architects of that entity had they foreseen this measure.

In the early 1980s the idea was floated of amalgamating the Savings Bank of South Australia with the old State Bank of South Australia into a modern financial institution that would serve South Australia and the Commonwealth for many decades into the future. Those particular hopes and aspirations were unfortunately never realised. Indeed, I suspect that those plans at that time were probably doomed for a number of reasons, not the least of which were the problems associated with the institution itself and the way it went about its business, together with the changing times and the changing role of a regional bank such as the State Bank. Even in the 1980s I think a number of people could have seen that the bank's days were numbered. In this Bill we see the prelude to the sale of the State Bank.

The corporatisation aspect of the legislation will create the Bank of South Australia Limited, and it will create a situation where that corporate entity, at some stage in the future, can either be sold as a trade sale or indeed floated at whatever point the Government believes that is necessary. The legislation also allows for the holding of other assets of the State Bank Group through what will be known as SAMCO. We have come to know it more as the Group Asset Management Division. A number of other parts of the State Bank will become part of the SAMCO entity. Indeed, the former Government made the decision to sell the State Bank, and on this side of politics we have few disagreements with the corporatisation Bill as such. We have a few questions on the clauses of the Bill, but in essence most of the Bill is reasonably sensible and indeed we have no great argument with the content of most of the clauses. We will be putting up some amendments with respect to State Bank superannuation under clause 19, but I will have more to say about that in a moment.

The previous Government, of which I was a member, took the decision through all forums of the Labor Party to sell the State Bank of South Australia. In essence, the legislation in that sense is not controversial between the two sides represented in this Chamber. However, a couple of points need to be made. First, we will spend some time discussing the question of superannuation and the way it has been handled. I attended a meeting last week at which the Deputy Premier and the Leader of the Australian Democrats in another place were present. It was a well attended meeting of State Bank employees, the predominance of which were those affected by proposed changes to superannuation.

The Deputy Premier and I both spoke at the meeting and a number of points came out. The Deputy Premier made it clear that the superannuation question would be resolved without those members currently in the State Government superannuation scheme remaining in it. The other points he made at the meeting were quite clear: first, had the State Bank been a private corporation it would have been bankrupted and it is probable that their superannuation entitlements would have gone out the window. That may or may not be true. Certainly in 1991 the then Government of South Australia provisioned the State Bank of South Australia to ensure that it continued to play a role as a bank. If that had not occurred on 12 February 1991, the State Bank would have collapsed in a great big heap. That did not occur and as a result the State Bank superannuation scheme was preserved for employees.

Those in the old State Government superannuation scheme have also continued to be part of that scheme. It is only recently that the question has come up as to whether or not that will continue. At that meeting it was made clear that members on this side intended to keep the promise we made to State Bank employees who were affected. We made it clear to them that we would be moving amendments in this House and in another place to ensure that, should they wish, they could remain within the old State Government superannuation scheme.

On Tuesday or Wednesday of last week the Deputy Premier said that the current Bill before the House contained no clauses on superannuation. He said that he wanted to get the matter cleared up by the time the Bill was debated in this place. We understand that discussions have continued between the union concerned and various Treasury officials appointed for this task. I had some discussions yesterday with members of the financial sector union, who told me that late yesterday afternoon they sent a communication to Mr Peter Emery, the head of the State Bank Group dealing with this problem. They indicated in the communication that, from the viewpoint of the officials of the union, the Treasurer's current proposal would be accepted.

I was advised that, although it fell far short of what many of those workers would like, it was a reasonably generous benefit and the financial sector union would be recommending to its members at a meeting to be convened next week their acceptance of that proposal. I do not have full details in front of me of exactly what was on the table, but the key element in the whole proposal was that these workers would be taken out of the old State Government superannuation scheme and other provisions would be made for them; and, indeed, for the purposes of account keeping in South Australia, they would no longer be members of the State Government superannuation scheme. That is the issue which attracted the Opposition's attention. We said quite clearly that, as we believed that the people who had joined the scheme in most instances had no choice but to join when they did, they should have their benefits protected by the amendments that we will move in this place. It may be the case that the financial sector union is happy with the arrangements that have been reached. It may be that the affected members of the State Bank, at their meeting next week or whenever, will endorse the actions of their officials. However, on this side of the House we believe that members of the old State Government superannuation scheme should have the opportunity to stay in it—and that principle is paramount.

It is our view—and it was made clear as a result of questions asked in the House last week—that SGIC and possibly other entities will go down the corporatisation road. We will not renege on our promise before the last election that we would protect the benefits and rights of these people. We will not allow the Government to give away the rights of these workers, including the 70 in SGIC and those in the Pipelines Authority of South Australia and other entities that will be dragged to the auction block. We are not in the business of doing that. We will be moving our amendments today, even though we have been advised by the union concerned of the possibility—in fact, the probability—that next week the members will endorse the actions of the financial sector union. The issue is bigger than one particular entity. It is bigger than the financial sector union. It is bigger than the State Bank. It is the issue of workers getting the just

entitlements and proper benefits which they signed up for and agreed to at the commencement of their employment.

I have no doubt that the catalyst for this agreement with the union was the veiled threats that were made at that union meeting by the Treasurer, who made the point that some superannuation arrangements had to be agreed to very quickly and he had a timetable to which he had to keep; that the Bill would be debated next week; and that the corporatisation process needed to be completed by 1 July. In other words, the Bill must be passed by both Houses and be assented to by 1 July for the new Bank of South Australia Ltd to be in the tax net as per the agreement with the Federal Government, negotiated by the previous Government last year. There is no doubt that the financial sector union and the members who agreed to the package that has been given to them did so with the view that effectively they had a gun to their head.

The reality is that they did not. Their rights would have been protected, if not in this Chamber certainly in the other Chamber. The issue is one that will just not go away, although the Government might like to wish it away, because it will increase the sale price of the bank. It will increase the sale price of any entity that is brought to the auction block but, at the end of the day, there are certain contractual obligations that we on this side feel must be met. As a consequence of that, I signal to the House that we will be fighting all the way down the line, and we will also be fighting for every other organisation which is proposed by this Government to be corporatised and which has members who are in the old State Government scheme.

A couple of other remarks need to be made about the State Bank of South Australia. Inside my own Party there was a great debate about whether this entity should be sold or retained in public ownership. I note that the new Government is proposing largely to float the bank, a process to which we are not opposed. Indeed, we were looking at the process of a trade sale for the bank and, should that not have been possible, a float was an option we could have looked at, or, if either of those two options were not available, retaining the bank in public ownership.

We note that the Government has a preference for a float, which has a number of consequences, one of which I suspect is that the money that will be received for the bank will be less than that which would have followed from a trade sale. But, at the end of the day, we have no basic disagreements about the necessity to corporatise the bank, which is what this legislation is all about. We do not have any problems with the sale of the bank, having gone through that process, but I should like to make a comment in that regard. Had the State Bank of South Australia remained in public ownership and had the proposal not come up for its sale, I would find it very difficult to defend the public ownership of an institution such as this.

I never supported it within the forums of the Party, and I have not supported it in this House; and I have not done so because of a number of things that have happened. I made the comment in my Address in Reply speech, when detailing some of my own involvement with the bank as a member of Parliament and also as Chairman of the Economic and Finance Committee in the last Parliament, that my dealings with the State Bank of South Australia were less than flash. I commented in that speech that the only bank in my electorate that was proposing to put someone out on the street was the State Bank of South Australia, and it was very serious about it and, in fact, it went through with it. It was going to do that on two occasions.

It was going to do it under the Marcus Clark regime, and it was only stopped over there in the Gallery when I got hold of Mr Paddison and explained the political facts of life to him when he was struggling for his own life in 1991. On another occasion I had to go all the way to the top of the hierarchy of the State Bank, and I must say that, if I had to argue to my constituents that the continued public ownership of the State Bank was in their interest, I would find that very difficult. I would also say that, when it comes to the question of SGIC and other entities that may come before this House for debate, I could make similar comments.

I found the State Bank of South Australia far from the publicity of its being a lovely little home grown outfit that would protect South Australians. I found that rhetoric to be not only hollow but in many instances absolutely fallacious. From time to time all members are approached by people who, particularly during a recession, have problems meeting payments and meeting all sorts of obligations, and I have found the commercial banks in my electorate, when there has been a problem, reasonable and prepared to sit down and discuss those issues much more than the State Bank of South Australia. In fact, the only bank with which I have ever had problems—and in one instance I had to take the matter all the way up to the Acting Managing Director—was the State Bank of South Australia.

In that instance the person concerned was a single mother who had been left absolutely destitute by her ex-husband, who was not only a creditor of the State Bank of South Australia but who had borrowed $500 000 from Beneficial Finance. They were not interested in the $500 000 from Beneficial Finance, and the local bank manager could quite happily tell me over the phone that the ex-husband had been around there and had negotiated with them so that, when they threw out the ex-wife, he could then pay the arrears to the mortgage and he could have the property, and all the rest of it.

In other words, what he wanted the bank to do—and the bank was going along with it all the way until I got hold of Mr Paddison here in this Chamber—was make a single mother destitute by throwing her into the street. That is an absolute disgrace, and the story can now be told. I could talk about my time as Chairman of the Economic and Finance Committee, attempting to get answers out of the State Bank and unearthing a series of lies, distortion, misleading statements and corporate reports that were less than adequate. I could detail that—in fact, much of it has already been done, as I have mentioned it in other speeches.

I do not hold a candle for this particular institution. I wish the new one well and hope that it goes ahead and keeps its headquarters here in South Australia but, in terms of what it has done so far, I do not think that too many members on this side of the House will be running up the flag—either with the Sturt pea or the old State Bank insignia. I must also say that at that meeting last week I found it curious that the Deputy Premier continued to run the line about its being the previous Government that caused all the problems. I should have thought that, with some 360 bank managers in the audience, from the State Bank of South Australia, running the line that we were the ones who wrote all the lines was foolish: you can do that out there to the punters in general on TV and it will wash very well.

Certainly, it washed very well in the run up to the last election, but I should have thought that running that line in front of 360 bank managers who knew well the process under the Marcus Clark regime and what went wrong up there in the

tower was a furphy and a nonsense. The Opposition will be in large part supporting the legislation here today. We will be asking the Treasurer some questions as we go through the clauses and we will be proposing amendments circulated in my name to clause 19.

Mr BECKER (Peake): On 29 November 1983 on page 2037 of *Hansard* I said:

> Almost 20 years ago, as State President of the Bank Officials Association of South Australia, I opposed any suggestion of a merger of the State Bank of South Australia and the Savings Bank of South Australia. In those days in the climate that prevailed it was believed that the merging of the two banks could be detrimental to the staff, that it would be detrimental to South Australia, and that no great benefit would flow from it. Today, for the sake of the viability of banking in this country it is essential that these two banks now merge.
>
> It will be a sad day, considering that the Savings Bank of South Australia commenced operations 135 years ago on 11 March 1848: from 1 July 1984 its name will disappear. With the disappearance of its name, a highly respected banking institution will go from the record of financial institutions. I say with the greatest respect, having had 20 years experience in a private bank, that those who founded the Savings Bank of South Australia and those who worked for it, did so loyally and with a tremendous amount of dedication and pride to ensure that its founding principles were upheld.

It is still a sad day, and it is even more sad to think that what was the merged State Bank of South Australia will now disappear.

We were faced with the problem that, when we merged two South Australian institutions, we ended up with one, and that bank was so poorly managed and led that now we look like losing any chance of control. This legislation was forced upon us by probably one of the most damaging Prime Ministers this country has ever seen. He has never supported State banks: he has wanted to get rid of State banks for many years. When the unfortunate situation occurred involving the State Bank of South Australia, the Federal Treasurer, as he then was (the now Prime Minister) proposed that this State would be paid $643 million if we got rid of the State Bank. I do not care what Prime Minister Keating thinks his agenda is for Australia, but the people of South Australia and of this Commonwealth are getting sick and tired of his dictatorial attitude in respect of many matters involving the States. To force the previous Government to accept this $643 million bail-out and for the previous Government to have accepted it puts us in an untenable situation.

So the dear State Bank of South Australia now must be sold or, as we are told, corporatised. Unlike the member for Playford, I would not like to see the bank sold lock, stock and barrel to an overseas banking organisation. There have been and there will be many rumours before the whole issue is resolved. I feel very strongly for those who have remained depositors of the State Bank and who have mortgages with the State Bank: I would certainly not like to see their mortgages transferred to some foreign bank, be it European or Asian. I would hate to think that the mortgage I had over my house with an Australian bank would suddenly end up being dealt with on the foreign exchange market, as some of these banks are known to do. They will trade in anything. They will buy, sell and swap and do all sorts of things with assets depending on the mood of the market and their own mood as well.

In my opinion, if we have to get rid of the bank, we should float shares in the new bank to, first, the people of South Australia. Let the citizens have some chance of investing some money in the bank and sharing in profits, and they will come. Eventually we can reduce the debt. Of course, the ultimate idea would be, as has happened, to restructure the bank and allow it to work off the debt that the State has had to pay through the Government guarantee. The whole situation could have been avoided. In my opinion, the Government guarantee of the State could have been transferred to the Federal Government—and I do not care what opinion you get. We could have asked the Federal Government of the day at any time from 1983 onwards to amend the banking legislation and to put the State Bank of South Australia under the observation of the Reserve Bank.

That is what might have happened. It did not happen: nobody wanted to do it, so we are stuck with the present situation. Indeed, it is a very sad day to see the last of what was a truly great South Australian financial institution. It is pleasing to note that there is a glimmer of hope that action will be taken against some people for not supervising that bank more responsibly. On 29 November 1983 (page 2038 of *Hansard*) I said:

> When I looked at the name, the State Bank of South Australia, I said, for very parochial reasons, 'I am sorry to see the Savings Bank of South Australia's name disappear.' I looked at the name of the State Bank of South Australia; I thought that that did not really do anything for me. I wonder whether it does anything for the people of South Australia. I wonder whether the Government would not be well advised to consider starting completely afresh and forming a South Australian Banking Corporation or State Bank Corporation of South Australia. I realise that playing with names—and I do not suggest a change of name for the sake of change—can cause problems. But, I still believe there is room for a South Australian Banking Corporation, as such.

Of course, we now find that the new corporatised bank is to be known as the Bank of South Australia Limited. I hate the tag 'Limited' at any time, but we must do that under the Companies Act as it is a South Australian bank. I do not know whether the bank's name will do very much for it in any respect.

Certainly, we do know that the management paid about $10 000 for a change of logo. My printer told me, 'If you want a logo at any time, it will cost you $500.' So the cost of the logo and the change of name will be $10 million. We just cannot justify that in the present circumstances. However, these things are forced upon us by the poor management of the previous Government and the lack of supervision. There was plenty of warning in a previous debate on amendments to the State Bank Act—and not only in 1983 but in April 1984 when we considered further amendments. I will not go through history; it is in *Hansard*. I asked plenty of questions, and plenty of questions were asked on another occasion when we debated the State Bank Act, but all we were allowed to talk about was the industrial relations aspect. I had hoped that the staff would not be discriminated against, and it was made clear that they would not be disadvantaged by the merging of the two banks, even though in those days about 19 branches were closed.

I also hoped that the promotional opportunities for the existing staff would be maintained. We did not see that; we did not see anything like it. It seemed to me as though Marcus Clark had a hidden agenda to get rid of anybody who was a banker. Anybody who had banking bootlaces was removed and replaced by young academics, particularly those with economics degrees, who were absolute disasters as branch managers. They might be good as advisers and at assessing statistical information, but when it comes to grass roots banking, banks themselves train and guide their staff in the way of traditional banking. There is nothing hard in banking. You can lend only as much as you have to lend, and you lend

only a percentage of what you have, anyway. But, in the 1980s we saw the smart alecs come in to this and any other entrepreneurial field using the high rate of inflation and a very lax and deregulated banking system to suit themselves. They have not paid the price, but the people who needed the help and the support of their own bank will pay the price for many generations to come. That is a real tragedy and, as I said, a very sad day.

I can understand and I grieve with the staff. If I were the union President and I felt that we were being disadvantaged over the superannuation deal or any other part of the deal, we would be out: there would be a strike, no problems. When you joined a bank back in the 1950s or the 1960s—no matter which bank you joined—you knew you were safe and secure, provided you did your job properly and you were honest in all dealings with the bank and the customers.

The greatest asset to any staff member in the bank was that you were never sacked; there was no such thing as redundancy; and your superannuation was your guarantee. You were compelled to do two things. First, you had to take out a £500 life insurance policy which was to mature at the age of 65 years: when you joined a bank, that was immediately part of a bond. You were hounded for the next two years by every insurance agent in the country to take out a further £500 bond, as it more or less was, by the time you were 21 to mature, again, when you were 65, because you were told by your employer (the bank) that you had the option of retiring at the age of 65.

That was reduced to 62 for returned servicemen who were called up between 1939 and 1945. The most compelling part of your employment conditions—and this was supported by the union—was superannuation: 'You will contribute 5 per cent of your salary to superannuation so that, when you retire at the age of 65, you will not be a burden on the country.' In the Bank of Adelaide, those who were fortunate and lucky enough—and I say that, because they worked very hard as did most employees of banks—to retire at 62 years of age went on to get superannuation, which was considered reasonable in those days and which should have lasted them for the rest of their life.

We did an exercise on our superannuation fund and found that we had to live to the age of 83 to have any chance of making a profit on our superannuation contribution. For every dollar employees put in, the employers (the banks) put in a dollar—they matched you dollar for dollar—and they invested it in first mortgages at a slightly better than average rate. So, there was a very high earning from bank superannuation funds. Nothing has disgusted me more in the past few years than to read that, following the mergers of the various banks, when they suddenly found they had a surplus of funds in their superannuation fund, they took that money and put it back into the profits of the bank. As far as I am concerned, that is larceny, because that money belongs to the superannuation fund.

When we did our exercise on the Bank of Adelaide's superannuation fund (the provident fund) in about 1968 or 1969, we found that 50 per cent of that fund belonged to no-one. That is what happens to superannuation funds. It is no wonder that insurance companies have done very well in this country. Because of the way in which they structure their funds and pay out their money, many people die well before they are paid what they are due. Many people even die before they get married; many die within a short period of retiring. In fact, there was a terrible situation at one stage in our bank where most chaps were retiring at the age of 62 and lasting for barely 12 months. That meant that the pay-out of their superannuation went to their widow if they were married. It was reduced by at least one-third so that a very small amount was then paid out. In cases where there was no immediate spouse, the money stayed in the fund; it was never passed onto anyone else, as that could not be done. So, superannuation funds did very well indeed.

I can understand how former Savings Bank of South Australia bank officers, in particular, would feel very strongly that, when they went from their superannuation scheme into the State Bank scheme, there was an advantage for them. At the same time, employees of the State Bank of South Australia (the old State Bank, as it was known) were always considered by the union to be public servants. We would negotiate with the banks for awards and classification agreements. This would irk the boys in the Savings Bank of South Australia, because we would do our salary and/or classification negotiations on behalf of the private banks. You would always get a breakthrough. The banks would take it in turns as to which one would give in first. We went for a 33⅓ per cent ambit claim on one occasion. Everyone thought we were crazy. It was the Bank of Adelaide's turn to give in. It agreed on a 28 per cent increase. We thought we would be lucky to get about 16 per cent, and we got a 28 per cent increase in salaries and reclassification of positions.

It was a great breakthrough from the point of view of using the ambit claim system. It then took quite some time before the Savings Bank of South Australia and the State banks came up with the same offer as the private banks, but there were always two or three separate negotiations as far as salaries were concerned. Overall, the staff of the Savings Bank of South Australia were much better off. The staff of the State Bank of South Australia, whenever it suited them, jealously guarded their conditions under the Public Service Act to some degree: there was a separate agreement. So, I fully understand and appreciate all those conditions, but what happened in the middle 1980s? Not one bank job was safe. Whoever thought that when the Bank of Adelaide was merged with the then ANZ Bank (which was a merger of the Union Bank with the English, Scottish and Australian Bank) suddenly bank officers would be laid off. It had never happened before. People were sacked and superannuation deals were overturned. This merger is no different from any other. All the security that these bank staff had has gone; it went a long time ago. They were never told that their career plans were at risk. As I said, I would be absolutely furious to think that what I had planned and hoped for had gone out the window.

Unfortunately, that is what is happening in this country. It is happening everywhere, whether it be in the private trading banks or wherever. Instead of retiring on a superannuation pension, they have the opportunity to partake of a lump sum scheme. I do not support or like this scheme. I know that on occasion it has been suggested that some Parliaments have a lump sum payments scheme. The whole idea is for an employer to get out of their obligation to look after their employees once they retire. It is a pretty miserable thing. Those who have given long years of loyal service expected and were promised that they would be looked after until they retired. However, it was not long after they retired from most banks that they had to depend on a part Commonwealth Government social security pension in order to survive.

Unfortunately, the State Bank boys will have to accept this. I do not know what the agreement is. I feel for them.

They may well feel that they have been let down, but in the long term I do not think they will be much disadvantaged. No-one has been able to come up with any examples of exactly what will happen in the future. It may well be that the new owners of the new bank may come up with a better scheme after some considerable time. That is something that will have to be negotiated. As I have said, it is a sad day that we have lost this institution and been placed in the position where we have no option but to support the legislation.

Mr FOLEY (Hart): I cannot pass up an opportunity to talk about the State Bank. This is an important piece of legislation which, as the member for Playford has indicated, is supported by the Opposition. I would like to make a few comments. First, I acknowledge the intent of the Bill to corporatise the bank. It is a necessary step in the process of the sale of the bank. Indeed, regardless of whether or not the bank is sold, it is necessary. As I have said in this House, I consider the sale of the bank to be important for a number of reasons. Clearly, as has been demonstrated over recent years, the capacity of the public or the State Government to administer the bank is, to my way of thinking, extremely limited.

Notwithstanding what has happened in the past and the corrective action taken by the former Government, we can never be sure that the same sort of dilemma will not face future Governments. To me, that is one strong reason for selling the bank, but also, given the changing shape of banking in this country, the ability of small institutions, such as the State Bank, to maintain themselves is questionable. That brings me to the question of how we should sell the bank. I have made it known within my own Caucus and certainly within this House that I do not favour a public float of the State Bank of South Australia. I hope that the Government—and I am sure it is—is pursuing all avenues and opportunities to effect a trade sale. I believe, for a number of reasons, that a trade sale of the State Bank of South Australia would be a far better proposal than a float.

It has already been documented that the proposed float of the bank would not return to the taxpayer a sufficient premium; that a float would see us obtain a price well under the premium price that hopefully can be obtained should we actively seek a trade sale. I personally think that there are major economic benefits to this State if we can attract a trade sale that would see a significant injection of new capital into this State together with the advantages of linking up to a broader banking network, be that within Australia or overseas.

I know in these things you cannot be choosy. It may well be that at the end of the day our options are extremely limited. I am not privy to those current discussions and negotiations about how we sell the bank, but idealIy I do not have any problem with a sale to a foreign bank. Indeed, I would see a sale to a major Asian bank as being in this State's interests. As this State and this country have to become more and more world competitive and more and more part of the world stage, I would see it as an exciting initiative if, in 12 months time, the Treasurer could walk into this House and announce the sale of the State Bank to a foreign entity. I do not object to that, although I suspect that members on my own side would not fully endorse those remarks. From a personal point of view I hope that a bank in Asia could see some value in obtaining the State Bank of South Australia; or for that matter a banking network involving the State banks of New South Wales and Western Australia.

I refer now to potential buyers of State Banks. This is a dynamic industry that is changing dramatically. We see that LendLease or MLC is looking very actively at purchasing the New South Wales State Bank, so there are obviously other players in the market. Even in the 12 months since I was involved in some discussions concerning this issue, there have been a lot of changes, and other financial institutions in this country—AMP, MLC or whoever else, may see some value in the State Bank. Whilst I can understand the argument for a float of the bank in terms of wanting to keep the entity here in South Australia, I do not believe we should be afraid of injecting into this State either foreign capital or capital from another major player in the banking or financial industry in this State.

Having said that, however, I acknowledge that it would not be a desirable outcome for the Commonwealth Bank or one of the major trading banks in this country to pick up the State Bank franchise, for the obvious reasons that would occur with rationalisation between existing networks. You have to juggle a lot of balls, and it may well be that at the end of the day my preferred option is one that would simply be too hard to achieve. As I am sure the Treasurer will be looking at all those options, he does not really need me to give him a lecture on that.

As one of the players in discussions with the Federal Government some 12 months ago in achieving what I consider to be a landmark outcome of the Arnold Government, I make the point that, whilst members opposite have had much fun in deriding the former Government's achievements, one of the milestones in the short time that former Premier Arnold was in office was his ability to negotiate a funding package to the tune of $647 million. I do not care what the media or members opposite want to say about that: I was in the Premier's office late one night, together with the Premier and other people, as we negotiated that deal with the Federal Treasurer. I was also involved the following day when we had confirmation from the Prime Minister as to the final amount that we had been able to negotiate.

The reality is that the $647 million State Bank assistance package negotiated by the former Premier, now Leader of the Opposition, was a landmark result. We should not forget or lose sight of the fact that, had the then Premier not been able to negotiate a tax compensation package and landmark decision such as that, we would not be here today talking about the sale of the bank, because the return would be so much less. Members opposite can laugh because they know little of these issues, but for a Premier of the State of South Australia to negotiate from the Prime Minister a sum of $647 million is a pretty significant issue.

In framing this year's budget the Treasurer's job will be that much easier through the work of the former Premier in negotiating that deal. I want to again put on the public record that that was a very significant achievement by the former Premier; indeed, it set in train the whole issue of the sale of the State Bank. My colleague the member for Playford has detailed the debate in the Labor Party as to whether or not we should sell the bank. It was not done in ideal circumstances, but it was a necessary measure, made all the more necessary and appropriate given the $647 million worth of assistance that we had negotiated.

I will be asking the Treasurer a couple of questions in Committee, but one point that concerns me is the final shape of the new bank and, consequently, of the new group asset management division. I think that is a critical question, and I hope that the Treasurer will be able to provide me with

satisfactory answers. What is important is that we do not, in creating the new Bank SA and leaving the residual assets that are non-performing, hold on to more than we need to. I hope that in the new bank being created we are passing on as much as we can. There was debate some time ago about how large the two respective entities should be. I for one would argue that we should sell as much as we can. We should be putting on the open market, in terms of the shape of the new bank, as much asset as we can and the Government should be left with as little as possible.

I am not convinced that the Government's having its own Group Asset Management Division is necessarily the best way to handle the residual assets. I say that with no reflection necessarily on the officers who are operating, but I wonder whether at the end of the day, given the expertise that is needed to administer redundant assets, the Government's own division is the best mechanism to do that. There has been some argument and debate around the fact that there are experts in the areas of asset management and of working out redundant assets and that there may have been some scope for contracting out (not the term the Labor Party would use) or using better management techniques for managing the residual assets rather than the Government hanging on to them. I will be asking questions about the final size of the respective banks when we reach the Committee stage.

I also want to comment briefly on the decision of the new bank to spend $10 million on its re-imaging. I cannot for the life of me work out why $10 million should be spent on that. I acknowledge that the name change was needed; I acknowledge that some other minor alterations probably need to be made, but I understand that this $10 million will be spent through internal revenue within the bank. I must put on the record that I find it somewhat extraordinary that $10 million needs to be spent on jazzing up the image of the bank. I do not think that in the case of a trade sale anyone wanting to buy the bank will be convinced that it is a better bank to buy because it has a new logo. I am already on record in this place as saying that I think it is a pretty ordinary logo. I fail to see the need to spend such a significant amount of money on re-imaging the bank, although that is a minor issue in the context of what we are debating today.

The issue of the State Bank superannuation scheme has been well covered by the member for Playford and, for that matter, even the member for Peake, who spoke at length on the issue of superannuation for employees. I do not need to add a lot more to that debate, except to say that I concur with what has been said: it is important that the employees of the bank who entered into employment contracts many years ago have their conditions honoured. At the end of the day, most of those employees were not the people making decisions and therefore they should not be penalised for that.

I want to finish my contribution by making a few comments about the way in which the State Bank generally has conducted itself both in relation to this Parliament and the wider community. As a Labor politician, I obviously have my own personal views as to what went wrong with the bank and about other aspects. However, even since the rescue packages, I find nothing short of arrogant the way in which the State Bank has chosen to conduct itself. It has failed repeatedly to develop an empathy with the community; and it has failed to respect this Parliament, both when the former Government was in power and, for that matter, while this Government has been in power.

The State Bank choses simply to ignore the wishes of Parliament and the views of parliamentarians. It wishes to conduct its business as it sees fit; it does not feel that it has an obligation to the wider community to be as open and as honest as it can be. It repeatedly gives us half answers. So, I think that—

Mr Quirke: It sends its Christmas cards out with 'In confidence' written on them.

Mr FOLEY: Yes. The State Bank has not done itself a service over the years in terms of trying to deal with a public that has become scarred by the whole State Bank tragedy. It really is not able to earn itself a lot of sympathy in the electorate, particularly not from the Parliament, as a result of the way in which it has conducted itself.

I find it amusing that the State Bank, even today, still manages to send its head of communications or its chief press people down to this Parliament each Question Time. It is a practice that the bank started some three or four years ago, when the former Opposition first started its questioning of issues related to the bank. I do not know what those officers who come down here do—whether they simply go back and report the happenings of Parliament to the Managing Director, who wants to get the information a bit sooner than *Hansard* permits. I really do not know what they do with that information.

As the whole tragedy of the State Bank unfolded in this Parliament, we saw officers or press people from the State Bank coming down, collecting their information, shooting back up to the State Bank building and clearly ignoring what was unfolding in Parliament and doing their best to cover up. I have noticed them in the Parliament in the past few weeks; they are here each Question Time.

I think that the sooner the State Bank of South Australia is no longer in public ownership the better. However, I understand that that process will take some time. I have confidence in the Government to ensure that we get the best deal. I think there is enough qualification in the Premier's comments, and certainly in the Treasurer's comments, about the float to give me heart that they would entertain a trade sale. I am putting my money on a trade sale, and I have every confidence that the Treasurer and the Premier will affect the appropriate sale for the State.

The Hon. S.J. BAKER (Treasurer): I thank the members who have contributed to this debate. I suppose that if I were to reflect on the comments made by the member for Playford I would observe that it is an interesting situation, where an Opposition that has caused so much damage in Government attempts to take the moral high ground. I can only but reflect that the Labor Party still hates the State Bank with a passion; in fact, it hates all the bank's employees for the damage that was done at the time.

It was interesting to note that the member for Playford did reflect on the quality of responses that he received from the State Bank, from the line managers right up the line. We have all had similar experiences with the State Bank over a period of time. Certainly, it has come to my attention on a number of occasions that the State Bank, as an entity, has not served its customer base particularly well.

It is interesting from this Government's point of view—and it is a Government that has been left a mess—to hear the shadow Minister (and God help us if he ever became part of a Government) saying, 'I don't really care what anyone says; I am going to proceed along the path I wish to go, irrespective of any arrangements, agreements or whatever that are entered into along the way.' I find that quite appalling.

I believe that there is a level of responsibility, and I know that in debates on issues in this Parliament, whilst we have taken partisan points of view in relation to a particular piece of legislation, the future of the State has always been paramount in my deliberations, and I would hope that it has been paramount in the deliberations of most members of this Parliament—it certainly has on my side of politics.

Of course, the member for Playford failed to appreciate in the debate that the Government is saying, 'We really must do this thing, so let's get on with it. That is the path that was set by the previous Government.' That is correct. However, he again failed to make plain to the Parliament why we are doing it. The reason is the enormous damage that the State Bank has caused to the finances and population of, and respect for, this State, its Government, its institutions and its business sector, and the enormous fallout that it has caused for us as a new Government.

I do not really need to reiterate—but I will for the benefit of the member for Playford, who seems to be stuck in a groove and cannot get out of it—that the indemnity has cost the Government $3 150 million, and another $465 million has been paid out in interest bills on the State debt, and this has reduced our rating and is costing us very large sums of money on domestic and international markets.

The honourable member says that he is not interested in the future finances of the State and that he will have his way. That remains to be seen. However, I ask the honourable member to reflect on his performances to date on this issue. It is important to understand that the member for Playford bowled into a meeting without having given any level of comfort of which I am aware to the FSU or to its members on the way through. He said that it was now a matter of principle. I do not want to inflame this debate, because I do not think it is appropriate.

We are now negotiating in good faith with the Finance Sector Union. Those negotiations have been ongoing with the members of the steering committee and its task force and the Finance Sector Union. I hope that the final arrangements are agreeable and that there will be some coming together on the issue of superannuation.

Importantly, if we do not hurry this legislation along, we are left with facing the wrath of the Federal Government. Indeed, it was the previous Government that signed up the deal. I noted that the member for Hart, for example, said, 'Gosh, Lynn Arnold is a wonderful negotiator: he got $647 million into the Treasury coffers of South Australia.'

Mr Lewis interjecting:

The Hon. S.J. BAKER: Yes, the member for Ridley is quite right: did we say our prayers? We need our prayers every time we go to a Premiers Conference now. We have just had the experience at the last Premiers Conference of finding out exactly in what high esteem South Australia is held in Canberra. Even if we discounted and took a very conservative value of a five-year tax compensation package from the Commonwealth, if we were to hypothesise and say that somewhere between $300 million and $400 million was the net benefit to South Australia of an election promise—and that is what it was—and that it was the gift that was given to assist the then Arnold Government out of a difficult problem then I say that they are getting it back in blood right now.

We are getting slaughtered as far as the Federal Government is concerned. We have taken another $27 million hit this year, and there is an underlying problem of $15 million left over from the Medicare arrangement from the previous year. Then we have the fact that the grants were reduced by about $40 million, and the previous year Medicare was reduced by $22 million. The return on their $300 million to $400 million—

Mr Quirke interjecting:

The Hon. S.J. BAKER: Well, the member for Playford should look at the figures and understand where we are in terms of our share and our support. The member for Playford should visit the hospitals and talk to the people who have to wait, and he should explain to some of his constituents that there are queues because of this rotten system that the Labor Government introduced into the national arena and which was fully supported by the former Government. So, we are paying a hell of a price for the little gift. If the member for Playford and the member for Hart question the former Treasurer, they might get some interesting responses about how he was treated at the last Premiers Conference.

It was only due to some very strong negotiating that we got out of this one as well as we did but, unfortunately, we still took a significant reduction in funds right on the chin because of the antics of the Federal Government. I do not want to talk about Premiers Conferences because, quite frankly, they make me sick. Having recently sat through my first one, I can say that there will have to be some significant reform in this country, because there is no future for Premiers Conferences run the way this last one was.

I return to the Bill. Let us discard the special benefit, the agreement that was reached through the undoubted negotiating skills of the former Premier of this State, because basically it was a bribe to the electorate. The electorate rejected the bribe and it rejected the Government, but the bills will continue to be paid by this Government and by the people of South Australia. So, as we are all aware, the Federal Government (and the Federal Treasury, which advises the Federal Treasurer and the Prime Minister) does not take too kindly to the stance that should be adopted in relation to the States. Future Premiers Conferences will be tied to some indexation of this new base. Because the base has been set so low, the Prime Minister—if we take last year and this year—will have a return on his funds within about five years. So much for gifts!

The issue of the State Bank is important, because we really have to decide whether we are going to start the revival of this State. I would have thought that all members of this House were particularly interested in that aspect: irrespective of whether they are in Opposition or in Government at the moment, the future of this State must be paramount. Part of that future is to put behind us what has happened in the past in relation to the State Bank, to start a new bank, and to start it with a new image. It will still have to go through some pain, as people would be well aware, but it should be started with a new image and a new future so that it can be a flagship for what is happening in South Australia.

Irrespective of whether members are in Opposition, they should hope to be in Government at some stage, and they should hope that Treasury will be put back into good shape; they should hope that the State is standing tall amongst its peers; and they should hope that we come a long way from the position we are in now. This piece of legislation is important as a means of indicating to the rest of Australia that we are putting our house in order, that we will have a bank that is competitive in the national environment, and that it will be a strong regional bank with some potential for future expansion but under different ownership than it is currently.

I welcomed the reflections of my colleague the member for Peake on the issue of the bank and from whence it had

come. I recall the member's contribution when the original bank legislation was debated, because he made some very strong points along the lines that were indicated in the House today. As history has unfolded, the member for Peake was probably more right than the rest of us, but he was only more right because he may not have appreciated what would happen if a Government of the former flavour allowed the bank to dictate its own terms and allowed the cowboys to operate whereby money was handed out without proper securitisation and without proper scrutiny and in very large sums beyond the belief of anybody who in 1984 attempted to assess the then forthcoming performance of the combined bank.

So, the member for Peake does have a right, and exercised that right, to reflect on the fact that there was a State Bank, there was a savings bank, and they were combined. He did not believe that the partnership, the marriage, would bring the success that was suggested in the Bill. I believe it could have achieved that success if it had been properly managed and properly scrutinised by Government. The member for Playford failed to reflect on his own performance and that of his colleagues during that vital period when the bank was handing out loans without what I believe was proper authority.

Mr Quirke interjecting:

The Hon. S.J. BAKER: Indeed, the member for Playford can say he was not a member. I can assure the member for Playford that, when the bank tried to expand itself out of its dilemma into New Zealand and into other ventures interstate, he certainly was a member of this House. He was certainly not a member when the first cracks appeared, when Beneficial Finance was getting into difficulties, but he was part and parcel of the solution, and the solution was $3 150 million worth of indemnity, because he and his colleagues allowed it to deteriorate. They did not take action, they did not breast their own Ministers, they did not talk to Premier Bannon at the time, they did not talk to the then Minister of State Development (Hon. Lynn Arnold), who was a key player in the exercise and who was made Premier as a result of the demise of Premier Bannon. We did not see any activity on their behalf to protect the interests of South Australians or to protect the interests of their constituents. So, we can reflect.

In relation to the trade sale, the member for Hart said that nothing should be set in concrete. We have set out with a deliberate policy of floating the bank. We believe that the corporatisation process is essential for that. If the market retains its strength, our advice is that we will receive a more than adequate price should the bank be floated. Should those conditions deteriorate, other prospects will have to be looked at. Importantly, whatever path we tread in the future, it will be under three basic tenets: first, that we retain the capacity to make decisions on behalf of South Australians in relation to our own bank; secondly, that we maximise our returns; and, thirdly, that we seek to minimise any loss of employment or branch networks through that process. They are competing interests—we all recognise that—but that is our intention. We believe that we can do all three things by means of a float, but those matters will be scrutinised on the way through. I thank members for their contributions in this debate. It is an important debate, and I welcome questions during the Committee stage.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

The Hon. S.J. BAKER: I move:

Page 2, line 15—After 'Australia' insert 'or, according to the context, that body as continued in existence under the name the 'South Australian Asset Management Corporation'.'

That completes the full bank—the Bank of South Australia and the South Australian Asset Management Corporation.

Amendment carried; clause as amended passed.

Clause 4—'Territorial application of Act.'

Mr QUIRKE: If my understanding of the clause is correct, every existing State Bank entity outside South Australia, particularly those overseas, will remain within what is to be known as SAAMC, the holding company. None of it will be transferred to the Bank of South Australia Ltd.

The Hon. S.J. BAKER: There is a division. The entities overseas have to be transferred into SAAMC (the South Australian Asset Management Corporation) but, of the outstanding interstate loans at the moment, many will stay with the new entity, the Bank of South Australia.

Mr QUIRKE: Not every loan made outside South Australia has gone sour. Some good accounts must have been found outside the borders of South Australia and indeed Australia. None of those will go into the Bank of South Australia—they will remain with GAMD, which will effectively become SAAMC.

The Hon. S.J. BAKER: As far as the international loans are concerned, the honourable member is correct. As far as interstate loans are concerned, they will be judged on their merits.

Clause passed.

Clauses 5 and 6 passed.

Clause 7—'Transfer of assets and liabilities to BSAL.'

Mr FOLEY: As I foreshadowed in my second reading contribution, the question of the final size of the new division and subsequently the size of the bank is something on which I ask the Treasurer to comment. Can he assure the Committee that we will be finally selling as much of the State Bank as possible, given that it would not be financially prudent to put some assets into the entity we are selling? Are we holding onto assets on the basis that we need to keep something in public ownership?

The Hon. S.J. BAKER: Obviously the answer is 'Yes'. Leaving aside money market operations, substantial moneys have been transacted on international markets and they will be handled under the South Australian Asset Management Corporation. They do not come under the loans about which we are talking for normal borrowers. Leaving aside the issue of international dealings in terms of loans that have been provided to people and companies beyond our shores, all other assets will be judged on their merits and we will put all performing loans in the Bank of South Australia.

Mr FOLEY: With the management of the new SAAMC, I wonder whether at the end of the day this is the best way to manage the residual assets. Further down the track, as some of the assets are worked out, is it the Treasurer's view that at some point there will be other ways of managing the residual assets, apart from through SAAMC?

The Hon. S.J. BAKER: The member is quite correct, because I do not expect SAAMC to exist for more than three years. I would like to think that the majority of the work will be completed within two years, but some loans will have to be looked after over an extended period. That does not mean that SAAMC is the appropriate body. My view is that SAAMC has a maximum life of three years and whatever residual remains will be effectively operated through the auspices of Treasury. We have not been there yet, but that is

my intention. I do not believe that a large number of assets will fall under that heading.

Clause passed.

Clauses 8 to 10 passed.

Clause 11—'Transitional provisions.'

The Hon. S.J. BAKER: I move:

Page 8, line 8—After 'documents' insert 'to which SBSA or an SBSA subsidiary was entitled immediately before the transfer took effect'.

This is a degree of caution to ensure that it is clear what the clause intends. It tidies up the wording.

Amendment carried; clause as amended passed.

Clauses 12 to 15 passed.

Clause 16—'Re-transfer of assets or liabilities.'

Mr FOLEY: In the time between now and when the bank is sold, if some of the assets within the SAAMC become performing assets, I take it that this is simply a mechanism that would allow the Treasurer to transfer those assets. I am asking for clarification of that, and asking whether this is simply a mechanism to ensure that we sell as much as we possibly can when we finally get to the sale date.

The Hon. S.J. BAKER: Basically, the honourable member is correct. It means that assessments will be made and resources or loans, assets and liabilities will be allocated to the two entities, the Bank of South Australia and the SAAMC. Obviously, we hope that with the improvement in the economy some of those loans, which are now lacking in asset backing or which have failed to produce the amount of repayment necessary to meet interest obligations and some payment of principal, will become more alive and productive. We would expect that they could be joined with the good bank, the Bank of South Australia.

If the assessment of those loans as at 30 June is incorrect and we have some problems with two or more loans that exist within the good bank, which would diminish the good bank in its future sale, we also have the right to take them back into the SAAMC.

Mr FOLEY: Will the SGIC asset at 333 Collins Street be sitting in the SAAMC operation?

The Hon. S.J. BAKER: Yes, it will: 333 Collins Street will not actually enter into the Bank of South Australia. It will be managed through the SAAMC and, if there is not a sale within three years, it will be managed presumably by another entity such as Treasury. But the answer is that that is being managed as a separate entity, not as part of the Bank of South Australia or the State Bank.

Clause passed.

Clauses 17 to 19 passed.

New clause 19A—'Superannuation.'

Mr QUIRKE: I move:

Page 11, after line 13—Insert new clause as follows:

19A. (1) Where a person was, immediately before the commencement of this Act—

(a) an employee of SBSA; and

(b) a contributor within the meaning of the Superannuation Act 1988,

the person is entitled to continue to make contributions as a contributor under that Act for the period of the person's employment by SBSA or BSAL.

(2) Despite the provisions of the Superannuation Act 1988—

(a) the arrangement under section 5 of that Act between the South Australian Superannuation Board and SBSA, as in force immediately before the commencement of this Act, will—

(i) in relation to a person referred to in subsection (1) who is an employee of SBSA—continue as such an arrangement between that board and SBSA in relation to that person for the period for which the person continues as a contributor within the meaning of that Act; or

(ii) in relation to a person referred to in subsection (1) who is an employee of BSAL—continue as such an arrangement between that board and BSAL in relation to that person for the period for which the person continues as a contributor within the meaning of that Act; and

(b) the arrangement may not be varied, and the provisions of that Act may not be modified under that section in their application to such a person, so as to affect detrimentally the rights or prospective rights of the person in respect of superannuation.

The proposed new clause seeks to solve the superannuation problem that we on this side believe is absolutely paramount to the successful corporatisation and sale of this asset. We take the view that, in the process of identifying a particular asset such as the State Bank of South Australia, taking it down the corporatisation road and then preparing it for sale, one of the most important ingredients is to look after the staff and, particularly, to protect the superannuation benefits of these people. This amendment does that; it has the support of all Opposition members. I believe that we should also get support from some other members of this House, because this has been an issue that has had a great degree of airplay. It has also caused much concern amongst many of the people who had joined this scheme, in most instances because they had to, and who now find that their benefits are not only being wound back but that the scheme that they joined, the old State Government superannuation scheme, is being closed off to them.

In fact, a number of Opposition members have had constituents come to see them, as I and every member of this side of the House have, and I cite one letter to an individual who went around and saw his member of Parliament, and received this response:

Thank you for your letter in relation to the problems being experienced by State Bank employees regarding the transfer of their superannuation. This is a matter I have been working on for some time, as I have already been contacted by a number of the bank's employees who have expressed concerns similar to your own. I appreciate the apprehension that is felt, and I fully believe you should be able to retain your entitlements.

I have advised the Treasurer, Mr Stephen Baker, of my concern, and have also raised the matter with my colleagues in the Party room to try and ensure that any changes to the superannuation scheme will not reduce or interfere with your entitlements in any way.

Could I assure you of my complete support in this matter—

and that is yet to be tested—

and I will be doing all that I can to ensure the full preservation of benefits, and thus the achievement of your retirement plans. I will continue to monitor the situation closely, and keep you informed of progress in this matter.

It is signed 'Yours sincerely, Scott Ashenden, member for Wright.' Another letter reads:

I am in receipt of your correspondence dated 17 March 1994 regarding the State Bank corporatisation and the proposal to alter the compulsory superannuation scheme you are presently part of. You may not know, but I have had ongoing discussions with members of the FSU, State Bank Ownership Subcommittee, and I am continually being updated on the state of negotiations between the subcommittee and the State Bank Corporatisation Government Subcommittee.

As I have indicated, I am totally opposed to any member of the State Bank who has been part of the old scheme for many years being disadvantaged. I will continue to work on behalf of all longstanding members of the State Bank Superannuation Fund to ensure that equity prevails.

Signed 'Sam Bass, member for Florey.' Other members have made contact on this issue. The issue here, which the Opposition sees as paramount, is the question that people who

have opted for a scheme or who were compulsorily required to join that scheme shall not have their benefits slashed and, if they wish to, should remain in that scheme. The effect of these amendments that we move here today will ensure that those members who are currently members of the old State Government superannuation can remain within that scheme and, indeed, whether they be in the Bank of South Australia Limited or SAAMC, if they are currently members of that scheme, which has been closed off I understand since 1986, those members' rights will be protected.

Further, about 598 individuals are in this category in the State Bank. I have been told—and I have not heard any dispute from the Treasurer—that about 591 individuals earn in the region of $40 000 per year. They are not the corporate high fliers associated with the Marcus Clark regime, many of whom have already cashed in their superannuation and walked out with very large payments. It was the work of the committee that I chaired which exposed exactly the amounts of money with which those people walked away. These are the innocent victims. These are the people who have tried to make the State Bank not only functional but also saleable. Whether it be a float or a trade sale, it will be largely the product of the work of such people that will see the maximum return to the Government of South Australia for the investment in the State Bank.

Shafting these people in such a miserable and shabby way, going back on the word that was given before the last State election and holding a gun at the head of the finance sector union will not make a lot of difference to the Opposition. We will support these amendments; we support the rest of the legislation. However, we believe that this issue must be resolved by the Government. With these amendments, we have given the opportunity to those Opposition members who have told their constituents that they will look after them—that they will fight all the way through to the wire to ensure that their benefits will not be cut so that they can remain in the scheme. We have given those members opposite the opportunity to join with the Opposition today. If we are not successful with these amendments, we will move them in another place where the numbers are different.

The Hon. S.J. BAKER: The issue has been raised in a particularly interesting fashion. I wish the honourable member and his colleagues had shown as much care for people when they were part of the previous Government. There are still one or two members here who were part of that previous Government, and they did not give a damn how many people were affected. They did not give a damn that they sold this State down the river.

Members interjecting:

The Hon. S.J. BAKER: And the member for Hart was one of the ministerial advisers; he was part of it. The only person I can see in this House who has a reasonably clean skin on this issue happens to be the member for Ross Smith. The rest of them are tarred with the same brush. This new found desire to assist the employees of the State Bank I find fascinating, given the history of the honourable member and his colleagues. I would have thought that, after the damage he has caused—and it is not just to the State Bank employees, it is to everyone who wants a decent education in this State, to everyone who wants some health care in this State—

An honourable member: Or a bed in a hospital.

The Hon. S.J. BAKER: Yes, a bed in a hospital—just the simple things of life like a decent road. The member for Playford could go right through the facilities of Government and ask, 'What part did I play in ensuring that those facilities could be provided for the benefit of South Australians?' When companies have been busted because the State Bank gave loans that it should not have given, when it was quite imprudent in its operations, and when employees have been put out on the street because of the actions of his Government, how much care did the honourable member show?

Members interjecting:

The Hon. S.J. BAKER: Where are the unions? They are all in bed together—all at the trough. So, I am absolutely fascinated that the honourable member is taking up the issue in the way that he is. I am also fascinated that it was suddenly the Economic and Finance Committee that revealed that the honourable member's Government had let them out the door—the corporate cowboys, their mates, the mates that they are in the trough with—with huge pay-outs.

An honourable member: They're no mates of ours.

The Hon. S.J. BAKER: Well, they're not now but they were before, I can tell you. They were promised great futures with the State Bank. The previous Government could go around and give favour. They could say, 'Look, John, just come to us and you'll get your loan.' An enormous amount of power could be exercised by having the purse available and by using the State Bank.

Members interjecting:

The Hon. S.J. BAKER: Quite simply; a lot of power was exercised by the Government over individuals, because they could allow those individuals to have the resources of the State Bank at their disposal, and that was quite clear. So, when I hear the honourable member take the so-called high ground, I ask him only to look back at his contribution to the employment of this State.

With regard to the subject of this amendment, I quite clearly said at the meeting that the door was open. The honourable member will remember that. The alternative was that the union follow its own course and depend on the support of the ALP and the Democrats in another place. It chose to come back to the negotiating table. I believe that negotiations have been progressing productively. I presume an agreement will be reached—I hope an agreement will be reached, because it is important for the future of this State that that be achieved. I cannot accept the amendment, and I cannot accept that it is what the honourable member really wants.

The member for Playford is just playing one of his little games, and he has not shown by his previous performance that he is dedicated to the people of South Australia, that he has looked after his constituents and that he has protected their rights. Suddenly we see the honourable member taking up the cause, boldly walking into a room and saying, 'I'll save you.' He has not done too much over the past few years to save anyone: in fact, he has been part of the problem.

We are negotiating in good faith. I expect a successful conclusion to those negotiations. I hope there will be a successful conclusion, because otherwise all the other matters then become highlighted by our demand—the demand that was placed in our hands by the former Government. We have to pick up the mess; we have to pick up the pieces. I am hopeful that there will be a successful resolution.

For the honourable member to say this is the most important issue he has tackled since he has become a shadow Minister, that may well be the case. The honourable member concerned took a study tour before he was sworn in; that is how much concern he had for the taxpayers of South Australia. The sheer arrogance was breathless. Then for this same member to say, 'We're going to fight this in the

trenches, we're going to fight this on the hills, because this is the only important issue,' leaves me slightly breathless. Having said that, I believe that we must operate as an effective Parliament. We must work in the best interests of South Australia. I am hopeful that there will be a successful resolution of this matter and that, indeed, members on the other side will join us in the successful resolution of the issue.

Mr QUIRKE: I believe that when you give your word on something you should keep it. When the Government took on this obligation, one that it did not want—in some instances, many did want it, but they were not given the choice—it was obliged to deliver at the other end. We have not heard from the Treasurer that there is a defined benefit that has been delivered to all those people who have recently opted out of the system. I remind the Treasurer that he will not find any Labor Party members among that bunch in the State Bank. Yes, he is right. On this side of the House we have good reason to dislike most of those people who operated the State Bank during that time. We do not like the Rob Gerards of this world who go cap in hand—if he wants to get into the gutter, we have plenty of them here—to whom even the State Bank will not lend money and who then go to the Premier saying, 'They are being miserable to me.'

It is no wonder that Liberal Party members came into this House knowing what was going on in the State Bank, because they were going back to their sub-branch members listening to all these down-and-outs who had nothing but who walked away with buckets of money. Here is an opportunity for the Treasurer to keep his word and for a couple of other members who have written to their constituents to keep their word. The Treasurer can get down into the gutter or do whatever he wants, but the central issue is that these people were members of the old State Government superannuation scheme. That has some cost implications in terms of what you can get when you drag the asset to the auction block. What the Treasurer is really about here is maximising the price. He is screwing all the workers out there who have given him an asset for sale in the first place. We will not let him get away with it.

Mr ASHENDEN: I thank the member for Playford for reading onto the record the letter I wrote to my constituents. I am delighted that he did so. There is no way in the world that the comments I am about to make now will contradict the point I made in that letter. It is a little disappointing that one of the many constituents who has contacted me did not do so because of his concern about his situation but obviously purely and simply to use it, as the Opposition is now attempting to do, for political gain and not for the benefit of employees of the State Bank.

Members interjecting:

The CHAIRMAN: Order!

Mr ASHENDEN: The point I want to make here and now is that—

Members interjecting:

Mr ASHENDEN: I will support my constituents. I am happy and proud to stand on the record that I had for the 6½ years when I was previously a member of this place and the record that I intend to establish over the coming years here, that under no circumstances will I resile from what I see as my first duty, which is to represent my constituents. That is what I will do and what I was doing in relation to the correspondence that I sent to my constituents, all of whom but one were genuine in their concerns. In return, I was very genuine in my approach to them, and I said that I would do everything I could to protect their interests. That is exactly what I am doing.

I now turn to the amendment before the Committee. This is some of the worst politicking I have seen in the almost seven years, overall, that I have been a member of this place. The honourable member who moved the amendment knows full well, because of his experience in the industrial scene, the way in which the industrial world works. Any member of the Labor Party must come from the industrial scene or they will not get anywhere. Therefore, the honourable member knows full well that in terms of negotiations there are always two parties.

The honourable member is conveniently overlooking one thing: his union mates have come up with a situation which will be put forward to a meeting and which his union mates say is acceptable as far as superannuation is concerned. He talked about a gun being held at the head of people: no gun will be held at anyone's head when a meeting of all members is held. They will be able to vote: 'Yes, we agree with the negotiations' or 'No, we do not'. If they put up their hand and say, 'Yes, we agree with the negotiations', as far as I am concerned I have done exactly what I set out to do, because those members will have a resolution with which they are happy.

I say to members opposite, 'Save your postage', because I will send out the extracts of *Hansard* together with a letter to all the people who have contacted me. I have nothing to hide. The point I make is that I will oppose the amendment as it is put for one very good reason, and that is that I have been advised that agreement between representatives of the employees and the Government is almost certain. If they are happy, I am happy. If the member for Playford does not know this, the honourable member behind him knows full well that in any negotiations there will always be a situation where both parties leave saying, 'Yes, this is a deal with which I am happy.'

This will really upset members opposite. Some of my constituents who contacted me originally have telephoned to say that they are happy with the agreement that has been negotiated by their union with the Government. I have said, 'Fine, I'm glad to hear that', and I have taken the trouble to contact my constituents. I know the person who sent that letter, and it is quite obvious from the discussions I have had with my constituents who it is. I make the point that, ignoring that person, the other constituents who have contacted me have indicated that—

Mr Atkinson interjecting:

Mr ASHENDEN: I support all my constituents, but one of them is obviously attempting to use this situation to the political advantage of the Party of which obviously he is a member. The other constituents who want their superannuation have indicated that when they vote they will accept the recommendation that will be put forward. Those constituents have indicated to me that they feel that the deal that is being discussed at the moment is fair. Therefore, I am happy to support the Government in opposing this amendment which has been put forward for purely political purposes and no other reason whatsoever. The matter will be considered in another place, as the honourable member has said. If by any chance it comes back to this House in an amended form, or if between now and then the meeting which will occur next week does not turn out as expected, all members of this place will have a further opportunity to consider their stance.

At this stage, based on the advice I have been given and on assurances from my constituents and the Treasurer that the negotiations appear almost certainly to be accepted by both parties—

Members interjecting:

Mr ASHENDEN: I ask members opposite: Are you saying that the FSU, of which we have an esteemed ex-member here at the moment, is not happy with the deal it has done?

The CHAIRMAN: The honourable member will conduct his debate through the Chair.

Mr ASHENDEN: The honourable member of whom I speak headed a union and ended up with, I think, about 10 members. Of course they had to amalgamate because they would not have existed otherwise, but that is another point. Let us come back to the Financial Sector Union. Are members opposite saying that the deal that that union negotiated on behalf of its members is not suitable? If that is so obviously they are in conflict with their union mates, as the advice I have been given is that the deal that has been struck is acceptable to both parties. They are rather thick on the other side, so I repeat—

Mr Foley interjecting:

Mr ASHENDEN: If it is not, then we will come back to this House. I think members opposite are hard of hearing. If it comes back to this House, I said that all members in this Party would have the opportunity to reconsider, and I will be one of those. At this stage, however, I make it quite clear that the interests of my constituents appear as though they are going to be met next week. If that is the case, I am delighted and they are happy. What more can a member do than ensure that something has happened for his constituents with which they are happy? As I have said to members opposite, 'Don't worry about posting it out, because I will certainly do that.' I have nothing to hide; I have represented my constituents well.

I have put my arguments strongly and I believe there is now a solution to the problem. That solution is one that will be satisfactory to my constituents. I am extremely grateful for the negotiation process that has occurred. As I said, I believe that the amendment is totally unnecessary. Resolution is at hand and if it is not, as I said, all members in this place will have a further opportunity to consider this matter.

Mr CLARKE: It is interesting to note the member for Wright saying how he hopes this agreement that has apparently been worked out between the Treasurer and officials of the FSU will lead to an amicable settlement of this arrangement. There are a number of issues which arise. First and foremost is what members opposite and the member for Wright's constituents will not fail to realise, and that is that, if it had not been for the attitude of the Opposition in steadfastly demanding that the Treasurer honour his word, the negotiations favouring the employees of the old State Bank superannuation scheme would not have occurred. Any benefits that have flowed as a result of those negotiations are directly attributable to the Opposition's standing up for the workers and demanding that the Government keep its word.

Members interjecting:

The CHAIRMAN: Members will cease interjecting. The member for Wright and the member for Torrens will come to order.

Mr CLARKE: As members opposite know, and in particular the Treasurer, it is absolutely critical for the Government to get this legislation through before the House rises in May so that it will not have a large lump of money pulled back by the Federal Government. It is for that reason only—the reason why the Opposition has been so forceful in defending the rights of workers—that any improvement has been achieved whatsoever. However, what members opposite may not appreciate—and what I as an old union official do appreciate—is that if this amendment is not carried tonight and the meeting of FSU State Bank members next week does not accept the recommendation of its officials and of the Government, its bargaining power goes down the tube, because upon this amendment rests its hopes for a continued, ongoing superannuation payment. What members opposite fail to appreciate is that they (I do not just blame the Treasurer because he did it on all their behalf) gave an absolute iron-clad commitment on 26 October that the then Opposition—now the Government—would match the undertakings given by the former Treasurer (the member for Giles) in a bid to win votes among employees of the State Bank.

Therefore, this amendment does no more than honour the promise that the Treasurer, the then Deputy Leader of the Opposition made on 26 October 1993. It is all about keeping to your word. It is all very well for members opposite, with their 37 members in the Lower House—with many oncers—to blithely say, 'Who gives a continental about an election promise?' Indeed, in dealing with the trade union movement they have not worried about lying, deception and the like. As I have warned in this House previously, it will come back to haunt them. In my 22 years of dealings as a trade union official, from an organiser through to a secretary through to an elected position as national President of my union, every time I gave my word and undertaking on behalf of my union I honoured it to the letter. Every employer who has had dealings with me and my union, and every one of your employer organisations, including the representative who now works as a consultant to the Premier, can testify to the fact that on every occasion I honoured my word. That made an enormous difference in industrial relations and negotiations, because if you gave your word people knew you would honour it through thick and thin and not take temporary advantage of it as times might change.

The member for Wright was the former Human Resources Manager of the Automobile Association. In my dealings and my unions' dealings with that organisation—stretching back before the honourable member's time—we honoured our commitments and our word. The trade union movement has been built on honouring its undertakings and its word. Unfortunately, this Government is falling into the same trap as I did in dealings with employers, and that is that when it is convenient to forget your promises and undertakings you take advantage of it. It comes back to haunt you because eventually there will come a time when the Government will want the assistance of the trade union movement and will say, 'I promise I will do this or I will not do that if only you will take the heat off me to allow an amicable settlement.' It will then be your history of lies and deceptions which will catch you undone. People will then turn around and say, 'You are a person whose word means nothing and therefore we will treat you accordingly.'

The other important part about this amendment is this: the State Bank is just the first of a number of bodies which are to be corporatised. The 600-odd State Bank employees are the first of a large number of employees who will have their superannuation benefits affected. The SGIC, the Pipelines Authority of South Australia and others have already been earmarked for sale. The then Deputy Leader gave similar undertakings in the election lead up last year that the people associated with those bodies would have their rights protected. From the answers he has given in Parliament over the past few weeks those undertakings mean nothing as well. Therefore, we do not know whether the arrangement that has

yet to be ratified by the membership of the Finance Sector Union—whether or not it is approved—will be the benchmark for all other organisations. If it is—and the Minister has not said so—it certainly has not been done with the concurrence of unions representing workers in those other areas.

I point out that other members of the Finance Sector Union, for example, the insurance division, who work for SGIC are watching the outcome of this amendment with a great deal of interest because it will vitally affect their interests. They have not been consulted or made part and parcel of the deliberations that have involved the banking section of the Finance Sector Union on this matter and, therefore, have had no opportunity to express a viewpoint particularly if this arrangement is supposed to be the benchmark for all other Government agencies that are corporatised.

For those reasons I urge all members present, in particular the member for Wright, to support the amendment. In the letter to his constituent he states:

> Could I assure you of my complete support in this matter, and I will be doing all that I can to ensure the full preservation—

not a watered down preservation—

> of benefits, and thus the achievement of your retirement plans.

It says 'full preservation of benefits'. This is the honourable member's moment of truth. Let him rat as he has done so often on his constituents. When the division bells ring we will see it and his constituents will see it.

Mr ASHENDEN: Mr Chairman, I ask that the term relating to my ratting on my constituents be withdrawn. I think anybody who knows me knows that there would not be a member in this House who has represented his constituents harder or better. I ask that those words be withdrawn.

The CHAIRMAN: The member is making comment.The member for Florey.

Mr BASS: First of all, I concur with my colleague the member for Wright in relation to concerns for the 590-plus members who, through no fault of their own, are having problems with their future in relation to superannuation. I have discussed the matter with the Treasurer and I am assured that negotiations are continuing in relation to these members and will be finalised to the satisfaction of all parties before the matter is dealt with in another place.

Like my colleague the member for Wright, I thank the member for Playford for reading into *Hansard* my letter to one of my constituents. It was a shame that he could not read it correctly. If members look at my letter very closely they will see that I say:

> As I have indicated—

and, if he has a copy, the member for Playford should look at it—

> I am totally opposed to any member of the State Bank who has been part of the old scheme for many years being disadvantaged.

The member for Playford read into it that I am saying that they should remain in the old scheme. He put his own interpretation on it and then read it into *Hansard*. I remind the honourable member that, if he is going to quote from my letters, he should quote accurately and not twist the words to suit his own ends. I also remind the member for Playford that we are not shafting the members of the FSU: we are negotiating with them—something that this Government has done right from the word 'Go'.

I will not allow the Opposition—which created this monster problem—to get away with this. The reason the Treasurer is having to do what he is doing is that members opposite created this problem, and I have complete confidence in my Treasurer's resolving the problem. Therefore I oppose the proposed new clause.

The Hon. S.J. BAKER: I thank members for their contribution, and I will be very brief in response. In relation to the issue of my keeping my word, I point out that I always keep my word, quite frankly. When the union came to see me I made it quite clear that the preservation of their benefits was not at risk. I promised them that their benefits would be preserved. That happens to be on 30 June 1994. There are certain concessions beyond that, but I made it quite clear in discussions with the union exactly what my stance was on that matter.

Whether the bank is corporatised or privatised, at some point the employees will have to change to a new scheme. I always keep my word, and everyone here knows that. I do not have a problem sleeping at night, quite frankly. I made it quite clear at the time. The employees believed that their superannuation would be at risk, and I said that it would be preserved. That is exactly what I said, and that is exactly what we are trying to achieve: the preservation of an accrued benefit.

There is probably one sure thing at the moment: the sun will rise tomorrow. To say that a person will be with the bank in 10 or 15 years is simply not appropriate. Some of the issues that revolve around the new ownership of a bank and whether a member should continue to contribute to an old scheme, of course, is very important in principle. I have never gone back on my word, as members would understand. I made it quite clear in discussions that I would preserve their right as members of the scheme, and I am doing exactly that. I did not promise, and would not have promised, that those members would have a right to continue into the sunset until they chose to retire, because one cannot predict the future to that extent. So, it was important for me to make that commitment and give that undertaking.

I will not refer a great deal to the former Treasurer's words. However, I will make two observations. If members look at the framework that was set by the former Treasurer—and I will be very brief—one sees that, of course, it is our thinking that he had no endorsement by the Cabinet at the time; he was simply talking about general guidelines. In his letter to the union on 21 October 1993 he states:

> An employee transferred to the new corporatised entity is not entitled to receive any payment or other benefit by reason of having ceased to be an employee of the State Bank and having become an employee of the new entity.

That was in the then Treasurer's letter of 21 October, and I ask members to reflect on that.

Mr Tiernan interjecting:

The Hon. S.J. BAKER: That was Treasurer Blevins. In fact, the letter from Treasurer Blevins was not endorsed by his Cabinet. So, my undertaking is that, if agreement is reached, I will have the necessary clause or clauses inserted in the other place to give strength to the agreement. I have already given that commitment. I keep my commitments, and that is the way it will be.

Progress reported; Committee to sit again.

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

That the sitting of the House be extended beyond 6 p.m.

Motion carried.

PAYROLL TAX (MISCELLANEOUS) AMENDMENT BILL

Returned from the Legislative Council without amendment.

STATE BANK (CORPORATISATION) BILL

Adjourned debate in Committee (resumed on motion).

The Committee divided on the new clause:

AYES (8)

Arnold, L. M. F.	Blevins, F. T.
Clarke, R. D.	De Laine, M. R.
Foley, K. O.	Hurley, A. K.
Quirke, J. A. (teller)	Rann, M. D.

NOES (31)

Andrew, K. A.	Armitage, M. H.
Ashenden, E. S.	Baker, D. S.
Baker, S. J. (teller)	Bass, R. P.
Becker, H.	Brindal, M. K.
Brokenshire, R. L.	Brown, D. C.
Buckby, M. R.	Caudell, C. J.
Condous, S. G.	Cummins, J. G.
Evans, I. F.	Greig, J. M.
Gunn, G. M.	Hall, J. L.
Ingerson, G. A.	Leggett, S. R.
Lewis, I. P.	Matthew, W. A.
Meier, E. J.	Oswald, J. K. G.
Rosenberg, L. F.	Rossi, J. P.
Scalzi, G.	Tiernan, P. J.
Venning, I. H.	Wade, D. E.
Wotton, D. C.	

Majority of 23 for the Noes.

New clause thus negatived.

Remaining clauses (20 to 26) passed.

Schedule 1 passed.

Schedule 2—'Consequential amendments to State Bank of South Australia Act 1983.'

The Hon. S.J. BAKER: I move:

Page 23, lines 5, 6 and 7—Leave out subclause (2) and insert—

(2) Despite subsection (1), information may be provided to the Treasurer about a transaction of the bank or a subsidiary of the bank if any of the following occurs or has occurred (before or after the commencement of this section) in respect of the transaction, or in respect of another party to the transaction who is in default:

(a) the bank or subsidiary of the bank commences legal proceedings to recover an amount due or to enforce a security in respect of the transaction;

(b) the bank or subsidiary of the bank gives notice of intention to sell property given as security in respect of the transaction;

(c) the bank or subsidiary of the bank enters into possession as mortgagee in respect of property given as security in respect of the transaction;

(d) the bank or subsidiary of the bank acquires an interest of the other party in property given as security in respect of the transaction, or takes possession or control of such property;

(e) the other party, being a body corporate, becomes an externally administered body corporate (within the meaning of the Corporations Law), or, being an individual, becomes bankrupt, or the affairs of the other party are dealt with under Part X of the Bankruptcy Act 1966;

(f) the board of the bank resolves that it has formed the opinion on reasonable grounds that there is a strong probability of any of the above occurring in the near future in respect of the transaction, or in respect of the other party.

By way of explanation, as the—

The Hon. Frank Blevins: We understand it.

The Hon. S.J. BAKER: You understand it. I do not have to say any more? I will sit down.

Amendment carried; schedule as amended passed.

Schedule 3 passed.

Title passed.

The Hon. S.J. BAKER (Treasurer): I move:

That this Bill be now read a third time.

Mr QUIRKE (Playford): I will not take up the time of the House on this issue other than to say that everyone knew that there was a time frame, and that time frame was very tight, for the passage of this Bill—not only in this House but it had to get through the other place and had to be proclaimed, and the Bank of South Australia Limited had to be ready and in the tax net on 1 July. We found that, because of the actions of the Opposition and the threat of a combined Opposition/Democrat vote in the other place—where the amendments will resurface, let me assure the House of that—and because the Government had to have the problem resolved by the end of June, it has been more generous with the State Bank employees; it is reducing their benefits but it is being more generous than it will be with SGIC, where that time frame will not be there, and more generous than it will be with other organisations. What the Government has done tonight is shafted all the employees—

Mr LEWIS: On a point of order, Mr Deputy Speaker, I understand that third reading speeches are to be about the Bill as it comes out of Committee explicitly, and I do not recall that these matters are explicitly stated in the legislation and, therefore, are not relevant in the context of a third reading debate.

The DEPUTY SPEAKER: The question of superannuation did form an important part of the debate in the Committee stage. I would ask the member for Playford to adhere strictly to the Bill as it emerged from Committee, and the superannuation clause was not included.

Mr QUIRKE: The issue for us is very simple: a group of ordinary workers who had certain superannuation defined benefits have been worked over by this Government and, indeed, it is our view that when a corporatisation Bill is next before us, when there will not be a demand for corporatisation by a set date, the workers will fare even worse.

The House divided on the third reading:

AYES (30)

Allison, H.	Andrew, K. A.
Armitage, M. H.	Ashenden, E. S.
Baker, D. S.	Baker, S. J. (teller)
Bass, R. P.	Becker, H.
Brindal, M. K.	Brokenshire, R. L.
Brown, D. C.	Buckby, M. R.
Condous, S. G.	Cummins, J. G.
Evans, I. F.	Greig, J. M.
Hall, J. L.	Ingerson, G. A.
Leggett, S. R.	Lewis, I. P.
Matthew, W. A.	Meier, E. J.
Oswald, J. K. G.	Rosenberg, L. F.
Rossi, J. P.	Scalzi, G.
Tiernan, P. J.	Venning, I. H.
Wade, D. E.	Wotton, D. C.

NOES (7)

Arnold, L. M. F.	Blevins, F. T.
Clarke, R. D.	De Laine, M. R.
Foley, K. O.	Hurley, A. K.

NOES (cont.)
Quirke, J. A. (teller)
Majority of 23 for the Ayes.
Third reading thus carried.

ADJOURNMENT DEBATE

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

That the House do now adjourn.

Mr LEWIS (Ridley): On this occasion I believe that it is important that the House be aware of a number of matters that adversely affect people whom I represent, and they are not matters which are in any way the doing of the present Government but concerns I have about administrative procedures that have been undertaken by appointees of the previous Government. The first affects the Murray Bridge Harness Racing Club. It is well known that Mark Pickhaver, the current Chairman, has been a member of the Labor Party for many years. In the course of his chairmanship of harness racing in South Australia, he and other members of the board, instigated by BOTRA, have put a great deal of pressure unfairly on the generosity of the Murray Bridge Harness Racing Club and sought to strip away completely any right it has to racing dates.

Let me put it in the same words as has been put to me and to Mr Pickhaver by the Chairman of the Murray Bridge board. Very politely he has said that he and his committee appreciate the thought and effort put in by the Harness Racing board in what must be very trying times. However, he points out that it has to be remembered that the previous Chairman of the board and other members of the board who were involved in the discussions and who were present at the time of an agreement reached with the Murray Bridge club allowed it to hold future meetings at Globe Derby Park because the State board wanted to have an arrangement between the Murray Bridge Harness Racing Club and the Murray Bridge Racing Club terminated, that is, it wanted the Harness Racing Club to relinquish its lease on the Murray Bridge course. There is still 12 years to run on that lease. The reason for them to relinquish was the possible expansion of the Murray Bridge racing complex. That is an appropriate course to follow. However, for other reasons it has not gone ahead. So those people involved with the harness racing track, which was situated inside the gallopers' racecourse, have agreed to forgo the dates for that track and race at Globe Derby Park.

Because the improvements to the racecourse are not being undertaken just yet for other reasons, Trotting Board members have decided not to give the Murray Bridge club dates for this coming year—it seems to me that they have decided that; but they may not have, and I hope that they have not and that they go ahead and give them dates. If dates are stripped from the club preventing it from racing at Globe Derby Park or elsewhere, it will never get back into the calendar. That is its fear, and it is my fear on the club's behalf.

The agreement was that the club would be free to continue racing at the Globe Derby Park venue or, alternatively, if the project did not proceed at Murray Bridge, it would be able to continue racing there. The offer to establish training facilities at Murray Bridge, which has been promised, has not yet been accomplished for other reasons outside the control of the management committee of the Harness Racing Club.

In light of that, they need to be given their normal five racing dates for this coming season so that they can remain viable as a club until the whole matter has been resolved. Those factors are outside their control, and this does not destroy their viability. Even if it did, apparently, it needs to be remembered that the Premier, as has been pointed out in the Chairman's letter, at a recent Victor Harbor harness race meeting, stated publicly that he 'promised to help all country clubs by giving at extra 1 per cent to assist them in particular'. The Chairman of the board at Murray Bridge said:

> Surely this extra 1 per cent may just be the saviour of all country clubs and in particular our club. Further let us also remind the board—

that is the State-wide board—

> of the assessment in your response to the industry structure which reads: 'While a number of clubs were on shaky ground in terms of financial viability their closure would not involve significant cost savings. In the industry as a whole most items of cost are related to the number of meetings rather than the number of clubs. . . Although it is outside our specific terms of reference we would point out that since the costs are mainly related to the number of meetings, significant savings may be available to the industry by reducing the number of meetings.

The Chairman's letter continues:

> The Murray Bridge Harness Club Inc. have seldom gone 'public' with complaints about the board realising it is not in the best interests of the harness racing in this State. We trust this situation can be resolved satisfactorily in the same manner, through negotiation, which will retain our racing dates for the 1994-95 season.

So do I. The next matter to which I wish to draw attention is the South Australian Dental Service (SADS). I see the opportunity here, as a member of the faculty board of dentistry as it was and now the management committee of the division of dentistry at the University of Adelaide, through some discussion and research, to save this State over $5 million a year. Let me spell it out. I am also concerned in the process to ensure that children, particularly in rural areas in my electorate, get a far better deal than they have in the past through school dental services.

One appointment a year on an appointed day for them to see a dentist is not sufficient, especially if they happen to be ill on that occasion. They do not have sufficient fluoride, indeed any fluoride, in their water, because none of the water that they get is regarded by people who live there, including employees of the department, as being fit to drink. It is not filtered and treated in the same way as Adelaide water is: it is still pumped straight out of the Murray unfiltered, with heaps of chlorine added to it. That is another matter, except that the lack of fluorine in the water, which people use in their homes and elsewhere, has affected the general standards of dental health in those areas.

Furthermore, it is open for us to consider that welfare recipients, that is, health care card holders and their children, will be given $400 a head a year, charged on the schedule accepted Australia-wide as being 68 per cent of the veterans affairs scales of fees, under a new scheme which is to be introduced by the Federal Government on 1 July next. About 36 per cent of South Australians also belong to private dental schemes. These pensioner card holders—not those in the private schemes—will be looked after under the new Federal general dental scheme, and that could be in the order of 15 per cent or so.

The South Australian Government is to spend $10.6 million alone on school dental services. If those school dental services were sold off with the facilities and buses that are presently used to transport children from their schools to

the 11 regional dental centres, the money so obtained could be added to that which I have already mentioned and used to fund a scheme involving private practice dentists. It would be enough to look after the entire 210 000 school children from reception to 18 years of age. In my judgment, it would save the State over $5.3 million a year. To my mind, that is worth pursuing. There is another emergency dental scheme which is federally-funded to the tune of $1.6 million: the South Australian dental scheme has already taken an additional $200 000, which is 12½ per cent of that fund for administration. It leaves $200 000 less for treatment of people who should otherwise be able to get more treatment from that $1.6 million. That administration cost could be saved under the scheme I am suggesting. There are other benefits, too, to be derived from changing to an electronic transfer of funds for a 2 per cent brokerage by, say, SGIC.

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

Motion carried.

LOCAL GOVERNMENT (MISCELLANEOUS PROVISIONS) AMENDMENT BILL

Returned from the Legislative Council without amendment.

At 6.20 p.m. the House adjourned until Tuesday 12 April at 2 p.m.

HOUSE OF ASSEMBLY

Tuesday 29 March 1994

QUESTIONS ON NOTICE

GOVERNMENT VEHICLES

69. **Mr BECKER:**

1. What Government business was the driver of the vehicle registered VQM-395 attending to whilst travelling along Grand Junction Road, turning right into Military Road and then parking on the foreshore on Sunday 20 February 1994 at approximately 5 p.m. and who was the female passenger?

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

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

The Hon S.J. BAKER:

1. The driver of Government vehicle VQM-395 was Assistant Director of the film, 'The Life of Harry Dare', filming of which commenced on 21 February 1994. She and her sister (a local Adelaide girl) who was helping her, were checking possible locations for 'Max's House', a scene from the film. Consistent with the practice for people in the film industry to give their own time out of hours for the betterment of the film, several people worked (unpaid) that weekend on the scene in question.

2. The vehicle is attached to the South Australian Film Corporation.

3. Yes.

EUROPEAN CARP

78. **Mr ATKINSON:** Why will the proprietors of the yabby farm at the Gerard Aboriginal Mission not be permitted to take European Carp from the Murray and its backwaters to feed their yabbies?

The Hon. D.S. BAKER: Under the provisions of the Fisheries Act 1982, there is a clear distinction between the taking of fish for commercial purposes and for recreational (non-commercial) purposes. Any fish taken for commercial purposes—which involves trade or profit generation—must be taken pursuant to a licence. If fish such as carp are to be taken to feed yabbies which are being grown in a commercial aquaculture farm, then the fish are being taken for commercial purposes. Accordingly, if the proprietors of the yabby farm at the Aboriginal mission wish to take carp to feed the yabbies on their fish farm, then the carp must be taken by a licensed commercial operator.

Under existing management arrangements for the river fishery (including backwaters) and the lakes and Coorong fishery, about 80 fishers have commercial access to carp. In 1989 following a comprehensive review of the fishery which included public consultation a comprehensive package of management arrangements was implemented for the Murray River fishery. Amongst other things, licence holders were given special access to backwaters in order to take carp and bony bream. Furthermore, the arrangements stipulate that no additional licences be issued while there were a substantial number of existing licence holders who have access to carp and other species.

As these arrangements stand, the proprietors of the yabby farm may obtain carp from existing licence holders.

DRIVERS LICENCES

86. **Mr LEWIS:**

1. What are the locations where it is possible to have photographs taken for the purposes of obtaining a driver's licence?

2. What is the gross cost of operating all photo points?

3. What is the material cost to the department of providing a 'photo kit' declaration certificate, i.e., net of design and set-up costs for their production?

4. How many driver's licence photographs have been taken by each photo point and private photographer for photo kit purposes?

5. What has been the variable cost to the department of procuring the necessary photograph for each licence for photo points and photo kits, respectively?

6. How far apart are photo points in rural South Australia?

7. What is the road distance between:
   (a) Bordertown and Murray Bridge;
   (b) Pinnaroo and Murray Bridge; and
   (c) Pinnaroo and the nearest photo point in the Riverland?

The Hon. J.W. OLSEN: The Minister for Transport has provided the following response:

1. Photo points are operating in the following Motor Registration offices and Australia Post Offices/Postal Agencies:

Motor Registration (18)

Adelaide	Mitcham	Port Lincoln
Berri	Modbury	Port Pirie
Christies Beach	Mount Gambier	Prospect
Elizabeth	Murray Bridge	Regency Park
Kadina	Port Adelaide	Tranmere
Marion	Port Augusta	Whyalla

Australia Post (29)

Andamooka	Kingscote	Peterborough
Bordertown	Kingston S.E.	Roxby Downs
Ceduna	Lameroo	Streaky Bay
Clare	Leigh Creek	Tarcoola
Cleve	Lock	Victor Harbor
Coober Pedy	Marla	Waikerie
Cook	Millicent	Woomera
Gawler	Minlaton	Wudinna
Hawker	Mount Barker	Yunta
Kimba	Naracoorte	

In addition, there are three Polaroid cameras located at TAFE facilities in the Pitjantjatjara lands to service the needs of licence holders in those areas.

2. The gross cost of operating all photo points during 1993 was approximately $625 000. The gross cost of operating the 29 Australia Post Office/Postal Agency photo points was approximately $165 000. This figure does not include the cost of manufacture of the photo licences prepared from those licence renewal applications processed at these offices/agencies.

The gross cost of operating Motor Registration photo points was approximately $460 000. This figure does not include the cost of manufacturing the photo licence.

3. A photo kit provides an explanation of the alternative method of supplying a photograph, where an applicant is unable to personally attend a photo point, and affords a convenient means to return the photograph. Briefly, the photo kit describes the type of photograph (passport style) that the applicant is required to submit. The photograph must be certified as a true likeness of the applicant by one of the witnesses listed on the photo kit. The cost of the photo kit to the Department is in the region of 10¢, plus 45¢ postage. The charge by the manufacturer for producing a driver's licence from a photo kit is $2.07, plus an additional fee of 38¢ to transfer the portrait of the client from the photograph supplied.

4. Detail readily available on the photographs taken by photo points during 1993 is:

Motor Registration	330 772
Australia Post	24 619

As photo kits are only issued to clients who are unable to attend a Motor Registration or Australia Post photo point, photographs for the photo kit process are only taken by private photographers.

During 1993 a total of 870 photo kits were processed. Of this total, 410 of the clients were either temporarily interstate or overseas. The remainder (460) were photographed by photographers located in South Australia.

5. Excluding the cost of preparing and posting the initial invitation to renew, the cost to the Department of producing each photo licence through the various photo points is:

Motor Registration	$3.91
Australia Post	$9.47
Photo Kit	$3.45

These figures include processing costs for Motor Registration, commissions to Australia Post, photo kits, licence manufacturing costs and postage of the licence to the client. It should be noted, that the client incurs the cost of providing a photograph when a photo kit is used. This may be in the vicinity of $10.

6. The location of photo points was determined on the basis that no licence holder would be required to travel more than 80 kilo-

metres to a photo point. However, as population density was one of the factors used in determining their location in rural areas, most travel was much less than 80 kilometres.

7. The road distance between Bordertown and Murray Bridge is 202 km. The road distance between Pinnaroo and Murray Bridge is 172 km. The road distance between Pinnaroo and the nearest photo point in the Riverland (Berri) is 155 km; however, Lameroo, which is 40 km from Pinnaroo, is the nearest photo point.

Road distances were provided by the Touring Section, Royal Automobile Association.