HOUSE OF ASSEMBLY

Wednesday 20 March 1996

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

UNIVERSITY GOVERNANCE

The Hon. R.B. SUCH (Minister for Employment, Training and Further Education): I seek leave to make a ministerial statement.

Leave granted.

The Hon. R.B. SUCH: South Australia's already highly regarded universities will shortly benefit from the outcomes of an independent review of university governance, the commencement of which I informed the House in a statement in July last year. The review was commissioned by myself to even better equip our universities in their commitment to teaching excellence and research and to enhance the contribution they make to economic, social and community development. The review has now been completed and its report entitled *Balancing Town and Gown* has been presented to me as Minister responsible for higher education.

The report responds to terms of reference which asked the review team to examine:

- the form of governance universities require;
- whether the composition, functions and powers of councils currently established are consistent with that form;
- whether different universities require different forms of governance or different council compositions; and
- to what extent, if any, there should be changes in the composition of councils.

Our State's three universities between them employ 6 500 people, enrol more than 30 000 students in undergraduate and postgraduate study programs and contribute $555 million to the State's economy—a figure significantly higher than for wine and brandy production, wool or copper mining.

While educational enterprises of such vital importance to the State must be required to operate in an efficient and businesslike manner and be closely attuned to the needs of its client community, it is essential that universities pursue their functions and goals in a manner free from control by governments, the corporate sector, trade unions or sectional interests.

The recommendations contained in the report of the review aim to refine rather than recast university councils. Central to that process of refinement, as recommended by the review, are:

- the reduction in size of councils to a maximum of 20 members each;
- engagement of an independent panel to seek nominees external to the universities for membership of councils;
- maintenance of the present balance of one-third of members to be selected from within the university community, with two-thirds from outside the university;
- flexibility within categories of members for universities to apply their own eligibility criteria;
- membership (other than for *ex-officio* members) to not exceed eight years; and
- members of Parliament to no longer receive automatic entitlement to membership of university councils.

This last provision does not exclude members of Parliament from membership. Members will, should they so wish, be considered for membership by the universities' respective selection panels, using the same criteria calling for interest and expertise as will be applied to all other candidates. I am aware that some members have made outstanding contributions to the governance of universities from their positions on university councils, and they should be assured that the selection procedures outlined in the report leave open the opportunity for them to serve as council members. The report has been accepted in principle by the Government.

Implementation of the recommended actions will serve to strengthen, enliven and render more efficient the operations of all university councils in this State while not detracting from their charter to serve the community's needs without fear of sectional pressures. For the completion of this report I wish to acknowledge the contributions of the review team, comprising its Chair, Mr Alan McGregor AO, and members Professor Jeremy Davis, Mr Geoff Fry, Ms Jan Lowe and Professor Nick Saunders. Suggestions for detailed improvements to the schema outlined in the report will as far as possible be accommodated during the drafting of suitable amendments to the Acts governing the universities. Mr McGregor will work with university councils to assist with the implementation of the legislative outcomes arising from the report.

EYRE PENINSULA

The Hon. R.G. KERIN (Minister for Primary Industries): I seek leave to make a ministerial statement.

Leave granted.

The Hon. R.G. KERIN: In December last year the State and Federal Governments, along with the Eyre Peninsula community, signed a memorandum of understanding for a range of initiatives totalling in excess of $11 million to assist the revitalisation of the Eyre Peninsula region. That followed six months of work by the Eyre Peninsula Task Force, headed by the Hon. Caroline Schaefer, MLC. Since December, PISA has been working with Commonwealth officials on finalising the details of the Eyre Peninsula Regional Strategy. Today I announce the formation of a committee to oversee and monitor the implementation of that strategy, and also release details of new projects under the agriculture and natural resources components, which are aimed at improving agronomy, land management practices and the long-term profitability of Eyre Peninsula farmers.

The Eyre Peninsula Regional Strategy committee will be chaired by Jeff Pearson, a local farmer who is also on the Eyre Peninsula Regional Development Board. There will also be representatives from the South Australian Farmers Federation, local government, a rural counsellor, soil conservation boards, small business and State and Commonwealth Governments. Other specialist advisers and interested community groups will be invited to attend meetings as appropriate. To assist the long-term sustainability of the region, the following projects will be implemented. There will be a new salinity rehabilitation project for the Cummins-Wanilla Basin. There will also be a 12 month investigation of desalinisation options for the peninsula, based at Streaky Bay. There will be a new project officer to support the five soil conservation boards on the peninsula.

To assist grain producers to improve production and adopt better risk management strategies there will be two additional officers appointed under the successful Grain Gain program.

These will be located at Streaky Bay and Wudinna. There will be an expansion of the Property Management Program, with a new officer located at Wudinna and additional funding for external service providers to run workshops, and two new positions to be based at the Minnipa Research Centre will investigate projects associated with wind erosion-prone soils. The above initiatives should assist in restructuring the farming enterprises on Eyre Peninsula. The aim is to improve productivity by the adoption of new technology, thus creating more sustainable farming systems for future years. The strategy hopes to lead to a more stable environment for the community and give greater certainty to primary producers on Eyre Peninsula.

PUBLIC WORKS COMMITTEE

Mr OSWALD (Morphett): I bring up the twenty-second report of the committee on the Mile End railway yard redevelopment and move:

That the report be received.

Motion carried.

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

That the report be printed.

Motion carried.

QUESTION TIME

SUCCESS FEES

The Hon. M.D. RANN (Leader of the Opposition): My question is directed to the Treasurer. Have any commissions or success fees been paid to any person or company as a result of the Pipelines Authority sale or the sale of other assets by the Government Asset Management Task Force and, if so, how much has been paid and to whom?

The Hon. S.J. BAKER: The answer of course is 'Yes'. A success fee was certainly associated with the sale of the Pipelines Authority. I believe a success fee was associated with the State Bank, and there was a success fee on one of the other sales.

The Hon. M.D. Rann: Who?

The SPEAKER: Order!

The Hon. S.J. BAKER: The commercial process is that a fee is charged. There is a tender process. The tender process requires that you submit your fee for the service rendered. In the past there has been a requirement and we have reviewed those practices. It is a consistent process right around Australia. The former Treasurer may not know this but, when we ask a consultant to carry out a sale, an incentive fee is paid for better than average performance—where the ultimate sale price is above that which we would conceive could be achieved in the normal market situation. That is to provide incentives; there is no secret to that. The range of incentives—

The Hon. M.D. Rann: How much?

The SPEAKER: Order!

The Hon. S.J. BAKER: I can provide the details to the honourable member; in fact, they will be in the annual report.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order!

The Hon. S.J. BAKER: The honourable member is being rude and abusive, as he normally is. I said I can supply the information. If he does not want to wait until the annual reports come out, I can certainly provide the details prior to that event. The simple fact is that we do what is common practice among governments throughout Australia. There are some common fees, they have to be tendered, and we have to get the best price available. If the price achieved is better than that which the Government believes it can achieve in the open marketplace, some incentive is provided to ensure that the consultant gets the best price available. That is a common practice. If you want to ask anybody in the commercial sector, you will find that that is the case. I am more than happy to provide that information to the Leader of the Opposition.

TRANSPORT DISPUTE

Mr CUMMINS (Norwood): Will the Premier report to the House on the latest developments in the industrial dispute that is seriously inconveniencing commuters in Adelaide today?

The Hon. DEAN BROWN: There is no doubt that the public transport strike in Adelaide today is totally unnecessary. I condemn the strikers for inconveniencing about 150 000 South Australians. Let us be quite clear. What is occurring here today is part of the Kelty orchestra announced before the Federal election. As Mr Crossing indicated last week, this action in South Australia is part of a national action across Australia. We see similar industrial action now being threatened in Western Australia. I find it totally unacceptable that transport workers here in South Australia would inconvenience 150 000 passengers on public transport as part of a national union campaign across Australia. I find it a rejection of the principles of democracy by the union movement that it should take this action against the people of Australia simply because on 2 March they voted in a Liberal Government.

We know that this is all about the Kelty plan. It is interesting that three enterprise agreements by three different sections of the Public Transport Union here in South Australia have already been signed and are in operation. The people who are party to those enterprise agreements are still at work today, so this is not a strike about enterprise agreements or claims here in South Australia. This is a strike brought on by the Public Transport Union here in South Australia as part of a national campaign and part of a power play by the union movement across Australia. I find it absolutely unacceptable that the people of Adelaide are put to such inconvenience as a result of this action. I urge the strikers to go back to work as quickly as possible. The Industrial Commission has said that they should meet immediately with the Minister for Transport. She has arranged such meetings for this Friday.

Mrs Kotz interjecting:

The SPEAKER: Order! One question at a time.

The Hon. DEAN BROWN: That is right. This same union has already registered approval of the enterprise agreement for three different sections of the public transport system. The Hills area, the southern area and the northern area have already been operating under this enterprise agreement, and the union has given its approval to that enterprise agreement. That is why I make the point very strongly. This is not about the enterprise agreement in Adelaide: it is part of a national campaign. It is part of a power play by the unions and it is hurting ordinary people who can least afford to be hurt because they have no other means of transport whatsoever.

ASSET MANAGEMENT TASK FORCE

The Hon. M.D. RANN (Leader of the Opposition): Will the Treasurer release to this Parliament a copy of the contract between the Government and the head of the Asset Management Task Force, Dr Roger Sexton, including any guidelines which have been established allowing Dr Sexton to continue to operate his private business concerns while heading the task force? Has the Treasurer been informed of his private business dealings?

The SPEAKER: Order! I point out to the Leader that he did not seek leave to explain his question.

The Hon. S.J. BAKER: I am rather interested in this line of questioning. It reminds me of some statements that have been made by a person in this Parliament. I will address the issue because the House should be aware of the situation, and I know members opposite have had briefings on some of the issues with respect to the Asset Management Task Force. I will go back a little. The asset sales process involves four distinct steps. Those steps are signed off by Cabinet, as are all the contracts and any benefit that may go to a company that participates in that process. That is quite clear. The Auditor-General is kept continually informed and has open access to all the papers involved in those sales. If there is any suggestion that this Government has operated other than effectively and efficiently in terms of its professionalism, let members opposite say that outside because I believe that we have had some very good service—

Members interjecting:

The SPEAKER: Order! I warn the Leader of the Opposition. Members are fully aware that, if they ask a question, that does not give them a licence to interrupt continually, and that includes the member for Giles.

The Hon. S.J. BAKER: I refer to an extract from the Auditor-General's Report, as follows:

> The audit of the AMTF included a review of the sale process and consideration of whether the process addressed fundamental steps appropriate to the sale of assets. In doing so it was recognised that the sale process had been derived and developed from wide consultation with parties experienced in similar processes both interstate and overseas. In addition, it was evident that the AMTF had sought appropriately skilled personnel to achieve its objectives, while at the same time ensuring that the process allowed the Government to maintain full control of the process by requiring approval at each stage.

The Auditor-General has been involved in that and has certainly given it a big tick, unlike some of the sales that have taken place interstate. We can be proud of the efforts that have been put forward by a very professional organisation, the AMTF. In terms of any potential conflicts, there have been none.

REMOTE AREAS, ENERGY SUPPLY

Mrs PENFOLD (Flinders): Will the Minister for Mines and Energy inform the House of progress in relation to the restructuring of commercial electricity tariffs for communities covered by the remote areas energy supplies subsidy scheme? I understand the scheme has been subject to a comprehensive review and that new domestic tariffs for remote areas were announced last year.

The SPEAKER: The Chair is particularly interested in the Minister's response.

The Hon. S.J. BAKER: I appreciate your interest in outback areas, Sir. The Government has determined that new tariffs will apply in remote areas, in particular for the commercial entities that exist in the northern area of the State. As members would recall, an investigation was conducted into the remote area scheme (RAES) last year. Tariffs were frozen in July 1994 at the July 1993 levels. The investigation came up with a number of conclusions. One conclusion was that the RAES scheme suffers from some innate difficulties: many of the power plants that operate in the northern and outback areas are inefficient and, coupled with the increase in the price of fuel as a result of the taxation changes made by the Federal Government, that places extraordinary cost pressures on the scheme.

Members may also recall that, in 1993-94, $3.6 million was provided by way of subsidy to the remote area scheme. As a result of the changes that have taken place, that subsidy has increased to some $4.8 million as assistance to those areas. There are some real dilemmas. Not only are some of the operating plants under great stress because of their age and inefficiency but many people in outlying areas would like to be connected to those plants simply because it costs less to be on the RAES scheme than to generate their own power. That creates a dilemma, given that the cost of fuel is increasing, some of the machinery is not up to date and the level of subsidy is at risk under those circumstances. The Government has drawn a line and said that a maximum subsidy will be available, and the extent to which that can be accommodated within those communities at the right price has been a matter of some deliberation.

In terms of the commercial areas affected, in the low demand, low consumption, low energy usage areas, there has been a slight reduction in the tariff, but in the high energy usage areas there has been an increase. At the top end of the scale, the increase has been about 10 per cent and, taking into account consumer price index changes, that means a real increase of about 2 per cent. It is important that we go into demand management and the Department of Mines and Energy is putting a lot of effort into educating consumers about the need to conserve energy, because every time they turn on the power it is costly, given that they have to pay a higher price than households and businesses in the metropolitan area. An effort is being made but the changes are not extraordinary. There is restructuring and there is benefit from energy saving, so those new tariffs will apply from 1 May.

QUEEN ELIZABETH HOSPITAL

Ms STEVENS (Elizabeth): In view of severe emergency measures at the Queen Elizabeth Hospital, including the cutting of 250 staff, ward closures and the cancellation of elective surgery, will the Premier allow the construction of a new office for the Chief Executive costing $250 000 to proceed? The Opposition has been informed that a new office for the Chief Executive Officer of the Queen Elizabeth Hospital is being built on the ninth floor at a cost of $250 000. The Opposition has also been informed that $70 000 for air-conditioning will be funded by the South Australian Health Commission and the balance will be funded out of the hospital's operating budget.

The Hon. S.J. BAKER: In the absence of the Minister for Health, I am taking questions relating to health matters. I am more than happy to have a report on that issue prepared and to bring back a reply for the honourable member. What I find about the member for Elizabeth is that she tells only half or very little of the truth. Next to the Leader of the Opposition she is the world's worst at twisting the truth, but the member for Elizabeth's concern about health is concern about

headlines. The member for Elizabeth has an atrocious record. In fact—

Members interjecting:

The Hon. S.J. BAKER: Any member who reads *Hansard* since the member for Elizabeth has been the shadow Minister for Health will recognise that there has been a big distance between fact and fiction, and the member for Elizabeth has certainly been on the fiction side. I am more than happy to respond to the question; I am more than happy to ascertain the circumstances, but I would suggest to anybody who wants to contemplate the question that, given the track record of the member for Elizabeth, there is likely to be half a truth in there, if that.

HOSPITALITY INDUSTRY

Mr BASS (Florey): Will the Minister for Industrial Affairs inform the House of the result of recent investigations into the treatment of staff, including wages and occupational health and safety issues, in the hotel and restaurant industry?

The Hon. G.A. INGERSON: Members will recall a headline in the *Advertiser* late last year with reference to the underpayment of wages in quite a few of the restaurants which, it was suggested, were in Gouger and Grote Streets. We have carried out research and have been to some 52 workplaces. In 36 of the workplaces, there were various breaches of the awards in terms of wages, appropriate time and wage records, and several occupation health and safety issues.

Of the 52 workplaces, 10 had inadequate time and wage records, there were 21 cases of under payment, and 18 cases of inadequate first aid supplies. In the cases of under payment, all individuals have now been repaid. The main reason given to the inspectors, primarily coming from people of non-English backgrounds, was that they did not understand the legislative responsibilities.

Clearly the Government does not accept the situation because, as a minimum standard and safety net, we have award wages rates and conditions, and it is important to note that, as a result of this investigation, we have had a couple of meetings in which DIA has been asked to meet with 10 employers and run through all the conditions. There has been a general acceptance that, other than in the case of enterprise agreements, which have a totally new operation and ability to vary these awards, the wage safety net should be adhered to. The hotels association and the South Australian restaurants association have been fully cooperative in the whole exercise, and hopefully we will see some improvements from it.

YOUTH EMPLOYMENT

Ms WHITE (Taylor): What assurances has the Premier received on the continuation of funding by the Federal Liberal Government of the Young Australia and other Working Nation youth employment initiatives, which recently provided about half the funding to employ 1500 young trainees in the South Australian public sector? South Australia's youth unemployment level is 37.8 per cent, the highest of that in any State. It has been reported that the Federal Coalition Government will be cutting funding programs of the former Labor Government that offered structured training and subsidised work experience for young people.

The Hon. R.B. SUCH: As usual, the Opposition here is trying to conjecture and create fear and apprehension. The reality is—

The Hon. W.A. Matthew interjecting:

The SPEAKER: The Minister for Emergency Services is out of order.

The Hon. R.B. SUCH: The reality is that the money promised in relation to the trainees by the previous Government has been endorsed by the new Federal Coalition Government, and that traineeship program will continue. In fact, if the honourable member is patient for a little while, she will hear some good news in relation to that scheme. We are still committed to taking on 1500 trainees in that jointly funded venture.

In terms of Coalition policies federally, I am meeting in the very near future with Senator Vanstone, but at this stage it is too premature to say exactly what aspects of the training program they wish to fine tune. The reality is there are some aspects of training that do need refining and revision, because we can get better value for the taxpayers' dollar by ensuring that that money is better targeted. I look forward to working cooperatively with the Federal Minister to make sure that young people not only in South Australia but throughout Australia get a better deal than they received under the previous Federal Labor Government.

ADELAIDE AIRPORT

Mr LEGGETT (Hanson): Can the Minister for Infrastructure report to the House on discussions he has had in the United Kingdom with companies responsible for managing airports and their likely interest in Adelaide Airport?

The Hon. J.W. OLSEN: This Government has pursued a number of major infrastructure developments in South Australia, first, to ensure that we position South Australia with transport infrastructure that is able to access the Asian market. That is why the extension of the runway was such a critical and important issue, and it is now proceeding on schedule. Coupled with that, one of the most important projects is to integrate and upgrade the terminals at Adelaide Airport. The State Government has signed a memorandum of understanding with Qantas and Ansett to assess the benefits of a combined domestic and international terminal. Two designs have been prepared: one for the existing domestic terminal and the other for a new facility next to the current international terminal.

The Adelaide Airport integrated passenger terminal could perhaps be financed by the private sector, involving another partnership between the Government and the private sector which generates economic development without putting further strain on the State's finances. The Government considers that the extension of the runway and the upgrading of airport facilities to be a priority. That is the reason why this matter will be taken up with the Federal Minister for Transport next week. Efforts will be made to ensure that South Australia retains its position, as Prime Minister Howard has indicated, to bring the privatisation of Adelaide Airport into the first tranche of airports to be privatised, unlike the policy that applied before which saw Adelaide really being tail-end Charlie. That is no longer the case: it will be brought up front. With the arrangement, understanding and agreement we have with Qantas and Ansett, we are able now to present a package to the Commonwealth Government.

Whilst overseas recently I had the opportunity to speak to the British Airports Authority, Manchester Airport, Serco and others in relation to the operation and maintenance of airports. All have indicated and expressed an interest in Adelaide. All have indicated that the policy we are putting in place to integrate the domestic and international terminal into a major new facility has their support. We will certainly be reporting that to the Federal Minister.

The airport is part of South Australia's overall image. It is the first and often lasting impression as a gateway to South Australia. Right now, for interstate and international travellers, it is an embarrassment, an apology in terms of some of the facilities that we have in South Australia. It should be upgraded, Adelaide deserves for it to be upgraded, and this Government is pursuing a policy with the private sector to enable that to take place sooner rather than later.

PARLIAMENTARY SECRETARIES

Mr CLARKE (Deputy Leader of the Opposition): Will the Premier guarantee that he will create no more parliamentary secretary positions given that South Australia now holds the record for State Governments around Australia? South Australia has 16 parliamentary secretaries out of 69 MPs, more than Victoria and New South Wales combined. New South Wales has six, Victoria seven, Queensland three, Western Australia four, and Tasmania has two assistant Ministers. Some 42 per cent of South Australian Parliament members are Ministers or parliamentary secretaries, almost twice the average of any other State.

Mr Becker interjecting:

The SPEAKER: Order! The member for Peake is out of order. The honourable Premier.

The Hon. DEAN BROWN: I am surprised that the Deputy Leader of the Opposition should want to draw attention to what is a huge number of members on the Government benches and a very small number on the Opposition benches.

Mr Clarke interjecting:

The SPEAKER: Order! I warn the Deputy Leader of the Opposition for the first time: he is aware of the consequences.

Mr Clarke interjecting:

The SPEAKER: Second warning for the Deputy Leader.

The Hon. DEAN BROWN: So small are the numbers on the Opposition benches that until we had a by-election they could not even put a cricket team together without a reserve, and they still could not put a ministry together. Certainly, here on the Government benches we have enough for a ministry; we have a huge number and, therefore, we will ensure that we use the parliamentary secretaries to the benefit of the community. That is what it is about: it is about having more of our members out there attending functions and making sure that community groups have access. When the Labor Government was in office, I can recall complaint after complaint being made about how the public could not have access to the Ministers. That will not be a problem here, because we have our parliamentary secretaries to ensure that those many members of the public who wish to can see Ministers quickly.

Equally, gone are the days under the former Labor Government when you attended function after function and found that the Government had not even bothered to send someone along. Under our Government we will ensure that the Minister, a parliamentary secretary or a member of Parliament will attend and that we are effectively represented at these functions. In fact, one would have to say that the parliamentary secretaries I have had—particularly Julian Stefani, who has been one for two years—have done an outstanding job. What really upsets the Opposition is that Julian Stefani has done such a superb job out there with the ethnic communities, who appreciate his attending so many functions and handling all the small details, and who are getting a much better service from the Government than they ever got under the former Government. Therefore, it has been a very effective system, and I am delighted that we have so many members on this side that I can appoint 16 parliamentary secretaries at no cost whatsoever to the taxpayers.

Mr Clarke interjecting:

The SPEAKER: The Deputy Leader will get four days next time. The member for Kaurna.

HOUSING, SELF-BUILD SCHEME

Mrs ROSENBERG (Kaurna): Will the Minister for Housing, Urban Development and Local Government Relations advise the House of two recent initiatives that have been undertaken to increase public stock and to assist in providing increasing opportunities for home ownership? Recently the Minister announced a new self-build scheme at Seaford Rise. I would appreciate information on how this scheme will assist in providing opportunities for home ownership and, most particularly, what benefit this scheme will have for those in the community who would not otherwise be ever able to own their own home.

The Hon. E.S. ASHENDEN: I thank the honourable member for her question and for the interest and support she has shown in one of the projects which is centred in her electorate. The first issue I would like to address is in relation to the self-build scheme, which is one initiative I am extremely proud to be associated with and which provides the opportunity of home ownership to those who would normally, or in other circumstances, not be able to afford to buy their own home.

The way in which the scheme works is this: a group of people get together and work as a group to construct a number of homes and, by so doing, build up equity in that home which is commonly known as sweat equity. The people involved in this project usually work for approximately 20 hours per week for almost a year building a number of homes under the supervision of a licensed building supervisor who ensures that all building regulations are met. By putting in this sweat equity, they build up an equity in the home of anything from $8 000 to $15 000. When the home is complete, they are able to go to a financial institution and arrange a mortgage and, instead of having to pay a cash deposit, the equity they built up in their home through working on it is taken as that deposit.

After the home is built it is valued, and these homes usually are valued at around $85 000. The cost of building the home is then taken into account—usually about $70 000—and the difference of $15 000 is then regarded by the financial institution as a deposit on that home. By working in the home, these people are able to build up an equity and thereby get themselves into a position where they can become home owners—a position they would not normally have been able to achieve. In some instances, the mortgage repayments may be greater than they can afford, in which case they will go into a housing cooperative, build up their ownership through the share scheme and eventually become home owners.

When I was opening the scheme with the member for Kaurna last week, a number of things struck me. When I went to the first home which has been completed, I would defy anyone to pick the home in the street built under this scheme. It was a lovely home, and the pride evident among the group of people who worked on that home was all the reward I needed. They had tremendous pride, and they said to me, 'I am really looking forward to moving into my own home.' They believe it is their own home because of the amount of work they have put into it.

This scheme is also providing skills to those who are working on their homes. When I was there last week, one of those working on their home told me that he had obtained a full-time position because of the skills he had obtained.

Members interjecting:

The Hon. E.S. ASHENDEN: Mr Speaker, I realise that members opposite are not the least interested in providing opportunities to the less advantaged to own a home and that is why they are uncomfortable and interjecting. This scheme has provided not only home ownership but also full-time jobs for two of the people involved because of the skills they have developed while working on this project.

The second project with which I am pleased to be associated—and I signed the official documentation this morning—is a new scheme to provide additional homes for those who are required to rent premises through the South Australian Housing Trust. One of the big difficulties that we have is obtaining enough capital to undertake the building program that we would like to undertake to provide housing to those looking for rental housing.

We have now entered into a head lease project which, like the self-build scheme, is a pilot scheme because we want to see how effective it will be. We have entered into an agreement with a consortium which comprises Minuzzo Builders, Hickinbotham Homes and the C and G Group and which has put together finance to construct 30 homes in Fulham, Windsor Gardens and Golden Grove. In Fulham and Windsor Gardens these homes have been built in an area of redevelopment, and in Golden Grove they are being built on new blocks. The arrangement is that the capital is provided by the consortium and then the Housing Trust leases back the homes under a head lease from those builders on a 15-year lease period with a further five-year right of renewal. Maintenance is managed and paid for through the consortium, rental is adjusted yearly according to CPI and there is a five-yearly review for market rates. The project is a pilot to test the financial and administrative aspects of delivering public housing through head leasing. We will monitor it for two years, but I am very confident that it is a scheme that will also grow. In relation to the self-build scheme—

The SPEAKER: I would suggest to the Minister that he has eloquently answered the question and he should round off his answer.

The Hon. E.S. ASHENDEN: Mr Speaker, I think that these issues are extremely important. I am making sure that everyone is well aware of the initiatives that this Government has undertaken to provide home ownership opportunities to those who would normally not be able to participate and to provide the additional rental facilities available.

The SPEAKER: Order! It is the Chair's view that extremely long answers do not necessarily provide information to the House.

PARLIAMENTARY SECRETARIES

Mr CLARKE (Deputy Leader of the Opposition): Is the Premier concerned about potential conflicts of interest for parliamentary secretaries, and will those secretaries resign from parliamentary committee positions to avoid such conflicts? Members are aware that one parliamentary secretary has already resigned from a committee, citing a conflict of interest due to her new position. Nine of the 16 parliamentary secretaries are on standing committees, and two are the Chairs of committees.

The Hon. DEAN BROWN: The Deputy Leader is again wrong: he stands up and makes some gross statements which are clearly just not correct. First, I point out that no parliamentary secretary has resigned from a standing committee of the Parliament because of a conflict of interest—none whatsoever. So, the claim by the Deputy Leader of the Opposition is plainly wrong; it is false. We get sick and tired of the Deputy Leader and the Leader standing up and making such false statements. Secondly, I can say to the Deputy Leader that I have taken advice and there is no difficulty whatsoever in respect of conflict of interest—none whatsoever. So, the claim by the honourable member is ridiculous.

It is obviously a claim that the Deputy Leader has thought up in his little mind, trying to draw a question mark about the parliamentary secretaries. The indication is that the parliamentary secretaries will add greatly to the functioning of Government in this State, particularly by making sure that the public have better access to Ministers and to the top levels of Government, and that the concerns of the public can be dealt with on a more speedy basis.

ENVIRONMENT AND NATURAL RESOURCES

Mr CONDOUS (Colton): My question is directed to the Minister for the Environment and Natural Resources. What discussions have been planned with the new Federal Coalition Environment Minister to ensure that South Australia benefits from initiatives to boost Australia's environmental performance? The environment was given a high priority by the Coalition in the lead up to the Federal election, and I have been asked what efforts are now being made to secure benefits for South Australia.

The Hon. D.C. WOTTON: First, may I say how delighted I am that a key senior South Australian senator, Senator Robert Hill, has been entrusted with the Federal environment portfolio. His understanding of important issues and community concerns will significantly benefit major programs such as the clean-up of the Murray-Darling Basin, which is one program that this Government regards as having a very high priority. Discussions with the Minister will include a number of environmental and conservation issues, including the Murray-Darling rehabilitation issue, as well as seeking a resolution of the Lake Eyre heritage proposal, which has been going on for far too long.

The Government has made its attitude very clear to the community regarding this matter, and it is important that the issue is sorted out as quickly as possible. I believe that South Australia stands to gain considerably in the environmental area through the stronger commitment and improved liaison and relationship with the new Federal Government, and I am delighted that conservation bodies have also welcomed Senator Hill's appointment. Other issues that I will be raising with Senator Hill as a matter of priority include opportunities for improved funding in a number of areas. I believe that

there is also a great scope for partnership in regreening programs and in addressing some of the pressing issues of our coastal management, for example.

The House may be interested to know that I will also be seeking funding from Senator Hill to establish Kangaroo Island as a research base for the scientific monitoring of koala populations. I believe that what may have been seen to be a problem on Kangaroo Island in the past presents a very positive opportunity. The island could become a research base in the provision of scientific information relative to issues of koala populations not only on Kangaroo Island but on the mainland as well. Finally, I believe that South Australia can look forward with confidence to a Federal Government that, like this State Government, will address the issues that previous Administrations have kept in the too hard basket, particularly as they relate to the environment.

PARLIAMENTARY SECRETARIES

Mr CLARKE (Deputy Leader of the Opposition): My question is directed to the parliamentary secretary representing the Minister for Education and Children's Services.

The SPEAKER: Order! I draw to the attention of the Deputy Leader of the Opposition Standing Order—

Members interjecting:

The SPEAKER: Order! I suggest that the honourable member look up Standing Order 96, 'Questions concerning public business', which provides:

> At the time for giving notices of motion,
> 1 questions relating to public affairs may be put to Ministers.

Mr Clarke interjecting:

The SPEAKER: Order! The Deputy Leader is on very thin ice, and he will get an early minute if he makes one more interjection, particularly when the Speaker is on his feet. It continues:

> 2 questions may be put to other members but only if such questions relate to any Bill, motion or other public business for which those members, in the opinion of the Speaker, are responsible to the House.

Ministers are responsible to the House, therefore all questions must be directed to Ministers.

The Hon. M.D. RANN: I rise on a point of order, Mr Speaker. On a previous occasion when I was asked a question it was ruled that it was up to me whether I would reply. How do you know, Mr Speaker, what was in the question, when you ruled it out of order before it was asked?

The SPEAKER: Order! Questions relating to the public affairs of this State are directed to Ministers. The Chair has made that ruling.

The Hon. M.D. RANN: On a point of order, Sir, I understand that the question also relates to the member's electorate.

The SPEAKER: The honourable member has been a Minister and he has been in this House long enough to be fully aware of the process. The Chair has ruled that questions relating to the public administration of this State shall be directed to Ministers. That has always been the practice and, until the Standing Orders are altered, it will remain the practice.

The Hon. M.D. RANN: Mr Speaker, could you clarify that parliamentary secretaries are not about the business of this House?

The SPEAKER: Order! Parliamentary secretaries do not answer questions because Ministers have that responsibility in relation to public affairs.

The Hon. M.D. RANN: Well, what do they do, Sir? That is a question—

Members interjecting:

The SPEAKER: Order! That is a frivolous point of order. The Leader of the Opposition—

Members interjecting:

The SPEAKER: Order! I do not know whether the Leader of the Opposition thinks he is on some sort of crusade. Let me point out to him very clearly that the Standing Orders operated in this House long before I became Speaker. If the honourable member wants to find out the duties of parliamentary secretaries, I suggest he approach the Premier who, I am quite confident, will be able to enlighten him on that matter.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! I warn the Leader of the Opposition for a second time. One more interjection and I will name him.

Members interjecting:

The SPEAKER: Order! I do not need assistance from my right.

SERVICES SA

Mr ROSSI (Lee): Will the Minister for State Services advise the House of the role undertaken by Services SA and the valuable contribution this new department will make in better managing taxpayers' money?

The Hon. W.A. MATTHEW: The honourable member has shown through his presence in this Parliament and his representation of the electorate that he has a strong interest in the way in which Government money is used and in reducing Government waste. The honourable member's question also gives me the opportunity to clear up some misunderstanding following the formation of the new department late last year. Services SA is the trading name for a new agency, the Department for State Government Services, which results from the amalgamation of two pre-existing agencies, the Department for Building Management and the Department for State Services. As a consequence, the new department comprises some 1 200 staff and is responsible for, amongst other things, overseeing expenditure of some $650 million on essential infrastructure and services.

This includes all Government building construction, leasing and supply services. The department directly controls half a billion dollars in Government assets and develops policies for over $7 billion of Government building assets and $1 billion of infrastructure expenditure each year. Further, the department is responsible for services including asset management and maintenance of the State's public buildings; project management of building works; Government office accommodation; contract management; printing services; laundry services to public hospitals; and other Government support services. In addition, the State Supply Board, which advises me, provides guidance on public sector expenditure amounting to some $1.2 billion of goods purchased for the use of Government each year.

Services SA, therefore, for the first time in this Government, brings under one administrative umbrella all the range of services that Government needs for efficient administrative operation. Through the creation of one department from its two predecessors there are opportunities for rationalisation of administration and for further savings to be achieved by reducing overheads and duplication. Services SA makes available to the Government expertise and market knowledge which ensure that this Government gets the best value for its

purchasing dollar and that as a result the public interest is protected.

MULTIFUNCTION POLIS

Mr QUIRKE (Playford): Will the Minister for Infrastructure tell the House what discussions he has had about the MFP with the new Federal Liberal Government? Should the Federal Liberal Government abandon the MFP, is it the intention of the State Liberal Government to continue with the project alone?

The Hon. J.W. OLSEN: I thought the Premier made this perfectly clear several weeks ago. No; as at today I have not had discussions with my Federal counterpart, but within the next few days I hope to have discussions in relation to the MFP. I would have thought that the Federal Government would wait on the Bureau of Industry Economics (BIE) report which was commissioned by the Keating Labor Government but which, as I understand it, has not yet been handed to the new Commonwealth Government. The BIE report is due out within the next few weeks. It will contain recommendations as to the continuation of funding or otherwise and other recommendations related to MFP Australia. I intend to meet with John Moore within the next few days and have discussions in relation to the MFP and other industry programs for South Australia such as AusIndustry. I will be taking up the MFP issue with him to determine his view, but I would expect him to say that he will wait on the BIE report before making a final determination or taking a position to Cabinet.

I note that several weeks ago the Premier indicated publicly that the South Australian Government has a commitment to MFP Australia. I refer to the Bolivar project, the sewerage treatment project, the Virginia growers and the northern Adelaide plains, to which we have committed some $32.5 million in funds (which in any event by the year 2000 must be expended under EPA requirements). Water will be supplied to the northern Adelaide plains and we will get, ex-farm gate, an increase in GSP from $40 million a year to $80 million a year. I would argue that projects such as that under the banner of the MFP deserve the support of this Parliament, because they are about creating exports and more economic activity and greater contribution to gross state product. Of course, the bottom line of that is more jobs.

CLYDE INDUSTRIES

Mr EVANS (Davenport): Will the Minister for Industry, Manufacturing, Small Business and Regional Development please report to the House the benefits that will flow to South Australia from the new manufacturing line of environmental products that he launched at Clyde-Apac in Woodville this morning?

The Hon. J.W. OLSEN: I am pleased to advise the House that Clyde Industries has decided to relocate its lamina air flow and fume extractor manufacturing operations from New South Wales to Adelaide. Twenty-one new jobs will be created. I was pleased to go down to the production line at Clyde Industries this morning and meet the new and existing employees of Clyde Industries. It employs about 136 people here in South Australia, making, for example, extractors for the north-west shelf. They were in production on the factory floor this morning.

In bringing this component to South Australia, we are locking Clyde Industries into export market opportunities for the future. There is no doubt that, from an environmental point of view, projects such as this are gathering pace and importance. Clyde Industries has anticipated that, from $2.5 million in 1992, its environmental products division turnover is expected to be $15 million in 1995, and it wants to achieve a turnover of $50 million in 1998. What it means is that by facilitating—

The Hon. S.J. BAKER: I rise on a point of order, Mr Speaker. There is a Standing Order that governs the Parliament in terms of strangers in the press box. There is a person up there who is a press secretary and who has been spending some time with the journalists up there.

Mr CLARKE: I rise on a point of order, Mr Speaker.

The SPEAKER: Order! There can be only one point of order at a time. Obviously, the Chair cannot see who is in the press galleries.

Members interjecting:

The SPEAKER: Order! I do not need any advice from either side. Earlier in the Parliament the Chair ruled that a press secretary could hand to the journalists questions that will be asked on the condition that that person did not speak to or distract the journalists. I am not aware of what is going on. I will issue fresh instructions this afternoon in relation to that matter but, if people are involved in activities other than those which I have directed, I ask them to remove themselves forthwith.

Mr CLARKE: I rise on a point of order, Mr Speaker. Following your comments, would you please ensure that the same instructions are issued to the Government side and in particular to the Premier's media advisers?

The SPEAKER: Order! The Chair has already made a ruling on this matter. The Chair issues the same instructions to all people. I sincerely hope that the Deputy Leader is not suggesting that I would issue instructions to only one set of press secretaries.

The Hon. J.W. OLSEN: I wish to make one or two other brief points in relation to this answer.

The SPEAKER: The Minister would be aware that brevity is an important aspect of parliamentary proceedings.

The Hon. J.W. OLSEN: In attracting to South Australia core units such as this, which have great potential for growth and export opportunities in the future, we are underpinning our manufacturing industry in South Australia with opportunities for the future. Some 53 per cent of Government incentives, support and facilitation is going to the existing manufacturing base of South Australia. It is not generally understood, given the high profile projects such as Westpac, Bankers Trust, Lynx Communication, Australis, Motorola and all the other companies we have been able to attract to South Australia—

Mr Foley interjecting:

The Hon. J.W. OLSEN: You go and talk to the hundreds of people who have a job out there. Go and talk to them. They are pleased to have their job, I can assure you, and so should the Leader, coming from that area, given that this will provide job opportunities for people within his region. As I have said before, if the Opposition does not want these new factories, plants and job creation in their electorates, that is fine. Plenty of electorates on this side will take these job opportunities.

The point I want to make is that there is a view that it is the new industries—IT industries in particular—and office operations that are getting all the facilitation. Some 53 per cent of the support programs of this Government are going to existing manufacturing industry to grow in South Australia. Clyde Industries is an example of that, as was Solar Optical with $3.5 million of expansion, and the relocation by

Southcorp, Vulcan and Bonaire heating and air conditioning out of Victoria to South Australia. This is not a one-off or a fluke: what we have is a series of companies establishing and expanding in South Australia. That adds up to rejuvenation and rebuilding in South Australia.

MULTIFUNCTION POLIS

Mr QUIRKE (Playford): My question is directed to the Minister for Infrastructure. What costs are associated with the advertising campaign currently undertaken by the MFP under the various titles for what the MFP is all about? Further, was the Minister consulted about this advertising program; and what are his views about the contest currently running on the radio for persons to contact the MFP and say what they think it is all about, for a standard limousine ride to Mount Lofty House for dinner?

The Hon. J.W. OLSEN: I would assume that the board of the MFP would have signed off the marketing and advertising program. I will seek advice from the board of the MFP on the series of questions asked by the honourable member and bring back replies.

FOSTER CHILDREN

Ms STEVENS (Elizabeth): My question is directed to the Minister for Family and Community Services. Will the Department for Family and Community Services screen all applicants and provide accreditation for staff trained and employed by SOS Children's Villages as carers and assistant carers for foster children, and will FACS require all SOS staff to meet the same criteria as foster parents? SOS Children's Villages Australia has advertised for single carers to provide long-term professional care for up to six foster children each. The advertisement states:

> SOS Children's Villages Australia seeks people with a mature outlook to be trained as SOS carers or assistant carers. A training wage will be paid. After completion of the three to four month part residential training program the most suitable applicants will be selected for salaried permanent employment.

The advertisement continues:

> A family house for the children and carer will be provided along with the funds needed to raise the children referred by the Department for Family and Community Services.

The Hon. D.C. WOTTON: I am rather surprised that the member for Elizabeth has asked this question. I thought I addressed those issues yesterday. I indicated very clearly the role that the Department for Family and Community Services had in this issue; I made it very clear to the House. As a matter of fact, my office has been attempting to reach the shadow Minister this morning to provide a full briefing for the shadow Minister in regard to this matter. I would be very happy to provide that so that the honourable member has all the detail she requires.

QUEEN ELIZABETH HOSPITAL

Mr MEIER (Goyder): My question is directed to the Treasurer, representing the Minister for Health in the Minister's absence. In relation to the question that the member for Elizabeth asked earlier today about the Queen Elizabeth Hospital, will the Treasurer give further information now?

The Hon. S.J. BAKER: I must have had 20-20 vision or foresight in the way in which I responded to the member for Elizabeth because, indeed, we know what her track record is and again we have seen it demonstrated today. It is correct that $202 000 is being spent on the standard building upgrade of the ninth floor to accommodate 21 staff—not the CEO. It is to assist with the administration functions of both the Lyell McEwin and the QEH. There is $160 000 for building work and $42 000 for fit-out and, if that is to assist the 21 staff, it must be one of the cheapest building efforts I have come across in a long time. Every time we hear from the member for Elizabeth we never hear the truth.

URANIUM

Mrs GERAGHTY (Torrens): My question is directed to the Premier. Given the answer to my question yesterday, what steps will the Premier take—

Members interjecting:

The SPEAKER: Order! The Minister for Tourism is out of order. The member for Torrens.

Mrs GERAGHTY: What steps will the Premier take to satisfy himself that no South Australian uranium will end up or find its way into substandard nuclear programs? The Director of the Australian Safeguards Office, Mr John Carlson, has stated clearly before the senate inquiry into nuclear non-proliferation that an absolute guarantee cannot be given that Australian uranium will not enter the international nuclear weapons cycle. As South Australia has the largest uranium deposits being mined, this State Government has a responsibility to involve itself to ensure proper safeguards are in place.

The SPEAKER: The honourable member is clearly commenting. The Premier.

The Hon. DEAN BROWN: It would appear that Peter Duncan will get a question a day at this rate. No doubt the honourable member took the answer I gave yesterday back to Peter Duncan and he sat down and wrote a question for today. What I find amusing is the sheer hypocrisy of the Labor Opposition. To start with, we had the now Leader of the Opposition when he was a staff member for John Bannon, the then Leader of the Opposition, deliberately falsifying documents trying to attack Roxby Downs. Then we heard him last week—because he knows that the Federal and the State Governments have approved the expansion of Roxby Downs—even though no announcement is about to be made, trying to make out that he is announcing the expansion of Roxby Downs. It shows the level of principle on which the Leader of the Opposition works. One day when it is convenient he will be out there attacking uranium, falsifying documents—

Members interjecting:

The SPEAKER: Order!

The Hon. DEAN BROWN: —trying to stop the development of Roxby Downs and then, when it suits him, he will suddenly switch the other way and say that he is announcing the expansion of Roxby Downs.

I come back to the original question, which again involves a basic fallacy: that is, it is the responsibility of the Federal Government, together with the international agencies that track the supply of uranium around the world, to ensure that those assurances are given. It is not for me to answer for the international agencies; and it is not for me to answer for the Federal Government in terms of the tracking of uranium around the world. We have a constitutional responsibility and we will give approval for Roxby Downs as part of that constitutional responsibility. Perhaps the honourable member would like to tell this House tomorrow whether or not she

supports Roxby Downs. Would the honourable member like to interject now to that extent? Does the honourable member support Roxby Downs or does she not support Roxby Downs? I think that during the grievance debate today—

The Hon. M.D. RANN: Mr Speaker, I rise on a point of order. It seems that the Premier can ask questions of backbenchers but that we cannot ask questions of parliamentary secretaries.

The SPEAKER: Order! The Leader of the Opposition, in a rather fleet-footed way, is trying to reflect on the Chair. He is out of order. The Premier was out of order in inviting interjections. He knows that: he will not do it again. The Premier.

The Hon. DEAN BROWN: I am sorry, Mr Speaker. I invite the member for Torrens, during the grievance debate today, to tell us whether or not she supports the mining of uranium, copper and gold at Roxby Downs. For the past two days, she has made a clear statement to this House by way of a question that she is opposed to uranium mining in South Australia. Let us find out. The duplicity of the Labor Party on uranium mining should come to an end. Do you support Roxby Downs or do you not?

Members interjecting:

The SPEAKER: Order! The Premier has the call.

The Hon. DEAN BROWN: The other thing I ask is for the member for Elizabeth to stand up in this House in the grievance debate today and apologise to the CEO of the Queen Elizabeth Hospital, because the honourable member inferred that the CEO of the Queen Elizabeth Hospital had taken the decision to spend—

Mr CLARKE: Mr Speaker, I rise on a point of order. The Premier's answer to a question is straying well beyond the substance of the question that was put to him and, pursuant to Standing Order 98, a Minister has a responsibility to answer the substance of the question.

The SPEAKER: The Chair upholds the point of order. The Premier.

The Hon. DEAN BROWN: I still await the apology, but I come back to the member for Torrens.

Members interjecting:

The SPEAKER: The Chair has ruled on that matter.

The Hon. DEAN BROWN: I come back to the member for Torrens and point out that there was negotiation between the State Government and the Federal Government on the approval for the expansion of Roxby Downs and to ensure that the appropriate safeguards were in place for the transportation of uranium. The State Government handles transportation within the State and it must comply with the appropriate State standards. Once it leaves the country, that is a clear constitutional responsibility of the Federal Government, and I invite the honourable member to talk to her Federal colleagues about that matter: the Labor Party has been responsible for that for the past 13 years. I wonder why the member for Torrens did not ask this question before the Federal election or at some other time during the past two years. The honourable member had to wait until there was a change of Government federally to raise this issue. As I pointed out to the honourable member, we await her clear statement to this House some time today on whether or not she supports Roxby Downs and the mining of uranium at Roxby Downs.

GRIEVANCE DEBATE

The SPEAKER: Order! The question before the Chair is that the House note grievances.

Mr CLARKE (Deputy Leader of the Opposition): The question I would have asked the Parliamentary Secretary representing the Minister for Education and Children's Services, had I been given the opportunity, would have been, 'Can the Parliamentary Secretary for Education give an assurance to parents whose children attend the Parkside, Gilles Street and Sturt Street Primary Schools that their schools will not be closed or amalgamated?' The explanation would have been that in August 1994 the Minister for Education and Children's Services ordered a review of options for the closure or amalgamation of these schools. Although the review reported to the Minister in September 1995 and recommended that all three schools should continue to operate on their existing sites, the Minister has not consulted the schools on the review findings and has refused to announce his decision. The Opposition has received correspondence from parents of children at the Gilles Street school claiming that the neighbouring Pulteney Grammar School has made an offer to buy their school.

The point at issue is this: we have in this House the Parliamentary Secretary for the Minister for Education and Children's Services and that Minister is not in this House. If a parliamentary secretary had any work to do, one would assume that, given that he is supposed to oversight the administration of that department, he would be in a position to give direct answers to questions from members of this House, whether they be Government or Opposition members, on issues affecting the department for which he is parliamentary secretary. We have the highest ratio of parliamentary secretaries to members of Parliament anywhere in the southern hemisphere. In fact, if I remember rightly, the Ugandan army under Field Marshal Idi Amin had as many privates and lance corporals as this army has under the Premier.

We have discovered today that parliamentary secretaries are doorkeepers. They are there to open the door for their Ministers and greet visitors. They are handshakers. They are not persons of any substance, but I do not mean that personally: I mean that, in terms of their functions and their duties, they open doors, they greet people, they shake hands, and they act as a buffer between nasty constituents or aggravated interest groups in a Minister's portfolio area. They are basically fob offs and Ministers will seek to off-load unpleasant duties onto their parliamentary secretaries. But this House and this Parliament cannot get answers from parliamentary secretaries who are supposedly oversighting these departments. In his answers to Parliament today, the Premier spoke about the worth of these parliamentary secretaries and the gravity of their jobs. Given the seriousness with which the Premier views the worth of their work, one would expect that members would be able to ask questions of parliamentary secretaries.

The SPEAKER: Order! I advise the Deputy Leader to tread cautiously. The Chair has upheld the Standing Orders, which have operated for a long time. I caution the Deputy Leader.

Mr CLARKE: Thank you, Sir. I turn my attention to the reason why we have the highest ratio of parliamentary secretaries to MPs probably anywhere in the world: it is simply to shore up the Premier's own position within his

parliamentary Party. The rumours have been rife both before and since the Federal election that his position is under threat. Hence we see in the paper yesterday that an early election is rumoured to be held by March next year. That is to keep his nervous backbenchers in order. He is saying, 'Don't throw me out too soon or you might find yourself in the midst of a general election campaign.' How else can he shore up his numbers but by saying to these 14 backbenchers, 'I am making you parliamentary secretaries as doorkeepers and greeters of people whom Ministers do not want to see.' That is all it is.

The other six who missed out on one of these positions must ask themselves, 'What I have done wrong that I am in the same class as the member for Lee?' They rank along alongside the member for Lee as the third 11—not Australia A, not Australia B, but an entirely new division, the Rossi division.

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

Mr BRINDAL (Unley): The member for Ross Smith has made great play of your ruling today, Sir. Everyone in this House is bound to accept the rulings of the Speaker but if the member for Ross Smith believes that, given the opportunity, I do not have the fortitude to be able to stand up and answer the puerile sorts of questions that he is likely to ask me, I would say any member of the Government bench could take on the member for Ross Smith and spit him out quite easily.

Mr Clarke interjecting:

Mr BRINDAL: If the member for Ross Smith wants an answer to the question that he would have posed today, I will tell him in the course of this grievance debate that the answer is, 'No, I can give no assurance.' Did the Minister for Education and Children's Services conduct a review? The answer is 'Yes.'

Mr Clarke interjecting:

Mr BRINDAL: If you want to know I will tell you. Shut up and listen. Did the Minister for Education conduct a review? The answer is 'Yes.' Did the review report on time? The answer is 'No.' Is the matter still pending? The answer is, 'Yes, because the review did not report on time.' Is it a fact that there are a number of potential buyers for school sites? The answer is, 'Yes, there are a number of potential buyers for a lot of school sites.' I do not know whether Gilles Street is one or whether there are more than just Gilles Street, but the Minister has explained to me very carefully that he cannot give an answer until he has made a decision on all three sites. The committee recommended to the Minister. It is the Minister's province to make a decision and in due time the Minister will make a decision. He will communicate that decision to the Upper House, to me as a local member and to the member for Adelaide as a local member, as is the Minister's right. That is what I would have told the House had the Speaker not correctly ruled that it was not within my province to do so.

To say that parliamentary secretaries are useless really puts us into the same position as the Opposition. There is only one useless group in here and it is the Opposition. There is no less productive group in politics in South Australia than the Labor Opposition in this State. There is no effective Opposition. A braying cacophony of sound comes from members opposite on a regular occasion and it very rarely makes any sense at all.

It is a matter of conjecture whether the would-be general opposite, the could-be Crown Prince, can keep his numbers. He is so busy worrying about what is going on over on this side of the House that he is not watching his back, and we all know in this place that the first place you look is behind you. I suggest to the member for Ross Smith that he grow eyes in the back of his head, because the rubber sole brigade are creeping stealthily and effectively right to his very shoulder blades. I do not think that we will be long worried about the points of order from the member for Ross Smith as Deputy Leader, because he will be bleating from the back bench about his injuries.

As to what parliamentary secretaries will be asked to do, that is really between them and their Ministers. They are there to assist with the good government of this State. I can say to the Deputy Leader that the Minister for Education and I have not fully discussed exactly what my duties will be.

Mr Clarke: Did he have a say in it?

Mr BRINDAL: He certainly had a say in it. We had a discussion on it some time ago, and I am delighted to serve the Minister for Education.

Mr Clarke: Is he delighted to have you?

Mr BRINDAL: Yes. We worked closely together for six years. If the honourable member opposite wants to use his grapevine, one thing he will find out is that if there is one person on this side of the House with whom I do get on it is the Minister for Education. I thought he would have realised that.

Mr Clarke interjecting:

Mr BRINDAL: It probably is, but I am just telling the honourable member. The Minister has asked me to look at a number of specific issues. He has given me a number of projects in which to assist him, and I will do that.

Mr Clarke interjecting:

Mr BRINDAL: No, I do not choose to tell the member opposite what I am doing for the Minister. That is between the Minister and me. In due time the Minister may inform this House. I am sure the member for Florey, in his capacity as a parliamentary secretary, has been given various duties and responsibilities by the Minister with whom he works. He is an individual, I am an individual, and Ministers are individuals, and the relationship between us will be an individual and private one.

Mr De LAINE (Price): Last Friday afternoon the Minister for Education and Children's Services announced his outrageous decision to close The Parks High School at the end of this year. It was an absolutely outrageous and deplorable decision, and one about which I am very angry. The Principal of the school was informed at 8.30 that morning, and I was informed at 1.50 that afternoon. This follows the equally outrageous decision by the same Minister to close the Port Adelaide Girls High School last year.

Last year there were three high schools in my electorate, and next year there will be only one, and I have grave fears for the future of Woodville High School as the only surviving high school in my electorate. Going on past performances, I ask the question: will the Brown Government close Woodville High School next year as well? I am furious about this situation. In the Estimates Committee in September 1994, I asked the Minister whether he would give an assurance that Port Adelaide Girls High School would (a) continue to operate; and (b) continue to provide single sex education for women and girl students in the western suburbs. The Minister's response was, in part:

I have taken no decision to change the current arrangements for the Port Adelaide Girls High School. We are committed to its

continuing provision of single sex girls' education options at high schools.

Yet, 18 weeks later, a decision to close this wonderful school was announced. Following the setting up by the Minister of a review of the provision of secondary education in The Parks area last year, I asked the Minister in last year's Estimates Committee if he would give an assurance that The Parks High School would remain open for at least the remainder of this term of Government. I was not seeking an assurance that the school would remain open indefinitely: I limited it to at least the remainder of this term of Government, which at that stage was about two years. The Minister declined to give this assurance. I think the Minister had already decided to close the school, even though at that time the review which he had set in train was not expected to be completed for another two months at least.

As unpopular, inappropriate and stupid as the closure of Port Adelaide Girls High School was, at least there was some—not a lot—community consultation. This time, however, with regard to The Parks High School, there has been no community or even school consultation whatsoever. Yesterday I asked a question of the Minister for Employment, Training and Further Education about the closure of the school. As is my right, as the local member, it was a sensible question which contained factual information. I could not believe the stupid, inane answer the Minister gave to my question. I quote the Minister's answer:

> The member for Price has made various allegations and assertions regarding my colleague in another place [namely the Minister]. I will obtain a report, because I believe that they are assertions and allegations that do not have foundation.

I take umbrage at that, Mr Acting Speaker, and I want to know on what basis this stupid Minister gave his answer. I wish to inform the Minister that (a) the school is in my electorate; (b) I have close ties with the school community; (c) I am a member of the school council and have been so for the past 10 years; and (d) I was a member of the reference group that worked on the review with the review team. I repeat: there has been absolutely no community or school consultation about any possible closure of this wonderful and unique school. I refute the answer that the Minister for Employment, Training and Further Education gave yesterday.

In addition, the decision to close the school is against the recommendations of the review. The review recognised the high level of disadvantaged in the area, the extremely diverse nature of the community and the needs of its young people, the excellence of the school's response to the needs of people in the western suburbs and the way the school has catered for the needs of special groups within the wider education sphere, and it strongly recommended that The Parks High School should continue to provide secondary education for continuing and adult students on the site of The Parks Community Centre (where, of course, the school is currently located). Based on what the member for Unley just said in his grievance speech, I ask whether there is a possible buyer for this school: is there a hidden agenda?

The ACTING SPEAKER (Mr Becker): The honourable member's time has expired. The member for Davenport.

Mr EVANS (Davenport): I wish to refer today to some problems that exist with the building approval process, particularly with regard to bushfire protection. Under the Development Act 1993, councils as approval authorities are required to assess applications for alterations and additions to existing buildings against the Statutes Repeal and Amendment Development Act 1993, in particular, section 28(3), which provides:

> Where approval is sought pursuant to the Development Act 1993 of any building work in the nature of an alteration to a building erected or constructed before the relevant day and the building is, in the opinion of the authority under the Development Act 1993, unsafe or structurally unsound, that authority may require as a condition of its approval of the building work, that the entire building be brought into conformity with the requirements of that Act in all respects as if it were a building erected or constructed after the commencement of that Act, or with so many of those requirements as will, in the opinion of the authority, ensure that the building will be rendered safe and will conform with a proper structural standard.

The problem that that clause creates is quite simple. There are existing buildings well over 80 or 90 years old. Indeed, if any alteration or addition is made to a house built prior to 15 January 1994, which is the relevant date under the Act, the whole building must be brought up to the standard under the Building Code of Australia. So, for example, in the case of a house in the Stirling area that has always been—say, for 80 years—in the bushfire zone, if you suddenly want to put on a $5 000 deck or pergola, under that Act all of a sudden you have to upgrade the complete house to the current bushfire regulations. That means in some cases the expenditure of some tens of thousands of dollars.

What is happening now is that numerous people—and I know of at least seven in the current year—who have put development proposals before particular authorities have then withdrawn the application because they simply cannot afford to bring the house up to the current bushfire standards. One would have to ask: if the house has been there 80 years and survived the 1956 and Ash Wednesday fires of 1981 and 1983, why would it not survive a fire in the future?

However, this raises other problems. I do not think the Act refers only to bushfires. For instance, the Act may refer to a particular size of roof timber. Does that now mean under the Act that the people concerned have to go back and rework their roof timbers to bring them up to the new standard? This has really opened a can of worms for the councils. It is up to the council to decide whether a building is unsafe or structurally unsound, but there is no definition in the Act of the words 'unsafe' and 'unsound'. It is a subjective judgment on behalf of the building inspector. I know that numerous councils have received legal opinions suggesting they have to enforce the Act to the letter or face possible litigation in the courts for negligence. It is my view that the Act does need amending. There is no doubt a problem here.

I do not think it was the intention of the Parliament to say to someone, 'If your house was built before 15 January 1994 (and the Building Code of Australia may be amended, say, in 1999), you have to upgrade your whole house to the new standards if you want to put on a pergola or a deck.' It may even apply if you want to construct something as simple as a tennis court, which is a development under the Act: you then may have to upgrade all of your house to the current building standards. In my view, this is bureaucracy gone mad. It is a cost burden the community should not wear. It is an administrative function the council should not have to perform. It is an issue that I think the Parliament needs to address, and I will be raising it with the appropriate Minister.

Mrs GERAGHTY (Torrens): Before commencing what I wish to discuss today, I will answer the Premier's comments to me: I will do things and make statements in my own good time. The Premier has accused me of being the puppet of Peter Duncan, yet he makes demands on me and wants to pull

the strings. Neither the Premier nor Peter Duncan will pull any strings for me. Just for the record, in my opinion and that of many others, including many members of the public of South Australia, Peter Duncan is above such degrading activities. Unlike the Premier, Peter Duncan places integrity and friendship above political bullying tactics. I have a genuine interest and concern in the environment, and that is the world-wide environment. However, I get a whiff of fear from the Premier, and I guess I have to ask myself, 'Why?'

The member for Price raised a very important issue, one which I wholeheartedly support and which is of particular interest to me—that is, the lack of consultation with affected communities. School closures have occurred in my electorate of Torrens. During the 1994 by-election the Labor Party indicated that one of the local schools would be closed. The Premier refuted this and alleged scaremongering and untruthful tactics. Within a short time of the by-election the Brown Government closed the Holden Hill Primary School. In the situation, there was a form of consultation with the parents and students, not in terms of, 'Do you, the community, believe that this is in the best interests of your children and the community?' but in terms of, 'This will happen, so work towards the closure.' There was not much choice, other than to make the transition to other schools for students as easy and painless as possible.

I go back to the lack of consultation. In this case the school community was virtually ignored and the decision to close the school was simply thrust upon them. As I understand it, the written advice was more in the form of a directive than an attempt to communicate an understanding.

I believe that the school the member for Price was referring to is in a similar position to the Port Adelaide Girls school, which was also unique in its presentation and support for students, who, I might say, had difficulty in the mainstream environment. The mainstream environment or education for some students produces very little by way of a proper education and there is little readiness for future work prospects. Sadly, this Government has yet again shown that it has little regard for students. A good education is not a priority for this Government to deliver to those of us in working class areas. We can be shunted around because we cannot afford private schooling. Many families choose the public system even though they may be able to afford the fees for private education; they choose it because the public system has served us well over time and has given us a broad and diverse environment in which to learn and has prepared our children well for life and their working careers.

Our teachers have been committed and dedicated. Now they are frustrated, demoralised and angry. I suspect that many teachers wonder what will happen to the public education system, just as, I must say, do many members on this side of the Chamber and many parents. Students in high schools are concerned about opportunities for them as well. School closures are purely determined on dollar expenditure and not on service to the community. Sadly, many of these closures are, as I have said, in working class areas.

Mr Bass: What about the country schools you closed?

Mrs GERAGHTY: Let me finish, and I will answer that. We, in these areas, have something to say about this because we do care for our children. The trouble is that the Government does not listen to us, nor does it listen to recommendations: for example, those of The Parks review. Members should be concerned, because, but for the grace of the Minister, our schools could also be attacked in the same manner as they have been in the past.

Mr Bass interjecting:

Mrs GERAGHTY: I am addressing the situation at hand, which is the closure of schools in the working class areas of the city. Later I will be quite happy to speak of the situation in the country.

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

Mr ANDREW (Chaffey): I rise this afternoon to seriously question the credibility, accuracy and honesty of some of the reporting from the South Australian Institute of Teachers and its representatives. In particular, I refer to a couple of examples from my electorate of Chaffey in relation to the recent industrial action by some of the teaching profession over the past couple of weeks. A report by Mr Andrew MacFarlane in the *SAIT journal* of 6 March states:

> I've always thought that Liberals still believed in the divine right of kings, which probably explains why Liberal MP Kent Andrew thought he had the right to address the stop work meeting of 150 members in the Riverland. Congratulations to area council chairperson, Wayne Rickard, who managed to evict Kent before the meeting started.

I do not and will not accept the way in which my visit to that meeting was reported. I want to put on the record, and I want it to be fully understood, that I went to that meeting and advised the area council Chairman of a number of things before the meeting started. First, I advised him that I went there of my own volition, that I had not been sent there by the Minister and that I did not go to push the Government's line. I advised him that I would be prepared to answer questions or to speak at the meeting if required. However, I also advised him that I would be prepared to sit quietly and listen to the concerns expressed and take them to the Minister, as required. I explained to him that the teachers assembled at that meeting were constituents of mine and, therefore, that it was my duty, role and responsibility to represent them, which I certainly would do.

You will note, Mr Acting Speaker, that this article was a total misrepresentation and the reverse to what was reported in the journal. The second example, which I believe was also a blatant misrepresentation, was espoused by the SAIT Riverland organiser, Mr Steve Errock, in relation to last Thursday's stoppages. Mr Errock said on local radio that morning, as reported in the *Murray Pioneer* on the Friday morning:

> The only school in the region that opened yesterday served as a baby-sitter to working parents.

What an utter untruth and misrepresentation. The fact is that last Thursday, 14 March, only 11 out of the 27 Riverland schools were closed, one had a modified program and the remainder were open as normal.

In fact, I was at a school that morning seeing a constituent on an education matter, and that school was open with a full staff. I have raised these examples today not just to explain and vindicate my actions but to question the credibility of SAIT reporting and representation. Given the examples that I have explained, how can teachers, SAIT members, parents and the public in general trust or believe what SAIT is saying? I respect the rights of professional teaching staff to make their judgment with respect to their requirements for wages and conditions, and I accept and respect their right to lobby and negotiate for those wages and conditions. However, how can they do that if they are not given the facts and

not told the truth?

How can the public have confidence that teachers are being fairly informed so that they can make a fair assessment of wages and conditions? I think that those two examples indicate that the public at large must severely question the integrity, honesty and credibility of some of the SAIT representations being made publicly and being put on the record to their members.

COMMUNITY TITLES BILL

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clause 150, printed in erased type, which clause, being a money clause, cannot originate in the Legislative Council but which is deemed necessary to the Bill. Read a first time.

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

That this Bill be now read a second time.

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

Leave granted.

The concept of community titles has been talked about for many years in South Australia. In the 1970's the concept of 'cluster titles' was examined and a draft Bill was prepared but did not progress. The Bill was redrawn in the early 1980's, but again did not progress. The need for a form of subdivision which would allow for the private ownership of land combined with the ownership of other community land or facilities continued to be explored in other States. The fact that earlier projects in this State failed to come to fruition is, in retrospect, unfortunate, as other States have now moved to this type of legislation and have had the benefit of this form of subdivision while South Australia is only now considering it.

This Government has determined that community titles have the potential to provide an innovative and important impetus to development in this State.

In March 1995, following extensive background research, a draft Community Titles Bill was released for public consultation.

Over 100 copies of the Bill were distributed to industry groups and organisations, members of the public, statutory authorities and local government bodies. Over 40 written submissions were received. A revision of the Bill was undertaken following a careful assessment of the submissions received. A second draft of the Community Titles Bill was circulated for a further round of public consultation in August 1995. The consultation process on the revised draft yielded further submissions which have also been considered and improvements to the Bill made as a result. Officers of the Land Services Group visited several country centres to speak about the Bill and several large seminars have been held in the city involving a wide variety of industry groups.

This Bill, therefore, is the culmination of significant public consultation.

The community titles are designed to fill a vacuum between conventional subdivision and strata subdivision. The basic effect of this Bill is to enable common property to be created within conventional subdivisions.

In addition to extending the concept of shared use of common facilities to subdivisions which may consist of no more than vacant blocks of land, the Bill provides for the development of planned communities of any type where some of the land is shared. The types of projects which could be developed under a community titles scheme include:

- business parks
- university and research parks
- resorts
- urban developments
- rural co-operative developments (eg wineries)
- industrial developments
- mobile homes and parks

In New South Wales, where community titles legislation has been in place for 5 years, schemes have already been registered or are in the planning stages for all of the above types of developments.

The Community Titles Bill enables the development of schemes in several stages over time or of schemes developed totally at one time.

The Community Titles Bill will permit projects ranging in size from small groups of houses clustered around a common area of open space or sharing no more than a common driveway, to large communities with shared roadways and facilities bases on commercial, sporting, recreational, or agricultural features.

As is the case with strata title development now, the common areas within a development will be owned and managed by a body corporate comprising all lot owners.

As a means of overcoming a limiting effect of strata titles legislation, which is not well suited to nor does it facilitate the promotion of mixed developments containing separate areas for residential, commercial and recreational uses, community titles legislation provides machinery for flexibility in management and administrative arrangements operating in the scheme. This necessary degree of flexibility is achieved by providing for multi-tiered management and by permitting an individually tailored set of by-laws to be prepared for each scheme, setting out the rules and procedures relating to the administration of and participation in the scheme.

Community Titles will be able to be used as a framework for medium density housing as well as facilitating the construction of major resorts, innovative rural development and industrial and commercial complexes.

The Bill contains a number of significant features to permit its application to a wide variety of developments and to provide sufficient flexibility to maximise its use by developers. The Bill also contains provisions in the nature of protection for prospective purchasers.

The key features of the Bill are as follows:

1. Staged Development of Schemes.

Community schemes will be permitted to be completed in stages. This has several advantages:

- initial development costs will be lower because one stage can be used to finance the construction of later stages.
- higher density may be achieved.
- with an amalgamated site, greater flexibility of design will permit the more appropriate siting of buildings in sympathy with one another and with the environment. The Bill should thus promote the more effective use of land than existing forms of subdivision.

Staging may be achieved by the creation of one or more development lots with a primary, secondary or tertiary plan. A development lot is land set aside in a tier to enable further community lots and common property to be added as part of staged development at that level. Once developed, the community lots created will become part of the corporation at the level at which the development lot was created.

The creation of a tiered scheme will also have the effect of allowing the completing the scheme in stages.

2. Non staged development.

The Bill permits developers to undertake non staged subdivision by registration of a primary community plan—this plan divides the land into community lots and common property. A body corporate would be created upon the deposit of the plan to manage the common property.

3. Management Structures

The possibility of a multi-tiered management structure is regarded interstate as a key feature of community titles legislation. Experience has shown that the management and related provisions of the strata legislation are inadequate to cope with the management of large scale developments. Multi-tiered management is designed to overcome these deficiencies and will enable the development of large scale schemes with adequate statutory support for the on going future management of the scheme.

It will be for the developer to determine which management structure is appropriate for each individual development. Interstate experience shows that in general, the less tiers of management the better. If too complex a management structure is chosen for a relatively simple development there will be purchaser resistance. In general, three tiers of management will be most applicable to developments such as large complex resorts or where a variety of uses are mixed in one development. It is of note that in the 5 years of the operation of the NSW legislation there has never been a three

tiered scheme.

The first plan to be lodged in a tiered staged scheme will be the primary community plan which must divide the land into at least two community lots and common property. Upon registration of this plan the primary community corporation will come into existence. This corporation will generally have the umbrella control over matters concerning the community as a whole. This Corporation may be concerned with the maintenance of the overall community theme, security, internal private road network and landscaping.

In a two tier management structure, the second tier of management is created by the deposit of a secondary plan dividing a primary community lot thus creating secondary corporations.

In certain instances a developer may wish to introduce a third tier of management which is done by subdividing a secondary lot into two or more tertiary lots.

4. Scheme Description

The Bill provides for the preparation of a document called a 'Scheme Description' which is to provide a brief description of the scheme of the division, development, and administration of the scheme. The document will contain information such as the purposes for which the lots and the common property in the scheme may be used, the type of work the developer intends to undertake on the common property, standard of buildings to be erected, the nature and scope of the work to be undertaken in each stage of the development of the scheme, and other important features of the scheme.

This document must be endorsed by the relevant planning authority and will be of benefit to those persons considering purchasing or entering into any dealing with a lot.

Simplified documentation is allowed for in the case of small developments—the Bill proposes that for developments of up to 6 lots in a non-staged residential development a scheme description will not be required. Thus, much of the development with which we are familiar, particularly in the metropolitan area will not require this document.

5. By-laws.

As with the current strata titles legislation, common areas in a community scheme are owned and managed by the proprietors of the lots in the scheme. The Bill provides for the preparation of management rules and conditions that are relevant and specifically tailored to the particular development. Hence, the management provisions for an urban medium density development will be different from those applicable to a rural community or a scheme centred around industrial uses.

All management and related details will be set out in the by-laws which will be binding on all participants in the scheme. The by-laws will accompany the relevant plan lodged for registration and will be on the public record.

The Act lists a number of issues which must be accommodated in the by-laws, the precise terms in which those matters and other matters of an administrative nature are dealt with will be left to the discretion of the developer.

The adoption of this approach will provide flexibility to adapt management requirements of the type of project being undertaken.

The Bill recognises that there will be circumstances in which the original by-laws will need to be changed or varied. Protective measures have been included to ensure that a variation cannot be effected without the participants having a say.

5. Development Contract

To balance the need for flexibility with the need to provide a mechanism for disclosures to be made in respect of the scheme, the Bill adopts the approach taken in New South Wales and requires the preparation of a development contract.

A development contract is binding on the developer and is enforceable by all participants in the scheme.

A development contract places the developer under a binding obligation to develop the scheme and to provide amenities, landscaping and other facilities which the scheme description indicated were to be part of the scheme. A development contract will be binding on successors in title, in the same way as Land Management Agreements under the Development Act are binding on successors in title.

A development contract will always be required in a staged scheme and will be required in a non-staged scheme where the developer has indicated that certain facilities and landscaping standards will be included in the completed scheme. The scope of matters to be included will depend on the extent of the developer's involvement as set out in the scheme description. Details of promised facilities and landscaping and particulars relating to the building zone, hours of work, means of access must be included if work on community facilities or a further stage of the scheme is provided for.

By entering into a contract which includes matters essential to construction, the developer will be assured of sufficient powers to complete the stage, and prospective purchasers will be assured of the completion of the stage to a stated standard.

The development contract may be varied with the consent of all lot owners.

6. Maintenance of existing development approval regimes

The zoning and planning legislation is unaffected by this Bill.

Plans for community schemes will require council/planning approval in the manner already provided in the Development Act.

7. The Strata Titles Act

The Strata Titles Act is not repealed by the Community Titles Bill. Community strata plans will still be permitted, but only in those circumstances where the development is multi storeyed and it is desired to create one lot above another.

There are significant benefits to be gained by land sub-division on the basis of measurement rather than by reference to parts of a building. The greatest advantage of community titles over the strata titles is that the ownership is of the land rather than of a space inside a building. Many owners of strata units do not realise until they wish to alter the outside appearance of their unit that they in fact only own the internal faces of the walls of the building, and that the outside is in fact common property. This means that matters such as the installation of airconditioning through the wall or roof, the addition of rainwater tanks, pergolas and blinds becomes a matter for the approval of the strata corporation and thus a possible matter for dispute. In community titled properties there may be rules about certain architectural matters, nevertheless, the need for corporation approval of many every-day additions and improvements to property will not necessarily be required. In addition, under the current Strata Titles Act, as the building is common property issues such as the repair and maintenance of the outside of the building—painting, salt damp problems, fixing of leaky pipes—fall to the corporation which often causes friction amongst members of the corporation, while under the Community Titles Act, as any building on a lot will be owned by the individual lot owner (as in a conventional subdivision) such matters will be matters for their own personal attention as required. Special provision is made for schemes to provide in their by-laws that the corporation will be responsible for maintenance, and it is envisaged this provision will be utilized only rarely, probably in developments such as retirement villages.

From the proclamation of the Community Titles Act, no new applications will be permitted under the Strata Titles Act. The effect of this will be that all current strata unit owners will continue to be subject to the Strata Titles Act and will not be affected in any way by the new Community Titles legislation. A simple conversion process is provided for in Schedule 1 of the Bill to allow those strata corporations which wish to come under the Community Title legislation to do so, but there will be no compulsion in this regard.

Strata titles will still be available for vertical developments such as office blocks, and developments where there will be one lot above another. This will be achieved by a community strata plan.

8. Management issues

As with the current Strata Titles Act, the deposit of a plan will see the statutory creation of a corporation to administer the common interests of the lot owners. This necessitates the establishment of rules that will govern this corporation and its members. While some features of the administrative systems in the Bill have come from the Strata Titles Act, other features have come from interstate legislation governing community titles. Some of the management issues are as follows:

- provision is made for the keeping of community corporation money in consolidated trust accounts that meet certain standards. The standards set out in this Bill are those found in the recently passed Conveyancers Act and Land Agents Act. It is proposed that these provisions will be inserted into the Strata Titles Act by legislation amending that Act for the benefit of current strata unit owners.
- provision is made for community corporations to appoint persons to assist their officers and management committees in the discharge of their functions.
- provision is made for the delegation of certain powers and the dispute resolution sections cover the activities of persons acting under delegated authority.
- special provision has been made for insurance when the lots share a party wall or there is an easement for support or shelter.
- a regime is provided for the disclosure of the pecuniary

interests of persons acting under delegated authority, and voting on behalf of others.

- Provision is made for audits, however, audits will not be required where aggregate contributions do not exceed an amount specified in the regulations and where the balance in the administrative and sinking funds does not exceed an amount prescribed.

9. Leaseback provisions for community title schemes.

The Bill deals with issues relating to the management of a scheme where there is a leaseback arrangement in force. A leaseback arrangement exists where all of the lots in a community parcel are subject to a lease to the same person. There have never been specific provisions in any South Australian Act dealing with leaseback arrangements. At present such arrangements are enforced through complex contractual and power of attorney arrangements. The provisions in this Bill will make for a clear delineation of powers and responsibilities between the owner and the person leasing the lots.

Basically, there are provisions to ensure that the lessee takes over all responsibility for maintenance and levies etc, and that the interests of the owner cannot be diminished by the actions of the lessee.

It is the hope of the Government that this legislation will open up the possibility for a range of innovative projects, encourage diversity in development , attract the interest of developers and allow land owners to better utilise their assets.

Explanation of Clauses

PART 1

PRELIMINARY

The provisions of the Bill are as follows:

Clause 1: Short title

Clause 2: Commencement

Clauses 1 and 2 are formal.

Clause 3: Interpretation

Clause 3 provides definitions of terms used in the Bill. The unit into which land may be divided under the Bill is called a 'lot' to distinguish it from an allotment which is the unit of division under Part 19AB of the *Real Property Act 1886*. The definition of 'owner' defines a mortgagee who is in possession of the land to be the owner to the exclusion of the registered owner.

Clause 4: Associates

Clause 4 sets out the relationships that result in one person being an associate of another. 'Associate' is used in clause 83(8) which provides that in residential schemes the developer, or an associate of the developer, cannot be nominated to vote on behalf of owners of lots.

Clause 5: This Act and the Real Property Act 1886 to be read together

Clause 5 provides that the *Community Titles Act* and the *Real Property Act 1886* will be read as a single Act. There is a similar provision in the *Strata Titles Act 1988*.

PART 2

SCOPE OF THE ACT

Clause 6: Nature of division under this Act

Clause 6 is the first clause in Part 2 of the Bill. The purpose of this Part is to summarise the effect of the following Parts of the Bill.

Clause 7: What land can be divided

Clause 7 provides for up to three tiers or levels of division on the one parcel of land. The initial division is into primary lots. The land divided must be an allotment (see Part 19AB of the *Real Property Act 1886*). One or more of the primary lots may be divided into secondary lots and one or more of those secondary lots may be divided by a tertiary plan into tertiary lots. It is not possible to divide a tertiary lot.

Clause 8: Development lots

If a developer wishes to divide a parcel in stages he or she may set aside part of the parcel as a development lot for division at a subsequent stage.

Clause 9: Strata division

Clause 9 provides for the strata division of a building in the same way as the *Strata Titles Act 1988*.

Clause 10: The community corporation

Clause 10 explains the role of the community corporation in a scheme of community division.

Clause 11: The scheme description

Clause 11 provides for the filing of a document called a scheme description with the community plan in the Lands Titles Registration Office. The purpose of the scheme description is to provide information about the scheme to persons considering the purchase of or other dealing with a lot.

Clause 12: By-laws

Clause 12 describes the function of by-laws in a community scheme.

Clause 13: Staged development and development contracts

Clause 13 outlines the manner in which a community parcel can be developed in stages.

PART 3

DIVISION OF LAND BY PLAN OF COMMUNITY DIVISION

DIVISION 1—APPLICATION FOR DIVISION

Clause 14: Application

Clause 14 sets out the technical requirements in relation to an application for division under the Bill. An allotment is an allotment under Part 19AB of the *Real Property Act 1886* and should not be confused with a lot under the Bill. The primary division of land under the Bill will always be division of an allotment or allotments. A primary lot created by such a division may itself be divided into secondary lots and common property. A secondary lot may be divided into tertiary lots and common property. A tertiary lot cannot be divided.

Clause 15: Scheme description not required for certain small schemes

In the interests of reducing costs this clause removes the requirement to file a scheme description in relation to a small scheme. A small scheme is one of 6 lots or less or such other number as is prescribed by regulation.

Clause 16: Consents to application

Clause 16 requires the consent of interested persons referred to in the clause to an application for division.

Clause 17: Application in relation to part of the land in a certificate

Clause 17 ensures that on division of an allotment that constitutes only part of the land in a certificate of title the remaining land is of sufficient size to be dealt with as a separate parcel of land.

Clause 18: Status of plan and application

Clause 18 provides that an application for division and a plan will be regarded as a single document and will have priority over other documents lodged in the Lands Titles Registration Office in accordance with section 56 of the *Real Property Act 1886*. This provision is needed because the deposit of the plan may operate under clause 23 to vest an interest in land in a person in whom it was not previously vested.

Clause 19: Special provisions relating to strata plans

Clause 19 sets out provisions relating to strata plans. A strata plan is a plan of community division under the Bill that divides a building on an allotment or on or comprising a primary or secondary lot laterally and horizontally.

DIVISION 2—LOT ENTITLEMENT

Clause 20: Lot entitlement

Clause 20 deals with lot entitlements. Lot entitlements are used to determine the shares in which lot owners make monetary contributions to the community corporation and are responsible for liabilities of the corporation and the shares in which assets of the corporation are divided on cancellation.

Clause 21: Application to amend schedule of lot entitlements

Clause 21 provides for the amendment of the schedule of lot entitlements. An application for amendment must be supported by a unanimous resolution of the corporation. The consent of a person who was not a member of the corporation when the resolution was passed but who is the owner of a community lot (and therefore a member of the corporation) when the application is lodged with the Registrar-General is also required (subclause (4)*(a)*).

The consent of a prospective owner is required as well. A prospective owner is a person who will be the owner of a lot on registration of a transfer that had been lodged at the Lands Titles Registration Office before the application to amend the schedule of lot entitlements was lodged. The consent of registered encumbrancees and prospective encumbrancees is also required. Subclause (5) requires the consent of these categories of interested persons where the scheme involves a secondary or tertiary tier of division.

DIVISION 3—DEPOSIT OF COMMUNITY PLAN

Clause 22: Deposit of community plan

Clause 22 provides for the deposit of a community plan in the Lands Titles Registration Office.

Clause 23: Vesting, etc., of lots, etc., on deposit of plan

Clause 23 provides for the vesting of land or an interest in land on deposit of a plan and for the discharge or extinguishment of an interest on deposit of a plan.

Clause 24: Easements for support, shelter, services and pro-

jections

Clause 24 provides for easements of support, shelter and services.

Clause 25: Easements in favour of Government instrumentalities

Clause 25 applies section 223lg of the *Real Property Act 1886*. This section provides for easements to the South Australian Water Corporation for water supply and sewerage services, easements for drainage to the local council and easements for the supply of electricity to ETSA Corporation.

Clause 26: Vesting of certain land in council, etc.

Clause 26 provides for the vesting of roads, streets, thoroughfares, reserves or similar open space shown on a plan (not being part of the common property or a lot) in the local council.

Clause 27: Encroachments

Clause 27 provides for situations where parts of a building encroach over neighbouring land.

DIVISION 4—COMMON PROPERTY

Clause 28: Common property

Clause 29: Vesting of Common property

These clauses set out provisions relating to the common property created on deposit of a plan. The common property is held by the owner of the community lots as tenants in common in shares proportionate to their lot entitlements. For convenience the title for the common property will be issued in the name of the community corporation. The owner of a secondary or tertiary lot also has a similar interest in the common property of the primary scheme or the primary and secondary schemes. A lot owner's interest in the common property cannot be dealt with separately from the lot and therefore the common property cannot be sold or mortgaged unless the community plan is amended to exclude part of the common property from the community parcel before it is sold or mortgaged. Subclause (4) of clause 28 provides that members of the public are entitled to have access to those parts (if any) of the common property to which they are shown as having access by the community plan.

PART 4

THE SCHEME DESCRIPTION

Clause 30: Scheme description

Clause 30 provides for the scheme description. This document describes the scheme and must be endorsed by the relevant planning authority. It will be particularly useful to persons considering the purchase of or other dealing with a lot before the scheme is completed. The scheme descriptions of secondary and tertiary schemes must be consistent with the scheme description of the primary scheme (see subclause (2)).

Clause 31: Amendment of scheme description

Clause 31 enables a scheme description to be amended. Consistency must be maintained with the by-laws and development contracts and the scheme descriptions, by-laws and development contracts of the secondary and tertiary schemes (if any).

Clause 32: Persons whose consents are required

Clause 32 requires the consent of certain persons to the amendment of the scheme description. The provision is similar to clause 21 relating to consent to an amendment to lot entitlements.

Clause 33: Amended copy of scheme description to be filed

Clause 33 requires the Registrar-General to file the amended copy of the scheme description with the plan of community division.

PART 5

BY-LAWS

Clause 34: By-laws

Clause 34 sets out the scope of by-laws.

Clause 35: By-laws may exempt corporation from certain provisions of the Act

Clause 35 enables by-laws to exclude some of the requirements of the Bill that are not suitable for two and three lot schemes.

Clause 36: By-law as to the exclusive use of part of the common property

Clause 36 enables by-laws to provide for the exclusive use of part of the common property by the occupier of one or more lots.

Clause 37: Restrictions on the making of by-laws

Clause 37 prevents by-laws from restricting an owner in dealing with his or her lot except for leasing the lot for short periods.

Clause 38: Certain by-laws may be struck out by Court

Clause 38 enables the Magistrates Court or the District Court to strike out a by-law that unfairly discriminates against the owner of a lot.

Clause 39: Variation of by-laws

Clause 39 provides for the variation of by-laws by special resolution of the community corporation. By-laws must be consistent with the scheme description which limits the scope for amendment.

Clause 40: Date of operation of by-laws

Clause 40 provides for the date of operation of by-laws.

Clause 41: Invalidity of by-laws

Clause 41 provides that by-laws must not be inconsistent with the Bill or any other Act or subordinate legislation or with the other elements of the scheme such as the scheme description and the development contract (if any).

Clause 42: Application of council by-laws

Clause 42 ensures that council by-laws that apply only in a public place do not apply in those parts of a community parcel to which the public have access.

Clause 43: Persons bound by by-laws

Clause 43 sets out the classes of persons who are bound by the by-laws.

Clause 44: Availability of copies of by-laws

Clause 44 provides that copies of the by-laws must be made available for purchase by owners and occupiers of lots and persons considering entering into a transaction in relation to a lot.

Clause 45: By-laws need not be laid before Parliament or published in Gazette

Clause 45 excludes the operation of sections 10 and 11 of the *Subordinate Legislation Act*. This means that by-laws will not be laid before the Houses of Parliament and will not need to be published in the *Gazette*.

PART 6

DEVELOPMENT CONTRACTS

Clause 46: Interpretation

Clause 46 defines 'developer' for the purposes of Part 6 of the Bill.

Clause 47: Development Contracts

Clause 47 provides for the purpose, form and content of development contracts. Subclause (5) provides that the work and materials supplied under a development contract will be to the highest standard unless otherwise provided in the contract.

Clause 48: Consistency of development contract with scheme description and by-laws

Clause 48 requires that a development contract must not be inconsistent with the scheme description or the by-laws.

Clause 49: Enforcement of a development contract

Clause 49 sets out the persons who are taken to be parties to a development contract and who are therefore able to take proceedings for its enforcement.

Clause 50: Variation or termination of development contract

Clause 50 provides for the variation or termination of a development contract. The community corporation's agreement must be authorised by a special resolution.

Clause 51: Inspection and purchase of copies of contract

Clause 51 provides for inspection and purchase of copies of development contracts.

PART 7

AMENDMENT, AMALGAMATION AND CANCELLATION OF PLANS

DIVISION 1—AMENDMENT OF COMMUNITY PLANS

Clause 52: Application for amendment

Clause 52 provides for an application to the Registrar-General to amend a plan of community division. Many of the documents required when applying for the initial division of the land must be filed with an application for amendment.

Clause 53: Status of application for amendment of plan

Clause 53 provides that an application for amendment has the same status as an instrument under the *Real Property Act 1886* and has priority over other instruments in accordance with section 56 of that Act. This provision is necessary because under clause 55 interests in land may be vested or discharged on amendment of the plan. Clauses 18 and 23 are the corresponding clauses in relation to the deposit of a plan of division under Part 3.

Clause 54: Amendment of the plan

Clause 54 provides for the amendment of a plan by the Registrar-General.

Clause 55: Vesting of interests on amendment of plan

Clause 55 provides for the vesting and discharge of interests in land by the amendment of a plan. This provision and clause 23 are similar to section 223l of the *Real Property Act 1886*.

Clause 56: Merging of land on amendment of plan

Clause 56 provides for the extension or discharge of encumbrances on merging of land as the result of the amendment of a plan.

Clause 57: Alteration of boundaries of primary community parcel

Clause 57 provides for the combining of an application to amend a plan with an application under Part 19AB of the *Real Property 1886* where part of an allotment is to be included in the community parcel or land is to be removed from the parcel. This will avoid the need for

a separate application under Part 19AB.

Clause 58: Amendment of plan pursuant to a development contract

Clause 58 provides for the situation where the developer is required by a development contract to apply to the Registrar-General for the division of a development lot. To do this the developer must apply for the amendment of the community plan.

Clause 59: Amendment by order of District Court

Clause 59 sets out the limited circumstances in which the persons listed in subclause (2) may apply to the District Court for an order that a community plan be amended.

DIVISION 2—AMALGAMATION OF COMMUNITY PLANS

Clause 60: Amalgamation of plans

Clause 60 provides for the amalgamation of community plans. Only plans for the same kind of scheme can be amalgamated. A primary plan can only be amalgamated with another primary plan; a secondary plan with a secondary plan and a tertiary plan with a tertiary plan.

Clause 61: Persons whose consents are required

Clause 61 provides for the consent of other persons to an application for amalgamation.

Clause 62: Deposit of amalgamated plan

Clause 62 provides for the deposit of the amalgamated plan. The plans it combines are cancelled, the community corporations are dissolved and their assets and liabilities become assets and liabilities of the new corporation.

Clause 63: Effect of amalgamation on development contracts

Clause 63 explains that amalgamation has no effect on development contracts except to increase the number of persons who can enforce them.

DIVISION 3—CANCELLATION OF COMMUNITY PLANS

Clause 64: Cancellation by Registrar-General or Court

A community plan can be cancelled on application to the Registrar-General or by order of the court. A secondary and tertiary plan that form part of the same primary scheme must be cancelled before the primary plan is cancelled.

Clause 65: Application to the Registrar-General

Clause 65 sets out requirements in relation to the application. Where a development lot is included in the plan a schedule of lot entitlements that include the development lot must be prepared to determine the shares in which the community parcel will be held on cancellation.

Clause 66: Persons whose consent is required

Clause 66 provides for the consent of other persons to the proposed cancellation.

Clause 67: Application to the Court

Clause 67 provides for an application to be made to the District Court for an order cancelling a community plan.

Clause 68: Lot entitlements

Clause 68 sets out the requirements for lot entitlements where a development lot is included in the plan.

Clause 69: Cancellation

Clause 69 sets out the effect of cancelling a community plan.

PART 8
DIVISION OF PRIMARY PARCEL UNDER PART 19AB

Clause 70: Division of primary parcel under Part 19AB

Clause 70 provides for the division of a primary parcel under Part 19AB of the *Real Property Act 1886*. If this clause were not included it would be necessary to apply to the Registrar-General for cancellation of the plan and then apply under Part 19AB for division of the land. This clause provides an efficient short cut.

PART 9
THE COMMUNITY CORPORATION
DIVISION 1—ESTABLISHMENT OF THE CORPORATION

Clause 71: Establishment of corporation

Clause 71 provides for the establishment of the community corporation on deposit of a plan of community division.

Clause 72: Corporate nature of community corporations

Clause 72 sets out the corporate characteristics of a community corporation.

Clause 73: The corporation's common seal

Clause 73 provides for the common seal of the corporation.

Clause 74: Members of corporation

Clause 74 provides that the owner of the community lots are the members of the corporation.

Clause 75: Functions and powers of corporations

Clause 75 sets out the functions and powers of corporations.

Clause 76: Presiding officer, treasurer and secretary

Clause 76 provides for the appointment and term of office of the presiding officer, treasurer and secretary of corporations.

Clause 77: Corporations's monetary liabilities guaranteed by members

Clause 77 provides that the members of a community corporation are personally liable for the debts of the corporation.

Clause 78: Non-application of Corporations Law

Clause 78 excludes the operation of the Corporations Law in relation to community corporations.

DIVISION 2—GENERAL MEETINGS

Clause 79: First general meeting

Clause 79 provides for the convening of the first general meeting of a corporation.

Clause 80: Business at the first general meeting

Clause 80 provides for the business to be dealt with at the first general meeting and requires the developer to deliver certain documents to the corporation at the first meeting.

Clause 81: Convening of general meetings

Clause 81 provides for the convening of other general meetings.

Clause 82: Annual general meeting

Clause 82 sets out the times by which the annual general meeting must be held.

Clause 83: Procedure at meetings

Clause 83 sets out various matters relating to the procedures at general meetings.

Clause 84: Voting at general meetings

Clause 84 sets out various provisions relating to voting at general meetings.

Clause 85: Nominee's duty to disclose interest

Clause 85 requires a person who has been nominated to vote on another's behalf to disclose any pecuniary interest that he or she has in a matter on which he or she will be casting a vote.

Clause 86: Voting by a community corporation as a member of another community corporation

Clause 86 enables a secondary or tertiary corporation to vote if authorised to do so by resolution of its members. Subclauses (2) and (3) set out the circumstances in which such an authorisation is sufficient to support a unanimous or special resolution of the primary or secondary corporation.

Clause 87: Value of votes cast at general meeting

Clause 87 sets out the value to be given to votes at meetings of a corporation.

Clause 88: Special resolutions—three lot schemes

Clause 88 is a special provision for special resolutions in three member schemes.

Clause 89: Revocation, etc., of decisions by corporation

Clause 89 explains that a decision of a community corporation made by a particular kind of resolution (unanimous, special or ordinary) may be varied or revoked by a resolution of the same kind.

DIVISION 3—MANAGEMENT COMMITTEE

Clause 90: Establishment of management committee

Clause 90 provides for the establishment of a management committee of a community corporation.

Clause 91: Term of office

Clause 91 provides that the term of office of committee members must expire at or before the next annual general meeting of the corporation.

Clause 92: Functions and powers of committees

Clause 92 sets out the powers of committees. A committee cannot make any decision that requires a special or unanimous resolution.

Clause 93: Convening of committee meetings

Clause 93 makes provision for the convening of meetings of management committees.

Clause 94: Procedure at committee meetings

Clause 94 includes a number of provisions relating to the procedures to be followed at committee meetings.

Clause 95: Disclosure of interest

Clause 95 requires a member of a committee to disclose any pecuniary interest that he or she has in a matter being considered by the committee. The penalty is significant—a maximum fine of $15 000. The general defence provision (clause 153) provides that it is a defence to an alleged offence to prove that the alleged offence was not committed intentionally and did not result from any failure to take reasonable care to avoid its commission.

Clause 96: Members' duties of honesty

Clause 96 requires members of committees to act honestly and not

make improper use of their position as committee members. Once again the maximum fine is $15 000.

Clause 97: Casual vacancies

Clause 97 provides for the filling of casual vacancies on a committee.

Clause 98: Validity of acts of a committee

Clause 98 is a standard clause providing that a vacancy in membership or a defect in the appointment of a member does not affect the validity of the committee's actions.

Clause 99: Immunity from liability

Clause 99 protects committee members from acts or omissions that are not dishonest or negligent.

DIVISION 4—APPOINTMENT OF ADMINISTRATOR

Clause 100: Administrator of community corporation's affairs

Clause 100 provides for the appointment of an administrator of the community corporation by the District Court on the application of a person listed in subclause (1).

PART 10
PROPERTY MANAGEMENT
DIVISION 1—POWERS OF CORPORATION TO MAINTAIN INTEGRITY OF THE COMMUNITY SCHEME

Clause 101: Power to enforce duties of maintenance and repair, etc.

Clause 101 enables a community corporation to enforce lot owners to comply with their duty to maintain or repair buildings or improvements on lots or to carry out other work for which they are responsible. As a last resort the corporation may arrange for the work to be done at the cost of the lot owner.

Clause 102: Alterations and additions in relation to strata schemes

Clause 102 relates to unauthorised work in relation to strata lots.

DIVISION 2—INSURANCE

Clause 103: Insurance of buildings, etc., by community corporation

Clause 104: Other insurance by community corporation

Clause 105: Application of insurance money

Clauses 103, 104 and 105 set out obligations of the community corporation in relation to insurance.

Clause 106: Insurance to protect easements

Where a building on a lot provides support or shelter pursuant to an easement under the Bill, this clause requires the owner of the lot to insure the building.

Clause 107: Offences relating to failure to insure

Clause 107 requires the developer to take out insurance initially on behalf of the corporation (subclause (1)). The remaining subclauses provide that a lot owner must not sell a lot unless the insurance required to be taken out by the corporation has been taken out or the owner has informed the purchaser that the insurance has not been taken out.

Clause 108: Right to inspect policies of insurance

Clause 108 sets out the rights of owners and mortgagees to inspect policies of insurance.

Clause 109: Insurance by owner of lot

Clause 109 preserves the right of the owner of a lot to insure generally and to insure in connection with a mortgage over the lot.

DIVISION 3—EASEMENTS

Clause 110: Easements

Clause 110 relates to the creation or extinguishment of easements over or for the benefit of the common property.

DIVISION 4—LEASING OF COMMON PROPERTY AND LOTS

Clause 111: Limitations on leasing of common property and lots

Clause 111 places restrictions on granting rights to occupy the common property or a lot.

DIVISION 5—ACQUISITION OF PROPERTY FOR BENEFIT OF OWNERS AND OCCUPIERS OF LOTS

Clause 112: Acquisition of property

Clause 112 provides that a community corporation may acquire a freehold or leasehold interest in land.

PART 11
FINANCIAL MANAGEMENT
DIVISION 1—GENERAL

Clause 113: Statement of expenditure

Clause 113 requires that a statement of estimated expenditure and the amount required to be raised by contributions be presented to each annual general meeting of a community corporation.

Clause 114: Contributions by owners of lots

Clause 114 provides for the payment of contributions by members of the community corporation. The contributions will be shared in proportion to the lot entitlements of the lots.

Clause 115: Cases where owner not liable to contribute

The owner of a lot is not required to contribute to the payment of a debt by the corporation to the owner.

Clause 116: Administrative and sinking funds

Clause 116 provides for the establishment of administrative and sinking funds.

Clause 117: Disposal of excess money in funds

Clause 117 enables excess money in the funds to be distributed to the owners of the community lots.

Clause 118: Power to borrow

Clause 118 gives a corporation express power to borrow money or obtain other forms of financial accommodation.

Clause 119: Limitation on expenditure

Clause 119 places a limitation on the expenditure of money without the authorisation of a resolution of the corporation.

DIVISION 2—AGENT'S TRUST ACCOUNTS

Clause 120: Application of Division

Clause 120 provides that Division 2 of Part 11 (dealing with agents' trust accounts) applies when a community corporation has delegated to a person the power to receive and hold money on behalf of a community corporation.

Clause 121: Interpretation

Clause 121 defines terms used in Division 2.

Clause 122: Trust money to be deposited in trust account

An agent is required to have a trust account and to pay all trust money into it. Money includes any cheque received by the agent on behalf of the corporation.

Clause 123: Withdrawal of money from trust account

Money may be withdrawn from a trust account only for the purposes set out in this clause.

Clause 124: Authorised trust accounts

Clause 124 sets out the kinds of accounts that are authorised for the purposes of holding trust money.

Clause 125: Application of interest

Clause 125 requires interest to be apportioned where money is held in one account for two or more corporations.

Clause 126: Keeping of records

An agent is required to keep detailed trust account records and to provide receipts to clients. The records are required to be kept for at least five years.

Clause 127: Audit of trust accounts

An agent's trust account must be regularly audited and a statement relating to the audit must be lodged with the corporation.

Clause 128: Obtaining information for purposes of audit or examination

An auditor of an agent's trust account is given certain powers with respect to obtaining information relating to the account.

Clause 129: Banks, etc., to report deficiencies in trust accounts

The report is to be made to the Minister.

Clause 130: Confidentiality

Confidentiality is to be maintained by the auditor.

Clause 131: Banks, etc., not affected by notice of trust

Financial institutions are not expected to take note of the terms of any specific trust relating to a trust account but are not absolved from negligence.

PART 12
OBLIGATIONS OF OWNERS AND OCCUPIERS

Clause 132: Interference with easements and services

Clause 132 provides that an owner or occupier of a lot must not interfere with support or shelter for another lot or the common property or with the service infrastructure.

Clause 133: Nuisance

Clause 133 provides that the owner or occupier of a lot must not cause a nuisance or interfere unreasonably with the use or enjoyment of another lot or the common property.

Clause 134: Maintenance of lots

Clause 134 provides for the maintenance of lots.

PART 13
RECORDS, AUDIT AND INFORMATION TO BE PROVIDED BY CORPORATION
DIVISION 1—RECORDS

Clause 135: Register of owners of lots

Clause 135 requires a community corporation to maintain a register of the names and addresses of the owners of lots.

Clause 136: Records

Clause 136 requires proper records to be made and kept by a

community corporation.

Clause 137: Statement of accounts

Clause 137 requires a corporation to prepare a statement of accounts in respect of each financial year.

DIVISION 2—AUDIT

Clause 138: Audit

Clause 138 provides for the auditing of the annual statement of accounts.

DIVISION 3—INFORMATION TO BE PROVIDED BY CORPORATION

Clause 139: Information to be provided by corporation

Clause 139 enables the owner or prospective owner of a lot or a mortgagee or prospective mortgagee of a lot to obtain information from the community corporation that is relevant to his or her interest in the lot.

Clause 140: Information as to higher tier of community scheme

Clause 140 enables the owner or prospective owner of a secondary or tertiary lot or development lot or the mortgagee or prospective mortgagee of a secondary or tertiary or development lot to obtain information under clause 139 from the primary corporation or the primary and secondary corporations.

PART 14
RESOLUTION OF DISPUTES

Clause 141: Persons who may apply for relief

Clause 141 lists the persons who may apply for relief under Part 14 of the Bill.

Clause 142: Resolution of disputes, etc.

Clause 142 provides for an application to the Magistrates Court in the circumstances referred to in subclause (1). An application may be made to the District Court with the leave of that Court. Either court may transfer the application to the Supreme Court if it raises a matter of general importance.

PART 15
MISCELLANEOUS

Clause 143: Corporation may provide services

Clause 143 enables a community corporation to provide and charge for services to the owners and occupiers of lots.

Clause 144: Preliminary examination of plan by Registrar-General

Clause 144 provides that the Registrar-General may make a preliminary examination of a plan to be lodged with an application under the Bill.

Clause 145: Filing of documents with plan

There are a number of provisions in the Bill requiring the Registrar-General to file documents with the relevant plan of community division so that they are available for public inspection. The purpose of this clause is to accommodate the fact that in many cases the documents will be held electronically and not filed as a hard copy.

Clause 146: Entry onto lot or common property

Clause 146 provides for entry onto lots and the common property in emergencies and other circumstances.

Clause 147: Power to require handing over of property

A provision similar to this in the *Strata Titles Act 1988* has proved to be very useful.

Clause 148: Owner of lot under a legal disability

Clause 148 provides for the exercise of the rights of the owner of a lot who is under a disability and enables the District Court to dispense with the consent, etc., of such an owner which would otherwise be required under the Bill.

Clause 149: Relief where unanimous or special resolution required

Clause 149 enables the District Court to declare that a resolution of a corporation that is not a unanimous or special resolution to have that status for the purposes of the Bill. This provision will be particularly useful where the owner of a lot is unreasonably voting against a resolution.

Clause 150: Stamp duty not payable in certain circumstances

Clause 150 provides that stamp duty is not payable on the vesting or divesting of property on the creation or dissolution of a community corporation.

Clause 151: Destruction or disposal of certain documents

Clause 151 requires the Registrar-General to keep superseded documents for six years. After that period they may be destroyed.

Clause 152: Vicarious liability of management committee members

Clause 152 provides that where a corporation commits an offence the members of its management committee are vicariously liable for the offence.

Clause 153: General defence

Clause 153 provides a general defence.

Clause 154: Procedure where the whereabouts of certain persons are unknown

Clause 154 provides a means of dispensing with the consent of a person if the whereabouts of the person cannot be ascertained.

Clause 155: Service

Clause 155 provides for the service of notices.

Clause 156: Regulations

Clause 156 provides for the making of regulations.

Schedule 1

Schedule 1 sets out transitional provisions. Clause 2 of the schedule enables a strata corporation under the *Strata Titles Act 1988* by ordinary resolution to decide that the new Act will apply to, and in relation to, the corporation and the strata scheme.

not a unanimous or special resolution to have that status for the purposes of the Bill. This provision will be particularly useful where the owner of a lot is unreasonably voting against a resolution.

Mr CLARKE secured the adjournment of the debate.

SOUTH AUSTRALIAN MEAT CORPORATION (SALE OF ASSETS) BILL

The Hon. S.J. BAKER (Treasurer) obtained leave and introduced a Bill for an Act to provide for the sale of assets of the South Australian Meat Corporation; to amend the South Australia Meat Corporation Act 1936; and for other purposes. Read a first time.

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

That this Bill be now read a second time.

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

Leave granted.

This Bill is to authorise and facilitate the sale or lease of the assets and undertaking of the South Australian Meat Corporation ('SAMCOR').

It is intended that this asset sale will be concluded in the next few months.

SAMCOR was established in 1934 as the Metropolitan and Export Abattoirs Board and changed its name to South Australian Meat Corporation in 1972.

SAMCOR operates an abattoirs at Gepps Cross where it conducts the business of slaughtering livestock for the production of meat and meat products for human consumption. It provides the slaughtering service for a fee for its customers. It does not itself own any of the livestock presented to the abattoirs for slaughter. SAMCOR also operates a by-products (rendering) plant.

SAMCOR slaughters cattle, sheep, pigs and goats. In 1994/95, SAMCOR slaughtered 96 439 cattle, 556 359 sheep and 138 987 pigs which represented a 55% utilisation of its capacity.

Due to under-utilisation, high fixed costs and the fact that SAMCOR is entirely dependent on its customers for throughput, SAMCOR has continued to record financial losses. SAMCOR's losses in 1992/93 were $2.494 million, in 1993/94 were $0.486 million and in 1994/95 were $3.273 million. These have been funded from SAMCOR's own cash reserves, however losses in the 1995/96 year are expected to exceed SAMCOR's remaining reserves.

This sale is important in that it will enable a continuing burden on the State's finances to be eliminated. It is no longer appropriate that Government operate an abattoirs. This service is adequately provided by the private sector. The Australian and South Australian meat processing industry has and continues to suffer from over-capacity in slaughter facilities.

South Australia has seven export registered and seven domestic abattoirs in a relatively confined space. Existing capacity utilisation across the State is estimated at no more than 50%. South Australia is well supplied with abattoir services.

If at all possible, the Government is most anxious to sell the abattoirs as a going concern. This will not only maximise the price obtainable but should enable a significant number of the existing employees to continue to have employment.

In selecting a purchaser, the Government will not determine the matter on price alone. Although price is a key objective, it is a matter to consider along with the other objectives of:

- achieving economic benefits to South Australia;
- ensuring fair and equitable treatment of SAMCOR employ-

ees;
- ensuring, as far as it is possible to do so, the Government carries no residual responsibility for or liability from its prior ownership of the assets and business;
- ensuring a viable pro-competitive ownership structure for the business post-sale;
- maintenance of good relations with existing suppliers and customers; and
- achieving a timely sale.

Government has paid particular attention to the plight of SAMCOR's employees in the sale and is endeavouring to secure ongoing employment for as many employees as possible. Communication and negotiations with unions and employees has been ongoing. Government is proposing to offer a generous above-Award and above-industry standards redundancy package to apply to employees who do not receive job offers. Details of this package are still being finalised.

The Bill enables the Treasurer by agreement with a purchaser to sell the assets and undertaking of SAMCOR and, if necessary, to lease all or part of its land, buildings, fixtures and plant to a purchaser or other party.

In order to avoid continuing financial losses, the Treasurer is given power to close down the abattoirs if that is the only option available.

Small parts of the Gepps Cross land not required for the business are leased out to various bodies in general for purposes unassociated with the conduct of the abattoirs. Subject to their accommodation in the sale of the abattoirs, it is proposed that these parcels be divided from the main parcel and leases in respect of them continue with the bodies concerned or a separate sale of the subdivided parcels effected. Subclauses 14(2) and 14(3) have been included in the Bill to facilitate these lease arrangements.

Once the abattoirs is sold, there will be no need for SAMCOR to be managed by a board. It is proposed that at that stage SAMCOR will convert to a corporation constituted of the responsible Minister who will take over the conduct of the winding up and dissolution of the corporation.

I commend the Bill to Honourable Members.

Explanation of Clauses

PART 1

PRELIMINARY

Clause 1: Short title

Clause 2: Commencement

Clause 3: Interpretation

Clause 4: Territorial application of this Act

This clause applies the Bill outside the State to the full extent of the extra-territorial legislative power of the State.

PART 2

SALE OF ASSETS

Clause 5: Sale of assets

This central clause authorises the Treasurer to enter into an agreement for the sale of assets of the SA Meat Corporation. The clause provides that any balance from the net proceeds of the sale, after discharging or recouping outstanding liabilities of the Corporation, must be used for retiring State debt.

Clause 6: Lease of land

This clause enables the Treasurer to lease Corporation land on behalf of the Corporation.

Clause 7: Transferred instruments

This clause allows the sale agreement to provide for the modification of instruments to enable the purchaser to succeed to rights and liabilities as a consequence of the sale.

Clause 8: Registering authorities to note transfer

This clause allows the Treasurer to require a registering authority to make relevant entries relating to a sale agreement.

PART 3

PREPARATION OF ASSETS FOR SALE

Clause 9: Preparation of assets for sale

This clause authorises relevant persons to prepare for the sale including by making relevant information available and providing assistance to prospective purchasers authorised by the Treasurer.

Clause 10: Authority to disclose and use information

This clause provides protection to persons involved in that process.

Clause 11: Evidence

This evidentiary provision allows matters relevant to preparation for a sale to be certified by the Treasurer.

PART 4

MISCELLANEOUS

Clause 12: Effect of things done, authorised or allowed under this Act

This clause protects the parties to a sale agreement from adverse consequences through entering the agreement and prevents a sale agreement from having unintended consequences.

Clause 13: Closure of Gepps Cross abattoirs

This clause enables the Treasurer to close the abattoirs to avoid continuing financial losses and provides for the winding up of the affairs of the abattoirs.

Clause 14: Interaction between this Act and other Acts

This clause provides that the *Land and Business (Sale and Conveyancing) Act 1994* and Part 4 of the *Development Act 1993* (and consequently the requirement for a Part 4 certificate under section 223ld of the *Real Property Act 1886*) do not apply to a sale.

Clause 15: Accounts and audit—95/96 financial year

This clause requires the current members of the Corporation to prepare accounts for 1995—1996 and to have the accounts audited.

Clause 16: Regulations

This clause provides general regulation making power.

SCHEDULE

Consequential Amendments to South Australian Meat Corporation Act 1936

The schedule amends the current Act, including by providing that the Corporation is constituted of the Minister and allowing the Corporation to be dissolved by proclamation.

Mr QUIRKE secured the adjournment of the debate.

STAMP DUTIES (MISCELLANEOUS) AMENDMENT BILL 1996

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

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

That this Bill be now read a second time.

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

Leave granted.

This Bill seeks to amend the Stamp Duties Act in respect of five separate issues.

Three of the issues involve proposals to tighten the existing provisions to ensure they operate in the manner intended and are not ineffective with respect to certain transactions and arrangements.

The fourth issue deals with an amendment necessary to cope with the Australian Stock Exchange's new Clearing House Electronic Subregister System for Units in Foreign Securities.

The fifth issue relates in changes in Commonwealth legislation regulating the superannuation industry.

The first amendment being proposed in this Bill deals with the exemption criteria used for the transfer of a family farm within a family unit. It has become evident that a number of creative measures have been employed by taxpayer representatives to enable their clients to artificially satisfy the concession criteria. It is for these reasons that this Bill seeks to strengthen the definitions and to qualify for the concession, make it a requirement that the business relationship of primary production must have been in existence for at least twelve months prior to the transfer. It has always been the Government's intention that this exemption from stamp duty would only apply to genuine family farm transfers. As a result, the Government seeks to tighten up the existing provisions to ensure only those genuinely entitled receive the benefit of the concession.

The second amendment proposed in the Bill deals with the conveyance of a business where the transactions are not effected by the traditional instrument or document. The Clayton's contract provisions were enacted a number of years ago to ensure that duty was paid where changes in the legal or equitable ownership of property was not effected or evidenced by an otherwise dutiable instrument. Instances have been identified by the Commissioner of Stamps where people have been able to avoid their obligation. Several recent successful objections to assessments made by the Commissioner of Stamps have highlighted deficiencies in the existing provisions whereby the duty payable has been significantly reduced through the employment of separate agreements covering the transfer of a business. The agreements have split into separate transactions, the assets and business interests being sold to the same or related purchasers. This is despite the fact that it was always the

intention of the original owner of the business to sell the business as a whole and is the intention of the purchaser to continue operating the business as a whole. The amendment will enable the Commissioner to assess these separate transactions as if they were one. Blatant tax avoidance of this nature is not only unacceptable but is inequitable and unfair for the overwhelming majority of taxpayers who comply with the legislation thereby providing revenue for essential services.

The third amendment seeks to tighten the provisions of the Act dealing with mortgages. Currently the Act provides an exemption from stamp duty under the mortgage provisions in respect of an additional security by way of a further charge. As a result of a recent Supreme Court judgment the provision now provides an opportunity for minimising tax. The Court held that a Memorandum of Transfer, even though signed by only the mortgagee, was an additional security and accordingly exempt from stamp duty.

The Government believes that it was never the intention to provide an exemption from stamp duty in the situation where an actual conveyance of property occurs and therefore that an exemption should not be provided. For these reasons, the Government seeks an amendment to close this potential to avoid stamp duty in these circumstances. The Bill takes action to ensure that where the Memorandum of Transfer relates to land under the Real Property Act, the mortgage exemption will not operate thereby preventing the exemption being used in artificial and contrived circumstances to avoid conveyance duty on real estate transactions.

The fourth amendment dealt with in this Bill is a proposal sought by the Australian Stock Exchange to recognise the new Clearing House Electronic Subregister System for Units of Foreign Securities, or CUFS as the system will be known. The amendment will provide for stamp duty being payable on foreign security transactions which take place under this new transaction system. The Australian Stock Exchange, in conjunction with the ASX Settlement and Transfer Corporation, has developed the new CUFS system because at present most of the foreign company securities cannot be settled under the existing Clearing House Electronic Subregister System. It is proposed therefore, that CUFS be treated like any other Security Clearing House security transfer.

The fifth amendment relates to changes in Commonwealth legislation relating to certain superannuation funds. The *Stamp Duties Act 1923* currently exempts from duty the change in beneficial interests of a trust that is established under a deed approved under Division 5 of Part 7.12 of the *Corporations Law*. The Commonwealth has moved regulation of approved deposit funds and pooled superannuation trusts so as to be the subject of the *Superannuation Industry (Supervision) Act 1993*. Accordingly, the relevant provisions of the Stamp Duties Act should be amended to make reference to the new Commonwealth law in order to preserve the status quo for the relevant funds.

Explanation of Clauses

Clause 1: Short title

This clause provides for the short title of the measure.

Clause 2: Commencement

The measure will be bought into operation by proclamation.

Clause 3: Amendment of s. 4—Interpretation

These amendments provide a definition of a "CUFS", being an interest issued by or on behalf of a CHESS nominee company that provides beneficial ownership in respect of foreign shares and units quoted on the Australian Stock Exchange, and provide that a "CUFS" will be taken to be a marketable security.

Clause 4: Amendment of s. 71—Instruments chargeable as conveyancers operating as voluntary dispositions inter vivos

This amendment recognises approved deposit funds and pooled superannuation trusts for the purposes of the exemption from the operation of subsection (4).

Clause 5: Amendment of s. 71CC—Exemption from duty in respect of conveyance of a family farm

It is intended to amend section 71CC of the Act so as to provide an additional element to be eligibility test under subsection (1) of that section, being that the sole or principal business of the transferor is the business of primary production. Furthermore, the relevant business relationship under the eligibility test will now need to be of at least 12 month's duration. It is also intended to clarify that each relevant person must be alive as at the time of execution of the instrument of transfer.

Clause 6: Amendment of s. 71E—Transactions otherwise than by dutiable instrument

These amendments will make express provision under section 71E of the Act for situations involving a transfer of a part of a business. New subsection (1a) gives recognition to the fact that the goodwill of a business cannot be separated from the business, but may be relevant to a calculation of the value of a business.

Clause 7: Amendment of s. 81—Transfers and further charges

This amendment ensures that conveyance duty cannot be avoided in cases involving a security over land that is subject to the provisions of the *Real Property Act 1886*.

Clause 8: Amendment of s. 90H—Application of Division

These amendments will allow an interested constituted by a "CUFS" (as defined) to be subject to duty under the securities clearing house scheme contained in Part 3A of the Act.

Clause 9: Amendment of s. 91—Interpretation

This amendment is consistent with the recognition of the fact that approved deposit funds and pooled superannuation trusts are now regulated under a separate Commonwealth law.

Clause 10: Amendment of second schedule

It is necessary to amend general exemption 22 to ensure that it does not extend to a "CUFS". Furthermore, on the basis that a "CUFS" is to be dutiable, a subsequent settlement of the relevant transfer should not be subject to duty.

Clause 11: Transitional provision

The amendments will not affect the duty chargeable on instruments executed before the commencement of the measure.

Mr QUIRKE secured the adjournment of the debate.

FISHERIES (GULF ST VINCENT PRAWN FISHERY RATIONALIZATION) (LICENCE TRANSFER) AMENDMENT BILL

Consideration in Committee of the Legislative Council's amendments:

No.1. Page 1, lines 15 and 16 (clause 2)—Leave out the clause.

No.2. Page 1—After line 14 insert new clause as follows:

'Substitution of s.4

2. Section 4 of the principal Act is repealed and the following section is substituted:

Transfer of licences

4. (1) A licence may be transferred with the consent of the Director.

(2) The Director must consent to the transfer of the licence if—

(a) the criteria prescribed by the regulations are satisfied: and

(b) an amount represented the licensee's accrued liabilities by way of surcharge under this Act is paid to the Director.

(3) If the registration of a boat is endorsed on a licence that is or is to be transferred, that registration may also be transferred.'

No.3. Page 1, lines 17 to 28 and page 2, lines 1 to 4 (clause 3)—Leave out the clause.

The Hon. R.G. KERIN: I move:

That the Legislative Council's amendments be agreed to.

While our preferred option was the amendments as proposed in the original Bill, the amendments that have been put forward in the other place are acceptable because they allow licences to be transferred on the basis that the outgoing licence holder pays the approved liabilities while the incoming licence holder will be liable for any future debts. The matter of licence amalgamation, which was removed, is not critical to the management of the fishery and we will address this matter in the management plan to be prepared by the Gulf St Vincent Prawn Fishery Management Committee.

Mr CLARKE: The Opposition supports the Government's position and the amendments put forward in another place and thanks the Government for its cooperation in agreeing to the amendments that were carried in that place.

Motion carried.

BIOLOGICAL CONTROL (MISCELLANEOUS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 14 February. Page 1037.)

Mr CLARKE (Deputy Leader of the Opposition): The Opposition supports the second reading of the Bill. I have several points to make, but they will be brief. There are two points in paragraphs 2 and 3 of the report on Biological Control Acts of South Australia and the Commonwealth and other States that bear questioning. First, one assumes that the original South Australian legislation was to protect South Australia's position at the time, which was in 1986. Paragraph 3 explains that no injunction can occur where a biological control proposal has been publicly tested in accordance with proscribed procedures.

I have a series of questions for the Minister which he may wish to answer when he closes the debate rather than doing it in the Committee stage. Does this mean that ARMCANZ can approve the release of some agent into South Australia and, despite our own research, we cannot stop it? I note also that this is linked to the last paragraph of the report, which talks about amendments in other jurisdictions and which collectively are appropriate when it is considered that ARMCANZ may be asked to ratify the release of the calicivirus to control rabbits. I ask the Minister whether he supports the release of the rabbit calicivirus, as quite clearly this program has failed the test contained in paragraph 3 of the report, which states:

> The legislation provides that such an injunction cannot apply where a biological control proposal has been tested publicly in accordance with proscribed procedures.

The truth of the matter is that, as a biological scientific experiment, the calicivirus in rabbits disease program in South Australia has been an abject failure and certainly did not meet the report's proscribed procedures. Whilst the outbreak of the calicivirus has killed many unwanted rabbits, and I am sure that most people would applaud that—and, as I understand it virtually all farmers do—one shudders to think what could have happened if the virus had mutated and had escaped and had affected sheep. I suspect that we would have protesting farmers 10 deep on the steps of this place demanding compensation, no doubt led by the Minister's own parliamentary secretary, the member for Ridley.

My colleague in another place has written to his State and Federal counterparts to try to secure some compensation for people in the rabbit processing industry affected by the untimely, undetected calicivirus virus escape from Wardang Island. We have been advised that an insurance policy was taken out by the research group and that the matter should be taken up with the insurance company. Surprise, surprise the insurance company, like the calicivirus, has escaped through some loophole and refused to pay.

As this was a joint venture between the State and Federal Governments and the small businesses concerned were from South Australia—a group which I understand this Government purportedly supports—will the Minister on behalf of the Government provide some financial compensation for these South Australian businesses and, if not, why not? Will the Government support them 'all the way', to quote the Premier's favourite slogan, with their compensation claims against the insurance company and the Federal Government for financial relief desperately needed by bankrupted processors and shooters as a result of the disastrous failure of the experiment into the biological control of rabbits?

I ask the Minister to respond to these points before we enter the Committee stage. If the Minister is able to answer my questions, we will not need to go into Committee, at least from the Opposition's point of view. The rest of the Bill, which is supported, adjusts the names of committees to reflect the current names. As I am the Lower House spokesperson on primary industries, I will consult my shadow parliamentary secretary, the member for Custance, who has always sought the position of Minister for Primary Industries. I give him the opportunity to advise me on these matters because I believe that it is most unfair that he was not made parliamentary secretary to the Minister for Primary Industries. In fact, that position went to the member for Ridley. I can only suggest to the Minister that he not take a long walk in the night with his parliamentary secretary if he wishes to remain as Minister. With those few remaining words, I support the second reading.

Mr VENNING (Custance): Apart from the few words of commonsense at the beginning of his contribution, I will completely ignore the comments of the Deputy Leader. This subject is very close to my heart, and I have been watching it for many years, for a long time before I came into this place. It certainly has a long and colourful history. Biological control has been used as a control tactic over the past hundred years. The first example of a well documented success was in the 1880s when a native Australian scale insect got into the United States and threatened the viability of the Californian citrus industry. An Australian ladybird, which was found to be an important natural enemy of this insect, was collected in suburban Adelaide and sent to the United States, where it successfully controlled the insect and saved the Californian citrus industry.

Since then, hundreds of projects have been carried out in Australia. Probably the most notable is the successful control of prickly pear cactus by a caterpillar called cactoblastis in the early 1930s. When I was a child, and the Minister would also be aware of this, this cactus was very prominent in our watercourses. I can remember playing in acres of this very prickly, inhospitable plant in the river at Crystal Brook. In a matter of 15 years, and particularly in one area owned by the Sargeant family at Brook Park, there were acres of the stuff, and now there is not one left. Its control has been a total success. The prickly pear cactus was really growing out of control until the cactoblastis was brought in. I remember that with great clarity, because I know how hideous the cactus plants were.

In general, the overall success rate of biological control programs has been quite low. Experience has shown that approximately 10 per cent are totally successful. Other projects are partially successful and can be integrated with other control tactics to give satisfactory control of the target species. When programs are a complete success, the benefits are very great indeed, as we saw with cactoblastis: environmentally friendly, no pesticides, large benefit cost ratios and self perpetuating control mechanisms. In other words, the cost benefits of biological control programs can be very high indeed, particularly in terms of reduced recurrent cost for control and pesticide residues not threatening agricultural markets and the environment. We know all about that, because our competitors continually accuse us of residues, but with biological control there is no such risk or problem.

Prior to the Biological Control Act 1986 there was no legislative coverage of these programs. In the vast majority of projects there was universal acceptance that the target was solely detrimental and not valued by anyone, so virtually all programs proceeded with total support. That is not the case today. Another area of which the Minister would be well aware, since he owns a property with a lot of it, is Salvation Jane, often known as Paterson's curse. We have never referred to it as Paterson's curse; it is Salvation Jane. This was the first example of where there was some opposition to a control project. It was opposed by apiarists, including one in Crystal Brook who is a personal friend of mine and of the Minister. I will not name the gentleman here, but he certainly was very active.

Also, some graziers in certain areas considered that this weed was an important part of their commercial enterprise. When the CSIRO started its introduction and release program, several graziers and the apiarists took out a legal injunction to prevent them from continuing with their work until a formal inquiry was held to weigh up both sides of the argument. This injunction remained in place for over eight years, after which time the project was given the go ahead. Looking back on the situation it was generally agreed that, although bodies like the Australian Weeds Committee endorsed this weed as an official target, the mechanisms to access any opposition to projects needed to be improved so that future court actions in this field could be avoided.

In that eight years Salvation Jane certainly took hold, and I do not think I have seen more Salvation Jane about than I saw last year, particularly in the Barossa Valley, in the Hills and around Murray Bridge. The Hills were just blue with Salvation Jane. It was a very pretty scene with the blue and with the yellow canola that was often growing alongside. However, I know that sheep growers regard this weed as a total pest. The Biological Control Act 1986 was set up to try to control the court cases so that we could act with some surety and swiftness. Under this Act any organisation has the mechanism to advertise its intentions in terms of target species and natural enemies to be introduced. If there is opposition to a project, an inquiry is to be held to weigh up the pros and cons of the project and a decision is to be reached one way or the other immediately.

Once a program is cleared under the Act, no legal action, injunctions etc., can be used to stop the program. It is not mandatory to use this Act. With most programs it is quite clear-cut that there will be no opposition, so most projects over the past 10 years (apart from Salvation Jane) have proceeded with the organisation responsible electing not to use the Act. If an organisation decides to use the Biological Control Act, and it becomes evident that an inquiry is warranted, costs are shared between the Commonwealth and the States under a formula that is determined taking into account the specific details of the project.

The CSIRO has a major involvement in biological control programs in Australia. However, there are many State Government departments and some universities around Australia involved in biological control studies. Many of these programs are joint projects involving several organisations, as is the case with the rabbit calicivirus program, about which we know so much. These programs are very important. As a farmer before I came into this place—and I suppose I could still be regarded as a practising adviser—I used a lot of chemicals, and I purchased most of my chemicals from the Minister in his previous occupation.

Mr Brokenshire: Did he give you a discount?

Mr VENNING: Yes, I did get a discount, and always good advice. The Minister, given his prior interest, is very interested in this program and knows that biological control has a lot to do with the long-term sustainability of our farming practices in South Australia. The CSIRO has a major involvement in biological control programs in Australia. However, there are many State Government departments and some universities around Australia that are involved in projects. SARDI has a significant involvement in a number of biological control projects. The targets in these projects are weeds, including cut leaf mignonette, and the Minister ought to know about that one, because I went to the Minister some 10 years ago about just this weed.

We bought a lovely property that had this weed on it. We have controlled the weed now, as per the Minister's kind advice, with a chemical, but for the long-term control of this weed we are looking to a biological remedy. Cut leaf mignonette is on SARDI's list, along with Salvation Jane. The insects are a citrophilus mealybug and white and conical snails. These snails are a big problem for us, particularly for barley growers on Eyre Peninsula, Yorke Peninsula and in the mid-north. They pollute the sample. There is nothing worse than reaping a lovely sample of barley and finding that it has a horrible smell about it because of the snails. It does not need many snails in a sample to give it a foul smell. From his time representing the Barley Board, the Minister would well know what snails do to barley samples. So, I see this as a problem. In the past, farmers have burnt them out, but burning does not fit with modern farming practices, so they are now looking to a biological remedy to control these snails. It is a problem, which is on the increase, particularly on roadsides and nature areas.

I refer now to the RCD program, which involves the rabbit calicivirus disease, a very emotive issue at the moment. Just today we have heard that it has been detected in Victoria—in Castlemaine. It is certainly on the move. I am concerned that we seem to have a very effective biological control for our rabbit problem—an introduced pest of the highest order—which has got out now, but I wonder why we do not see its total release. The South Australian Farmers Federation indicates that it still supports the calicivirus program and is keen to support biological control in general. The Farmers Federation wants to encourage the Government to put resources into biological control and research. We also need to be amending other legislation in relation to this issue.

The report relating to the Bill refers to the fact that similar amendments are under way in other jurisdictions and collectively are appropriate when it is considered that ARMCANZ may be asked to ratify the release of rabbit calicivirus. Similar amendments relate to the Commonwealth Acts and their State counterparts. The three primary pieces of Commonwealth legislation involved are the Biological Control Act, the Environmental Protection (Impacts of Proposals) Act and the Agricultural Land and Veterinary Chemicals Code Act. So, we can see that it is a very involved process.

The question is: who manages the rabbit calicivirus program? Well we might ask that right now. This program is managed by a consortium comprising the Meat Research Corporation, the CSIRO, the International Wool Secretariat, the New Zealand Ministry of Agriculture and Fisheries, the Australian Nature Conservation Society, the Australia and New Zealand Environment and Conservation Council, commonly known as ANZECC, and the Agriculture and

Resource Management Council of Australia and New Zealand (ARMCANZ).

The CSIRO was contacted by the consortium as the principal researcher for the program. ARMCANZ, of which the Minister is a member, was formed in 1993 as an amalgamation of the agricultural, soil and water councils. It is always chaired *ex officio* by the Federal Minister. The council is supported by a permanent Standing Committee of Agriculture and Resource Management (SCARM). Membership of the standing committee comprises the relevant departmental heads—CEOs of Commonwealth, State, Territory and New Zealand agencies—as well as representatives from the CSIRO and the Bureau of Meteorology. I could go on for a long time with these comments but I will confine my remarks to the calicivirus. I congratulate those who are doing the work on bringing this virus to Australia. It is obviously a very effective control of rabbits, taking over where myxomatosis left off. It attacks mature rabbits, and rabbits in husbandry or pet rabbits can be vaccinated. We have many rabbits in this House.

Mr Clarke: No, they vote for you.

Mr VENNING: They do not vote for me: they obviously vote for the Deputy Leader. The calicivirus is now working well. I am concerned that the powers that be that I have just mentioned—many authorities—will not allow its release across the board. To coin a phrase, the horse has bolted. We might as well let out the rest of the horses, otherwise the rabbits will become immune to the virus and we will lose the effect. It is time that we urgently released the virus strategically right across Australia in the rabbit infested areas so that we can get the maximum affect in the shortest time. If we do not, we will lose and waste all the work that has been done. I trust the CSIRO to have done its work. I have no hassle about this virus and trust that after it is finished with the rabbit it will not latch onto anything else. I hope to God that that is the case. I am sure that people more learned than I have been studying this for many years and would have got it right. Certainly, it has got out.

I am also confident that this disease has not been deliberately spread by humans. I have heard various rumours about farmers loading up dead rabbits in their utes, driving across the State and unloading them. That is not the case, because it has been shown quite conclusively that the virus is not spread by that method: the main means of the spread of this virus is the wind. It correlates exactly with the wind pattern from the sources.

I want to congratulate those who have given us these biological controls in the past and I also urge all those involved with this science to do more work. With due deference to the Minister, I do not wish to use chemicals. The use of a chemical is a last resort. I would always choose to use a biological control where possible, particularly if I can get an insect or virus that eats rye-grass. I will be eternally grateful to whoever invents that, and no doubt so will the Minister. All this sort of work is being done, and I want to make sure that organisations such as CSIRO and SARDI are always adequately funded to continue this work. We in Australia are relying on this to keep ourselves at the forefront as the most efficient producers of food—and the cleanest food—in the world. With this control we would be able to maintain that supremacy. I have much pleasure in speaking to this Bill and, most importantly, in supporting it.

The Hon. R.G. KERIN (Minister for Primary Industries): I thank the two members who contributed to the debate. The member for Custance reiterated the importance of biological control and I could see that the member for Playford was enthralled with what he was hearing. He now understands it. I will try to answer the questions that the Deputy Leader put now rather than going into Committee. Regarding Federal and State legislation, the State legislation lies under Federal legislation, thus the States can make their own decisions. The Deputy Leader referred to the second paragraph of the report, which states that the legislation provides that such an injunction cannot now apply. The legislation referred to is not this Bill: it is the overall legislation in the Biological Control Act. We are not making any changes in that area whatsoever; that refers back to the purpose of the legislation itself, not to the purpose of the amendments.

The honourable member asked whether I support RCD. Yes, I do support rabbit calicivirus. Rabbits do an enormous amount of damage in Australia. It was very unfortunate that it escaped in the manner in which it did, because the maximum impact of RCD would have been generated if there had been a controlled release whereby the researchers, the CSIRO and other bodies were able to control where and when it was released to get the best affect. RCD will never do the job on its own, and a controlled release would have allowed Governments and departments to use other strategies such as the ripping of burrows in a coordinated fashion, and that would have maximised the effect. It is very unfortunate that the virus escaped but, far from being an abject failure, in time it will be proved that RCD will do a lot for the environment and the economy of Australia. It will be judged on its effectiveness at the end of the day.

Members interjecting:

The Hon. R.G. KERIN: That is right. The Deputy Leader did not actually say this, but some people seem to think that the release from Wardang Island was the fault of either PISA or SARDI. I put on the record that that is certainly not the case: they were not in control of the experiments. It was a national scheme under the CSIRO, so it was not their responsibility. I know that the honourable member's love of sheep is behind his concern that RCD might spread to the woolly species. It would never have been released on Wardang Island. The clearance given before it was allowed onto Wardang Island for experimentation was that it would not attack other species. The escape from Wardang Island did not put other species at risk.

Mr Quirke interjecting:

The Hon. R.G. KERIN: That is right: that is pure media. The clearance was given regarding other species before it was allowed on Wardang Island. On the question of financial compensation, I agree that some people have been disadvantaged in a huge way by the accidental release, but we must bear in mind that they would have been put out financially in any case by the final release of RCD. Myxomatosis has probably done more damage than RCD in many areas. It has been extremely successful, and that also impacts on the rabbit processors and shooters. People have talked to us about their concerns regarding compensation and we have directed them to the correct channels. We were not the responsible body. The AMLC and its insurers are taking the applications. From what I have seen, processors, shooters, or whatever, have not had much success to date, but we will continue to monitor that situation.

Bill read a second time and taken through its remaining stages.

SOUTH AUSTRALIAN TIMBER CORPORATION (SALE OF ASSETS) BILL

Adjourned debate on second reading.
(Continued from 7 February. Page 911.)

Mr CLARKE (Deputy Leader of the Opposition): I am not the lead speaker for the Opposition on this matter: more precisely, it will be the member for Playford. My contribution will be brief. Given my stance already with respect to a private member's resolution put forward by the member for Gordon on this whole issue, I believe that our State forests should not be sold and, whilst I have no doubt whatsoever that the Government will say, 'We are not selling the land only what is on top of it, that is, the harvesting rights of our State forests', that is totally unacceptable. With those few remarks, I now turn over the conduct of the case to the member for Playford.

Mr QUIRKE (Playford): The usual process when you receive a Bill is to look at it to see where it is deficient, whether it can be amended and where it can be improved; you then sit back and put your raincoat on while you are in the House because you know that this Government will not accept too much in the Lower House. The Bill is sent down the corridor and, surprise, surprise, quite often things change when it comes back. Unfortunately, we are opposing this Bill. I say that straight out, because the basic proposition put before us is totally unacceptable.

In general, we have had a reasonable response to the sale of both assets and to the whole question of privatisation. Certainly, I know that some of my colleagues are more anti-privatisation than I am. I was happy last year to push through the sale of the Pipelines Authority of South Australia and I have been reasonably instrumental in aiding and abetting the sale of most other assets. In fact, I do not think I have stood in this House and opposed the sale of any asset until today. However, the Opposition is opposing this Bill today. I will explain the logic of the decision.

We do not care about the sale of the little shops and all those things that are part of what used to be known as the Timber Corporation but is now Forwood Products. We do not care about those entities: we care about what goes with this project, that is, the harvesting and management rights of 75 per cent of the forests in South Australia for the next 15 years. I noted a moment ago that the Minister disagreed with that, but that is what his people, who came to see me, advised me was the case. If that is not the case, we will change our attitude further up the corridor. Initially, I was puzzled about why so much money was anticipated for this asset. I have never known this asset to make any money. I checked this afternoon, and I understand that in the last financial year Forwood Products did make a small return on its workings.

As the Chairman of the Economic and Finance Committee, which picked up a review into Woods and Forests some four years ago, I made scathing criticisms. I personally wrote most of the report as well as the members' foreword without any assistance. It said that I was dissatisfied with a number of facets of Woods and Forests at that stage, not the least of which was its inability to turn a commercial profit out of its trading enterprises and its habit of measuring the trees every year and calling it a profit.

What has happened—and the reason why we are considering this Bill today—is that there has been a link between Woods and Forests—or Forwood Products as it is now—and the harvesting rights in the forests. That is why the Government is looking forward to hundreds of millions of dollars from the sale of this asset. The Opposition has taken the view, and has stated publicly, that it agrees with the Premier; that is, we do not believe that the forests ought to be sold off. We do not believe that the management or the harvesting rights ought to be sold off either.

As a consequence, we oppose this legislation. I will not propose a raft of amendments. If the Government wants to talk to us, very well, that is fine, we are quite happy to do that, but we oppose the sale of the harvesting rights of our forests. We have been told in briefings provided by the Government that there is a 15 year contract with a right to renew for another 15 years and, if that is the case, we do not want anything to do with it. When I leave here today I will be contacting the Australian Democrats and asking them where they stand on this issue. They made an awful amount of noise during the Federal election campaign about how they do not like foreigners taking over things and how they do not like privatisation. They had a number of people floating around in the air with wings on—or balloons, or whatever—and each one of the angels fell down to earth. There are a couple of angels—for want of another word—over there on the other side and we will be putting it to them literally that this is a time for them to put their money where their mouth is. I hope we are successful on this.

I point out that we were not so successful on the Sunday trading issue because there was a strange change of heart along the way. However, I do not want to prejudge the matter except to say that the Labor Opposition is opposed to the sale of the harvesting and the management of our forests. If the Deputy Premier wants to flog off the basic shops and all the other things that go with it, other than the forests, we are happy to talk to him. But we cannot support this Bill presently before the House and we will not be supporting it in its present form.

The Hon. S.J. BAKER (Treasurer): This has come as somewhat of a surprise. If the honourable member has concerns, I am more than happy for a briefing to be organised on the matter. It is the Government's intention, and it was clearly announced, to sell Forwood Products. We have a time frame for doing so. There are expressions of interest in the market place at the moment and we need this legislation to make it possible.

We need to ascertain where the honourable member has got the information that concerns him. There was much debate last year on the issue of harvesting rights, and I have explained to Parliament exactly what my position was as Treasurer of this State. I have also explained to Parliament that Cabinet has never received a brief that deals with the sale of harvesting rights. I am a little surprised by the attitude of the member for Playford.

As he has pointed out to this House, the sale of assets has been particularly constructive and we have appreciated the support of the Opposition in those sales. They make a great deal of sense. The sale of the State Bank, for example, was an opportunity not only to get some return for the $3.15 billion that was lost but also to reduce our inability to keep it up with marketplace trends, such as the introduction of IT in a new and ever evolving form. The banking industry must have strength and that strength could not have been maintained without support, so we could not have looked further down the track without some corporate strength behind the bank and we would not have been able to maintain

our market position under those conditions. That has been solved by the sale of the State Bank to Advance Bank.

I could go through the assets that we outlined clearly before the election. I do not think that we have sold anything to date that we did not make explicit at the time of the election. The sales have been consistent with the charter. I congratulate the Asset Management Task Force for its diligence and I was surprised by questions that were asked today, because we uphold an enormous amount of integrity in this process. No-one in that task force gains from any transaction except by way of the salary that is made explicit at the time that person is contracted to fulfil particular duties. We can be justifiably proud not only of the efforts that have been made on behalf of the State by the Asset Management Task Force but of the integrity with which the asset sales program has been conducted. From that point of view, I have been very pleased with the progress that has been made.

In terms of the sale of Forwood Products, I note the comments of the member for Playford but, before he takes a wander down the corridor, I suggest that he have another chat with the Asset Management Task Force so that any matters of concern can be answered. He can raise any further issues with me but the intent of the Government is quite clear: we are here to sell Forwood Products. The member for Playford could well reflect on the history of Forwood Products. We believe it needs a different style of management because a timber mill run by Government does not necessarily serve anyone's best purpose. We know that it does not achieve maximum efficiency and that it does not react to market demands.

For example, we know that many of its products which could be sold in South Australia do not actually fulfil the needs of our own local marketplace let alone the demands interstate. Pine has become a much utilised timber, but people from timber operations in Adelaide and others who want special cuttings or sizes from Forwood simply cannot get those products. Instead, they have to go to Tasmania, which is absurd.

The problems with Forwood Products have been reflected in its poor showing over a number of years. It has placed employment in the South-East at risk through a lack of understanding of what consumers and manufacturers demand and what the potential of their product is. Because of bad management, cost inefficiencies and lack of market focus, we have seen Forwood Products perform at a level that is well below what we believe is its capacity. It is clear that the South-East would gain from a new company operating that facility. It has the potential to be a major supplier in the Australian marketplace. We believe that it can reach that potential and, if people are to pay dollars for it, they will maximise its potential and therefore shore up the employment capacity in the South-East at a time when I have some severe reservations about Forwood's capacity to do so in its current form.

There are huge advantages to the South Australian Government, to the people of South Australia and to the people in the South-East to sell Forwood Products. We may even get some international focus as a result of the sale, remembering that a lot of the hardwoods available overseas have been put under conservation orders. The demand for timber in the world is changing as a result of large blocks of forest being excised from productive capacity. There are some huge opportunities for the South-East, and we wish to see that potential fulfilled.

There is no doubt that the demand for timber will continue to increase. People are demanding more specialised products, and it reminds me to compare our marketing efforts overseas involving some of our other products with the New Zealanders. Having travelled in various parts of the world, I marvel at how often New Zealand lamb, specially packaged for the market for which it is designed, is regarded as the best lamb in the world. Their dairy products are gaining the same reputation. They have said, 'We want to be the best at what we do.' I am hopeful that, with the change of management, the same attitude will prevail with the timber products of Forwood Products, in a different form and with different ownership and management.

I note the comments made by the member for Playford. I will organise someone to work through the legislation with him, but if any concerns remain after that process, I appreciate that some items may be left unanswered. The second reading explanation makes quite clear what we intend to do, and the Bill facilitates that. It is not my reading of the legislation that it facilitates the sale of harvesting rights in the way that the member for Playford suggested. However, I assure the honourable member that a study is being conducted into the future of the forests, and the two processes are separate.

The first process is to sell off Forwood Products: that is our commitment. There is also a study on the future of the forests and how we can maximise our value from them. I do not have a clue where that study will end. I just hope that we can get out of the forests the value that is there and that we can increase the productive capacity of the South-East. Further plantings may be recommended and there may be better management techniques for the forests. A whole raft of things might arise as a result of that study. I am not here to judge where it will end. All I am saying is that the Government is committed to one process only, and that is the sale of Forwood Products.

Bill read a second time and taken through its remaining stages.

ADJOURNMENT DEBATE

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

That the House do now adjourn.

Mrs HALL (Coles): Throughout the relatively short history of this State, the people of South Australia have always been recognised as being creative and free thinking. It is also true to say that this creativity and the ability to recognise opportunities have been largely responsible for our economic prosperity and our unique quality of life. The inventiveness which has served us so well can be traced back as far as the formation of the South Australian Company and the extraordinary work of the man who planned our well laid out city, Colonel Light. His creativeness and foresight have stood the test of time and left us with a city that is considered among the most beautiful in the world.

Equally, when it became apparent that the economic base of the State was too narrow, the industrialisation of our economy was sponsored by another man of vision, Sir Thomas Playford. Once again, it was a creative and innovative approach from Government that worked to speed the growth of the State's recovery. The current embodiment of this creative approach which is so much part of South Australia and its link to economic activity can be found in the rapid expansion of the information technology and telecom-

munications (ITT) industry. These industries are not only expanding rapidly but offer the potential for South Australia to become the hub of development for the information industries of the Asia Pacific region. Estimates vary, but the general view is that in the next five years the expansion of the information technology and telecommunications industry in the Asia Pacific region will have a value of approximately $US200 billion.

Unquestionably, the expansion of these industries presents ITT firms based in South Australia with some unique opportunities, particularly as these industries are suited to the innovation and creativity that have so characterised our history. Grasping these opportunities will, however, require an innovative and planned approach from all stakeholders, including Government. In fact, this Government has already made substantial progress toward achieving this outcome through undertaking a number of key initiatives. Most recently, these initiatives have included the rationalisation of the Government's IT infrastructure, including the establishment of the Department of Information Industries and the Information Technology Work Force Strategy Office. Both administrative units report directly to the Premier, a clear reflection of the priority given by this Government to this vital and important area of economic activity.

The work of the Information Technology Work Force Strategy Office is particularly important. The focus of labour market programs for most of the last few decades in most western economies has been on job creation or, in other words, the demand side of the labour market. However, the emergence of ITT industries as the centre of major growth and expansion has shifted this focus for firms in these industries. They are growing so quickly that their principal concern is securing access to the skills and abilities they need to support their growth—interestingly, a supply side problem.

To put some perspective on the nature of this problem, staff numbers in the world's major ITT companies are estimated to be growing at between 20 and 50 per cent per annum. This rate of growth is almost unprecedented and has thrown up a range of challenges that must be met if such a rapid expansion is to be sustained. Fundamentally, without sufficient numbers of appropriately skilled people, the growth of the industry will stagnate, and this situation is world wide. Consequently, one of the most important criteria determining the location of firms in this industry is the availability of skilled people. Firms will invest capital in plant and equipment if they are confident of having access to a work force with the skills they require to grow their business.

The overall challenge for our State is to ensure that education institutions are offering the courses necessary to equip workers with these skills and that students understand the opportunities presented by this rapidly expanding industry. This matching of courses with industry requirements calls for a new flexibility in course development, and even in the delivery mechanisms utilised by educators, students and industry alike.

The concept of South Australia as a centre for ITT industries in the Asia Pacific region is very exciting. The industries, despite the phenomenal rates of growth already being experienced, are really still in their infancy. Their potential as a long-term source of significant levels of economic activity is only just being appreciated. These industries are set to play a major role in the socioeconomic life of all societies on a scale never before considered. With a world-wide web of fibre optic cable and satellite based communications now almost a reality, the transfer of information of any form will be truly revolutionised. This development has been likened by those in the ITT business who have a really close-up knowledge of its potential to the invention of the printing press.

The reality of the global information network places us at the dawning of a new age of communication. These benefits for any State just have not happened because some general manager tossed a coin to decide to come to South Australia. They are here because the Premier and the Government have recognised their immense potential and have created the policy base and infrastructure to get them here. I pay tribute to his capacity to recognise the magnitude of the post industrial trend, if I can describe it in that way. Just as Sir Thomas Playford ran for the opportunities in the post-war expansion of manufacture, the Brown Government is now leading us into the industries of the twenty-first century.

The Information Technology Work Force Strategy Office, in conjunction with other Government agencies, is working to ensure that South Australia can react rapidly to this opportunity through meeting strategically the ITT industry's demand for skills. The office, as its title suggests, is seeking to put in place work force strategies that will make South Australia an attractive location for ITT investors. These strategies extend across the short, medium and long terms and will be designed to cater for the inevitable change that is so closely associated with ITT industries.

Short-term strategies will involve ensuring that the immediate demands for skilled personnel from local industries are met through an increase in the immigration of appropriately skilled personnel to South Australia and through intensive short course training programs to reskill existing IT personnel. The more long-term strategies are aimed at ensuring that the education sector in South Australia can meet the anticipated dramatic increases in the demand for skilled personnel that will accompany the growth and expansion of the industry, not just in this State but in the Asia Pacific region in general.

These strategies will involve a degree of vertical integration in the education sector rarely encountered in this State or, for that matter, in this country. Schools will start the IT skilling process by their traditional maths based curricula and through courses that develop computer literacy and also by positively encouraging student involvement in these courses. Tertiary institutions and DETAFE will then be able to continue to build the skill base through a variety of programs and courses at the diploma, graduate and post-graduate level. The involvement of the industries will be integral to this process through work placements and through the offer of secure employment to its graduates.

The importance of these strategies is well recognised by the education sector. As recently as February this year, the South Australian Vice Chancellors in a report on the ITT industry resolved:

> A mechanism must be developed to ensure that work force needs in education sector development are monitored and reported on a regular basis.

They also stated:

> Strategies must be developed to increase involvement by industry in the research and teaching programs of each of the universities.

The awareness of the Vice Chancellors at the universities of the nature and magnitude of this most important issue is very heartening. Undoubtedly the role of the IT Work Force Strategy Office in ensuring that these outcomes are achieved is absolutely vital to the future of the ITT industries in this

State. This role is reflected in the major initiatives of the next 12 months established by the office which include: a demand analysis for the industries in South Australia to establish precisely where current skill shortages exist; working with the educational institutions to ensure that graduates have the skills industry needs; undertaking a broad-based marketing strategy—all these plans relate to the first part of my remarks today, the quality of life in our State.

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

Ms STEVENS (Elizabeth): Yesterday the Opposition was handed a memo which was confirmed as being absolutely correct and *bone fide* by the Chief Executive Officer of the Queen Elizabeth Hospital and which related to the severe budget crisis that that hospital faces. I will put the entire memo on the record so that members of this House can hear the true facts about the Queen Elizabeth Hospital. The memo states:

> Following some emergency meetings with the SAHC on this issue it is now imperative that severe emergency measures be taken for the remainder of the budget year at the QEH. Having faced an enormous $13 million projected funding shortfall at the beginning of the year it is true that you have done well to:
>
> (a) manage activity down by some 6 per cent and
>
> (b) reduce staff by some 250 approximately since June 1995.
>
> These translate to a saving of some $8 million. However, due to salary and wages increases and delays enforced to both the TVSP and Competitive Tendering and Contracting Out (CTCO) process we have not been able to reap further expected savings from October/November and now still face a projected over-expenditure of some $4 million. I have authorised an emergency budget team in Finance to review the situation and work with Ernst and Young, financial consultants, on auditing our activity against the business plan they did for us in March 1995. I have also enforced the following immediately:
>
> (1) Extended Easter closure of wards during the normal recess from 7 April to the end of April 1996.
>
> (2) Suspension of minor works and maintenance and equipment purchases.
>
> (3) Continuation of absolute staff freeze.
>
> (4) Advanced program of TVSPs in Hotel Services (in conjunction with the SAHC).
>
> (5) Advanced program of TVSPs in administration and clerical areas.
>
> (6) Cessation of elective surgery in May/June.
>
> (7) Cessation of temporary contract staff from now.

The memo is dated 14 March 1996 (last week) and is signed by Mr Greg Bussell, the Chief Executive Officer of the North Western Adelaide Health Service.

This is the state of play at the Queen Elizabeth Hospital, one of our major teaching hospitals serving the western suburbs, one of the areas in the metropolitan region that has one of the highest health needs in the community. This major teaching hospital is also involved in an amalgamation with the Lyell McEwin Hospital in the northern suburbs.

Following that, we also received some information about the upgrade of administration offices on the ninth floor of the QEH. I want to spend a little time revisiting that, following the events in Question Time today, when I asked a question about the wisdom of a hospital in such crisis being asked to pay, from its operating budget, a considerable amount of money towards the upgrade of administration offices. In his reply to me, the Deputy Premier said:

> It is correct that $202 000 is being spent on the standard building upgrade of the ninth floor to accommodate 21 staff—not the CEO. It is to assist with the administration functions of both the Lyell McEwin and the QEH. There is $160 000 for building work and $42 000 for fit-out. . .

The Deputy Premier made great play of this, intimating that I had got my facts wrong. The issue was—and perhaps many members missed it in the blustering and shouting that went on when he gave the answer—that he did not deny that this money was to come from the operating budget of the Queen Elizabeth Hospital. The Deputy Premier continued:

> . . . it must be one of the cheapest building efforts I have come across in a long time.

I would like to say to the Deputy Premier: tell that to the hundreds of people who will be turned away from the Queen Elizabeth Hospital in May and June because it has cancelled its elective surgery and it has been asked to build offices with part of its operating budget. That is the issue that I was raising today, and that is what this Government needs to come to terms with.

The Queen Elizabeth Hospital and the Lyell McEwin Hospital have had forced upon them this massive amalgamation; an amalgamation that most people think should never have been on the agenda; an amalgamation that really does not fit. They had it forced upon them by the Minister for Health. As a result of this amalgamation, they have had to establish a new bureaucracy to manage this big, new North Western Adelaide Health Service, and that is what the office is for on the ninth floor.

I think it is reasonable to expect that, if the Health Commission and the Minister forced the amalgamation upon these two bodies, it is up to them to provide the funds for the office. They should not expect the hospital to take the money out of its operating budget—even if it is $200 000, and pretty cheap, as the Premier said. The operating budgets of hospitals should be for patients, not for the refurbishment of offices. Here we have a hospital in the western suburbs on its knees with a $4 million deficit, closing its wards, cancelling operations, and then having to spend $200 000 on office refurbishment out of its operating budget.

Towards the end of Question Time, following a question from me, the Premier said:

> The other thing I ask is for the member for Elizabeth to stand up in this House in the grievance debate today and apologise to the CEO of the Queen Elizabeth Hospital, because the honourable member implied that the CEO of the Queen Elizabeth Hospital had taken the decision to spend—

And he was then interrupted by a point of order. I would like to make something really clear: the CEO of the Queen Elizabeth Hospital really had no choice about the amalgamation, it was forced on him and the other staff at that hospital. He had no choice about having to provide the accommodation—but that was not the issue. I am not blaming the CEO of the health service for spending the money. Obviously he will have to site people somewhere. I am saying that that money should not have come from the hospital's operating budget, and that is the issue for the Premier and the Minister for Health.

Instead of asking me to apologise to the CEO of the hospital, I suggest that the Premier apologise to the hundreds of people who will be turned away from the Queen Elizabeth Hospital in May and June when they cancel their elective surgery. That is where the apology should come from, from the Premier of this State who is presiding over the decimation of the public health system in our State.

That is happening before our eyes, and it will continue to happen in future months and coming years. Let us all be quite clear about where the blame lies. We have people cockily standing up in Question Time, making a lot of noise and trying to bluster their way through, accusing other people of

not getting the facts right. Let us be clear about the whole picture and let us be clear about what really is happening. The blame, consequences and responsibility for this lies fairly and squarely on the Premier of this State. I look forward to the Premier making a statement in this House and apologising to the people of the western suburbs because in coming months many of them will be turned away from the Queen Elizabeth Hospital.

Motion carried.

At 4.56 p.m. the House adjourned until Thursday 21 March at 10.30 a.m.