HOUSE OF ASSEMBLY

Tuesday 24 February 1998

The SPEAKER (Hon. J.K.G. Oswald) took the Chair at 2 p.m. and read prayers.

MASON & COX FOUNDRY

A petition signed by 504 residents of South Australia requesting that the House urge the Government to investigate the noise and air pollution emanating from Mason & Cox Foundry, Torrensville and to enforce prescribed levels of air and noise pollution in residential zones was presented by Mr Koutsantonis.

Petition received.

BUS SERVICE, ABERFOYLE-MARION

A petition signed by 106 residents of South Australia requesting that the House urge the Government to provide a bus service between Aberfoyle Hub Shopping Centre and Marion Shopping Complex was presented by the Hon. R.D. Such.

Petition received.

POLICE OFFICERS

A petition signed by 1 100 residents of South Australia requesting that the House urge the Government to increase the number of police officers on patrol was presented by Mr Wright.

Petition received.

PAPERS TABLED

The following papers were laid on the table:

By the Minister for Human Services (Hon. D.C. Brown)—

Medical and Veterinary Science, Institute of—Report, 1996-97
West Beach Trust—Report, 1996-97
Development Plan Amendment, Report on the Interim Operation of—Mount Barker and Nairne Interim Local Heritage Plan Amendment—Report by the Minister for Transport and Urban Planning

By the Minister for Government Enterprises (Hon. M.H. Armitage)—

Juvenile Justice Advisory Committee—Report, 1996-97
Second-hand Dealers and Pawnbrokers Act—Regulations—Principal

By the Minister for Education, Children's Services and Training (Hon. M.R. Buckby)—

Regulations under the following Acts—
Financial Institutions Duty—Dutiable Receipts
Stamp Duties—Transactions Excluded

EMERGENCY SERVICES FUNDING

The Hon. I.F. EVANS (Minister for Police, Correctional Services and Emergency Services): I seek leave to make a ministerial statement.

Leave granted.

The Hon. I.F. EVANS: Over the past 20 years or so, particularly more recently, there has been widespread public pressure for reform of the funding arrangements for the emergency services in this State to eliminate significant inequities, adopt a strategic approach to the provision of emergency services and to ensure appropriate funding of those services. The funding system for emergency services in South Australia has been examined by various Governments: in 1978, 1982, 1985, 1987 and 1995, but no Government has grasped the nettle of radical restructuring of the current mishmash funding of our emergency services.

Recently the Insurance Council of Australia, the South Australian Volunteer Fire Brigades Association and the Country Fire Service, as well as the Local Government Association, have all made strong public statements in support of alternative funding arrangements for emergency services and have drawn attention to the inequities of the present system, not just in respect of who funds and by what means, but also as to who is funded and to what extent.

The Government's 1997 election policy committed the Government to introducing a more appropriate and equitable funding system which will ensure that all emergency services are provided with adequate resources. It is time to meet the challenge and to seriously address the funding arrangements for emergency services.

The current funding arrangements are complex. Through an emergency services levy, customers of insurance companies contribute approximately 70 per cent of the combined operating budget of the South Australian Metropolitan Fire Service and the CFS. The balance is contributed by State and local government, which is ultimately paid by taxpayers or ratepayers of councils.

Rural councils are required by legislation to provide funds for CFS equipment as specified in the standards of fire and emergency cover. Funding for the State Emergency Service is provided through the State budget and supplemented by Federal grants and grants from local councils. Budgets for the 1997-98 year are: MFS $59 672 000, CFS $13 375 000, and State Emergency Service $1 552 000. Both the CFS and SES real costs significantly exceed these figures because additional funds are expended by local government in meeting service outcomes. Concern has been expressed that even these levels of funding are inadequate to meet the real needs of volunteer training and equipment provision for the CFS and SES.

The current system has a number of shortfalls. Those who do not insure, who under insure or who insure offshore do not contribute their fair share, if they contribute at all, to the provision of emergency services, critical to ensuring the safety of citizens and property in South Australia.

The Insurance Council of Australia estimates that as many as 31 per cent of households may not be insured, that is, one in three simply may not contribute. This highlights the problem. The Local Government Association argues that there is unfairness in that metropolitan councils are required to contribute only 12½ per cent of the MFS budget, whereas rural councils are required to provide adequate equipment for firefighting within their respective areas. These rural councils may therefore be bearing a higher proportion of costs compared with metropolitan councils.

For these reasons, the Government believes it is time to put a more strategic framework in place so that our emergency services can be placed on a more secure and rational basis into the next millennium, and so that all citizens can feel confident that, in the event of an emergency, they are adequately provided for. The various examinations of the issue have generally come down on the side of replacing the present fragmented arrangements (including removal of the levy on insurance) with an emergency services levy on property holders and, in some instances, on mobile property, such as motor vehicles.

The 1995 examination of the issue, drawing on past reports and proposals, proposed that an emergency services levy be placed on all property owners (excluding the Commonwealth Government), and that an emergency services levy be placed on the registration of all mobile property in the State to contribute 15 per cent of the total funding requirement with the expectation of the elimination of the levy component currently included in insurance premiums. It was proposed that the emergency services levy should be:

- relative to the capital value of the property; and
- adjusted for the risk and hazard ratings associated with each property type in different locations.

It has also been suggested that such an emergency services levy be collected by local government as an agent for the State Government and be dedicated to an emergency services fund to pay for running and capital costs of the CFS, MFS and SES. The Government does not have any preconceived views that this is the model to be followed but is convinced a more equitable approach must be developed. The vexed question of funding emergency services has now been addressed in three jurisdictions within Australia: the Western Australian Government intends to implement a new funding model for fire services on 1 July 1998, applying only to the areas serviced by the WA Fire and Rescue Services; and Queensland and Tasmania have both introduced a property based levy system for the funding of fire services.

There is an urgent need to redress the funding problems confronting our emergency services. The CFS has accumulated $13.6 million in debt. This has happened through no fault of the management or board of the organisation but has proved, indeed, to be a stifling debt level. The Government Radio Network Contract (GRNC) is a very significant project, with major implications for emergency services. The need for an effective and efficient communications system for the emergency services is paramount, yet at this stage the emergency services and the Government still have to find the cost of this initiative which is in excess of some $120 million. Funding must be found.

Dispatch systems are critical to service delivery by the police and emergency service agencies to ensure that the necessary relief, rescue or support resources are dispatched to incidents in response to calls or alarms. The existing Computer Aided Dispatch (CAD) systems of the South Australian Metropolitan Fire Service and the South Australian Ambulance Service are nearing the end of their economic and operational life and require upgrading. A similar situation will exist within the South Australian Police CAD system within two years. The Country Fire Service and State Emergency Service do not operate their own CAD systems but utilise the systems of the other agencies in the metropolitan area. Once again, this project needs to be funded.

In the case of the State Emergency Service, there is an urgent need to standardise the operational vehicles used by the SES and to reduce the burden on local fundraising. All this, in addition to the ongoing need for capital works for emergency services, must be provided for and is proposed to be addressed within this project, remembering that much of it would have been funded by the emergency services in any event, and much of it probably through an increase in the insurance levy, plus additional contributions from local and State Government. The Government recognises the need to address this issue as a priority and is aiming to have the new scheme in place so that alternative funding arrangements can commence on 1 July 1999.

The Government will therefore immediately form a steering committee of relevant stakeholders to progress this initiative. The committee will report to the Minister for Justice and the Minister for Police, Correctional Services and Emergency Services and will be chaired by a senior executive from the justice portfolio. Its membership will include senior representation from Treasury and Finance, Premier and Cabinet, industry and trade (Local Government Office), the Local Government Association and the insurance industry. The committee will be assisted by appropriate consultants and also have the assistance of legal officers and Parliamentary Counsel for the purpose of drafting the framework legislation to enable a model to be put in place.

The task of the committee will be to recommend to the Government the appropriate model for a more equitable and rational scheme for funding emergency services within South Australia. The model will substitute for existing funding arrangements. This will mean, for example, that those who do insure their properties will no longer be required to pay an additional levy as part of their insurance premium. The model will be all-embracing. The steering committee will undertake extensive consultation with all volunteers, emergency services agencies and other stakeholders during the development of the new funding model and report to the Government by the end of April 1998.

The committee will identify all of the emergency and rescue services provided by the CFS, SES and Metropolitan Fire Service and also those emergency, rescue, recovery and support services provided by other agencies and bodies such as ambulance, South Australian police, volunteer coast guard and surf lifesaving. The Government regards this as important because, while these organisations all contribute to the emergency, rescue and recovery services, funding is derived from various Government and non-Government sources in what is very much an *ad hoc* manner. This is an important initiative. The prospects are exciting, promising better levels of training, equipment and services as well as a sensible and fair approach to this issue for the citizens of South Australia, the 24 000 dedicated volunteers involved in emergency services, the State and local Governments and the insurance industry with the prospect of emergency services being properly funded into the next century. These prospects should encourage all of us to work together to achieve that goal.

ECONOMIC AND FINANCE COMMITTEE

The Hon. G.M. GUNN (Stuart): I bring up the twenty-third report of the committee on the management of the Government motor vehicles fleet and move:

That the report be received.

Motion carried.

The Hon. G.M. GUNN: I bring up the twenty-fourth report of the committee on the economic and financial aspects of the MFP Development Corporation for the year ended 30 June 1997 and move:

That the report be received.

Motion carried.

The Hon. G.A. INGERSON (Deputy Premier): I move:

That the reports be printed.

Motion carried.

QUESTION TIME

ELECTRICITY, PRIVATISATION

The Hon. M.D. RANN (Leader of the Opposition): Why does the Premier continue to deny that prior to the election in 1997 he advanced proposals to privatise ETSA when the Opposition has been leaked a copy of a document prepared and authorised by the now Premier which contains future policy initiatives including the privatisation of ETSA? I have been leaked a 1996 document from the then Minister for Industry, Manufacturing, Small Business and Regional Development and Minister for Infrastructure detailing future policy initiatives in his portfolios. This confidential document was given to officials in his and other Government departments, including Treasury and the Cabinet office, as suggested policy initiatives. A section of the document states as a future policy initiative:

> The future sale, lease or public float of ETSA.

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: Last Thursday I answered a question in Parliament to the Leader of the Opposition and today, to add to the veracity of the statements I made, I will table a statutory declaration from Mr Ian Kowalick indicating that this matter of the Auditor-General had not been raised with me. In addition, I will table a statutory declaration from Mr Graeme Longbottom which indicates clearly that he had not raised with the Deputy Premier matters of the Auditor-General's Report. I also table a letter from the Auditor-General to Mr Kowalick which states:

> I would expect that the contents of this draft document remain confidential until my report is tabled in Parliament in late September 1997.

I will table those documents. Also, in yesterday's evidence, which has been publicly reported, Mr Ken MacPherson went on to say that last Thursday he rang the head of the Department of the Premier and Cabinet specifically to ascertain whether this matter had been raised with me. Last Thursday the Chief Executive, Mr Ian Kowalick, indicated to the Auditor-General that it had not been raised with me. The Auditor-General went on to say that he wanted to ensure that that was on the public record for the purpose of this matter not becoming mischievous, because he knew what the Labor Party would do—and indeed the member for Hart did yesterday. The member for Hart totally misrepresented the Auditor-General's evidence on the public record. He knew the member for Hart would make the sort of statement which the media pursued yesterday without checking the facts.

The clear, unadulterated evidence that I have now tabled in Parliament is that, whilst sections of this draft report were referred to key public officials, none of them brought it to my attention or that of the Deputy Premier. If the Opposition is prepared—

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The Leader of the Opposition. The Premier will resume his seat. The Chair has been particularly tolerant of interjections during the past several sitting days. That tolerance is running very thin. I remind members that when they ask a question, if they want to follow it up later, they have ample opportunity during the grievance debate. If this pattern continues, the Chair will move.

The Hon. J.W. OLSEN: This debate is about whether senior officials in the Department of the Premier and Cabinet, Treasury and the Deputy Premier's office brought the draft Auditor-General's Report to my, our, the Government's attention. Clearly, they did not. If the member for Hart wants to suggest otherwise, I suggest he repeat the claims on the steps of Parliament House: he should go outside, out of coward's castle. He should get out of the protection of being sued and make the same accusation outside. It is clear that this matter was not brought to our attention. There is no more serious proposal than swearing a statutory declaration, which these members have now done.

The Hon. M.D. RANN: Mr Speaker, I rise on a point of order.

The SPEAKER: Order! There being a point of order, the Premier will resume his seat.

The Hon. M.D. RANN: Will the Premier address his own 1996 document—

The SPEAKER: Order! There is no point of order.

The Hon. M.D. RANN: —which talks about the privatisation of ETSA—

The SPEAKER: Order! The Leader will resume his seat.

The Hon. M.D. RANN: —because that was the question.

The SPEAKER: Order! I point out to members that, when the Chair calls on an honourable member to resume his seat, he will resume his seat, otherwise he runs a very grave risk of being named on the spot. The Chair has been extremely tolerant to the whole question of members attempting to shout down the Chair and continue the debate across the Chamber. If this pattern continues—and I am sure that the people of South Australia would not like it to continue—the Chair will start naming names immediately.

The Hon. J.W. OLSEN: That is the fact of the matter from yesterday, so let us have that despatched once and for all. If the member for Hart wants to call the Auditor-General, or anyone else, a liar or say that they are not telling the truth, I ask him—and challenge him—to stand on the steps and say so. Those gentlemen have now tabled statutory declarations that clearly indicate that this matter was not brought to my attention.

Mr ATKINSON: Mr Speaker, I rise on a point of order. My point of order relates to Standing Order 98, which provides that, in answering such a question, a Minister or other member should reply to the substance of the question. The question is about a 1996 document: it does not relate to the Auditor-General.

The SPEAKER: In reply to the point of order, I indicate that the honourable member is correct in saying that, under the new Standing Orders, Ministers in their reply are required to keep to the substance of the question and not stray from that substance. However, it has been traditional that Leaders and Premiers in the lead question are given some latitude, but I ask the Premier to have regard to that Standing Order.

The Hon. J.W. OLSEN: The nub of the matter, to which the Opposition continually refuses to respond, is: what is the alternative to this policy? The Labor Party has not presented any alternative, despite the fact that it knows the circumstances. At a press conference yesterday, the member for Hart was asked what was the Opposition's policy, to which the member for Hart replied, 'Well, we are not the Government. We do not have to have a policy.' That is exactly it: the Opposition does not have a policy. You are caught out. The Leader of the Opposition has not addressed the key facts.

Faced with the circumstances which were identified by the Auditor-General in December last year—faced with these facts—this Government has started to do something about it and address the issue—bite the bullet and tackle the problem.

But what we get from members of the Opposition is no policy; they are a policy free zone. The Leader of the Opposition has been constantly asked in press conferences over the past few days whether he would block the legislation. What is the policy? They are opposed to it, but will he block the legislation? The Leader of the Opposition keeps avoiding that: he walked out of one press conference—

The Hon. M.D. Rann: Yes.

The Hon. J.W. OLSEN: Now he has come—

An honourable member interjecting:

The Hon. J.W. OLSEN: It has taken a full week for the Leader of the Opposition to develop a policy and enunciate for all and sundry that he is prepared to block the legislation. What is the impact of this policy of the Leader of the Opposition—because this is now the substance of the matter? What is the effect of the Labor Party blocking this legislation?

Mr CLARKE: I rise on a point of order relating to Standing Order 98, Sir. In particular, I refer to the Premier answering the Leader's question, which deals with his document dated 1996, not the policy of the Labor Party.

The SPEAKER: I uphold the point of order and I ask the Premier to come back to the substance of the question.

The Hon. J.W. OLSEN: This whole question is related to the sale of ETSA and Optima. Failure to take action on this will expose this State to State Bank Mark II—the T.V. comments of the Leader of the Opposition that he does not want to betray South Australia. What does he call not betraying South Australia?

Mr FOLEY: I rise on a point of order. Sir, the Premier is now in defiance of your instructions to return to the substance of the question. He has continued to go off on a tangent.

The SPEAKER: I uphold the point of order. I ask the Premier to come back to the substance of the question.

The Hon. J.W. OLSEN: The subject of ETSA and Optima and its sale is the core, and failure to act will see a debt risk level equivalent to State Bank Mark II: that is the position. No more serious policy has confronted a Government in this State since we had the State Bank bail-out and since the legislation to enable Roxby Downs to proceed in the northern part of South Australia. It is a policy of a magnitude and order of importance unprecedented in recent times. But what do members of the Opposition say in relation to their policy on this question? They avoid it. They are a policy free zone. The Leader of the Opposition says he does not want to betray South Australia.

Mr FOLEY: I rise on a point of order. Sir, for the third time the Premier is continuing to defy your instructions to return to the substance of the question. Please take appropriate action.

Members interjecting:

The SPEAKER: Order! The honourable member has made his point. I ask the Premier to start to wind up his reply. It has been traditional in this Chamber for Premiers and Leaders to be given some latitude in reply to lead questions. However, I ask the Premier to start to wind up his answer to this question. I am sure that there will be plenty of opportunities as the afternoon goes on for this argument to be developed.

The Hon. J.W. OLSEN: The policy enunciated by the Leader of the Opposition a few moments ago on ETSA-Optima legislation before this Parliament clearly indicates that the Opposition will do a great disservice to this State and every citizen in it.

Members interjecting:

The SPEAKER: Order!

Mr HAMILTON-SMITH (Waite): Will the Premier explain to the House how South Australia's credit rating could improve as a result of the sale of ETSA and Optima?

The Hon. J.W. OLSEN: Last Friday—importantly, and on a very welcome note—I noted that the Dow Jones wire service had reported Standard and Poor's and Moody's as indicating that they would put South Australia on credit watch if legislation was passed to enable the sale of ETSA and Optima to proceed. That gives us the capacity to improve the credit rating in South Australia, but it is dependent upon the passage of legislation through this Parliament. Therefore, I ask the Opposition—those who destroyed our credit rating in the 1980s and 1990s, including the Leader of the Opposition, who is a direct descendant of the Cabinet that sat around that table and presided over the worst financial disaster of this State—not to allow it to happen again by, as the Leader says, acting in South Australia's interests in a bipartisan way. I provide the following two quotes. Only this year on 21 January, on the McClusky/Pilko program, the Leader of the Opposition said:

> Political Parties have to do things differently—have to listen to the people—at times be bipartisan if it is in the national or State interest.

Here is a classic opportunity for the Leader of the Opposition to be bipartisan. Members will recall the debate. Wanting to work cooperatively with the Government of the day, with his hand on his heart, he said:

> Win, lose or draw, I will work with the Government of the day to help in a bipartisan way to rebuild South Australia.

On the Bob Byrne program on 22 October last, the Leader of the Opposition said:

> We have to deal with our State debt—

and he acknowledges we had one then—

> and we'll do that in a bipartisan way.

Those are two quotes—one in October and one in January—in which the Leader of the Opposition told the public of South Australia, first, that we have a debt; and, secondly, yes, in a bipartisan way we will work with the Government of the day to work our way through this debt.

In December, the Auditor-General clearly identified the extent and risk that is there, equivalent to State Bank mark II. What does the Leader do? He walks away from any bipartisanship, goes straight to his political theatre, which he is wont to do, and ignores the advice and recommendation of Standard and Poor's, and Moody's, which have the capacity to correct our credit rating in South Australia. It is a credit rating that will not only reduce the interest cost, the debt servicing cost, in this State but re-establish South Australia's reputation in the eyes of industry.

That is as important as reducing the cost of the interest bill so that, when we go to market South Australia to get new investment in this State, we have a reputation as a reliable place in which to invest in the future, demonstrating that there are downward pressures on debt, the debt is being eliminated and it is not a risk economy in which to invest in the future. Of course, the side benefit is that you do not pay a premium on the debt that is left there. Currently that debt is $7.4 billion, and we are paying almost $2 million a day, every single day, in servicing that debt. What the Government has put forward in the light of the circumstances that have been brought out by the Auditor-General and the level and extent

of that risk, first exposed to me and the Cabinet in December last—

Members interjecting:

The Hon. J.W. OLSEN: The member for Hart is now saying that people who have sworn a statutory declaration are not telling the truth. That is what you are saying.

Members interjecting:

The Hon. J.W. OLSEN: You are. I would invite the Leader of the Opposition to go outside and repeat the claim. You have three senior officers who have signed statutory declarations. What they are now saying is clearly that they are not telling the truth. You know the implications when you sign statutory declarations. Let it be known what the Leader and the member for Hart have said. The Opposition is dragging any and every red herring over the trail in order to avoid addressing the issue we are confronted with in South Australia.

This competition that is flowing in is like having a K Mart supermarket on one corner and a small deli on the other—competition that will crush you, roll over you and bankrupt you. Given those circumstances—clearly identified by the Auditor-General—we have decided to act in the interests of South Australians. In the past, the Leader has said that he is prepared to act in a bipartisan way. Here is your second test since the election to work, operate and cooperate in a bipartisan way in the interests of every South Australian. It will be a challenge but, unfortunately, given the Leader of the Opposition's earlier statement, he intends to ignore it.

The Hon. M.D. RANN (Leader of the Opposition): Given the Premier's claim that the Auditor-General's annual report contained a warning of possible taxpayer risk of between $1 billion and $2 billion, and that Mr Ian Kowalick, Chief Executive of the Premier's Department, had failed to tell the Premier about that for five months, will the Premier now dismiss Mr Kowalick? Yesterday, the Premier maintained that he was unaware of the Auditor-General's concerns about ETSA, Optima and national competition policy until the first week in December last year. Yesterday, the Auditor-General stated that daft copies were made available to seven Government agencies and that Mr Kowalick received a copy of the report on 28 July. The Auditor-General also said:

> We did not care who it [the report] was shown to.

On the issue of confidentiality, he said yesterday:

> When we pass over a draft to whomsoever in Government we are not privy to whom they consult. If they wish to consult the Minister, I would not have seen that as inconsistent with the request for confidentiality.

Is Ian Kowalick incompetent or is he again being your fall guy in this Government's honesty-free zone?

The SPEAKER: Order! The honourable member is now commenting.

The Hon. J.W. OLSEN: The Leader of the Opposition is now bordering on being absolutely objectionable in the statements he is making in this House, casting aspersions on the integrity of the Chief Executive of the Department of the Premier and Cabinet, who has made a statutory declaration. Given that the veracity of the Deputy Premier's and my statements to this House has been supported by nothing less than a statutory declaration, I invite the Leader of the Opposition to exit coward's castle, exit parliamentary privilege and go out on the front steps of Parliament House and make the same statement.

The Hon. M.D. Rann interjecting:

The Hon. J.W. OLSEN: Here we go! He is caught. When the Leader of the Opposition gets caught, he wants to go off at another tangent. He wants to go on with another debate now.

Members interjecting:

The SPEAKER: Order! The Premier will resume his seat. I caution the Leader of the Opposition, and a number of other members are getting perilously close to being cautioned.

The Hon. J.W. OLSEN: I suggest that the Leader of the Opposition should have a Bex and a good lie down for a while. I simply invite the Leader of the Opposition to leave parliamentary privilege and go and make these statements outside this Parliament. I bet a hundred to one that he does not have the fortitude to do so.

Members interjecting:

The SPEAKER: Order! The House will come to order.

Mrs PENFOLD (Flinders): Given the Government's plan to sell ETSA and Optima, will the Minister for Government Enterprises advise the House of major changes that have taken place in Victoria's electricity industry following the sale of assets in that State?

The Hon. M.H. ARMITAGE: I thank the member for Flinders for her question, because it is important to analyse the benefits that have flowed from a similar process, as the Premier announced last week, in Victoria. More than 14 electricity retailers are now operating in Victoria, and that has led to a most competitive environment for consumers in the State. The Victorian Treasurer has reported that the average Victorian household would pay $66 more per year if electricity charges had not been frozen or pegged below inflation since 1993. From November 1992 to May 1997, the typical Victorian household, using 5 500 kilowatt hours of electricity, benefited from a 9.2 per cent real reduction in its cost of electricity. Those are the benefits that the Labor Party will deny to South Australian families. From November 1992 to May 1997, the typical Victorian household has benefited from a 9.2 per cent real reduction in the cost of electricity.

Large industrial and business customers, able to choose their supplier, are also achieving substantial savings on their electricity bills. A survey last year of more than 300 Victorian businesses by the Australian Chamber of Manufactures showed that 80 per cent of these customers were saving up to 39 per cent and achieving an average 10 per cent reduction in energy costs. That is in addition to the families achieving a real reduction in the cost of their electricity of 9.2 per cent. The savings are expected to flow through to all customers as the introduction of choice continues.

In addition, customers have the potential to benefit even further from the strategic alliances which can be set up between their retailers and other service providers, and the range of those is, frankly, limitless. For example, United Energy has teamed up with AAPT to act as a reseller of AAPT's telecommunication products. That is a very creative way of looking at electricity infrastructure, yet the Labor Party will deny South Australia those advantages if it votes against this legislation.

Given that there has been a decrease in the price of electricity, residential disconnections for non-payment have dropped from 2 491 in July to 816 in December 1996. Obviously Victorians are finding it easier to meet their electricity bills, yet the Labor Party, by voting against this legislation, would see that advantage denied to South Australians.

Service standards are being improved, with utilities now being obliged to pay a fine to customers if they are late for appointments or if they fail to carry out repairs within specific periods—again, advantages that the Labor Party will deny all South Australians by voting against the legislation. Since the Victorian experience of privatisation, there has been greater consumer protection than ever through scrutiny by the Office of the Regulator-General, the Electricity Ombudsman and the Australian Competition and Consumer Commission.

The latest report of the Office of the Regulator-General in June 1997 on Victoria's five previously Government owned distribution companies revealed that supply reliability improved from 510 minutes off supply per year in 1989-90 to 218 minutes off supply in 1996. The price for household consumers goes down; the price for business goes down; the opportunity for service reductions decreases by over half; and the opportunity for people to think creatively about ways of providing, for argument's sake, telecommunications products, is quite clearly demonstrated in the Victorian experience. Every single one of those advantages that I have listed the Labor Party will choose to deny South Australians.

Mr FOLEY (Hart): My question is directed to the Premier. Given Mr Kowalick's statement that it would have been improper for him to inform the Premier of the Auditor's concerns about ETSA before the State election and before the audit process was complete, what action will the Premier take against Mr Kowalick over his failure to tell the Premier about the matter for six weeks after the election and the printing of the Auditor-General's Report? The Premier has said that he did not know of the Auditor's concerns until the first week of December last year, whilst Mr Kowalick and other senior public servants knew as early as July. The Auditor-General's Report was complete and printed in September, with the election being held on 11 October.

The Hon. J.W. OLSEN: The statutory declaration tabled by Mr Kowalick answers that.

The Hon. R.B. SUCH (Fisher): Will the Minister for Human Services inform the House how the health services of South Australians could be improved if he had an extra $2 million a day, generated in part by the sale of ETSA?

The Hon. DEAN BROWN: This afternoon the Premier talked about the debt of $7.4 billion that South Australia currently has. We know the legacy of that. We know it was inherited by this Government, and already over the last four years this Government has driven that down from about $9 billion to $7.4 billion, but we are still paying about $2 million a day in interest payments on that debt of $7.4 billion. Just imagine what we could do in the human services area alone with $2 million a day. We see and hear the shadow Minister for Health jumping up and wanting money for the redevelopment of the Queen Elizabeth Hospital—

Ms Stevens: You promised it.

The Hon. DEAN BROWN: It is interesting to note that, when in Government, the Labor Party did not have a redevelopment plan for the Queen Elizabeth Hospital, when within 50 days we could put $100 million into the redevelopment of the Queen Elizabeth Hospital.

Members interjecting:

The SPEAKER: Order!

The Hon. DEAN BROWN: Just imagine how delighted the people of the western suburbs would be to have $2 million a day for 50 days for a $100 million redevelopment of the Queen Elizabeth Hospital. We could carry out 1 000 extra acute hospital procedures every day. We could carry out 27 000 additional outpatient procedures every day. We could provide 11 600 community mental health services every day. In that area I know that there is a delay in the community and inadequate services are being provided. We could provide 15 new houses for the Aboriginal community of South Australia every day with the $2 million, or we could provide 20 new public houses for those on the Housing Trust's waiting list, or upgrade very substantially 90 houses a day down in The Parks community area, an area which I visited two weeks ago and which desperately needs an upgrade of its housing. I could go on and on, but it is quite clear that, by reducing the South Australian Government's debt, that will free up money for essential community services.

Mr FOLEY (Hart): Is the Premier concerned that the Under Treasurer and the Office of Energy Policy failed to inform the then Treasurer and Cabinet of the comments in the Auditor-General's Report, which was provided to them on 28 July, on the effect of COAG on ETSA and on Optima, and what action will he take? The Under Treasurer of this State and the Chief Executive Officer of the Office of Energy Policy are accountable to Cabinet to advise on the impacts and strategies to deal with the national electricity market.

The Hon. J.W. OLSEN: First, let me say that it was a draft report from the Auditor-General with sections for various Government agencies to respond on. On occasions, the Auditor-General takes on board advice from officials in formulating the final report. Until the final report is actually tabled, one does not know what are the exact recommendations and conclusions drawn by the Auditor-General.

The second and important point is that the assessment for competition payment is in the order of the last quarter of the current financial year, so the difference between the end of July and when Parliament resumed for tabling of the Auditor-General's Report did not have any impact on competition payments because that assessment and any policies of Government would have to be enunciated prior to the National Competition Commissioner and the ACCC making any determinations in the last quarter of the current financial year.

Mr MEIER (Goyder): I was particularly interested in the member for Fisher's question to the Minister for Human Services asking what the Minister could spend an extra $2 million per day on.

The SPEAKER: Order! The honourable member will put his question.

Mr MEIER: Yes, Mr Speaker. What could the Minister for Education, Children's Services and Training achieve in the way of initiatives in his portfolio of education if he were to have an extra $2 million per day from the sale of ETSA and Optima?

The Hon. M.R. BUCKBY: If I had had an extra $2 million in my previous occupation as a farmer, my eyes might have glazed over a little and I would have suddenly thought about the capital programs I might undertake. The tractor and the harvester might have been replaced and I might have purchased a bit more land somewhere. What could happen in the education system with $2 million a day—not just $2 million but $2 million a day? Amazing things could happen if we had an extra $2 million a day.

Members interjecting:

The Hon. M.R. BUCKBY: I know that the Opposition is very interested in this.

Mr Clarke interjecting:

The SPEAKER: The member for Ross Smith will come to order.

The Hon. M.R. BUCKBY: If education received an additional $2 million a day, it would allow me to employ an extra 40 teachers per day. If we received $2 million a day, I could employ an extra 70 school support officers every day, and the Opposition and the education union say to me that we do not have enough of those people in schools. That money would give us an extra 200 000 training hours every day. The topic of airconditioning in schools is very important and one on which I am constantly lobbied.

Mr Venning interjecting:

The Hon. M.R. BUCKBY: As well as school buses, as mentioned by the member for Schubert. With $2 million a day I could aircondition every school and pre-school in the State in 40 days.

The Hon. Dean Brown: And that would include schools in Victor Harbor!

The Hon. M.R. BUCKBY: Absolutely, schools in Victor Harbor as well, as the member for Finniss says. I could build 170 state-of-the-art child care places every day. I could build a new school every three to five days—and I am sure Ceduna and a few other places would be very interested in receiving that sort of money. Not only that, I could provide 1 000 computers for students every day. DECS*tech* 2001 would be completed this year. I could build three or four special education units every day, and I do not have to tell the Opposition about the demands of special education in this State. It is extremely important—

Mr Venning interjecting:

The Hon. M.R. BUCKBY: Yes, and not only for the one at Tanunda. I could build a new TAFE campus every week. I could eliminate the current school maintenance backlog in one month, which built up during the 1980s as a result of the previous Government's not attending to that maintenance backlog. Finally, I could build all projects on the capital works program in one month. It is extremely important that this sale of ETSA goes ahead. It is important, as the Minister for Human Services has said, for our education facilities, so that we can deliver the quality of education we want for the children of our State.

Ms HURLEY (Deputy Leader of the Opposition): Will the Premier inform the House which convention prevented any of the seven senior public servants who received copies of the Auditor-General's Report in July last year from informing the Premier and the relevant Ministers of the concerns of the Auditor-General regarding ETSA and Optima?

Members interjecting:

The SPEAKER: Order! I am having difficulty hearing the question.

Ms HURLEY: The Opposition has been advised that no such convention exists. Further, the Auditor-General told an Economic and Finance Committee meeting yesterday:

> We did not care who it [the report] was shown to.

The Hon. J.W. OLSEN: The Auditor-General also told the Economic and Finance Committee yesterday that last Thursday he rang the Chief Executive of Premier and Cabinet and said, 'What was the progress of my report? Did you show it to the Premier?' The Chief Executive said, 'No, I did not.'

An honourable member interjecting:

The Hon. J.W. OLSEN: The point is that members opposite are pursuing a line of questioning that has a dead-end for them. The fact is that this report was not disclosed to us. I know members opposite do not like that because it does not suit the political circus they wish to run, but it is a statement of fact. If Opposition members want to challenge that, I have invited the Leader, and I invite any other member who wants to, to say it outside the Parliament. We will get the facts sorted out, one way or the other, out there. It is very easy and very cheap for the Leader of the Opposition to stand up in this House and make a range of accusations without any substance of truth whatsoever.

When someone has put a statutory declaration on the table and the Leader is still pursuing that course, that is a total abdication of responsibility of the office of Leader of the Opposition in this State. This line of questioning, which is a dead-end and a non-issue, because the veracity of statements have been proved today, is simply to cover up that the Labor Party had no alternative policy. Do members know why it took a week for the Leader of the Opposition to come up with a policy? He had to wait for his Caucus meeting yesterday. Whilst members opposite might publicly sing the same tune in this House today, we know what members of the front bench have been telling the business community in the past week.

Front benchers have been telling the business community, 'This is the only policy to pursue but, of course, we cannot say that publicly for political purposes.' Members opposite are trying to have a bob each way. The Opposition is trying to have a bob each way. Its members are saying to the business community, 'Yes, we support you because we know that this is the only course', but they are trying to make political gain by the accusations that have been made across the Chamber, whereas the veracity of the comments of the Leader of the Opposition to questions and the statements of the Deputy Leader have been proved simply to have no substance at all.

Members interjecting:

The SPEAKER: Order!

Mr VENNING (Schubert): Will the Minister for Government Enterprises explain why the Government's electricity assets will not be able to compete effectively in the national electricity market, and how will the variations in spot electricity prices impact on taxpayers if ETSA and Optima remain in State ownership?

The Hon. M.H. ARMITAGE: I thank the member for Schubert for his question. It is a very important question because it goes to the nub of the future of South Australia. The national electricity market, as I have indicated on several occasions in this Chamber, is in its infancy, and all of us, in all States, are learning as we go. The problem is that mistakes can prove extremely costly to owners of power assets, and Government owners simply are not geared up to compete in that dog eat dog, Gordon Gekko type environment.

The choice for Government is whether it regulates and oversees this industry to secure good social and economic outcomes, or whether it owns the industry, thereby risking billions of dollars of taxpayers' money in commercial business enterprises. In the national market, electricity generators and distributors, such as Optima and ETSA, will be required to sell electricity into the pool and purchase electricity from the pool. That is the way the market will run. The prices will be highly variable. It becomes a matter of

judgment as to what and when you buy, and the sorts of matters you must assess are such diverse criteria as weather and supply availability, which all affect how the spot price, as it is termed, for electricity is determined.

Millions of dollars can be won or lost based on judgment calls in what is known as the 'wholesale pool'. In Victoria in November last year a heat wave—it was the hottest day in 86 years—combined with a scheduled outage at the Snowy Hydro Victoria link, meant that at the time supplies were short. This pushed the spot price for electricity, which normally has a rate of about $14 or $15 per megawatt hour, to its thus far market limit of $5 000. Obviously, the impact of such price volatility has great potential to be substantial. In fact, it is reported that one company made $4.5 million in that single day's trading. But, as most people would know, if you have a winner you also have a loser. As a Government we cannot afford to be in the market place where millions and millions of dollars are at risk by events we cannot control. Clearly, these risks are best handled by the private sector, which is able to respond much more quickly to the demands of this competitive environment.

If there is any doubt at all about the competitiveness of the market one has only to reflect on the interstate experience where a survey by the Electricity Supply Association of Australia found that more than 55 per cent of customers in the new national market had changed their suppliers since the market began and that customer loyalty was very low. The implication for this is that ETSA could lose half its customers if it failed to win new ones in the national market. Whilst I am absolutely sure that ETSA and Optima would want to compete to avoid that occurring, as a Government being responsible for taxpayers' money we cannot afford that risk. Taxpayers cannot afford to be exposed to these sorts of risks because, ultimately, taxpayers will pay the price, with smaller dividends to Government or even potentially losses, which will impact on the ability to deliver vital services.

As I have said before—and I would like the House to listen to this—the choice for Government is whether it regulates and oversees this industry to secure good social and economic outcomes or whether it owns the industry, thereby risking billions of dollars of taxpayer money in commercial business enterprises. These are not my words—they are the words of Michael Egan, the New South Wales Treasurer.

An honourable member: Which Party?

The Hon. M.H. ARMITAGE: The ALP. The New South Wales Labor Treasurer was reported in these terms in the *Australian* of 23 May 1997. The question is whether we risk billions of dollars of taxpayer money in commercial business enterprises. Clearly, the New South Wales Labor Government is getting exactly the same advice as we have had. We know that what the New South Wales Labor Government is attempting to do is a responsible decision. The issue is clear: will the ALP take a responsible position in this matter? Will it help to remove the risk, or will it put in jeopardy South Australia's future?

Mr FOLEY (Hart): Will the Premier now confirm that he met with the Auditor-General in August concerning a matter in his report unrelated to ETSA despite the Premier's continual statements that there is a convention prohibiting such discussions? The Premier has repeatedly stated that it was inappropriate for him to be briefed on the content of the Auditor-General's Report and that there is a convention prohibiting such actions from occurring. However, before the Economic and Finance Committee yesterday the Auditor-General, when referring to another matter in his report, said:

> I went to see the Premier and indicated my concern to him and that would have to have been some time in August. I specifically asked to go and see him because I felt that, if they kept on that path, there would be a problem.

The Hon. J.W. OLSEN: If the Auditor-General wants to speak to me or to any other Minister from time to time to express concern he is fully entitled to do so. The Auditor-General is the independent watchdog of this Parliament. The Auditor-General does not take any directions from the Government of the day. My discussion with the Auditor-General in relation to ETSA and Optima occurred Saturday week ago when I had a 1½ hour discussion with him post his report to Parliament, post independent assessment to verify what the Auditor-General had put to the Parliament and to test that which was put to us by independent consultants. That was the occasion on which I had a detailed discussion with the Auditor-General—10 days ago.

Mr Foley interjecting:

The SPEAKER: Order! The honourable member for Hart has asked his question.

Mr SCALZI (Hartley): Will the Premier advise the House whether there is any likelihood that the power crisis in Auckland, New Zealand, will be repeated here in South Australia?

The Hon. J.W. OLSEN: We have once again heard in recent days the Leader of the Opposition and the member for Hart talking about the Auckland experience where they are out of power for a week or two. We have heard the Leader of the Opposition talking about this 'privatised' company over there, as has the member for Hart. The only thing wrong is that Auckland does not have a privatised power utility. The Leader of the Opposition is out there saying, 'We cannot have this happen here; we cannot have a privatised company.' The Leader of the Opposition should have checked his facts before embarking on the political one upmanship process, which he is wont to do. Auckland's Mercury Energy is a distribution business. It is a corporatised body; the capital is owned by a community trust. The equity is not tradeable. It has no similarity to a privatised sold power electricity unit.

The background behind the problem in New Zealand is that they have four major high voltage powerlines that feed central Auckland with a system designed to operate with only two of those lines. About a decade ago it was recognised that the lines needed to be strengthened for load growth. But no decision was taken to undertake the upgrade until about 12 months ago when it was simply too late. So, they delayed the upgrade although they knew they had to do the upgrade by this corporatised body. The Leader of the Opposition also referred to Queensland's power difficulties at the moment. Well, 75 per cent of the power generators in Queensland are Government-owned; they are not privately-owned power generators. So, when the Leader of the Opposition goes out he tells only half the story; he sets a perception that is not true or real.

With respect to the second part of the question about whether this could occur in South Australia, I am advised that about a year ago ETSA and Optima developed contingency plans to deal with a repeat of high volume circumstances/conditions brought about by heat waves and the like. We are advised that ETSA has undertaken work on transformers together with reactive power support and has put in place an additional 50 megawatt gas turbine.

In relation to the CBD, ETSA is confident that the CBD supply is reliable and able to cope with any pressures that might be applied in the 1997-98 summer peak. In 1997 ETSA commissioned an independent technical investigation, undertaken by Eubank Preece, international consultants, into the reliability of the CBD supply system. Eubank Preece advised ETSA that no major changes were required by ETSA and that it had addressed all the consultant's recommendations, which were minor, costing about $1 million. So, in contrast to New Zealand, South Australia has investigated and it has received an international consultant's report that our infrastructure in South Australia would preclude that which has occurred in New Zealand. Let us get the facts straight. The Leader of the Opposition and the member for Hart simply cannot go public any more and say it is privatised. It is not: it is a corporate body. Let us get the truth of the matter on the public record.

In addition, the national electricity market was established with lead legislation being passed in this Parliament—and the Leader and the member for Hart should well know about it but, of course, it would get in the way of a good yarn, a good story, a political hit. In relation to regulation and power supply, under that lead legislation there is a requirement on those in the industry in Australia to ensure that minimum standards are maintained for reliability of power supply within Australia. New Zealand has no such regulator: New Zealand has no regulator or price monitoring. In South Australia, to comply with the national market, we have indicated that an industry regulator will be legislated for and put in place. Therefore, there will be protection in terms of reliability of supply and any private sector operator to undertake the appropriate investment to maintain that supply.

Further, in relation to pricing we have clearly indicated that the Government of South Australia has taken the view that there shall not be any increase greater than CPI between now and the year 2002. So, price is not a difficulty. The industry regulator will ensure reliability of supply. They are two of the circumstances which, I am advised, do not apply within New Zealand. What we do is to remove the risk. Let us repeat—and it is important to continue to repeat it for the benefit of the House and members opposite—we have at risk $1 billion worth of competition payments. In addition, the Minister for Government Enterprises has indicated to the House the volatility in the market. Do we want Government employees with the Government badge of guarantee sitting behind a computer screen effectively playing the stock market? That is what you have on a half hour price bid bidding into the generator. In November the price went from $12 per megawatt hour and peaked at $4 800 per megawatt hour. That is the fluctuation in the price at which you are buying the power out of the pool.

They are the risks about which we are talking. Those risks were not identified until the market started to operate. The market started to operate in the latter part of last year and, if it had escaped the attention of the Leader of the Opposition—if he could stop interjecting for one minute, Mr Speaker—the implementation of the market had been progressively delayed; quarter by quarter, throughout 1996 and 1997, the operational date of the national market was put back; and it was not until the market started to operate that these wild fluctuations in price occurred. What are we to do? Are we to sit back and ignore the fact that in November the price of electricity from a generator went from $15 per megawatt hour to $4 800 per megawatt hour and say, 'That risk is okay. We can run with that risk. We will absorb it. We will put the Government badge of guarantee behind it. It does not matter what exposure taxpayers have, we will have a go'? That happened once before in South Australia in the past decade and it cost us $3.15 billion. I have indicated—

Mr Foley interjecting:

The Hon. J.W. OLSEN: No, we did not know it before and neither did you or anyone else. We are ensuring that there is not that level of exposure to South Australians in the future, because it is—

Mr Foley interjecting:

The Hon. J.W. OLSEN: I am glad that the member for Hart even knows the word, let alone how to spell it or how to apply it and process it, particularly given what he did with the evidence of the Auditor-General yesterday. That was a total abuse—a misuse and abuse of what was presented in public evidence yesterday. What this real policy is about is not the sideshows and the political one-upmanship which is the wont of the Leader of the Opposition—and not ignoring the bipartisan position: it is about the fact that there is a risk, and a substantial risk, of between $1 000 and $2 000 million. What does the Opposition want to do about it? Does it want us to ignore it? What is the Opposition's policy? What is its position? It is easy to block the legislation and it is easy to play politics with the issue. It is far harder and far more difficult and a greater level of responsibility to confront the issue, confront the policy, make a decision and get on with the job.

An honourable member interjecting:

The SPEAKER: Order! The Leader of the Opposition.

The Hon. G.M. Gunn interjecting:

The SPEAKER: Order!

The Hon. M.D. RANN (Leader of the Opposition): We know why you were dumped as Speaker.

Members interjecting:

The SPEAKER: Order! The Leader has the call.

The Hon. M.D. RANN: Will the Premier explain why the Minister for Government Enterprises has just endorsed the Victorian privatisation of energy utilities when in a press release of 7 May 1996 the Premier as Infrastructure Minister publicly criticised the Victorian privatisation of power and said:

> While the Carr Government in New South Wales has been slow to embrace outsourcing opportunities and thus failed to deliver on competition benefits, Victoria has jeopardised its future by selling Government assets outright.

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. OLSEN: That question by the Leader of the Opposition has just contradicted his first question in the Parliament today. He has just had it both ways. This shows the Leader's lack of consistency. At the stage of the early introduction of the electricity market in Australia there were a number of unknown quantities and those unknown quantities were the restructuring that had to take place in retail distribution units, the transmission units and the supply of electricity. What has occurred in Victoria is clearly an outstanding success that every financial commentator would put in place. What the Minister for Government Enterprises has said to the—

Members interjecting:

The SPEAKER: The Leader of the Opposition will restrain himself from displaying material.

The Hon. J.W. OLSEN: He has not had the Bex yet.

The Hon. M.D. Rann interjecting:

The SPEAKER: Order! The Leader is going perilously close to being named as a result of flouting and ignoring a directive of the Chair. Members will not display material to and fro across the Chamber.

The Hon. J.W. OLSEN: The Leader of the Opposition has to get it right. Is it question one of the day or is it the last question of the day? By which policy does he want to run? The Minister for Government Enterprises was clearly indicating to the House the social benefits that are now being derived by householders in Victoria. And I think it was something like a 10 per cent reduction for businesses and a $60 rebate for households. Competition has driven the cost of electricity down. The truth is that the policy has worked. It has worked to the advantage of individuals. There are major consumers of power that can talk about a 44 per cent reduction in the cost of power. The position that we face—and the Leader of the Opposition in the debate wanted to be bipartisan and work together for South Australia, as he said, 'as we did on tariffs'. That is when he tailgated me around Japan trying to get in on the action.

Members interjecting:

The SPEAKER: Order! Question Time is not over yet.

The Hon. J.W. OLSEN: What we have in this policy area is a main policy determination and issue and if—

An honourable member interjecting:

The Hon. J.W. OLSEN: A great story in the *Financial Review.* If ever there was to be justification of a policy thrust, it is the *Financial Review*, and the *Sydney Morning Herald*, the *Melbourne Age* and most commentators around the country have endorsed the policy thrust of the Government. There is a choice, as I mentioned earlier in the week: more taxes, more debt, less service or asset sale. Which one of those do members of the Opposition believe in? They have just said that they will not support an asset sale. What do you want? Do you want less service—and we will do a test. We will go back through the records and we will ask off the record what every member of the Opposition has asked for in all their electorates in the past four years. We will add up what you are wanting in your electorates. When you block this legislation, we will write to all those people and we will tell them, 'We cannot meet your request, because your member of Parliament has blocked the capacity for us to have available funds to meet your needs.' If they are not going to support that, it is either more debt—

Members interjecting:

The Hon. J.W. OLSEN: When the Leader of the Opposition is struggling a bit, he brings out former Premier Don Dunstan. I noticed that Don was out today—there is a blast from the past—back from the 1970s, talking about the level of debt and South Australia not having a debt problem. Every financial commentator in this country knows that South Australia has a debt problem. Every South Australian in this State knows that we have a debt problem, but for the Leader of the Opposition, members opposite and former Premier Don Dunstan, who said that the debt of the quantity we have had is a manageable thing and we ought to put up with that.

Times have changed because of the Keating Government reforms put in place around Australia, which every Government in this country is now committed to pursue. Those Keating Government reforms require us to change. Failure to change will mean that we are run over, we will lose asset value, we will lose revenue flow and we will not have the capacity to meet essential services that we are performing now, let alone expand and meet other essential services that all members of this House are asking for on behalf of their constituents.

The Opposition is absolutely and totally silent on its policy. Members opposite will not make a choice of more debt, fewer taxes, less service or selling the assets—but for that; they have said that they will not sell the assets. Therefore, what is their policy, what is the alternative? If what we are doing is wrong, what would you do about it? And do not sit there and say, 'We are the Opposition; we don't have to have a plan.' When this matter comes before the Parliament, we will be seeking from the Leader of the Opposition his plan. He will have to develop it fairly soon because, to date, he has demonstrated that he is a totally policy free-zone.

GRIEVANCE DEBATE

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

Mr CONLON (Elder): I refer to the method in which the Premier has attempted to negotiate the obstacle course presented to him by the evidence of the Auditor-General to the Economic and Finance Committee yesterday. Unfortunately, today the Premier was abseiling without a rope, and he hit the ground very hard. The extraordinary story that he told this Chamber last week was that he, the Premier of South Australia, had no idea of the extent of risk, in a competitive marketplace, to the Electricity Trust of South Australia until December last year. In his view, when he realised the extraordinary extent of that risk, he acted to privatise ETSA. But unfortunately yesterday the Auditor-General, in evidence that was recorded by every major media outlet in this State, gutted the arguments of the Premier.

How did he gut them? First, as to the extraordinary risks to which the Premier referred, the Auditor-General said that they are primarily the risks of competition payments. And how extraordinary are they? The Auditor-General said, 'They are apparent on any close analysis of an industry which is dependent upon markets', and he went on to say, 'I did not see them as anything extraordinary.'

The second point he made was that they arise from the COAG agreement. We asked him yesterday, 'When were you capable of identifying these risks? They have been there since the COAG agreements were signed'—and that was a couple of years ago, by the person soon to be the Premier again, Dean Brown. We asked him whether these risks would have been capable of being identified for a couple of years, and he replied, 'The short answer would probably be yes, they would have been capable of being identified.' Further, we asked him, 'Just how serious are these risks?' The Auditor-General gave evidence that, on two occasions in drawing up his Auditor-General's Report, there were two matters that were of such importance that he decided to contact, on one occasion, the Premier and, on another occasion, a Minister to bring them to their attention.

When the Auditor-General was asked whether he found the issues with regard to risk from ETSA important enough to take to any member of Parliament, and we said to him that they were not important enough, he said, 'I think that is exactly right'—these risks were not very important. We then asked the Auditor-General whether, in relation to these risks

that arise from the loss of competition payments from non-compliance with the COAG agreements, there were any ways to meet them other than selling or leasing ETSA and he said, 'Of course there are.' The Premier's argument is not real flash so far on the merits.

An honourable member interjecting:

Mr CONLON: I note that the junior Minister for wasps is in here making a contribution. He should probably attend to that portfolio, because he is not having much success at it.

The last part of the Premier's argument is that these risks were so extraordinary and so new—he had no knowledge of them—that he would need to make the greatest betrayal by a Premier of an election promise in this State's history. Who did know about them? The head of the Premier's department knew about them; an adviser to Minister Ingerson knew about them; the Under Treasurer knew about them; four other senior public servants knew about them; but not the Premier. He was asleep at the wheel. He must have been away for a couple of years. They have been out there for two years. The Auditor-General says that any examination would have shown them to you. Seven public servants knew about them, but the Premier did not. The simple truth is that the Premier came here, he grabbed the Auditor-General's Report, the contents of which any reasonable person would have to say he probably knew about since July, and he said, 'I have always wanted to sell ETSA. Here is my argument. I will go in and make an absolute beat-up of these risks.' I repeat the point that it is not necessary to sell ETSA or Optima to comply with the COAG standards.

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

The Hon. G.M. GUNN (Stuart): We have seen a performance this afternoon from the—

Members interjecting:

The Hon. G.M. GUNN: There is no doubt, given the way in which the honourable member and his colleagues have carried on, when one compares them with the Bannon Government, that they make the Bannon Government look like economic geniuses—when you look at the attitude and the rhetoric put forward today. They have no regard for the welfare of the people of South Australia. The role of Government is to make difficult decisions, no matter what the cost is in political terms. If you have the interests of the people of South Australia at heart, you will make the right decisions. Otherwise, you are not fit to be in this place.

An honourable member interjecting:

The Hon. G.M. GUNN: Look, sonny, you are still wet behind the ears. You have never been out in the real world and, when you grow up, you will know something.

The SPEAKER: Order! There is a point of order.

Mr FOLEY: I rise on a point of order, Sir. I would have thought that a former Speaker would know that it is inappropriate to refer to other members of Parliament as 'sonny'. Members should be addressed by their correct title.

An honourable member interjecting:

The SPEAKER: Order! The Chair was a little concerned about the form of words that the honourable member used in bringing the Chair's attention to the matter. I will pass that at this stage and come back to the honourable member for Stuart, reminding him that it was not appropriate and perhaps he could tailor his words a little more appropriately.

The Hon. G.M. GUNN: As a very shy and retiring member, the last thing I would want to do is to contravene the Standing Orders or insult the honourable member. I am surprised that the member for Hart would talk about the Standing Orders. He is a member who was put out of this place for four days, and he did not know that was going to happen to him. I suggest to the member for Hart that he apply himself to the Standing Orders, because the House and everyone else would benefit greatly if he did.

An honourable member interjecting:

The SPEAKER: Order!

The Hon. G.M. GUNN: The honourable member has no regard for the welfare of the people of this State. We all know what is happening across Australia. This afternoon, before this House met, I took a stroll into the library. As is my wont, I read the *London Times*. We have heard at length about the Leader of the Opposition wanting to compare himself with Tony Blair: he is wearing the blue shirts and the red neckties. He should read that newspaper, because he will see what his new-found friend is doing. The Chancellor of the Exchequer has issued a stern order to all departments to bring forward the sale of all the assets they possibly can—all surplus assets. It is privatisation. They are to contract out the social security system. Yet the only people I know of in Australia who do not want to get rid of assets that will become a liability are members of the Labor Party in South Australia.

We know what Premier Carr and Egan are doing in what they believe to be in the best interests of the people of New South Wales. We all know that that will happen. When they set out to privatise that utility, it will be done with the support and the cooperation of the Liberal Opposition in New South Wales. One would have thought that a group of people who claim that they want to represent the underprivileged would not deny the Government the opportunity to provide the required services and facilities. In my electorate, I could have spent millions of dollars on urgent public works such as water and roads, but unfortunately the resources are not there.

For a long time I have been of the view that the tapestries in this Chamber ought to be removed to a more suitable location. They have been here long enough. I had selected, in Old Parliament House—

Members interjecting:

The Hon. G.M. GUNN: I know that; that's all right. The girls will be pleased with me. In Old Parliament House, I had picked out some very suitable spots for the tapestries, which have been here long enough. The time has come to give the public the benefit of viewing them at first hand, up close, because people do not have that benefit in this Chamber. I believed that they should have been here only for 12 months. At one stage we thought they would be shunted off to Canberra, but a Minister got terribly upset about that, so they have remained.

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

Mr FOLEY (Hart): It is with great pleasure that I follow such an esteemed member as the member for Stuart, who was my adversary for many years whilst he held the position of Speaker. The honourable member talked about wanting to remove the tapestries. I suspect that poor old Tom Playford, whose picture also hangs on the Chamber wall, is probably wishing his picture could be removed, having to watch his beloved ETSA pulled to pieces by this Government. Yesterday, we had a very interesting Economic and Finance Committee meeting. We had the opportunity to meet with the State's Auditor-General, as we do on an annual basis. Some interesting things have come out of that meeting. In order to put in context the entire decision of this Premier and this

Government to do such a significant policy backflip, it is worth having a look at some of the things the Auditor-General had to say yesterday.

The Auditor-General—and my colleagues have referred to this earlier—said that his draft report, which outlined what he saw as the potential risks and concerns associated with ETSA and Optima in respect of competition payments and other matters, was shown to the head of the Department of the Premier and Cabinet, the Premier's most senior and trusted adviser; the head of the policy unit of the then Minister for Infrastructure—now Deputy Premier—providing policy advice to the Minister on electricity reform; the most senior financial officer of this State—the State's Under Treasurer; the head of the Office of Energy Planning; the head of ETSA; and, of course, the head of Optima itself.

These senior servants were provided with a copy of his report on 28 July, nearly some two months before the calling of the State election. Of course, Mr Kowalick and other members of this elite band of public servants would not have known that there would be an 11 October election. It was still within the bounds of possibility that there would not have been a poll until March. It defies belief to think that no officer of Government felt these matters to be of such prime concern that they did not raise them with their respective Ministers and that that policy was to stay in place.

Members interjecting:

Mr FOLEY: The Minister says, 'Go outside and say it.' I am making a statement to the Parliament. The statement is this: if you are telling me that the Under Treasurer of this State, the head of the Department of the Premier and Cabinet, and the head of your policy office did not feel this issue to be of such great moment that they did not discuss it with you then, quite frankly, they do not deserve to serve in their roles. I say this to you, Deputy Premier: if the head of the department—

Members interjecting:

The DEPUTY SPEAKER: Order!

The Hon. M.K. BRINDAL: I rise on a point of order, Mr Deputy Speaker. The honourable member used the term 'you': he is supposed to address his remarks through the Chair.

The DEPUTY SPEAKER: I uphold the point of order.

Mr FOLEY: Thank you, Mr Deputy Speaker. I have sat in this Chamber as a member of a small band of Opposition members and have been berated time and again for what they saw as financial errors of former Governments. We now have a Government whose most senior economic and political advisers sat on a report for two months and did not feel that they should have referred that to their Ministers. We know there is no convention, and you know there is no convention. As the member for Fisher said in the committee yesterday, it is normal convention for senior executive officers to brief their Ministers on matters contained within the Auditor-General's Report.

The Auditor-General has no convention; there is no convention. If the most senior adviser to the Premier chose not to tell the Premier of such an important matter—and this is what we are being led to believe—he no longer deserves to serve in that capacity. I make the following very important point. Does the honourable member expect us to believe that the head of his department (Mr Kowalick), as we counted down to a State election and as the Premier was saying, 'We won't sell ETSA,' even during an election campaign, would not have said to the Premier, 'John, just be careful in what you are saying, because you need to know what the Auditor-General says in his report'? It cannot be believed; it is simply not believable. If that is what occurred and if what I am saying is wrong—that is, he sat on such important advice—he should not serve in that capacity and nor should certain other senior members of Government.

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

Members interjecting:

The DEPUTY SPEAKER: Order! The member for Fisher.

The Hon. R.B. SUCH (Fisher): Unfortunately and tragically, this year we have seen an increase in the road toll in this State. Whilst we all know that statistics can jump around, we should always remind ourselves that we are talking about human life that has been lost in this State. So far, we have lost 30 lives this year, despite the trend in recent years of a lowering of the road toll. I know that the Minister for Transport is sympathetic to this issue and is keen to see the road toll brought down. We should not become immune to the tragedy that tends to affect one family at a time. For people who have not experienced the trauma of losing a loved one in a road accident, it seems to be a statistic. I have great sympathy for the families of those involved in the recent accidents in Gorge Road and in the South-East.

I wish to highlight not specific accidents but the need for a review of the way in which we prepare people for driving on our roads and, importantly, the way we assess their capability to drive on the roads. Recently, I wrote to the Minister about the need for us to look at the way in which we prepare people for that important task. Sadly, we have on our roads many people who should not be driving and who are not equipped to drive because they lack the skills. One of the ways of tackling that—and it is not the only way of improving road safety—is to improve driver training and driver testing. Indeed, we tend to test people in ideal conditions; for example, we test them on how to park a car in a suburban situation when conditions are very favourable. However, we do not test to see whether a person can handle a car on a country road or where the vehicle goes off the edge of the road and needs to be brought back gradually. That is just one aspect of the inadequacy of our current training program.

We should use more simulation technology. Pilots training for jumbo jets and the like are trained on simulators. Our aviation college in the northern suburbs trains people in that way for their career as a pilot on 747s and other large aircraft. We should use some of that modern technology to simulate road conditions that are likely to be experienced by drivers, not only in the city area but also on country roads. Young people, in particular, but not just young drivers, should be aware of the consequences of road accidents, and I am thinking not only of making them aware of the risk in terms of bodily injury and death but of being aware of the consequences of vehicles hitting trees and other objects, even at moderate speed. If anyone needed reminding of it, the recent accident highlighted the impact that occurs when a car hits an immovable object.

Whilst under peer group pressure young people often urge each other on, they need to be aware of the consequences of their actions, and it could be appropriate to apply special conditions to a car carrying young people and being driven by a young driver. We all know that, through their psychology, teenagers tend to egg each other on, and many young people are killed as passengers and as drivers when they are urged on to speed by friends of the same age in the

vehicle. Tighter conditions could be imposed if a young driver, say under 21, is carrying young people of a similar age.

Similarly, the rules applying to motorcycles are totally inadequate. Years ago a 250cc motorcycle would barely pull your hat off. Nowadays, particularly with Japanese technology, a motorcycle with a capacity of 250cc, which is the capacity that a beginner is licensed to ride, can outperform a 750cc motorcycle built many years ago. In effect, technology has thwarted the intention of road safety authorities by allowing young people and others to ride cycles with tremendous speed capabilities but which, in my view, are beyond the capability of young motorcyclists. It is time that we reviewed our road rules generally, and in relation to elderly people, as well. That is not Government policy: I am speaking as a backbencher.

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

Ms WHITE (Taylor): I will add a few comments to the main event of the day, which is the privatisation of ETSA, in light of revelations made by the Auditor-General to the Economic and Finance Committee yesterday. In doing so I will address the subjects of taxpayer risk, the importance of that risk, Government accountability and, very importantly, Government honesty with the people of South Australia, and the Premier's extraordinary fairytale about how he did not go to the people of South Australia knowing very well it was his intention to sell ETSA.

Just to underscore how ridiculous and fantastic the Premier's tale is, I need to underline the great number of people who saw the Auditor-General's draft report before the State election. For the benefit of members, I will list those people whom Mr MacPherson recounted yesterday to the Economic and Finance Committee, as follows: the Under Treasurer; Mr Ian Kowalick, the head of the Premier's Department; Mr Graeme Longbottom, the Deputy Premier's adviser; ETSA; the South Australian Generating Corporation; and the Office of Energy Policy.

In relation to public risk in terms of ETSA ownership, the Auditor-General reminded the committee that he had brought such risk to the attention of the Government quite a long time ago, in fact in his previous report, which was released publicly over 18 months ago. If members doubt that, I will quote the relevant question asked yesterday by the member for Hart and the Auditor-General's reply:

> You have said that these concerns were raised in your previous annual report, not this one. Was it raised in your report to Government some 18 months ago?
>
> MR MacPHERSON: Yes.

In evidence to the Economic and Finance Committee yesterday, Mr MacPherson went on to talk about his alerting the Government to an 'amber light' 18 months ago, and questions were put to Mr MacPherson as to his process in presenting the Government with concerns. I asked him this question:

> When you identify things of concern in terms of potential risk to the public, to whom do you speak—politicians or senior members of Government?

Mr MacPherson went on to talk about one of the issues that he raised with Government, saying:

> I raised the matter with the Premier. . . I went to see the Premier and indicated my concern to him, and that would have been some time in August. I specifically asked to go to see him because I felt that if they kept on that path there would be a problem.

That was in August, after Government officials received copies of the report. The Auditor-General felt that issue was of significant importance for him to see the Premier. The question remains whether he raised these incredible risks with the Premier. Were they of considerable import, given that the Auditor-General had raised his concerns in his public report 18 months prior? Further, it was put to him:

> You approached the Premier about those MPs involved [in a different matter]. Is that usual practice when there are issues of concern?

He replied:

> If there is an issue of sufficient concern, yes, I would say that there was a need to bring that to notice as quickly as is practicable.

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

Mr MEIER (Goyder): I found Question Time today somewhat incredible. It is quite clear that the Opposition does not have a policy on this issue of the sale of ETSA and Optima. Indeed, as the Premier indicated, it has a policy-free zone. Opposition members are determined to get into the so-called technicalities to try to make something out of nothing, when they are going against what their Leader promised before the last election, namely, win, lose or draw, they would seek to cooperate with the Government and to liaise with the Government for the betterment of South Australia. That was the key statement: for the betterment of South Australia.

This is the first major case where the cooperation of both sides of politics is needed, and no-one would recognise that better than members of the Opposition, because they were in Government when South Australia suffered the massive State Bank problem. They realise that, if they had acted earlier, they could have saved South Australia from all that debt, and South Australians could be continuing the lifestyle that they are currently being denied in many ways.

When the Premier outlined the proposed sale of Optima last week, I thought that there would be a question or two because of statements that were made before the election, but I also thought that Opposition members would recognise the situation and would see that it is essential to go down this track, otherwise South Australia will be subject to losses of the order of $1 000 million to $2 000 million. That is the last thing that any responsible representative in this State would want to see happen, so I thought that today in Question Time or in grievances members opposite would take the opportunity to say, 'Whilst we have some misgivings in some areas, we are happy to support you to see that the State benefits first and foremost.'

Therefore, it was extremely disappointing to have heard today's questions, and I hope that type of questioning will not continue, because it will not do this State any good. I would have assumed that the Opposition would want to work for the good of South Australia and would not want to try to foist another heavy financial burden on the people of South Australia. I was pleased today to have the opportunity to ask a question of the Minister for Education about the sorts of things he could do if he and his portfolio had an extra $2 million per day to spend. I was very pleased with the Minister's answer because it highlighted so many things I have been pushing for and about which I have had some concerns, and that I have realised we have not been able to offer in education because of the funding cuts necessitated by

the previous Labor Government's over-expenditure. Again, it highlighted what could be done.

The Minister for Human Services, in answer to a question from the member for Fisher, also highlighted many areas where South Australia could benefit. I therefore appeal to members of the Opposition to reconsider its approach to the proposed sale of ETSA and Optima. It is an issue that needs to be bipartisan without any question at all because the ALP would have known only too well that, when it got into a financial mess with the State Bank, it would lose Government. I guess it also knew that the Liberal Party in Government would, being traditionally very sound economic managers, bring the State back out of the chasm into which it had fallen.

We would have liked to bring it back a lot sooner, but we are working on it and we have reduced the debt by almost $2 billion. The sale of ETSA will help reduce the debt by some additional billions of dollars and therefore that will reduce our interest payments, and that is the key factor that should be worked on. I am particularly encouraged by the fact that through the sale of ETSA country customers will benefit because the performance and service levels of all electricity suppliers, including rural suppliers, will be strictly monitored by the industry regulator to ensure that customer's interests are protected. Also, the Government is fully committed to providing assistance to deserving South Australians so that all concessions will continue to apply.

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

ADDRESS IN REPLY

Adjourned debate on motion for adoption.
(Continued from 19 February. Page 439.)

The DEPUTY SPEAKER: I call on the member for Norwood and remind the House that this is the honourable member's maiden speech and she should be respected in that capacity.

Ms CICCARELLO (Norwood): I congratulate you, Mr Deputy Speaker, on your elevation to the position you now occupy. We have been friends for some time. We go back a long way, and I look forward to working with you in the House. I also congratulate the Speaker on the elevation to his position and congratulate him for the way in which he is keeping our House in order. Great congratulations to Mike Rann for his efforts during the State election campaign. Under very severe circumstances he worked enormously hard. I am glad to see some friendly faces on the other side, Graham. I am in a fairly unique position in that I possibly know some members on the other side of the House better than I do members from my own Party because, in my time as Mayor, I had to deal with a lot of people.

I look forward to getting to know every one very well. I also extend a vote of thanks to the Premier (Hon. John Olsen) because he chose to hold the election on 11 October—a week after the SANFL Grand Final. I had the opportunity of seeing Norwood win the Grand Final the previous weekend, and so I owe him a debt of gratitude.

The Hon. G.A. Ingerson: Who did they beat?

Ms CICCARELLO: Port Adelaide.

The DEPUTY SPEAKER: Order!

Ms CICCARELLO: Last week I was interested to read that dossiers would possibly be collected on all members which might be used at a later stage. I thought that I might give members a little background information about myself so that you all know who I am and where I come from and you will not have to do a lot of research.

I was born in Italy in a small town called San Giorgio la Molara in the province of Benevento in the Campania region of Southern Italy. For those members who are not familiar with the history of this area, it might be of interest to note that we are descendants of the Samnites—a fierce, warlike ancient Italian people of the central Appenines who were continuously at war with Rome.

One very famous battle occurred during the second Samnite war in 321 BC, when Rome suffered its most crushing defeat at the Forche Caudine, a pass in Ancient Samnium, which is not very far from where I was born. It would be approximately 60 years before the Samnites could be subjugated by the Romans. So, look out.

During the Second World War our area was subjected to very heavy bombing which caused much loss of life and destruction. My memories of childhood are very vivid. I was born after the war and I remember many of the ruins which surrounded our house. There was no running water, so it was necessary for us to go to the town square to fill our copper urns.

At night we used spirit lamps for lighting and my mother cooked our meals in a large pot over an open fire. In winter time we sat around a brassiere to keep warm. Our life was very simple and my parents obviously felt that there was not much future for their three children. My father, as did many husbands, fathers and young men from this poor part of Italy, packed his suitcase and left his family and country behind to go to far off countries to find work in the hope that he might find a way to provide a better life and future for his family. My father came to Adelaide and worked at several jobs to earn enough money to bring us here as, at that time, there was no assisted passage.

One year later the rest of the family arrived. We disembarked in Melbourne and came overland by train to Adelaide. Our home was located in Paradise at the terminus of the tram. We lived in a small house for two years with three other families and 10 boarders whom my father also sponsored. My parents worked very hard and, before long, saved enough money to buy a house at Norwood. About 30 of us lived in one house. I always like to make the point that Norwood had to be a special place because we left Paradise to live there.

In those days Norwood, being an older inner suburban area, was not considered very attractive by many. In fact, it was seen as a slum area. However, for those of us who lived there it was an interesting and lively place. You could walk down streets and think you were in a different country: Italy, Poland, Greece or Yugoslavia. It was a rich fabric of society of people from many different parts of Europe who, in circumstances similar to our own and for a variety of reasons, had chosen to come to Australia. It was around that time that the face of Norwood began to change, thanks to those early migrants. The way of life began to take on a different aspect. The lifestyle which we now call cosmopolitan and which is so much part of the area had begun.

My parents worked hard to send us through school and tertiary education. I then chose to travel to Italy for a holiday,

and the day I left Australia was the last time I saw my father alive.

It will come as no surprise to anyone that I take this opportunity in my first speech to speak about local government. My colleagues and friends Lyn Breuer and Rory McEwen, who also have a local government background, will agree that the activities and services which councils provide do not get the recognition they deserve. The days of the old catchcry 'roads, rates and rubbish' are long gone but, unfortunately, that perception still remains.

Often this attitude is perpetuated by both State and Federal Governments in whose interests it is to lay the blame for all wrongdoing on local councils. I believe that local government and all its activities is one of our State's best kept secrets. It provides many of the essential services to the community in the areas of aged, health and welfare as well as the very necessary infrastructure which also contributes enormously to the State's economy. It needs to be recognised as a legitimate sphere of government and, whilst some might not agree, I hope that in the not too distant future, in the lead-up to Australia's becoming a republic, the Constitution will be amended to recognise that sphere of government which affects people's every-day lives and which is closest and most responsive to their needs.

I look forward to the debate on the new local government legislation when it is introduced and also to clarifying what is happening to the Local Government Reform Fund, which by now must have reached about $50 million. This fund was to have been given to local government for transference of activities, but to date it has not happened and it has been used for purposes other than those for which it was intended.

I had the privilege, for some 6½ years, of being the first and last woman Mayor of the City of Kensington and Norwood. It emerged as being one of the most progressive councils in Australia and often put in place strategies which were later adopted by many other councils.

One of our most significant strategies, I believe, was the introduction of a long-term strategy to underground progressively all the powerlines and stobie poles within the council's boundaries. I share the same hatred of stobie poles as Senator Chris Schacht. The Parade and Osmond Terrace are excellent examples of the difference the removal of such a blight on our landscape has made to both the commercial and residential areas. We must not look at the removal of these poles and wires as purely aesthetic: it is also to increase the safety in our community. How many times have we seen the horrific results of cars ploughing into stobie poles and the cost to the individuals who suffer possibly death or severe disabilities?

In my time we were also instrumental in mounting a strong community campaign to prevent the telecommunication carriers from further blighting our landscape with the proliferation of more overhead cables. I think this was the start of much more community participation and people feeling that they did have an opportunity to decide the way things were done. This proved to be a very successful campaign as the local councils were able to work together towards a common goal and we were able to achieve what had proved impossible in other States, namely, to send a signal to multinationals that communities would no longer sit by silently and see their own environments destroyed for the profits of shareholders.

We were criticised severely for our actions because it called into question the promotion of Adelaide as leading the way in the technology stakes. However, we were vindicated because there was finally an admission on the part of the carriers that the technology they were trying to introduce into South Australia was obsolete and did not have the capacity to do what had been promised to consumers. This is an example of Governments getting things wrong from the outset and not looking closely enough at the detail before entering into agreements which might have massive impact on communities.

As many of you may have guessed, I am passionate about bike riding and its obvious benefits for the environment. I would like to congratulate the Minister for Transport on her enthusiasm in this area and the introduction of the 'Share the road' campaign which hopefully will make our road much safer to negotiate and thus encourage more people to ride their bikes for travel or leisure purposes.

The area of planning and protection of the built environment is of particular interest to me. I would like to make a comment on the issue of development and how it impacts on local communities. We are told often that people in this State are anti development and thereby hold up the economy of the State. I could cite many examples where, after much discussion and cooperation with all interested parties, approval was granted for a particular development. Twelve months later no significant work had commenced and an extension was applied for and granted. Further extensions were granted and still nothing happened, because the developer did not at any stage have the required finance but had simply sought the approval of the council in order to be able to on-sell the development.

There have been instances where developers also paid a high premium for a plot of land and then proposed buildings which would overdevelop the site in order to make up their losses. Of course, the accusation was always that the council or the community were holding up the development—it was never the fault of the developer. We will eventually reach a situation whereby, if we knock down our built heritage for the sake of development, South Australia will have nothing different to offer from Las Vegas. If a development is good, it will stand up to scrutiny.

At this point I would also like to question the support given to the development of regional shopping centres and the impact that centres such as Marion, Tea Tree Plaza and Westfield are having on strip shopping centres. Shops which were once vibrant on The Parade, Magill and Payneham Roads and many streets in other areas are now suffering. Following the opening of the extensions to Marion shopping centre, many traders in my electorate probably experienced one of their worst Christmas shopping periods in many years. While I understand that in the face of competition all businesses have to be smarter in the way they operate, it is very difficult for the small owner-operator to compete with large corporations. For them, money is no object and they can sustain any losses until they have driven out all the small competition.

I have a grave concern that before long we will see the introduction of extra feeder bus services from several areas to take shoppers to Marion. There appears to be a policy on the part of the Government to assist the large corporations. Small business, which is often touted as being the backbone of the State, will be driven to the wall, and while it is not in my jurisdiction this would also be of serious concern to the CBD, especially as John Martin's will close within a few weeks and we will certainly see crisis times for Adelaide.

The issue of shopping hours is of real concern to the retail community in my electorate. Trade was affected severely a few years ago with the introduction of Sunday trading in the

CBD, and this will be exacerbated if there is further deregulation. I lived in Rome for some years and travelled extensively through Europe, and nowhere was there Sunday trading, except for those specialty shops located in tourist spots near places such as the Vatican or the Eiffel Tower. I therefore find it hard to justify the necessity to have unrestricted trading hours in South Australia unless, once again, it is for the benefit of the large corporations which will be able to put small traders out of business. After all, the disposable income we have seen has not increased: it will just be spread differently. I have spoken already to many traders who have voiced their concerns about this issue, and I will be organising a public meeting in anticipation of this legislation being introduced later in the year. I received recently anonymous calls from people who have leases in one of these large centres but who are too frightened to leave their names for fear of reprisal.

The proliferation of poker machines in the electorate is also a very serious problem. I read in our local paper last week that Norwood is the gambling mecca of South Australia, with figures confirming that our hotels have the highest concentration of poker machines in Adelaide. It appears that there are 41.9 machines for every 1 000 residents and that most money is spent in the eastern suburbs, that is, $95 per person per annum. This puts paid to the theory that more money is spent in the poorer areas. While poker machines themselves are not evil, we do need to look at why people—particularly women—are finding such solace in them, and also question where the profits are going and why more funds are not being allocated to address the needs of those people who have a gambling addiction.

We have heard from various experts that tourism will be of great importance to the State's economic resurgence. Some might argue that we do not have the same spectacular natural sights of other States. Therefore, cultural tourism becomes very important as we need to recognise not only the built fabric but also the cultural and social fabric which helps make South Australia such a vibrant place in which to live. It makes us what we are and gives us a sense of identity and belonging.

If we walk down The Parade, starting at Clayton church and heading west, we pass the Russian community centre and the Norwood Town Hall, all of which are heritage-listed buildings. These are only a few of the grand civic structures you can see on The Parade and, indeed, in the neighbouring surrounds. The St Peters Town Hall is also heritage listed. There are many historic conservation zones and individual buildings which are listed and which make the area a joy in which to live and which also provide great interest for visitors, both local and national, as Adelaide's villas are renowned around Australia for their beauty. We must remember why we travel and then transfer those thoughts to those who visit us. Very few of us travel to go shopping. Mostly, we have a thirst for knowledge about the places we are visiting and the people who contributed to the area.

Norwood is a very friendly, urban environment noted for its mixture of use—office, business and shopping. It is the fabric which encourages communities as opposed to separatism, as happens in many other areas. No matter where you live, you can walk to the shops, restaurants, church or, indeed, participate in any activity. A happy mix of business, residential and other activities exists side by side, giving the area life. There are seats on street corners, which are of great use for elderly and young alike, as it gives people an opportunity to rest and enjoy the environment or have a conversation with anyone. There is always a buzz about the place, and at any time of the day or night there are people about, which adds to the safety and security of individuals.

On The Parade there is a great community mix and different socio-economic and cultural groups and it acts in the same way as a town square where people meet and gather. There are many colourful characters who add to the rich tapestry of the area. At any given time of the day one will find groups of people sitting, chatting and generally enjoying their community. It is a far cry from those areas which do not have the same diversity, and you might need to go for miles before coming across another human being on the street. This was one of the faults that was introduced by the change in the planning laws in the 1970s, where we chose to separate activities.

At this point I would like to dispel some of the myths about the Norwood electorate or, as some of my colleagues allege, the silvertails. The area has a high rental component, catering for students, single parents or the unemployed. We also have an ageing population, with many living in nursing homes or hostels. A considerable number of our elderly are still living in their own homes and are struggling to survive because many are asset rich and income poor. They have lived in their homes for 40, 50 or 60 years but are now on pensions. Their homes may have tripled in value and may be worth $300 000 but their pensions have not increased at the same rate. There is also a distinct difference between areas such as St Peters, College Park, Joslin or Toorak Gardens and Marden, Trinity Gardens and Kent Town, which highlights the diversity of the electorate.

Overall perceptions have meant that many services have either closed or been downsized. Examples of this are the closure of the Community Health Centre and the Payneham Police Station. There is also very little in the way of sporting facilities as most, if not all, of the new facilities—for example, the netball stadium, the athletics stadium and the refurbished soccer stadium—are concentrated on the western side of town. It means that there is very little for the young people in the area.

Another interesting statistic is that Payneham has the highest concentration of Italians in Australia. The new Norwood-Payneham-St Peters Council, which encompasses most of my electorate, now has a Mayor, Chief Executive Officer, City Engineer and City Planner all of Italian background. Some people like to say that the Italians have taken over Norwood as though it is a negative factor. However, it merely reflects the composition of the community. Unfortunately, racism and discrimination are still rife in the community, and many are still suspicious of the term 'multiculturalism'. I once read a quote which said that multiculturalism could be compared to an orchestra: each instrument on its own makes a beautiful sound, but put all the instruments together and you have a symphony. In one of his articles in the *Australian* several years ago, entitled,' Norwood Parade, Adelaide, the World, the Universe', Max Harris said:

> My definition of multiculturalism is as follows. It is amity, a civilised interaction between people of different backgrounds, languages and cultures that owes nothing to the nation-state in which they find themselves, but to the common quality of their humanity. . . Let me define multiculturalism another way, as the Norwood Parade. . . All we need do is to walk down the Norwood Parade, thinking nothing other than, 'Here I am, at home in a fraternity of languages and cultures. This is my Australia.'

I believe we should all live by the basic principle that people are equal and should have access to equal opportunities and equal outcomes.

Some of the people who have lived in and contributed to the community are remembered in some of the plaques which are in the footpath and which constitute a cultural walk. May Gibbs, who is well known and loved for her *Gumnut* books; Catherine Helen Spence, who is depicted in the tapestry above our heads; C.J. Dennis; Max Harris and his friend Mary Martin. Doris Taylor was another interesting character in Norwood. Disabled, herself, from a very early age and confined to a wheel chair, Doris recognised the needs of others, and with the help of Don Dunstan started the Meals on Wheels service. There are many other interesting histories of the area which also highlight people such as E.T. Smith, who was Mayor of Norwood as well as Lord Mayor of Adelaide before becoming a member of Parliament, as well as Messrs Holden and Scarfe respectively of car and department store fame. Mary MacKillop also lived in Norwood for some 11 years and in fact built the first chapel in Kensington. I can assure members that I am happy to provide an ongoing history lesson about the people of Norwood.

The first Italian migrant, Antonio Giannoni, who arrived in South Australia in 1839 was also an early resident in the electorate and was a well-known colonial identity as the driver of a horse drawn cab, his horses, Captain and Garibaldi, being almost as famous as their owner. There is a monument remembering him on Osmond Terrace. One of his sons was elected Mayor of the City of Kensington and Norwood in 1920.

I have a particular concern for those people who came from other countries to settle Australia and helped it become a great nation which could take its place on the world stage. They worked hard and bought their homes, and some learned to speak English very well. However, it is a well-known fact that people who have learned a second language regress to their mother tongue as they get older. We are faced with a situation which, if not now then in a few years, will have massive implications for our service providers.

I would like to recount a personal experience which, whilst quite painful, I think highlights the gravity of the situation, and that is important. Late last year my mother suffered a massive heart attack. I accompanied her to the hospital and stayed with her, because she was quite disoriented and unable to understand the doctors or nurses. I was able to act as her interpreter and, perhaps, if I had not been there, an interpreter might have been called in for a short time. In general the service provided to her at the hospital was good; however, she was unable to communicate with anyone. I very rarely left her side, because she was frightened and confused. Even simple tasks, such as filling in the menu sheet which was dropped off to her every morning, were beyond her ability. I remained in the hospital with her for 2½ weeks until we could take her home.

The reason I am recounting this experience is to highlight the problem of our not having community languages as compulsory units for all professions, but more particularly in the health and welfare areas. Australia welcomed migrants to this country and benefited by their contribution. There is now a responsibility to provide adequate services, particularly for the elderly who are lonely and isolated and who, in many cases, do not have family to look after them. There are some ethno-specific nursing homes and hostels but they will never be able to cope with the ever increasing numbers of the community who will need care. More and more we are seeing that the conventional wisdom is that it is better to keep people in their own homes as long as possible rather than remove them to an alien environment where they become very dependent on others. Who will provide for them?

The importance of language studies should not be confined only to areas of trade or economic benefit: they should respond to the needs of the community at large. We have not recognised the importance of language studies as happens in other countries, where people can happily slip from Italian to English to French or German without any hesitation. We need to be able to do the same not only to look after our community but also to develop our tourism industry.

There is an enormous cynicism in the community about members of Parliament and it will take a long time for us to regain some respect for the position. Most politicians do work hard but, unfortunately, the perceptions in the community are very negative. Last week, and again today, I gave a tour to a group of boys from St Peters' College. I had just finished telling them that what they see on television every night is not representative of the parliamentary process when Question Time began and the behaviour which I had said was not typical was put into play. I do not know whether to lay the blame at our feet for playing up to the media or whether the media should be more responsible and not show what happens at that time. Perhaps then we might get proper answers to questions rather than a performance for the evening news which perpetuates people's perceptions.

I am passionate first and foremost about my community, and for that I make no apologies. It represents a broad cross section of people of diverse socio-economic backgrounds and, therefore, the issues which affect them are issues which affect the whole State. If in some way I can make a contribution, I will have exercised my responsibility as a member of the human race. I have had many experiences since childhood, both positive and negative, and I am sure that they will be a guide for me in my parliamentary life. I have experienced the feeling of being a foreigner both in South Australia and on my return to Italy, and it was quite a shock for me to be considered a foreigner in my own country of birth. I have been in the hospital with my mother and seen first hand the needs in the health area. I have been in Housing Trust accommodation where people suffering from metal illness are abandoned and not able to look after themselves. I have visited schools in my electorate where the children do not even have air-conditioned classrooms—and that is in the eastern suburbs. I have seen the tragedy of refugees who have lost all their family members. I have been part of an interviewing panel where for one position we received 300 applications and people pleaded to be given a chance even though they did not have the qualifications. I have experienced first hand accusations that I am a front for the Mafia—although some of my colleagues here might think that perhaps even the Mafia would have a hard time keeping me in order.

I do not profess to have the answers to all the issues which have been raised by my colleagues. However, I will work hard both in Parliament and, more importantly, in my electorate. It is a great honour for me to have been elected to represent the community of Norwood following in the footsteps of our living national treasure, Don Dunstan, and Greg Crafter who is not yet a treasure but may be some day, and I thank them sincerely for their confidence and support. I would also like to thank Mike Rann for his support in having confidence in choosing someone who is not factionally aligned, and I assure him that I will be doing more

than waving to people as I ride my bike up and down The Parade, as was alleged in a recent newspaper article.

Brian Fitzgerald who headed the campaign team in Norwood, for his dedication and work for the past 30 years, has been rewarded with life membership of the Labor Party. Many thanks to the hundreds of volunteers and members of the Norwood sub-branch who put in an enormous amount of time and effort to win what was considered to be the unwinnable. I say to all my colleagues in this place, I do not know all of you very well but I look forward to working with you and contributing to making this a better State.

I extend a particular vote of thanks to Murray De Laine, who has, I think, found me a bit of a challenge and who, if he had more hair, would have been pulling it out. He has certainly helped to make my introduction to Parliament much easier. I thank my long suffering family—mother, brother, sister and their respective families—who have managed to stay sane through everything. I owe what I am today to my father. He came to this country as a young man and died still young at 55 years of age. He did not live long enough to enjoy his children and grandchildren. Like many migrants before him, he worked very hard in his adopted country, which he loved so much. He was a true believer and, although it is many years since his death, he is still remembered with enormous respect and affection by the community because he was a selfless worker for everyone, and I know that he would have been very proud if he could have lived to be here today.

Mr Deputy Speaker, with your indulgence I will recite a prayer with which we used to begin our meetings at the City of Kensington and Norwood and hope that perhaps we may take some of this into consideration:

As we gather here this evening to conduct the affairs of our government, let us remember that we are the responsible servants of the public trust.

May our actions serve the liberating cause of freedom. May our decisions always be guided by the light of reason, and may we move with the generous spirit of tolerance and love which transcends petty differences and selfish aims.

May the debate be lively, the praises many, the recriminations few. May this Parliament discharge its duties with a sense of purpose and a sense of humour, in the name of our common humanity, Amen.

Motion carried.

MUTUAL RECOGNITION (SOUTH AUSTRALIA) (EXTENSION OF OPERATION) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 3 December. Page 42.)

Mr ATKINSON (Spence): South Australians adopted the national Mutual Recognition Scheme in 1993, despite the objections of the then member for Coles, who argued that South Australians were different. I believe it is sensible that qualifications be recognised across the country, no matter in which State or Territory they were obtained. Mobility of labour is important for Australia. A review to mark the fifth anniversary of the Mutual Recognition Scheme—

The DEPUTY SPEAKER: Order! Members will please take their seats as quickly as possible.

Mr ATKINSON: —is nearing completion. Alas, a sunset clause in the 1993 legislation will mean that our Act shall lapse before the review is completed. This should not be allowed to happen. The Act and its scheme should continue, and we should be in a position to amend the Act and scheme later in the year, when we have the report of the review. The Bill extends the State Act's adoption of the Commonwealth scheme. The Bill has the Opposition's consent.

The Hon. M.D. RANN (Leader of the Opposition): I support my colleague's backing for this Bill. I was involved for some years, as Minister for Further Education, Training and Employment, in the discussions which led to this mutual recognition. For decades, progress in Australia had been severely hampered by the fact that different States did not recognise qualifications in different jurisdictions. Of course, we still have a considerable battle to try to ensure that there is decent recognition of overseas qualifications.

This is something that I experienced within my own family, when my father emigrated to New Zealand with a string of qualifications from Britain that were not recognised in New Zealand. However, when he sat for the examinations, they were all from the same exam papers exsourced from the ones in Britain. That is bizarre, but that situation confronts many migrants now in Australia. I constantly meet taxi drivers and others who tell me about the qualifications which they have earned in other countries but which have yet to be recognised in Australia. So, whilst strongly endorsing what we are doing today, in terms of recognising the importance of mutual recognition in Australia, I point out that we still have a long way to go.

We are currently concluding, under CER arrangements, mutual recognition arrangements with New Zealand, but there is a range of people who are represented by the ethnic communities, councils and so on who would like to see greater progress at the national level as well as in the States to ensure a much greater and swifter recognition of qualifications earned overseas.

The Hon. G.A. INGERSON (Deputy Premier): I thank the Leader of the Opposition and the honourable member opposite for their comments. Clearly, there is a major issue, in terms of international recognition, as far as some qualifications are concerned. That issue has been around for a long time but I understand that there has been some reasonably slow progress in that area. I thank members opposite for their support of the Bill.

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

MFP DEVELOPMENT (WINDING-UP) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 3 December. Page 42.)

Mr FOLEY (Hart): It is my responsibility to manage this piece of legislation for the Opposition. As shadow Treasurer, and someone who has had some connection for some years with the MFP, it is appropriate that I do so. I am not sure where the Minister responsible for the MFP ranks in terms of the number of Ministers responsible for this project. This Minister will have the honour of being the one who finally winds up the MFP. That is something no other Minister can claim.

I wish to make a few comments about the MFP and its history. The Bannon Labor Government, under the leadership of John Bannon, attracted the MFP to South Australia and that was a significant achievement by the former Premier. At the time, it was an eagerly sought development around the

country. There was bidding amongst many States, by Queensland in particular. Notwithstanding the views of present members and the recent history of the MFP and what it has not achieved, I believe it should be acknowledged that the decision by John Bannon and his work in achieving this project for South Australia was the right thing to do at the time. It was supported by the then State Liberal Opposition but not necessarily by the Federal Liberal Party—and members will recall the politicisation of the MFP in its early days by the then Leader Andrew Peacock, I believe, at the 1990 Federal election. However, at the time the MFP was on offer. It was conceptually the city of the future. It was a new, clever way of attracting investment to a particular region.

I had the opportunity to see a couple of MFPs, one when I was working for former Premier and Minister Lynn Arnold in the city of Kobe, on Kobe Island, where a very successful MFP has been developed, albeit a different one from what was envisaged here, as that was a man-made island, off Kobe. It was a bit disconcerting to look up at the hills of Kobe and see that a large part had been trucked to build the island. A major commercial centre was established on Kobe Island, where a number of head offices of major corporations were located.

There was also housing, together with recreational activities, community halls, ovals and sporting grounds. There were quite sophisticated modes of internal transport and ways in which infrastructure was developed. This was in the early 1990s, and that was clearly a successful MFP—albeit, I assume, with great taxpayer subsidy in terms of attracting corporate head offices to that location. That is a separate issue—whether the MFP was meant to be a heavily subsidised mechanism in that way. My early understanding of the MFP was that the unique nature of the development should be sufficient to attract corporates, businesses and investment opportunities, but that was not necessarily the case in practice.

When I was elected to this Parliament in 1993, I visited Sofia Antipolos, just out of Nice in the hills, to have a look at that MFP, which was again a very successful one. It was a distinct community of some 10 000 people, although many of the people lived outside the MFP. A number of international corporations were established in that city. Again, there were recreational facilities, and it was a unique centre. However, I again make the point that many of the corporates were heavily subsidised by the French taxpayer. So, the argument that an MFP in itself can naturally attract investment is not necessarily borne out by experience.

However, I make the point that I believe John Bannon made a very courageous decision and the right decision in the late 1980s-early 1990s to attract the MFP, and for that he should be commended. It was not the fault of John Bannon that the MFP was not delivered. Successive Leaders, Ministers and Premiers after that were unable to achieve the outcomes hoped for. I believe that, in the early years, it was a punt worth taking. However, we saw the quite disgraceful politicisation by the Federal Liberal Party in the 1990 election, from memory; it was not good.

I remember a community meeting in my electorate—actually, it was in the electorate of my colleague the member for Price but it is now my electorate—in the Greek Community Hall in Port Adelaide, where a live *Couchman* show about the MFP was filmed, and it really was a quite disgraceful meeting. I was there, as was the now Treasurer Rob Lucas from another place. I was sensitive to the feelings the Treasurer had at the time, and he had them for some very real reasons. It became a very racist meeting. Many people at that meeting were very ignorant of fact and were very racist in their comments, and it became an anti-Japanese forum that was whipped up into quite extraordinary hysteria. There were angry scenes, and quite spiteful comments were made.

The Treasurer and I were only spectators; we were not participating as such. However, those who were did themselves no justice. I remember some representatives from an environment movement—and they will go unnamed—whose behaviour was quite disgraceful. They talked about what the MFP would do to Port Adelaide, quoting all sorts of quite appalling inaccuracies, including who was behind it. Some business people were equally ignorant, provocative and racist in their overtones. It was something that transcended the political divide from left to right. Some ignorant, ill-informed and poor judgments were evident among people at that meeting. I provide that example by way of illustration. Time and again, when the MFP should have been embraced by the community as an innovative way in which to look at investment attraction in this State, that process was derailed by ignorance and prejudice—and, indeed, at times blatant racism. People would call this some sort of 'Jap city', which it never was. Unfortunately, in the early days of the MFP, it was quite disturbing to note the continual attempts to derail getting the MFP off the ground.

At the 1993 State election, the then Premier, now Minister for Human Services (the member for Finniss), was also a sceptic about the MFP. The then Leader of the Opposition wanted to call it a technopolous, so we again had this huge debate about what we would and would not have, involving a reorientation of the MFP. I give credit to the current Premier who, in his capacity as Minister for Industry, was a believer in the MFP. I acknowledge that there were efforts by the then Minister for Industry, now Premier, to make the MFP happen. I might add that I worked for a Minister, Lynn Arnold, a former Premier, who also was a Minister for a period who had responsibility for the MFP, and we all shared in the frustrations of not getting the MFP—the critical mass—off the ground. I do not want to say that there was not shared effort and lack of success across both sides of the political spectrum.

It seemed to me that, every time we tried to make an effort with the MFP, in the end it was never given a chance. It normally involved political reasons but it was mainly people just simply would not give it a chance, making unnecessary comments about the MFP and causing continual debate about whether we should or should not have an MFP. The now Premier made an effort to get the MFP working, to make it happen. Internal politics within the Liberal Party made that job very difficult and frustrated the efforts being made in that regard. Even with the debate over the Mawson Lakes project, there was great division within the Cabinet as to whether it should or should not be supported—

An honourable member: At The Levels.

Mr FOLEY: —yes—and there was great debate about issues such as whether EDS should locate its head office at Technology Park, which would have given a critical mass to the MFP. However, as we know, that was favoured over the old EDS site, with massive taxpayer subsidy that would cost taxpayers tens of millions of dollars over the next 15 years. I will not get on my hobby horse and talk about that issue, because I now have a term of reference on the Economic and Finance Committee which will allow me to—

An honourable member interjecting:

Mr FOLEY: I am happy if you do talk about what we have lost on the current MFP because, as I said, it was a gamble worth taking at the beginning which did not get off the ground. The Minister has been in Government for four years so, if we decide to start trading blows about who lost the most, I suspect we will both come out of it with a bloodied nose—

The Hon. M.H. Armitage: No, we won't.

Mr FOLEY: And it will not be something that this Minister or any Liberal politician—

The Hon. M.H. Armitage: It won't be pretty but we won't lose.

Mr FOLEY: It will not be pretty. We can certainly have that debate, and I am happy to participate in it. The reality is that, for the four years under the Liberal Government, much money was spent on the MFP, just as much money was spent under Labor Governments. It was something that was tried—

An honourable member interjecting:

Mr FOLEY: Yes, and I do not walk away from that. As I said, at the end of the day, we would both have bloodied noses if we tried to justify the respective spending of the opposing Parties. In summary, it was a gamble worth taking. I think that John Bannon did the right thing, and for that he should be commended. As a community we should take a close look at ourselves in terms of all our roles at various times across the spectrum in not giving something a chance that perhaps it should have had in its early years. I must admit that I was one of the last people to get off the horse with regard to the MFP. I suspect that the now Premier and I—and I have said this in this place and publicly—were a couple of the last believers in the MFP even though many members from both our political Parties had left us. Senator John Quirke, the former member for Playford, was a strong opponent of many aspects of the MFP. In the early days, I did not agree with the now senator, and he knows that. However, in the end, certainly in respect of some of the issues raised by Senator Quirke involving the Asia Business Centre and a number of issues involving the MFP, he was dead right.

Perhaps people such as the now Premier and I were a little late in acknowledging the errors of the MFP, because in part we had staked a lot in it. I am quite relaxed in acknowledging that I was one of the last to see the obvious in respect of some of the wasteful practices of the MFP and what had become in many respects an unfortunate gravy train. Having apportioned blame across the political Parties, I say that, in fairness to both the Liberal and Labor Parties, neither this Government nor the former Government and neither Liberal nor Labor politicians who backed the MFP were that well served by some of the senior people within the MFP and by some of those people in whom we had put faith and trust. It would be fair to say that some of those officers—and I will not name those (it was not all, it was only some)—let us down, given that we were prepared to put our political credibility on the line, as we did for many years, much in opposition to the mainstream views of many within our Party.

I, together with the Leader of the Opposition, had a discussion some time before the election, where we decided that it was clearly no longer possible for us as a Labor Party to support the MFP and that enough was enough. We indicated in a number of public speeches and in our comments that we were certainly forming the view that enough was enough. In recent times, the MFP had totally lost its focus. It was the Premier's Torrens Domain concept and his idea of the MFP managing just about anything that could move and shake in this city that was the final straw that broke my back. To show members just how politically opportunistic I am, I reckon I jumped off the MFP horse before Premier Olsen. He will have a different view about that, of course. I suppose I am now being silly about the matter, but I suspect that both Premier Olsen and I were the last two to hop off. I want to say that I felt I hopped off prior to his hopping off. Of course, he came out quickly just before the election and announced this measure, indicating that he would be the one closing down the MFP.

In the end, the excesses of the MFP became too much. There were quite disturbing revelations of Dr Webber's abuse of office, including travel, and that really was too much to bear, as were many of the extreme elements of the MFP. The MFP died a very undignified death. It would be fair to say that many contributed to it but, at the end of the day, the obvious was there. The Leader of the Opposition and I recognised that, so we put down a position for the Labor Party leading up to the election. The Premier followed suit with his announcement to wind up the MFP, and the member for Adelaide now has to undertake the burial of the MFP. In the Committee stage, I will be interested to make sure that we do not have a son or daughter of the MFP emerging from the ruin.

Mrs Geraghty: Offspring.

Mr FOLEY: Offspring of MFP, to be gender neutral. It is important that we do not replace the MFP with something that mirrors it. I will raise a number of issues in Committee. Enough has been said by me about this decision, which the Opposition supports. Indeed, it is a decision that the Opposition called for, and I hope that Government members will have the dignity to debate this in a constructive manner, as I have attempted to do. It is not often that politicians are prepared to admit that blame needs to be shared, but in this case it should not be borne just by the body politic and we should sheet home blame to those officers of the MFP who did the organisation no good by their reckless behaviour and who, probably more importantly, were unable, after hundreds of millions of taxpayers' dollars and much patience and courage by politicians on both sides had been expended, failed to make it work.

They were given every opportunity, they were given plenty of time and, as the Minister will no doubt make clear, they were given plenty of money to make it work. In the end they could not deliver on what was in the late 1980s and early 1990s a dream, a concept, a proposal worth backing, but one that this State, for whatever reason, was incapable of bringing to fruition.

Mr VENNING (Schubert): I am prepared to take up the challenge issued by the member for Hart, because we intend to debate this Bill constructively. The MFP has been going for nine years, and I have been here for seven years, so it has been with me for all my career in this place. As we know, the MFP was set up under the previous Labor Government and it changed to a corporation five years ago. There was always much debate about what its charter was as set up under the previous Labor Government. The Government changed after the MFP had been in existence for five years, and it has had four years under the Liberal Government.

I believe that the MFP delivered on four key projects, and as a member of the Environment, Resources and Development Committee we regularly took reports from the MFP executive and they gave evidence before the committee. The first of those projects was the integrated development site at The Levels, which was discussed by the member for Hart.

That project, Mawson Lakes, is an $850 million project, so I hope that we will get an asset out of that. The second was the proposal to build the pipeline from Bolivar to Virginia, a $340 million project that is under way. We certainly got value out of that.

Ms White: At last.

Mr VENNING: The honourable member might say, 'At last', but it is a major investment and the Government, being cash strapped, was not going to build it willy-nilly. I am pleased that it is happening now and I hope that it continues on to the Barossa Valley, but that is a decision for another day.

The third successful project was the completion of the wetlands scheme across the northern suburbs and in the many creek catchment areas of the State. The fourth project was the establishment of the Australia-Asia Business Consortium, which we know a lot about but which I believe has been closed down.

Ms White: Why is that?

Mr VENNING: That is a good question. The honourable member may wish to contribute to the debate and tell the House why. I believe that the wetlands project was a great success, particularly with its stormwater management. This has been a very difficult problem for the State, and we have an ongoing problem with the management of the Patawalonga. A lot of the good work that we have done is coming unstuck purely because we cannot protect the Patawalonga from the stormwater which should go straight out to the sea. It goes into the Patawalonga and takes all those unpleasantaries with it. We must put in place a drain which goes out to sea but which does not upset the visual environment down there. I do not think that we have any choice. To protect all the work that has been done and the investment that has been made, we have to do that. That was a project of the MFP.

The South Road extension across the wetlands area to the north of our city is a great asset; I use it often, and I believe that the MFP had a lot to do with that, particularly building roads through very difficult terrain, such as the marshes and wetlands, and creating a tourist attraction out of an area that was most unpleasant and unattractive. When driving through that area now, people can see wetlands, ponding, duck boarding, areas for birdwatching and areas for parking. That is a credit to the MFP because it was very involved in that.

In the early days I appreciated the work that the MFP did with environmental housing. In fact, I went to Canberra to study the environmental housing being undertaken in that city in conjunction with the MFP. The housing industry has benefited a lot from the work that was done in creating energy efficient housing, that is, houses that are cool in summer and warm in winter. Three or four houses were built as models, and I understand that the Housing Trust now has that information and looks after the houses constructed in this way. These houses also maintain their own sewerage systems, via a sewerage pit, and water is then pumped out on to the garden as safe grey water.

There have been positives from the MFP. All this information is now with other authorities, particularly the intellectual property, of which there must be a substantial amount, given that over nine years the MFP must have gathered a lot of information. I am assured that the intellectual property has been handed on and that a lot of the projects are being worked on by other authorities.

I have one question concerning the Gillman wetlands, near the Dean Range, which has been in the spotlight. I know that it is still being used as a rifle range, and I used to go down there a lot as a youngster because I was a crack shot. I could well be still, but I have not tried of late. That whole area is important environmentally to the State and particularly the city of Adelaide, and the work that has been done is very valuable.

What will happen in relation to the development of the area remains to be seen and I do not know whether the plans that were drawn up will be of value. If one compares the area now with what it was 10 years ago, one has to say that the MFP did a great job in tidying it up and at least making it pleasant to look at.

Along with the member for Hart, I recognise the work of the previous Minister (now the Premier), who worked very hard to get the MFP going. He had the horse in harness, he fed it up and he had the whip out, but not even he could get the horse over the line. However, the MFP did some good work for South Australia.

Other authorities are taking over much of the work and working alongside one another, particularly SARDI (South Australian Research Development Institute). Much of the work is now being done by SARDI and other authorities. The question is: did the MFP give us value for money? That is the $1 million question and one that I cannot evaluate. What price do you put on research and development? What price is the technology? How do you evaluate it? As previous members have said, did the MFP lose its focus or was it just about bringing in rewards? As I said earlier, the reports to the ERD Committee were valuable, particularly the evidence of witnesses. I always found it very interesting.

The MFP was open to public ridicule, and often it was unfair because it was in a position where it could not fight back. At times, the ridicule became very political. The MFP is now part of our political history, and I hope that it will be looked upon favourably. At least we got something for our money, unlike the State Bank where we lost everything—so much for nothing, and we will carry the scars for life. I have much pleasure in supporting the Bill.

Ms WHITE (Taylor): I was not intending to speak on this Bill, as my colleague the shadow Treasurer said most of what could be said from this side of the House. I signal that I want to ask a question in Committee to ensure that we go into Committee. One lesson to be learnt from the experience of the MFP Corporation Development relates to the way we develop technology and deal with science in Government in this State and perhaps as a nation. One lesson that I believe comes out of the MFP experience is not that the vision was so far out of reach that it was impractical—I do not think that was the main lesson—but that you cannot have a vision, run overseas and recruit so-called high-flying persons and expect it to happen. It takes a lot more than that.

The very disappointing aspect about the MFP experience is that I could name a number of Australian engineers and scientists living in Adelaide who probably could have served us very well, done a very good job at the head of the MFP, and delivered the sorts of results that this and the previous Government were looking to achieve. It is indicative of an attitude that we can have in this State, and perhaps even in this country, that if you recruit someone from somewhere else automatically they must be better and add more than someone we would find locally.

It is the perception that if you pay someone a heap of money, because that is what they can attract elsewhere, you will have a better experience and a better outcome than if you picked some very capable person who was right in front of

your face. I say that because I know a number of very talented engineers and scientists in Adelaide who were very keen to contribute towards the goals of the MFP but whose offers of contribution were either ignored or their talent was just not recognised by Government, and that is a shame.

It is easy to say 'what if', but perhaps we would not have gone so far off the track had we been able to, as a Government, recognise local talent and what the job really required to bring about those outcomes. My question in Committee relates to the assets, particularly the sale of pieces of land, probably at clause 33 but wherever it arises. The Minister might want to address that matter in his reply.

The Hon. M.H. ARMITAGE (Minister for Government Enterprises): I thank members opposite and on this side of the Chamber for their contributions to the debate. I believe that the Multifunction Polis had enormous potential but it was sold like an absolute lemon. The advantages, in my view, were never made clear. The advantages, I think, are those which we are now beginning to see more frequently around the world as communities become intraconnected and interconnected. It was brought to my attention only the other day that there is an argument to be made that the multimedia super corridor, with a paper-less Government in Malaysia, encapsulates many of the advantages that were talked about in some of the ether in relation to the MFP.

I believe that the MFP was doomed from day one, and that is sad but nevertheless true. One reason it was doomed, in my view, was some reticence by the then Government, despite the Premier's attempts to win the project. That reticence was quite clear to a number of members of the community. I will recall to the end of my days what I think is potentially the most biting political cartoon I have ever seen in the *Advertiser*, or any other paper around the world. The cartoon appeared the day after the decision was announced that the MFP was to come to Adelaide.

The cartoon featured a little figure of Wayne Goss jumping up and down and throwing streamers around. He had a huge smile on his face and the words in the bubble read, 'We lost.' There was also a little drawing of John Bannon looking sad with a drooping mouth, and so on, and his caption read, 'We won.' I think that that was the attitude which was prevalent—

Mr Foley: A similar analogy to John Olsen and Mike Rann after the election.

The Hon. M.H. ARMITAGE: That is a silly comment. That was the view that was extant in society at the time, and the fact that we are now debating this Bill is the proof of the pudding. A number of issues that have been raised I am sure will be raised in Committee, and I am happy to address those questions then. I thank all members for their support.

Bill read a second time.

In Committee.

Clauses 1 to 5 passed.

Clause 6.

Mr FOLEY: I take a little licence here in that this seems to be the appropriate clause to raise the issue of the termination of the contract of the Chief Executive Officer of the MFP, Dr Laurie Hammond. Whilst I gave, I believe, a very bipartisan second reading contribution, one issue requires some scrutiny by the Opposition and the Government in terms of its being held accountable. As we know, the current Premier, who no doubt would be delighted by the Minister's inference that the MFP has been sold like a lemon, because the Premier did try his hardest to sell it—

The Hon. M.H. Armitage interjecting:

Mr FOLEY: I will let you correct that; I do not think there was anything wrong with the way Premier Bannon marketed it. Anyway, the Chief Executive Officer, Dr Laurie Hammond, was reappointed to a contract by Premier Olsen. About six months before the decision to scrap the MFP was taken in the run down to the State election, I asked a question in this House. It has been said that Premier Olsen is a very unlucky politician in that every time he tries to put one step forward he gets forced back a couple of steps. The opposite could perhaps be said for this Minister: he is a very lucky politician in that the events of recent times with the sale of ETSA have dominated this Chamber in Question Time. Perhaps this issue on which I am now putting him under some scrutiny would have been better suited to Question Time, but that is the luck that flows in politics.

On 9 December in Parliament I asked the Minister about the termination package for Dr Hammond, and he told the House that it was $198 500. I interjected and asked, 'Is that the full package?' The Minister turned to the Premier, who confirmed to you that the total package of Dr Hammond's termination was $198 000. We then learnt some weeks later that the Government had, indeed, also negotiated a package for Dr Hammond of a further $200 000 by way of a consultancy with the University of Adelaide. Why did the Minister not tell Parliament on 9 December the full details in respect of Dr Hammond's package? Why did he tell us only half the story and, indeed, half the package?

The Hon. M.H. ARMITAGE: First, let me say that the member for Hart is nothing if not predictable but, more importantly, he continues to gild the lily because, as I pointed out on 9 December, Dr Hammond, the then chief executive, was not appointed by the Premier. I stated quite clearly that he was appointed by the board. Yet the member for Hart, clearly to get something in *Hansard*—and I believe we will see this in the press tomorrow, and that is why it is being raised in this tone—said he was appointed by the Premier. Well, he was not: it is as simple as that.

In relation to Dr Hammond leaving, as I indicated on 9 December, if the Government had intended to refocus the MFP, which we were doing, and if someone on a high salary was not being utilised appropriately to the benefit of the State, the legitimate financial question is to ask whether that person ought to continue in that position at a very large salary and, indeed, that is what the Government did.

In Question Time the Opposition has made a habit of gilding the lily and at the end of each question, in the hope of focusing the attention of the media, asking, if you like, a second question. On the day in question—and I quote from *Hansard* of 9 December at page 125—the member for Hart finished his explanation in relation to the former Chief Executive Officer by asking, 'Was his payout greater than the $198 000 reported in the press on Friday?' I answered that question.

Mr FOLEY: I always have a wry smile on my face when this Minister does what the former Premier did by saying that the board of the MFP appointed Dr Hammond, that it was not the Premier and that therefore we should not be responsible for anything to do with his employment conditions. The former Labor Government was often harangued by Premier Olsen for the appointment of the Chief Executive Officer. Certainly, the defence then that he was appointed by the board was not acceptable to the current Premier. I fail to see how the Minister can now use that as an adequate defence. The Minister talks about people gilding the lily and about

inconsistencies, but he, the Premier and the Government are very adept at doing just that: tailoring an argument to suit their need. It is impossible for us to allow members opposite to get away with saying that they were not responsible for Dr Hammond's appointment.

As the Minister said, my question was, 'What is the total cost of the termination settlement for MFP Chief Executive Officer Mr Laurie Hammond?' By way of explanation I said:

> The former MFP Chief Executive Officer, Laurie Hammond, was re-signed to a four-year contract by the Premier six months ago. Was his pay-out greater than the $198 000 reported in the press on Friday?

The Minister replied—and in so doing he turned to the Premier—and said:

> In response to the member for Hart—and I thought he would have known this—the contract was not with the Premier. . . The question was based on a falsehood. Secondly, I am informed that the total cost of the package was as reported, namely, $198 500. That is what I understood and what I was checking with the Premier.

We then found out some weeks later that Dr Hammond was also appointed to a consultancy at the University of Adelaide to the value of $200 000. The question was: 'What was the total cost?' This Minister said it was $198 000. We now find out that the total cost was $400 000. It is pretty black and white to me. For whatever reason, the Minister chose not to inform this Parliament fully at that time, and for that I look forward to his explanation.

Of course, when this news broke on radio that morning the Minister did not come out to defend himself. Mr Ian Kowalick, the head of Premier and Cabinet, came out and attempted to hose down the issue. The Minister was extremely silent on this issue, and I know why; namely, he was not aware of this extra $200 000. I know that for a fact, because a certain person who, clearly, was in the know on that issue told me that. For that, I have sympathy for the Minister, but it does not get away from the fact that incorrect information was given to Parliament. Therefore, this Minister, if not guilty of an offence of misleading the Parliament, is guilty of not being across his portfolio brief, that is, being fully aware of the cost. Immediately upon returning to his office, why did the Minister not come back to the House and correct that statement? Is it because, as I have alleged, you were not aware of the extra $200 000 university job given to Lawrie?

The Hon. M.H. ARMITAGE: Before responding, I point out that, in relation to the clever political joust in which the member for Hart attempted to say that I was accusing the present Premier of not selling the MFP well, I was identifying quite clearly that the then Government, in other words Premier Bannon, needed to overcome the cartoon published on day one when it was announced that the MFP would be established in Adelaide. Just in case the member for Hart misunderstood—and I do not believe that he did—that is on the record. I cannot add to what I said before. Factually, I answered the question that I was asked by the member for Hart at the end of his explanation of his question, namely, 'Was his payout greater than the $198 000 reported in the press on Friday?'

Mr FOLEY: The Minister is not answering the question, and we know why. Does the Minister honestly believe that this Parliament and the people of South Australia will allow him to get away with this on a technical point? The question was: what was the cost to the poor old taxpayer to terminate Dr Laurie Hammond's contract? The Minister is saying $198 500: Mary O'Kane, the Vice-Chancellor of Adelaide University, is on the public record as saying that she was told by Mr Kowalick, 'You can have a $200 000 consultancy into the commercialisation of intellectual property provided you take Laurie.' Laurie was part of the deal. It was clearly a negotiation by the head of Premier and Cabinet, Mr Ian Kowalick, to negotiate the settlement between Dr Hammond and the Government of South Australia. The Minister either misled the Parliament—and he is saying he did not do that—or he was guilty of not being across his portfolio brief. I repeat my question: was the Minister aware of the $200 000 consultancy that Mr Kowalick had arranged with Dr Hammond when he gave that answer to this Parliament?

The Hon. M.H. ARMITAGE: The member for Hart is, by his verbosity, tending to open up a number of other issues. One of the things which the honourable member is opening up and which he identified in his discussion concerns the cost to terminate. The honourable member in his argument has talked about a consultancy. Clearly, that is not a cost to terminate. If one is getting benefit from that, that is not a cost. It is as simple as that. Factually, Dr Hammond, I am informed, is from New Zealand and was one of the people who was best in the commercialisation of intellectual property. That is, as I understand it, the role he is now performing. If we are getting value for that contract in addition to the pay-out greater than the $198 000, that is of benefit to the people of South Australia. I reiterate: I answered the question that I was asked.

Clause passed.

Clause 7.

Mr FOLEY: This clause relates to the constitution of the corporation. The Minister is yet again not answering the question under the previous clause. Was the Minister aware of the consultancy at the time he answered that question in the Parliament; 'Yes' or 'No'?

The Hon. M.H. ARMITAGE: That consultancy has absolutely nothing to do with the question that I was asked. The member for Hart is alleging that I either did not have information or misled the Parliament. I reiterate: I answered the question I was asked. Further, if the member for Hart had chosen not to gild the lily in his explanation, I might have given a different answer.

Mr FOLEY: Was the Minister aware of the consultancy when he answered that question; 'Yes' or 'No'?

The Hon. M.H. ARMITAGE: I reiterate: that has nothing to do with the question that I was asked, and hence is irrelevant to the question that I was asked.

Mr FOLEY: For the edification of the Parliament, the Minister clearly was not aware of the consultancy at that time. Even though he was the Minister for Government Enterprises responsible for Dr Hammond, he was not advised of this consultancy. For that, Minister, you have my sympathy but you cannot escape the fact that you were not across your portfolio brief at the time of answering that question. If we are to have confidence in the Minister in terms of answering questions on issues regarding the magnitude of ETSA, having confidence in his capacity to handle this matter is very important. I know, the Minister knows and the Parliament now knows that when he stood in the House that day to answer that question he did not have the full brief on that matter. It is a very disturbing development that, for whatever reason, the Minister was not aware that Mr Kowalick had organised such a pay-out to Dr Hammond. It is a cost to the community. It is not simply something of value.

I look forward to seeing whatever work Dr Hammond does, but the people of this State who are crying out for more

teachers, more hospital beds and more Government services do not accept the fact that a senior public servant gets a cheque for $200 000 in his back pocket and then is sent to the University of Adelaide to undertake some notional research into the commercialisation of intellectual property. It is not something that the electorate accepts and, quite frankly, I am sure they are appalled by it. For whatever reason, the Minister was clearly not across his brief at that time.

An honourable member interjecting:

Mr FOLEY: The issue of Mr Guerin is thrown down our throat all the time. It is lovely that, when we are able to highlight financial mismanagement of this Government, you run a million miles. You are good at throwing the mud, but you are not so good when the boot is on the other foot and we are able to highlight your financial mismanagement, your reckless behaviour as managers of this State's finances and, indeed, your inability to properly govern the State. No doubt, as the ETSA debate unfolds, we are seeing how poorly you are able to manage the finances and the economic management of this State.

Mr Hamilton-Smith interjecting:

Mr FOLEY: And the record that we have had. I have been in this place for four years. We have copped it sweet. We copped it as a political Party. We lost many seats at the 1993 election. We suffered punishment for what the electorate saw as our ability and for what they felt about the Labor Party then. We have rebuilt. As a Party on this side of the Chamber we are able to learn from those past errors. As a Government you have not. Your arrogance is breathtaking—

The CHAIRMAN: Order! I bring the member for Hart back to the clause.

Mr FOLEY: Absolutely, Sir. The reality is that Dr Hammond's termination has been a major cost to this State, particularly given that Premier Olsen chose to resign his four year contract (or three year contract, whatever it was) six months before he took the breathtaking decision to wind up the MFP, but then we do know a fair bit about the Premier's backflips on policy. Have there been termination payments to any other contracted employees within the MFP? Will the Minister provide the Committee with details of any other termination packages paid to senior officers of the MFP?

The Hon. M.H. ARMITAGE: My advice is that we are not aware of any this financial year. I am happy to obtain the details and report them to the honourable member. It is almost laughable that the member for Hart would cry poor about $198 000 being paid to terminate someone who is no longer performing a useful job in a refocussed organisation when the State is still paying off $2 million every day because of the decisions taken when the member for Hart was the chief economic adviser to a number of Ministers in the previous Government. When the clock ticks over at midnight, by 2.40 in the morning we would have paid off this money. We heard the Minister for Education and the Minister for Human Services detailing the sorts of things that we would rather be spending that money on than paying off the rich Belgian dentists because of the profligacy of the previous Labor Government.

I know that it is difficult because we went through this before, but the member for Hart again identified that the Premier signed the contract. The Premier did not sign the contract. I know that the member for Hart wants to keep the mantra going but factually the Premier did not sign the contract. I believe the honourable member accused me of not being across the portfolio: I was completely across the portfolio—and I still am—to the extent that I was able to answer the exact question that I was asked.

Clause passed.

Clause 8.

Mr FOLEY: Will the Minister explain the functions, operations and structure of the new corporation in regard to the offspring of the MFP? I am a little concerned that there is being created, in the aftermath of the MFP, something that might, with a quick glance, have some distinctive features of the old MFP. Will the Minister explain the functions of the new corporation that will manage the remaining functions of the MFP?

The Hon. M.H. ARMITAGE: The new Land Management Corporation will have a charter specifically to manage the urban land and the property portfolio so that we are able to reduce debt and, at the same time, support economic and urban development. It will be charged with a program to dispose of surplus land and property assets; to provide for timely land release for the development industry; to identify industrial and potential strategic sites; and to carry out projects to add value to the existing assets and so on. The Land Management Corporation will have a board membership with experience—

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: Yes, it does—of good people.

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: Under the Corporations Act there are boards—

Mr Foley interjecting:

The Hon. M.H. ARMITAGE: That is right. The charter and the performance agreements are being prepared at the moment. In essence, the Government envisages that the Land Management Corporation will be managing the remaining assets to the benefit of South Australia and, as I have identified, that will involve quitting some of them in a timely manner.

Mr FOLEY: Regarding the Land Management Corporation, what will be the size of the board, who has been appointed to the board and what are their salaries?

The Hon. M.H. ARMITAGE: The board consists of six people. The Chair is Mr Jay Hogan, who has a lifetime of experience in property and urban development management. I am delighted to tell the member for Hart and the Parliament that his salary is $33 000. The board members who are paid are Mr Stephen Young, who is a very well-known accountant and equity manager in South Australia. The two other members who are paid are Jane Jose and Wayne Stokes, both of whom were previously on the board of the MFP. They are paid $22 000. Ian Dixon and Pam Martin make up the other six members and, being public servants, they are not paid in addition. The member for Hart is making all sorts of faces about those salaries. Those salaries were determined following advice from the Commissioner for Public Employment.

Mr FOLEY: I do not want to dispute the advice of the Commissioner for Public Employment, but $33 000 as the chair of this body, together with $22 000 for board membership, appears to be on the high side in relation to what we pay in our corporations. As the Minister for Government Enterprises—at least for two years, until the Government sells them all—the Minister must have a fair idea. However, unless I have missed something along the way, if this corporation is effectively managing the land assets of the State—notwithstanding that that is an important role to play—given that the old Urban Lands Trust managed this function, I am interested

in the level of board fees that have been set. Am I missing something, in terms of the functions of this corporation?

The Hon. M.H. ARMITAGE: No. What the member for Hart is missing is that this is a standard fee that is paid on this sort of board with this level of responsibility. It is nothing new. We did not create these fees: we just went to the commission and said, 'This is the level of asset that is being managed; what shall we pay them?' and that was the recommended fee.

Clause passed.

Clauses 9 and 10 passed.

Clause 11.

Ms WHITE: In relation to this clause, which deals with compulsory acquisition of land, my question concerns those portions of land that were acquired by the MFP under this clause. What are the implications in the transition to the new body for those portions of land? In addition, some land belonging to the MFP was involved in at least a land swap with the Penrice company. I am not sure whether it was land acquired under this clause or in some other commercial arrangement. As to that portion of land and any other portions of land that were acquired under this clause, what is the implication in the changeover and the transfer of that land? Where does it go? Is it all being transferred to the new corporation, has some been sold or have any other arrangements been made?

The Hon. M.H. ARMITAGE: At the moment, as I understand it, they have been transferred to me but, if the Land Management Corporation is set up following the passage of this legislation, it would be transferred to the corporation. Land that had been previously compulsorily acquired will be transferred to the Land Management Corporation as part of the setting up of the corporation. Once that is set up, the corporation, according to its charter, will manage the land that it has had transferred to it. So, it is a straight transfer over of the land that was previously in the holding of the MFP.

Ms WHITE: I mentioned the Penrice land, but I understand that the land that the wetlands occupies at Salisbury was Salisbury council land. Will this land revert to the Salisbury council or is there some other plan for that portion of land? I know that the council has been quite vocal in its wish that that land revert to the Salisbury council.

The Hon. M.H. ARMITAGE: In relation to the two parcels, if there was land in relation to the wetlands which was MFP land, that would transfer over to the Land Management Corporation. If the Salisbury council wished to get back some of that land, it would be a matter of dealing with the Land Management Corporation. But the land that was originally MFP land would transfer—

Ms White: Would they have to buy it or be given it?

The Hon. M.H. ARMITAGE: I am not sure of the detail as to whether it was purchased or compulsorily acquired, but the answer is that it is an asset of the Land Management Corporation. If it is land that had previously been an asset of the MFP, it would become an asset of the Land Management Corporation. As I identified, one of the functions of the Land Management Corporation will be to help us deal with the debt situation of this State. Accordingly, we would expect the Land Management Corporation to negotiate with the Salisbury council if it wishes to expand the wetlands, which I think is the area the honourable member is talking about. In relation to Penrice, again, if the land was taken to be MFP land, it would be land that would now fall under the aegis of the Land Management Corporation.

Mr FOLEY: On the issue of land acquisition—and I suspect that, notwithstanding the abilities of the Minister's adviser, Mr Tysoe, he will not be able to answer these questions but he might take them on notice—

The CHAIRMAN: Order! The member for Hart will not refer to the Minister's adviser.

Mr FOLEY: I apologise, Mr Chairman. I am being a little parochial in terms of my electorate, because I have a lot of MFP land. Incidentally, with regard to my comments about the board, I was merely somewhat surprised that board salaries had increased so much. I make no comment other than to say that things have changed a little since the former Government. I was in no way reflecting on members of that board who I am sure will do an important job and serve well in their capacity as board members.

The CHAIRMAN: Order! I remind the honourable member that we are dealing with clause 11.

Mr FOLEY: I wanted to clarify that matter. On the Le Fevre Peninsula we have a lot of MFP land, and some land is being looked at for all sorts of reasons. I know that some of the land has been vested back to individual agencies.

Mr Lewis interjecting:

Mr FOLEY: I would prefer not—

Mr Lewis: It would grow only rabbits and weeds.

Mr FOLEY: That's true. There are elements of my electorate that do grow rabbits and weeds.

Mr Lewis interjecting:

The CHAIRMAN: Order!

Mr FOLEY: Thank you, Mr Chairman. I look forward to your protection from the member for Hammond. In my electorate I have large tracts of MFP land.

Mr Lewis interjecting:

The CHAIRMAN: Order!

Mr FOLEY: Sorry, Sir; I am not sure what the humour was in that statement. Will all the land on the Le Fevre Peninsula currently under the control and management of the MFP automatically come under the control of the Land Management Corporation, or will it be vested to other agencies?

The Hon. M.H. ARMITAGE: I think the member for Hammond was taking issue at the large tracts of land, having driven through his electorate on a number of occasions. I am not sure that driving down to Myer oval, where I used to play incredibly poor amateur football for a university—

An honourable member: It's a good oval.

The Hon. M.H. ARMITAGE: Yes, there is no doubt about that. However, I am not sure whether it qualifies as a large tract. For the honourable member's interest, as I understand it, a large quantity of land has already been transferred back to DEHAA, and only one small area on the peninsula is still in question, the area around Snowden's Beach, and the answer is 'Yes': that would transfer back to the Land Management Corporation.

Mr FOLEY: I am somewhat stunned that the Minister actually knows of Myer oval. I suspect that, when the old Adelaide University used to come down to Myer oval, it would have got an absolute hiding in more ways than one. Was it Adelaide University old scholars?

The Hon. M.H. Armitage: It was Adelaide University.

Mr FOLEY: Adelaide University. We always—

The CHAIRMAN: Order! I do not know that the Adelaide University is referred to in this clause.

Mr FOLEY: We used to enjoy playing the universities. Myer oval is an area that is causing me great concern. It has been left in very poor condition. It has not been properly

maintained. There are a whole lot of different titles across that land, for example, the MFP and the Ports Corporation. It is now a great blight on my electorate, and I would like to work with officers and the Land Management Corporation to address that issue. Will the Minister ensure that that issue is addressed?

The Hon. M.H. ARMITAGE: Because I have such a strong emotional attachment to Myer oval, I am absolutely committed to getting back to the member for Hart about that. I used to play many football matches there. Most of them were pretty poor, because we were a very low team. We used to play A4 reserves, and we used to get thrashed regularly. However, our camaraderie was absolutely 100 per cent.

An honourable member interjecting:

The Hon. M.H. ARMITAGE: On occasions we used to socialise afterwards, and it was terrific. The one thing I particularly remember about Myer oval, the first time I went down there—is this related to the Bill, Sir?

The CHAIRMAN: Order! I ask the Minister to bring his remarks back to clause 11; that would be a sensible move. I remind members that we are dealing with clause 11.

The Hon. M.H. ARMITAGE: This is a Myer oval clause. The first time I went down to Myer oval I had been out to a university ball the night before, and I remember looking to my right—we were kicking towards the northern end—and I nearly died as a ship went past. I thought it was possibly due to what I had had the night before. However, that was yet another match that we lost.

Members interjecting:

The Hon. M.H. ARMITAGE: I know it was. I had seen it, but I had not seen it quite so close to an oval before, having played on the university oval. The boats along the Torrens are not as big—

The CHAIRMAN: Order! Does the Minister have anything to say about clause 11?

The Hon. M.H. ARMITAGE: Yes, I will fix up Myer oval.

Mr LEWIS: To the nearest 10 square kilometres, how much Crown land is still on Le Fevre Peninsula?

The Hon. M.H. ARMITAGE: I do not know, but the area is pretty small. I will take much delight in telling the member for Hammond what it is when we can determine it.

Mr LEWIS: There are two things to be said about that. During the course of the remarks I made to the Committee by way of interjection—which I recognise as would you, Mr Chairman, was highly disorderly—with respect to the claim made by the member for Hart, in whose electorate this land exists, there is a real problem with feral animals and exotic plants. Those plants are otherwise referred to as weeds, because they are growing out of place, things such as boxthorn, apple of Sodom, deadly nightshade—

An honourable member: Salvation Jane.

Mr LEWIS: There could be some salvation Jane there, too, but I think the rabbits eat that. I make that observation because—

An honourable member interjecting:

Mr LEWIS: —quite a deal—because the State continues to hold it but does nothing about removing the hazard that it represents as a harbor for fruit fly through the winter in the berries on this South African boxthorn, for instance, and the fact that the rabbits represent a nuisance and a risk as well. I see it, then, as an unnecessary burden on the taxpayers or—

Mr Foley: Foxes, too, Peter.

Mr LEWIS: Yes, I know. I do not know whether I should say this, but I have been in the company of other people when foxes have been shot.

An honourable member interjecting:

Mr LEWIS: Yes. In fact, I have trapped rabbits in your electorate and sold them on the beach front; admittedly, that was over 50 years ago.

Members interjecting:

The CHAIRMAN: Order! I remind members that we should be talking about compulsorily acquired land, because that is the clause with which we are dealing.

Mr LEWIS: My point is this. It was during the summers of 1948 and 1949 respectively that my brothers, some friends and I were there. During the course of our meanderings across this land, in the native vegetation that was still present at that time, we came across middens—although I did not then recognise them for what they were but I do now—of the Aboriginal people who used to occupy that area.

My second point is that, if that land is Crown land, is it subject to native title claim now or at any time in the future; and, if there is no claim, would it not be a good idea for us to dispose of it before that happened? We had a lot of problems with shack sites located on Crown land elsewhere in this State when matters were being investigated involving whether or not there was potential for native title claims or whether or not there were sites of significance in the location. What will the Minister do about the pests that breed down there—I am not talking about the member for Hart, Sir, but about exotic plants and feral animals—and what is the current status of that land with respect to sites of significance and the prospect of a claim from actions which might arise under the native title legislation?

The Hon. M.H. ARMITAGE: As I indicated before in answer to a question from the member for Hart, the vast bulk of the land that the MFP used to hold on the Le Fevre Peninsula has been transferred to the Department of Environment, Heritage and Aboriginal Affairs, and it will be well versed in dealing with feral pests and any of the potential sites down there. With respect to a large amount of the Mawson Lakes area, there has been a lot of consultation with the Kaurna people, and I am unaware of any particular issue that we need to inform Parliament about in relation to that.

When I was Minister for Aboriginal Affairs, there were some areas in question in the Port in relation to bridges and other such things, all of which on investigation were found not to have been contributory. To the best of my knowledge, I am unaware of any native title issues.

The Hon. M.D. RANN: On this clause I should like to make a contribution because I am aware that, for some years, the member for Hart has been campaigning vigorously for the refurbishment of the Myer oval. I have not played football there but I am aware that he believed that it was an eyesore that had been neglected by the MFP. As someone who is heavily involved in soccer and who frequently attends soccer matches, I should like to see a soccer pitch established there, because there is a very strong soccer following down in the Port.

I want to say some things about the MFP in a positive way in terms of what happened with respect to the refurbishment of areas of my own electorate, which have been nationally significant in terms of wetlands. However, the MFP, in praising itself for that role, often neglected to mention the outstanding work of the Salisbury council in what was nationally leading work, much criticised at the start, but which turned out to be an exemplar both nationally and

internationally in terms of the refurbishment of degraded land areas and the creative use of stormwater.

I got involved with the MFP as Minister for Further Education in the early 1990s, and I have to say that the principal problem with the MFP is that you cannot sell what you cannot define. There were many overpaid executives who were addressing vice-chancellors in Greek, going up to blackboards and writing things in ancient Greek and talking about monuments, over-selling what the MFP had to offer. It was claimed that it would be a university city, that it would be a world-class, high technology centre. Right from the start, the problem with the MFP was that it could not define itself. If you cannot define yourself, others will do so. It is a case of who gets in first. The critics of the MFP were able to get in early and paint the MFP into whatever bogey they wanted it to be—whether it was to be some kind of rest home for people from overseas, a nuclear power station, or whatever. Because the MFP could not define itself and sell that definition, it meant that others who were critics of the scheme got in first.

With all these things—university city, the Asian business development centre and so on—each time they were oversold and, just like fool's gold, eventually the value became downgraded in the eyes of the public. The issue of the salaries of those involved with the MFP then became the crowning glory. Towards the end of the process, it was very easy to say that, because the definition of the MFP kept changing, whether it was to be the refurbishment of the Port, a high-tech city, an overseas enclave, a housing development at Mawson Lakes, or responsible for some kind of overarching urban development organisation with carriage of the wine museum and the upgrade of Parliament House, the salaries—

The CHAIRMAN: I remind the Leader of the Opposition that this is not the second reading: this is Committee.

The Hon. M.D. RANN: I know, Mr Chairman. The salaries became something that the public could hold onto as an objection. I am certainly pleased to hear the assurance from the Minister about the upgrade of Myer reserve, and I look forward to being invited down there with the member for Hart and the Minister, because I know that, particularly on soccer matters, he likes to be bipartisan.

Mr Foley: Bring your son along.

The Hon. M.D. RANN: I will bring my son along and we can have a kick around as we celebrate the opening of a fantastically enhanced area at the Myer reserve.

The Hon. M.H. ARMITAGE: The Leader of the Opposition spoke about the collaboration between the Salisbury council and the MFP in relation to the wetlands and I am sure that, as evidenced by everyone who drives in that area and sees the benefit of that collaboration, that would be an acknowledged feature. I am informed that at the moment there is discussion about similar collaboration with the local council involving the Myer oval, so I look forward to the support of the Leader of the Opposition and the member for Hart in attempting to develop a group of people who will share responsibility for that oval because, as I indicated, it has a glorious past and I am sure that it will have a glorious future. There are advantages in collaboration between councils that wish to see this sort of land utilised appropriately and, as was the case with the MFP previously, the Land Management Corporation will be involved in similar discussions.

Ms WHITE: On this issue of land, I want to put in a bid for some clubs in my area that are looking for a home. The Leader of the Opposition mentioned soccer, and I certainly support that. Other clubs have approached me, including a car club, which see this opportunity of the reorganisation of the MFP's stocks as one whereby the Government could help out some clubs that have been looking for a home for a long time. Is the Minister of a mind to be helpful on this matter, particularly to help the clubs that I have mentioned to find premises and, by 'helpful', I mean helpful in terms of money?

The Hon. M.H. ARMITAGE: Given the Premier's answer to a question earlier today in Question Time, and given that that was a mere couple of hours ago, this is the first of the asks. As I identified previously—I think it was in response to a question from the same honourable member—clearly one of the roles of the Land Management Corporation is to assist the Government in its debt management program. I would not expect the Land Management Corporation to be perceived as a benevolent charitable organisation. It has a number of assets of the State, in other words, of the taxpayer, and I would expect the board to manage those assets accordingly.

That does not mean that clubs, councils and so on cannot have relevant negotiations with the Land Management Corporation, but if the member for Taylor is expecting the Government to authorise the board of the Land Management Corporation to dispose suddenly of the land and the assets, such that sporting bodies in electorates in which the land stands can be the great beneficiaries and other people in South Australia cannot, that is a line which the Government will not be able to support without the appropriate negotiations and relevant business cases, etc.

Clause passed.

Clauses 12 to 14 passed.

Clause 15.

The Hon. M.H. ARMITAGE: I move:

Page 4, lines 23 to 26—Leave out subsection (1) and insert new subsection as follows:

(1) The Governor may, by proclamation, transfer a person who is an employee of the Department for Administrative and Information Services and who was, immediately before 3 December 1997, employed by the Corporation to a position in the employment of an instrumentality of the Crown.

Page 5, lines 1 and 2—Leave out subsection (3) and insert new subsection as follows:

(3) The Governor may, by proclamation, make any transitional or ancillary provision that may be necessary or expedient in view of a transfer of a person under subsection (1).

I acknowledge that there has been general support for winding up the affairs of the MFP Development Corporation as a matter of urgency. When I introduced the Bill on 3 December last year, I indicated that a new Land Management Corporation would be established which would take over the land and the property assets whilst other projects would transfer elsewhere. I also indicated that it was the intention to move quickly, particularly to minimise disruption to staff and, to give effect to this, a number of steps have been taken: the Land Management Corporation has been established; and projects which were not part of the core MFP responsibilities have been reallocated to appropriate agencies, and the staff associated with them have been transferred under the Public Sector Management Act.

I would like to stress that this process has been carried out in consultation with the staff, and they have supported it. It was implemented prior to Christmas when it became clear that this Bill that we are debating today would not pass the House prior to Christmas. Staff who are working on activities to be placed in the Land Management Corporation have been

temporarily placed in the Department of Administrative and Information Services. As there are therefore no ongoing staff currently employed by the MFP Development Corporation, new section 34(1) in the Bill is no longer relevant, and the amendments moved in my name will provide the mechanism to transfer staff, temporarily placed in the Department of Administrative and Information Services, to the new Land Management Corporation, a move which, I re-emphasise, has been carried out in consultation with the staff, and they support it.

Mr FOLEY: The Opposition accepts this amendment. We have shown a very constructive approach to this Bill. The Minister should not believe all the Premier's nonsense about our being a difficult mob on this side of the Chamber. We have been very constructive. I know that the Minister has moved from his comfort zone of health to Minister for Government Enterprises, and as such he has a big commercial portfolio. We have been a very constructive Opposition, and we have worked through a number of issues over a long time, as indicated by this Bill. Do not fall for the line of the Premier that we on this side are a mob of obstructionists: we are a constructive Opposition, and we have demonstrated that.

We cannot agree on all things, as we have clearly indicated in respect of ETSA, but we have been able to assist the Government with many issues, this being one of them. Will the Minister ensure that we are provided with full details of the termination of all people within the old MFP? Could we have a full list of pay-outs to all contracted staff to be provided at the appropriate time?

The Hon. M.H. ARMITAGE: As I have indicated, I am happy to do that, and I have some handwritten notes which I am happy to provide to the honourable member—they are insignificant and basically cover three or four people. In taking up the member for Hart's statement that the Opposition is being particularly cooperative, certainly some members are. The member for Kaurna has been particularly cooperative. He is really helping and he is shining. Although he is a new member, he is doing wonderful things here.

Mr Clarke interjecting:

The CHAIRMAN: Order!

The Hon. M.H. ARMITAGE: People who wish to talk about pruning numbers—

The CHAIRMAN: Order!

The Hon. M.H. ARMITAGE: I am just reading some notes, Sir.

The CHAIRMAN: With respect, the Minister is reading from a blank page.

The Hon. M.H. ARMITAGE: Yes, it is indeed a blank page, Sir. I acknowledge that certain members of the Opposition are being very cooperative. As I indicated, I undertake to provide the information identified by the member for Hart.

Amendments carried; clause as amended passed.

Title passed.

Bill read a third time and passed.

CHILDREN'S SERVICES (CHILD CARE) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 10 December. Page 205.)

Ms WHITE (Taylor): The Opposition has carefully considered this Bill in the context of what is happening within the industry and also what the Government implications are likely to be. At all times we hold foremost the welfare of children when considering such matters; the quality of services in the industry; the safety to children; and we are very concerned to consider this Bill in relation to its implications with respect to the cost of child care for parents and care givers. I said in this place last week that the child care industry is in crisis, and I brought to the attention of the House that it is principally in crisis because the Federal Howard Government has, over the past two Federal budgets, cut a total of $820 million from child care.

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

Ms WHITE: The Opposition has looked very carefully at this Bill in terms of the changes and threats to child care in South Australia which are occurring at this time. We look at this Bill in terms of protecting the interests of children and in terms of the quality of child care in South Australia. We are also cognisant of the spiralling costs of child care in South Australia. Child care is in such a crisis in this State—and I spoke about this last week—because the Federal Government has reduced massively its commitment to child care.

In the past two Federal budgets the Howard Liberal Government cut child care support by $820 million. As a result, South Australian child-care centres have been put under pressure to remain viable. In the past 12 months, eight child-care centres in South Australia closed. Several others are under pressure, and their viability is threatened because of changes by the Federal Government in terms of cuts to operational subsidies, cuts in the number of available child-care places and imminent changes that will come into effect on 27 April when there will be changes to the administrative arrangements affecting child care.

I highlight what it costs parents to use child care. In this State, costs can be and are increasingly heavy on families, and this is affecting family life. We in this State have to pay up to $190-$200 a week to put a single child into child care. Many parents have to work additional hours to cover those costs or, because they cannot meet the costs, they reduce the amount of time their children are in care or, in some cases, give up jobs or study commitments. Obviously, this cost pressure is causing significant stress for South Australian families.

There is a lot of confusion in the child-care industry about the Federal Government's agenda. We have seen budget cuts, and we are seeing toing-and-froing with respect to the rules governing administrative arrangements. The Howard Government has changed the administrative arrangements for child-care centres. Some arrangements which were supposed to come into effect in January this year have been delayed until April. Further, child-care centres and care services have to cope with the additional demands placed on them by the Government. This is all putting cost pressures back onto those centres. There is the pressure on those services to cut costs either by cutting staff or cutting corners in the way they administer those services to the public.

I have been in this portfolio for only a few months, but within that time the urgency of these changes and the impact that Federal Government decisions are having on child care services in South Australia has been marked. Last November, private child-care centres told me that they had an occupancy rate of about 70 per cent. I am now told that the occupancy rate (the capacity to fill child-care places) is around 50 per cent. Obviously, that increasing vacancy within child-care is affecting the viability of those services, and they are under

pressure. Unless they can increase their occupancy rates, cost pressures from the Federal Government will mean that more and more centres will close their doors. For parents, that means fewer options and rising fees as far as child care is concerned—and fees are rising.

Clearly, the Howard Government's policies in terms of child care are placing stress on South Australian families. It is clear that by having to cut costs many centres have to compromise the service they can provide to the public and to the children they service. The Opposition approaches this Bill in that context, namely, an industry in crisis. We have to ask the question: what impact will the changes in this Bill have on the industry? I will explore that question with the Minister in the Committee stage. It is clear that more needs to be investigated regarding the impact that the abolition of grants and subsidies to child care will have on day care services. We are also concerned to know about the effect of changes as they affect the access of families to child care.

We are further concerned about issues dealing with quality of service, and that brings in the question of accreditation across all sectors of the industry. The increase of fees is of critical concern to the Labor Opposition, particularly the effect on women in their ability to continue with their choice of participating in the work force, in studies and in other activities. The extent of the changes being imposed by the Federal Liberal Government affects people's ability to afford child care services. Another area of concern to the Labor Opposition is the impact of changes on workers in the child care industry, their conditions and, thereby, the services that they are able to provide viably to the public.

One of the things that struck in preparing to formulate a position on this Bill was that people from a number of areas of the industry told me that they had not been consulted on the impact that these changes would have. I will explore later with the Minister how widely he consulted with the industry on the changes effected in this Bill. It seems to me that it is time that sufficient inquiry was made into child care arrangements in this State because the industry is in such crisis. It is affecting families and their working habits. It is also stressing families. I will explore those issues further at a later stage.

The Bill deals with mainly family day care. First, it changes the total number of children and young children with whom family day care services can deal. There is also a provision in the Bill to change the licensing arrangement for child-care centres. It appears to be more of an administrative arrangement and one that I believe will be of benefit. Therefore, the Labor Opposition certainly will support that. I will explore the detail of the Bill in more depth in Committee.

The Hon. R.B. SUCH (Fisher): I will make a brief contribution, because we are dealing with the most vulnerable section of our community, the very young children. Overall, we would have to say that the child-care facilities for young children in our State are amongst the best in this country and we should not apologise for that. I been very impressed not only with the centres that I have seen but also with the family day carers with whom I have had contact. It is important that, in the longer term, we have a thorough review of this activity—and I do not like calling it an 'industry' *per se* because that has an economic connotation, which, whilst true in one sense, overlooks the very important human aspects—because, whilst this Bill addresses certain aspects, it is clear that in respect of the private providers vis-a-vis the public providers there is not what one might call a level playing field. That issues needs to be looked at.

In South Australia we have a very high number of family day care providers and I believe that reflects the choice made by parents regarding who should look after their child or children. I am aware that the former DECS (now DETE) maintains a very close eye on those family day care providers. Once again, it is to the credit of the people involved that, to my knowledge, there are very few persons who do not look after the children with assiduous care in both our privately and our publicly run centres. A very good quality of care is provided overall. The focus in recent years has been on the possible sexual abuse of young children. It is important that we focus on that, that we ensure that that is avoided wherever possible and that the people who breach trust are dealt with.

It is important to remind ourselves that the most important aspect in relation to young children is that they are loved, they feel affection and they feel wanted. I know it is more difficult to police something such as that—in fact, it is pretty well impossible; you cannot make someone love someone or show them affection—but it is important that, whilst sexual abuse tends to get the prominence and coverage, in my view, the greater damage is done to young children when they feel that they are unwanted or unloved and that they do not get the necessary affection. The relatively recent focus on child sexual abuse is warranted but, as I say, it needs to be seen in the broader context of care of our young children.

The final point—and this applies perhaps more to older children than to the very young—is that we have to be careful not to wrap children totally in cotton wool because life is full of risks and you have to be able to face those risks and deal with them. Whilst I do not decry moves to ensure that the element of risks on play equipment are minimised, we have to avoid the situation which is apparent in the United States by trying to take out all elements of risk from children's play and their behaviour. Similarly, we see an approach in respect of older children that nowadays very few of them walk to school. Without wanting to reflect on anyone who lives in my street, I notice that families who are able to afford to send their children to some of our more exclusive private schools have their children picked up from their door and returned to their door after school. People might think that is a very good thing in terms of security of their child but it has a down side in that it insulates children from the real world.

If you are travelling on public transport or if you are walking to school, you will see and learn things which are part of the process of growing up. You will see the disadvantaged and the physically disabled on public transport and in the wider community. As a general observation, I am concerned about this attempt to quarantine children from the realities of the world, and that is not to say we put young children at obvious risk but, if they are quarantined and isolated from reality, they will miss out on all the wonderful adventures that someone such as I had. I started school at the age of 4½ because I was probably an adventurous child at home—and that is putting it mildly. They will miss out on all the wonderful experiences of walking to and from school or using public transport. As I say, whilst that applies more to older children, the general principle is still valid, that is, we should not deprive children of experiencing a real childhood and we should not turn them into cotton wool people, subjecting them to total dependence on TV and video for their life experiences.

The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training): I thank the member for Taylor and the member for Fisher for their contributions to this debate. The amendments to the Children's Services Act come about from a meeting of all State Ministers in 1995, where they signed off on an agreement on national standards for child care throughout Australia. South Australia's amendments to the Children's Services Act will bring it into line with other States. Once we have national standards implemented across Australia for family day care and child-care centres, the situation will be uniform, regardless of the State you live in.

As has been pointed out by both honourable members, we have excellent facilities in South Australia, both in community child-care centres and in family day care. We are very fortunate in that, and I believe that part of the reason—particularly in family day care, which my department regulates, administering the Federal funds—is the close contact that the department has with family day care providers. This Bill allows family day care providers to increase from three to four the number of children under school age for whom they can care and limits to seven the total number of children for whom they can care, that has to include their own children who are in their home.

Family day care provides a particularly important service within the community. It is one that many people choose, as many people choose to have long day child care for their children in either private or community centres. I believe that those people who choose family day care want their children to be in a home environment rather than a child-care centre environment. It is shown in the figures that there are in excess of 2 000 family day care providers in our State at this time, and some 235 child-care centres.

The Bill also extends the child-care centre licence from one year to two years. I believe that this is a significant improvement for private and community child-care centres in that quite an amount of time is spent in administration work in applying for those licences, thus the extension will be of significant benefit to the long day care child-care centres.

This change to the Act is supported by the Care Providers Association of South Australia and also the Child Care Industry Reference Group. Advice was sought from those groups, as well as from across the industry. I point out that, in terms of child care available in South Australia, while in the metropolitan area there is a large number of child-care centres and long day child-care centres, in the country the situation is quite different, where family day care is often the only form of child care that is available to families, particularly farming families. So, it provides a significant benefit to country residents and country families. I will leave my comments at that, as we move into Committee, and look forward to questions from the Opposition.

Bill read a second time.

In Committee.

Clause 1.

Ms WHITE: As a matter of clarification, I have a number of questions that all relate to one clause of this Bill. Will I be permitted to ask all those questions under that one clause, or should I ask them now?

The ACTING CHAIRMAN (Hon. R.B. Such): As long as the questions are relevant to the particular clause, and you have three questions per clause.

Ms WHITE: I probably neglected to say in my second reading speech that the Opposition supports choice in child-care service. We believe that each category of child care provides—

The ACTING CHAIRMAN: We are currently dealing with the title. The honourable member can speak for 15 minutes and ask questions during that time, but at this stage we are dealing with clause 1, 'Short Title'.

Ms WHITE: The Opposition supports choice. There are a couple of amendments—

The ACTING CHAIRMAN: I do not want to be too pedantic, but the questions that you are asking now should relate specifically to whether or not this is the appropriate title.

Clause passed.

Clause 2 passed.

Clause 3.

Ms WHITE: In this clause there appears a definition of 'child-care centre'. In investigating the industry, I found that a number of child-care services do not seem to come under the definition of 'child-care centre', 'family day care', 'occasional care' or 'vacational care'. I refer to services such as creches at shopping centres, gymnasiums and the like. Facilities are provided at businesses such as Time Zone that have, I believe, child lockups—if the Minister wishes me to provide any more details of that, I will do so. There are services attached to schools that do not appear to fall under any of these definitions. Will the Minister give me some guidance as to whether it is his intention to change these definitions of 'child care-centre', 'family day care' and the other categories to bring in some of these services which do not appear at the moment to be included under this legislation?

The Hon. M.R. BUCKBY: As the Act states, any centre that cares for more than four young children and charges a fee has to be registered as a child-care centre. It does not matter what the fee is. It might be the local recreation centre, or whatever, and if you pay 50¢ while you are playing netball, for instance, it is accepting a fee and, as a result, has to be registered as a child-care centre if it looks after more than four children under school age.

The same would not apply for out of hours school care, where parents are paying a fee. If more than four children are being looked after, it would have to be registered as a child-care centre. I am not sure about the position concerning Timezone; however, if it charges a fee for looking after pre-school aged children, it must be registered as a child-care centre.

Ms WHITE: I understand that businesses such as Timezone and possibly others that offer lock-ups do not charge a fee. However, the concept is that you drop off your child, go away and come back later and collect the child—and I understand that could be all night. I understand that with some creches such as those involving neighbourhood centres and shopping centres you do not pay a fee but you may pay a donation. Where are those sorts of services covered in the legislation—if they are covered—and, if they are not covered, does the Minister intend to do anything to cover those services?

The Hon. M.R. BUCKBY: If people pay for the child care rather than give a donation, then the service would be deemed to be charging a fee. A child-care centre is any place where more than three children under school age are, for monetary or other considerations, cared for on a non residential basis apart from their guardians and relatives.

Ms WHITE: What the Minister has just said has implications for a wide number of services. If I have interpreted the

Minister correctly, he said that these services—the lock-ups and the donation based services at neighbourhood centres and shopping centres—are all regarded by law to be child-care centres. If that is the case, to what extent does the Minister monitor these services, and with what accreditation and other standards do these services have to comply?

The Hon. M.R. BUCKBY: By way of example, a creche in a recreation centre which does not charge a fee but seeks a donation and which might not be licensed could get around the Act because the guardian is still on the premises. For example, if you are working out in a gym, your child goes into a creche in that gym and you are still within the walls of the premises, that centre would not have to be licensed, because the interpretation would be that, because the parent or guardian is still on the premises, the child is not legally separated from the guardian.

Ms STEVENS: I note that paragraph (b) strikes out 'and relatives'. Will the Minister explain that change?

The Hon. M.R. BUCKBY: The honourable member would be well aware of changing family situations in terms of Family Court matters these days. The guardian is seen to be the principal carer for the child, and that is why relatives have been deleted from the Bill.

Clause passed.

Clause 4.

Ms WHITE: I refer to both clauses 3 and 4. In clause 3 there is a definition of 'young child', meaning a child under the age of six years who has not started school. However, concerning very young children there is no such reference regarding the family day care provisions that come later in the Bill. Is it the intention of the Minister to provide some regulation for family day care for very young children—particularly children under two years of age—in terms of staff to child ratios and safety standards?

The Hon. M.R. BUCKBY: There is no intention to separately regulate for the number of children under two years of age that a family day care provider can look after. The reason is that they can look after a maximum of only four young children coming in and a maximum of seven which must include all their own family members. If a family day care provider took in four children under the age of two years, it is deemed that that care provider would be capable of looking after that number of children under the age of two years. We have to credit family day care providers themselves with having some commonsense, because it is pretty unlikely that they will take on something they believe they cannot handle. I am sure that, if the care provider had four children under two years of age and they were not caring for them properly, the parent would report that care provider to the department and, in not providing adequate care, the family day care provider would take the risk of their licence to take care of children being revoked.

Ms WHITE: If I understand the Minister correctly, he is saying that he will not regulate for children under two years of age in family day care, because he believes nobody will do anything that is not sensible. Family day care workers have to run viable businesses, as do many in the child-care service industry, and there is a cost pressure to take on children to make their operation viable. I would have thought that to say, 'Don't worry about it, it will never happen', is a rather odd way to go about legislation and regulation.

There is a difference between a child-care centre based facility, where at most times one would expect there to be more than one adult, and a family day care situation where for the majority of the time one would expect there to be only one adult. Even though the ratio of staff to children might end up the same, the capacity for someone in a centre to deal with an emergency involving young children might be greater than for someone in a family day care situation because more than one adult is present. Is that good enough to maintain safety standards for children?

My question relates to the licensing arrangements for child-care centres. How often are licences removed? In what circumstances have licences been removed in the past? If there are any examples of licences being removed, what procedures were put in place to revoke those licences? The Labor Opposition supports the move to increase the period of licence renewal from one year to two years.

The Hon. M.R. BUCKBY: In answer to the honourable member's last question, I am advised that no licence has ever been revoked in South Australia. For a licence to be revoked, the child-care centre would have to be in breach of the regulations of the Act. That might relate to the number of children, the staff:child ratio or quality of care. If it was reported to the department that the regulations relating to quality of care had been breached, we would have a case to revoke a licence. It would also apply if the staff:child ratio was greater than that set down in the regulations.

As to the honourable member's comments about the number of children under two, I point out that in child-care centres the staff:child ratio is one carer to five children under two. In a family day care situation with four children under two, that ratio is smaller than the ratio in a child-care centre where it is currently one:five. I take the point that more staff might be present, but for whatever reason one of those staff members could be called away, as could happen in family day care, but that is where the ratios have come from.

The department places children in family day care. A person wanting family day care cannot just walk up to a family day care provider and say, 'I want to place my child in your care.' It is a matter of going through the department. The department assesses the situation and ensures that the family day care environment that the child will go into is acceptable. For instance, a couple of sets of triplets are being cared for by family day care providers. They are under the age of two, but that has been very closely monitored by the department.

Clause passed.

Clause 5.

Ms WHITE: There are several parts to this clause, but in the main it provides for family day care providers to take four young children under the age of six, up to a total of seven, or, in special circumstances, a total of eight children. Presently, family day care providers can take three children under the age of six. What impact will this change have on the industry? What analysis has the department undertaken in terms of the impact it will have on long day care centres and on the cost of family day care? How many family day care providers are likely to increase their numbers and how many providers are likely to decrease their numbers as a result of this?

The Hon. M.R. BUCKBY: I am advised that at the moment family day care is under utilised. If people want to shift across they can do so now. There is not 100 per cent utilisation of family day care providers, so I do not see that, by increasing this from three to four, there will be a rush away from long day child-care centres into family day care because there is excess capacity now. This will have no impact on the cost of running family day care, but it will mean that family day care providers will be able to increase their income by taking on one additional child.

I also point out that, while this limits to seven the number of children that a family day care provider can look after, the current Act is silent on the total number that can be cared for. The department recommends seven, but we have no legislative authority to enforce that. This puts a limit on the number of children who can be cared for.

Ms WHITE: How many children are cared for in family day care services? What will imposing that total mean? Will it mean that more children will be cared for by family day care providers or will it on average mean that fewer children will be cared for by family day care providers? What analysis have you done on that? I ask that because the total number of children being cared for has an impact on the quality of care that one adult is able to provide.

The Hon. M.R. BUCKBY: I cannot give the honourable member the exact number of children who are currently cared for by family day care, but I can ascertain that information and get back to the honourable member. There are in excess of 2 000 family day care providers and, if that is multiplied by seven, that indicates the capacity of family day care providers within the community.

Ms WHITE: What is the average number of children cared for by family day care providers? Is it seven?

The Hon. M.R. BUCKBY: We recommend seven, but I cannot tell the honourable member what the average number is without looking at the figures. Currently they can look after three children under six and four who are over six. This measure seeks to change that to four children under six and three children over six, and that includes their own family members in that total of seven.

Ms WHITE: I was trying to ascertain whether, on average, this means more children per one family care provider or fewer children? The Minister is intimating that it will mean no change in the number. I understand that the Minister recommends seven children in total but, as he pointed out, the legislation is silent on this and family day care providers can have larger numbers. That was the point of that question. Given that this is my third question, I refer to the special circumstances that are written into this clause for a family day care operator to take eight children rather than seven.

What would constitute special circumstances? Also, the transitional provision suggests that, if a family day care provider had more than seven children at the time of this legislation coming into effect, they would be able to continue with that number of children. Given that the Minister has said that the number could be in excess of seven, or any number, theoretically, under the current legislation, I do not see anything in the Bill that would handle a situation where, special circumstances having allowed for a greater number of children ceases—for example, where a number of children left a family day care provider—that service could revert to having only a total of seven children.

The Minister is saying that, if you had more children at the start of this legislation, you can continue. I would be keen to see some amendment which covers that aspect. We may use our opportunity in the Upper House if the Minister does not agree to the need for some arrangement to take care of that. I understand that clause 5(2b)(c) aims to cover the situation when some children start school and it is no longer necessary for that family day care provider to have more than seven children. Would it be possible to insert some words that make it explicit that, after that situation has changed, the family day care provider reverts to the allowance of seven children only? I asked you about—

The CHAIRMAN: The honourable member will refer to the 'Minister' rather than 'you'.

Ms WHITE: I asked the Minister what special circumstances would warrant more than seven children and what provisions could be made to revert the provider to the regulation as it applies to every other family day care service.

The Hon. M.R. BUCKBY: The special circumstances apply to multiple birth families, for instance, twins and triplets. Let us say you have twins. A person is looking after three children and it then increases to five. The exemption would be given so that they can look after eight children rather than seven. It also applies to school-age siblings. For instance, special circumstances would apply where one sibling is being looked after during the day and a school-age sibling also has after school care. With respect to the transitional position, if a current family day care provider has three children of their own under school age, the current conditions will still apply until the youngest child goes to school. When that occurs, they will have to revert to the four children who are under school age and a maximum number of seven, which includes their own children.

Ms White interjecting:

The Hon. M.R. BUCKBY: It does. Subclause (2b) provides:

> The Director may exempt an approved family day care provider from the conditions specified. . .

The Director has control of the exemption in terms of whether a family day care provider can go up to a level of eight. Once a child has reached school age, the provider automatically reverts to subclause (2a)(b), which provides that they can have no more than seven children in total. I know that the honourable member is trying to establish whether there is anything in the amendments that says you cannot continue to stay at eight children. The trip point is the situation with respect to multiple birth children and where one other child the carer is looking after reaches school age. The number could automatically come back to seven. Also, for example, where a sibling is of school age and has gone into after hours care the number would have to come back to seven. I believe subclause (2a) covers that.

Mr LEWIS: I have tried to contain myself in this debate to this point. Let me make it plain: I would not want anyone reading the record of this debate, or the adviser to the Minister, or anybody with whom she is associated in the department in the wider world of child care, to misunderstand the concern there is abroad, and in rural communities in particular, about the current legislation and the way this Bill amends that. By way of background I will explain. Presently, it is not possible in law to do what was done a few years ago, even at the time I came into this place, and that is to look after someone else's kids for them in return for some reward. Over almost 20 years we have introduced this system of Government regulation and law, and for good reason, because within urban communities people are largely anonymous, there is no fabric to society much and you do not know who is over your back fence in the opposite direction. However, in rural communities, where one or other of the adults in the household are members of St John, the Red Cross and the CFS and go to the Ag bureau or play tennis, there are interlocking connections—

Mr Venning: Lawn bowls.

Mr LEWIS: Indeed, bowls, cricket or netball. There are interlocking relationships within rural communities, in the larger provisional towns, where everybody knows the nature

of the characters and levels of competence of people to be trusted with the care of others, and many other things in the community—but others' children is what I am getting at.

Whereas in urban societies, where they are in the suburbs of the greater metropolitan area, the peri-urban developments further afield or the larger provincial cities, it is possible for people to be more anonymous, and you do not know who is visiting your children during the course of the day when they are in the care of the individual to whom you have entrusted them. To avoid child abuse and so on we have now set out in law in the past 20 years the means by which we can secure a safe place for children to be cared for when either or both their parents are not able or willing to do that through either team work or when they decide that they cannot get along with each other, even though they took the joy of procreation and then left it to someone else to look after the consequences. I have more respect for the children than I do for the parents when they carry on in that fashion.

Let me make it plain: that is the view held by the silent majority of people I represent. I do not want anyone in the Public Service to get the mistaken impression that this measure of codification goes anywhere near towards satisfying their understanding of how a community ought to operate. I commend the Minister for introducing this amendment, because it does provide the means by which there is greater flexibility in terms of the numbers of children who can be cared for. However, it nails down a ceiling on that. If the member for Taylor and others opposite had bothered to read the principal Act, they would have seen that section 33(4) provides:

> An approved family day care provider may care for more than three children under the age of six years where the children are all of the same family.

There are not many families around that would fit that criterion. I know that the member for Reynell and I come from large family backgrounds, but under the age of six there were not—

An honourable member interjecting:

Mr LEWIS: Yes, there were three children in our family; in fact, for a good many times there were four.

An honourable member interjecting:

Mr LEWIS: Yes; 10 in 18 years. They were all single shot; no double barrelled gear. With the greatest respect to my mother and father—

An honourable member: He was unique.

Mr LEWIS: Unique or otherwise. Let me make it plain that all of us look like our father, and there is no question whatever in my mind about whether or not both of our parents wanted all of us—me included. I guess they had their doubts about me from time to time; however, I was never put into day care. I was left to run free, wild and handsome. I had my first tomahawk when I was three years old and I made my first pound by the time I was four years old. I stripped bark from wattle trees, but these days that is unlawful. You cannot cut down trees to strip the bark to make tan. That is the kind of day care that I think is important. You are given a sense of responsibility, the necessity to achieve something with your time, an example to follow—and the older siblings are able to take some measure of personal responsibility for your care. The law sees the family as responsible for the care, upbringing and nurturing of the children. I reckon that was pretty good. I learned a good many skills from my older brothers and I taught a good many of the same skills to my sister and younger brothers along the way—and a few more besides.

However, we have now restricted the things which parents can do and where their children can go. We have based our models on our understanding of what happens in urban communities to the extent that we have forgotten what needs to be allowed to happen in rural areas. We cannot afford the high cost of establishing child-care centres such as is possible in the metropolitan area of capital cities anywhere—Adelaide included—or the large provincial cities. In rural communities we cannot afford that. No-one would be sure enough of getting enough business from it any way, but there is a need and it has to be met. So, we have family day care.

I do not have a problem with that. I equally understand the need for the Government, once it has introduced this codification in law, to provide for limits to ensure that the facilities do not literally burst at the seams. You have to allow the children ready access, without too much queuing, to the basic fundamentals of life—the loo and so on. In an ordinary house in the country there is only one of those. We cannot afford ensuites and other fancy bits—

Ms Stevens: Where is your question?

Mr LEWIS: It doesn't have to be a question. Under Standing Order 346 I am allowed to speak for 15 minutes on three occasions on each clause. I make these points because I want people to understand the background of this legislation as it is impacting on the folk I represent—not just the insular views of those who represent metropolitan electorates where it is possible to have the kinds of businesses that are called child-care centres. We need the means by which children can be cared for, where mother has a job and father is away driving a truck, taking sheep to the market or whatever, indeed, both parents are occupied in some way or other. Whilst I do not believe that it is fair for them, wherever they are—urban or rural—to expect the taxpayer to meet the cost of bringing up their children, nonetheless, the amenity, the facility and the opportunity needs to be there in law for those children to be cared for in places that are safe. Because we know the kind of people living in our community, we know who we can trust and who we cannot. It should be possible for the Minister to exercise the discretion as is provided for in the amendments to section 33 under clause 5 of the Bill where the numbers of children who can be cared for are above seven—

Mr FOLEY: I rise on a point of order, Mr Chairman. Whilst we are somewhat engrossed in the contribution of the member for Ridley, you have not put the clock on.

The CHAIRMAN: The member for Hammond commenced at 27 minutes past the hour.

Mr FOLEY: But if the clock is not on—

The CHAIRMAN: We never do during the Committee stage.

Mr FOLEY: Never?

The CHAIRMAN: Never.

Mr FOLEY: This guy could go on forever.

The CHAIRMAN: I can assure the honourable member that he will not.

Mr LEWIS: Clause 5 amends section 33 of the principal Act to increase the number of children who can be cared for, and the circumstances of that increase are left to the discretion of the Minister. I do not want the Minister to feel constrained that it has to be limited only to a situation where there are multiple-birth children going to a care giver. I want the Minister to be able to allow the people in Coonalpyn or Pinnaroo who are providing this service to do so if it is believed that they have the amenities of the backyard and the home and the capacity in their individual talents to provide

this service in a way which is sensible, responsive and acceptable to the community in which they operate and not to be hidebound by it all.

That is why I take issue with the member for Taylor and why I reassure the Minister that I want the Bill to read as it does when it becomes law. We should leave it to the discretion of the Minister, knowing that commonsense will prevail. We have done it for thousands of years. How is it that suddenly we can no longer get it right unless we have a law to tell us how to do it? In my judgment, commonsense still needs to prevail in those settings to which I am referring around South Australia outside the big towns and the city.

Therefore, I commend the Minister for the way in which he has drawn this legislation to leave the discretion with the Minister regarding how many children can be cared for. I commend the Minister for making it possible to care for more than three children for which you are being paid. I commend the Minister, too, for giving more elbow room to the number of children you can look after in spite of how many you may have if you are a care giver in a day care setting and you have a number of children yourself. There were many times in the home in which I grew up when there would have been 18 or 20 kids at once. It made my mother's life no more difficult than if there were only 10 or fewer.

Mr Foley interjecting:

Mr LEWIS: Forget about the personalities. I am not sure whether my mother saw me as any more or less a problem from time to time than any of the other siblings for whom she cared regardless—

The CHAIRMAN: Will the honourable member bring his contribution to a conclusion, please?

Mr LEWIS: —yes, thank you, Mr Chairman—to the extent that I am sure none of those children who came to our home when I was a child suffered any adverse consequences as a result of participating in the experience. Altogether then and notwithstanding the fact that it might have been a unique experience and somewhat entertaining, I thank the Minister and commend to the House my belief that this is a well drawn amendment to the existing legislation.

The CHAIRMAN: Order! Would the Minister like to respond?

The Hon. M.R. BUCKBY: Thank you, Mr Chairman; you are very generous. I am sure that the member for Hammond was brought up in a very strong and caring family in the country, as are all children with families. It would be fair to say that whether you live in the city or the country those people who undertake to have children have a very genuine care and wish to provide a very loving environment for them. I am sure that the member for Hammond grew up in that environment and as a result he has succeeded in life and has been served well by the care that his parents gave him.

I will address a couple of points made by the member for Hammond and the member for Taylor. This amendment restricts the number of children who can be cared for in a family day care environment to seven children. Previously, seven children were able to be cared for plus the family's own children. This amendment will restrict the number of children who can be cared for.

Ms STEVENS: What is the difference in cost for family day care versus day care in a child-care centre?

The Hon. M.R. BUCKBY: The average that a family day care provider would receive for 50 hours care would be $125 per week and a long day child-care centre for the same number of hours would receive approximately $165 per week.

Ms STEVENS: I make the observation that the increase in places in family day care is interesting when there has been a restriction on other forms of child care via Government cuts and I wonder whether this is a way of opening more places for people who can no longer afford the other sort of child care. In relation to children with special needs, the Minister talked about exemptions that would allow a family day care provider to care for more than seven children. What happens in relation to the care of a child with special needs or a child with disabilities? Given what the Minister said previously, does that factor mean that in allocating a child such as this to a family day carer the fact that there may be fewer children is taken into consideration and, if that is the case, what stops that family day carer having other children and making up the seven?

The Hon. M.R. BUCKBY: The department places those disabled children. Each disabled child is different and, depending on the disability, the department will look at the number of children a family day care provider can look after. Therefore, the department will restrict the number of children who can be looked after. The level of disability and the level of care that is required for that disabled child are taken into account and then the department makes an assessment regarding the number of children a family day care provider can or cannot look after.

In regard to the honourable member's comment about the shift from family day care, I would agree with the honourable member that there could well be a shift if family day care was at 100 per cent capacity at the moment. The current figures are $125 and $165 and family day care providers are not at capacity. If all family day care providers were currently looking after seven children and we were increasing the number of children they could look after, I might agree with the honourable member that there could be a swap from child-care centres into family day care. However, it is not at capacity now, so I do not see that there will be a sudden move from one to the other.

Ms STEVENS: I take the Minister's point but that remains to be seen: it may well happen. In relation to family day carers caring for a disabled child, is there any difference in the rate of pay for a carer regarding the complexity of the needs of the child they are looking after.

The Hon. M.R. BUCKBY: The Home and Community Care program (HACC) allocates funding for children with disabilities. I cannot give the honourable member the exact figure but there are different levels in terms of the disability of children to accompany the HACC funding.

Mr LEWIS: The Minister's response to my earlier remarks explain what is contained in this clause with the exception that we have new subsection (2c), which provides:

> An exemption granted under subsection (2b) may be subject to such conditions as the director thinks fit.

That presupposes that the Director of Children's Services has the authority in law to decide that more than the seven children referred to in new subsection (2a) may be cared for by the day care provider. Many of my constituents and I were placing quite a bit of confidence and faith in that, and I was optimistic about subsection (2a), which provides:

> It is a condition of every approval under this section (whether given before or after the commencement of this subsection) that the care provider must not, at any one time, have the care of—
>
> (a) more than four young children; or
>
> (b) more than seven children, in total.

New subsection (2b) provides:

The director may exempt an approved family day care provider from the conditions specified in (2a) if—

It sets out some conditions and then allows an overriding catch-all provision—in special circumstances. I was hoping, and so were my constituents, that in the circumstances of localities such as Geranium, Coonalpyn, Karoonda, or wherever, if there was a day care provider to whom parents wished to take their children or allow their children to go to straight after school before they are collected, in greater number than was provided for in subsection (2a), the Director would treat that with a fair amount of reason and commonsense and allow the wishes of the community and the care giver to be granted. I seek from the Minister some reassurance that that discretionary power would be exercised with that measure of commonsense where the community at large was very happy with the idea of allowing that to happen. Will the Minister give me such a reassurance, or will he otherwise say to me, 'No, stiff bickies'?

The Hon. M.R. BUCKBY: The provision stipulates that there be a maximum of seven children in total. The exemption under subsection (2c) refers only to subsection (2b), so there can be only a maximum of eight children: the exemption would be for only one additional child. So, if the honourable member is seeking, for instance, that a family day care provider who looks after seven children during the day can look after another half a dozen children after school, the answer is that this amendment does not provide for that. The amendment allows only seven children, and the exemption is for only one further child. It has been done that way because, given the carer-child ratio under the Act, the carer could look after seven plus any number of their own children. If they have six or 10 children, they could end up caring for 13, 15 or more children, depending on the size of their family.

State Ministers, in enacting regulations that are the same right across Australia, have deemed that a ratio of 1:7 is adequate. I suppose that comes back to the child-care centres and the ratios that apply. If there are a number of children whose parents wish them to be cared for out of hours, the community could set up an outside school hours program at the school—for instance, it could be set up at Geranium, Pinnaroo, or wherever. Parents within the community could set up that facility.

Mr HILL: My question relates to the planning model in relation to family day care. As the Minister would know, years ago when the Kindergarten Union was the sole provider of services for young children, the Kindergarten Union being essentially a private body, kindergartens tended to be in the eastern suburbs, or areas where there was some wealth and where parents had the wherewithal to organise and get facilities going. Some time later, the Children's Services Office came into being and a planning model was applied to the provision of services for younger children. It was only in those days that proper children's services were available in the northern, southern and western suburbs, and so on. Over all that, family day care centres have developed to fill in the gaps. I understand, from the Minister's answer to an earlier question, that there are approximately 2 000 family day care centres or places.

The Hon. M.R. BUCKBY: Providers.

Mr HILL: There are 2 000 providers in South Australia. Does any planning go into the placement of those providers, or is it very much like the Kindergarten Union model where, if someone has the nous or wherewithal, or if the community can get its act together, a provider will be established? If that is the case, is there any way that the Minister's department could put some planning into the system so that, in areas where there is a deficiency of service, family day care could be provided?

The Hon. M.R. BUCKBY: I am advised that there is a Commonwealth-State planning group that looks at where family day care places are provided. So, there is some planning. However, a structure and a full plan is still being developed at this stage. That group looks particularly at high need areas, and it may well be in the northern, southern or western suburbs, where, for instance, people may not be able to afford long day child-care centres. So, that group looks at that as a priority and, if someone applies to be a family day care provider, they take into account where they are located. Also, because the Commonwealth is providing the money for this and Child Services within my department administers that money, the Commonwealth designates the number of places. The Commonwealth controls it and allocates the places.

Mr HILL: What support and training is given to new providers who enter the market?

The Hon. M.R. BUCKBY: There is an accredited six week program which family day care providers must undertake. There are also child-care courses which follow up that six week course, and accreditation is given with that six week course.

Mr LEWIS: In consequence of the explanation that was given by the Minister to my last question, under the provisions of new subsection (2a), and understanding that section 33(1)(a) of the principal Act relates to a person who proposes, for monetary or other consideration, to care for not more than three children under a certain age, do I take it from what the Minister has just said that, even though no money changes hands, where children gather at a local paddock, whether it is privately owned land or a public reserve, or whatever, under the care and supervision of one parent to play a softball match or rounders with one another and who exceed in number the stipulations under new subsection (2a), is the parent breaking the law if that happens once?

In another set of circumstances, is that parent breaking the law? If the number of children exceeds, say, 14 or 16 at the most and two parents are present and play this game, whatever it may be, are they breaking the law? Do they have to have some other formal approval process to be able to do that? Where does that leave organisations such as scouts and cubs?

The Hon. M.R. BUCKBY: The member for Hammond and I might have 10 children between us, and we might decide to organise the member for Schubert to take out our children for a game of softball, football or whatever. That would be a private agreement between us and the member for Schubert. There is nothing to stop our doing that, because the member for Schubert is not looking after a minimum of four children in a family day care situation. Anybody can still have their children looked after by another person and not have to conform to these regulations, because it is not in a formal family day care setting.

Mr LEWIS: It is not just for money, but other considerations?

The Hon. M.R. BUCKBY: Yes, in kind. Other considerations are a matter of 'in kind'. This involves some Aboriginal communities, for instance, where, rather than money

changing hands, the service is paid for by way of goods or a payment in kind.

Mrs GERAGHTY: Will the Minister provide us with a breakdown of the number of family day care providers by region, for example, north and south?

The Hon. M.R. BUCKBY: I will take that question on notice and happily provide the answer to the honourable member.

Mr HILL: The Minister has stated that six weeks is provided to trainees. Given the argument I put before, it may well be in some areas that there are insufficient numbers of family day care centres because of economic circumstances and so on. Who pays for the training? Is that something the individual will have to pay, or does the Government subsidise it if economic ability is not there? If the Government does not pay, is it something the Government will look at in the case of areas where there is relatively high need and low income?

The Hon. M.R. BUCKBY: At this stage, there is no cost to the family day care provider. However, again because of national competition policy, we may have to bring in a charge for that six-week course.

Clause passed.

Clause 6.

Ms WHITE: On the matter of family day care, I was not satisfied with the Minister's explanation concerning the Director's discretion in cases where special circumstances ended and a family day care provider must revert to having a total of seven children. The Minister talked about the instance where the family day care provider's own children started school, but he did not talk about the instance of one child being substituted for another. If a child, particularly a child under six years of age or a child making up the total of eight provided for at the commencement of this Bill, leaves and another child is substituted—and that could happen, given the way this legislation is written—some day care providers would be advantaged, because at the commencement of this legislation they had a greater number of children.

With regard to the funder/purchaser/provider concept within Government these days, the Children's Services Office is both a regulator and, in a way, a competitor of long day care in the provision of family day care. How does that fit into the framework of this separation within Government, particularly within the Minister's TAFE portfolio?

The CHAIRMAN: Order! I suggest that the question the honourable member is asking is well outside the scope of the clause. We do need to be aware of what the clause is about and concentrate on that.

Ms WHITE: Some important questions that I hope—

The CHAIRMAN: Order! The honourable member may be able to take the matter up privately with the Minister or come back to the clause.

The Hon. M.R. BUCKBY: We have had Crown law advice on the department's administering family day care payments from the Federal Government and at the same time regulating child-care industry or long day child-care centres. Our advice from Crown law is that there is no conflict of interest there. Our advice is that there is no conflict of interest there—that as we are administering the funds we are not in competition with the long day care centres. The transitional provision relates to the particular child, and I know what the honourable member is driving at. For example, someone might be given an exemption for eight; one child moves out but another doesn't necessarily move in. It follows the child. Written approval must be given by the Director, and so, for instance, that will be written approval for Jane Smith to come in. However, when Jane Smith moves out of that special exemption area, it does not automatically mean that somebody else can come in and fill it. Again, there must be written approval by the Director for another person to come in, and those special circumstances would apply to that new person coming in.

Ms STEVENS: The Minister said that family day care providers had a mandatory six-week training course. I understood that the other courses the Minister mentioned were optional. When you compare that qualification with that required for child-care centre workers, there is a significant difference—

The CHAIRMAN: Order! Again the question is well outside what this clause is about. This clause is quite specific and does not refer to training.

Ms STEVENS: It is talking about an approved family day care provider, and the training is part of becoming an approved—

The CHAIRMAN: Order! We are on clause 6.

Ms STEVENS: Yes, 'Amendment of section 48—restriction upon child-minding advertisements'.

The CHAIRMAN: I accept that.

Ms STEVENS: Is the difference a concern? A parent looking at an approved family day care provider versus the provision of child-care in a child-care centre would obviously choose the child-care centre in terms of qualification and training. I would be interested in the Minister's comment on that. People have a valid licence under this legislation. What ongoing monitoring provisions are there to ensure that the standard of care exists?

The CHAIRMAN: I point out that that is totally outside the provisions of this clause. I ask the Minister to bear that in mind in answering the question.

The Hon. M.R. BUCKBY: Thank you, Mr Chairman, I will allow a little leeway in my answer to the honourable member. No child-care centre or family day care provider can advertise unless they hold a licence or are approved. The honourable member compared the qualifications of people in family day care with those in child-care centres. Many of the people I have spoken to in family day care have qualifications as early childhood teachers. Often, they have had their own family and have taken on family day care rather than return to teaching as a form of income.

Ms Stevens: But it is not mandatory.

The Hon. M.R. BUCKBY: No, and that is a decision that parents make when they decide whether they put their children into the family day care environment or into the more structured and regulated child-care centre environment. From my experience and from people I have spoken to, I suggest that many people choose family day care because it is a family type environment and one where there is not quite as much structure as there is in a centre.

My department follows up child-care providers on a regular basis to ensure that the regulations set down are adhered to, and we have had no problems with that. In my time as Minister, I have not received any complaint from a member of the public about a child in family day care, and I am sure that I would have heard if something drastically wrong had been happening. Departmental staff keep close contact with family day care providers to ensure that the quality of care is upheld.

Ms WHITE: Section 48 of the principal Act refers to holders of a valid licence. The Minister spoke about accreditation and said that, after this training period, there was an accreditation of family day care providers. My understanding

is that the body that is accredited in family day care is actually the Minister's agency, not the providers themselves. Is that correct?

The Hon. M.R. BUCKBY: I may not have been terribly clear in my explanation. The course that I referred to is an accredited course: it is not that the family day carer becomes accredited. The six-week course that they undertake is an accredited course and it can lead them on, if they wish, to other child-care courses to enhance their skills.

Clause passed.

Title passed.

Bill read a third time and passed.

FINANCIAL INSTITUTIONS DUTY (DUTIABLE RECEIPTS) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 18 February. Page 362.)

Mr FOLEY (Hart): The Opposition has been briefed on this Bill and in nature it is a technical amendment to close off a potential loophole in the financial institutions duty legislation which could lead to a lower rate of FID being paid on short-term deposits as a result of the electronic developments that are occurring in banking. It was felt that, whilst banks essentially are honest institutions and would always be sure to appropriately advise the State Taxation Commissioner of any rollover of short-term deposits so that they were levied the appropriate rate of FID, given that from time to time with modern technology no physical transaction occurs, it was best to amend the legislation to ensure that the concessional rate of FID is not carried through and that the proper rate is paid.

This seems to be an eminently sensible piece of reform and the Opposition has no problem with it. We support the Bill and we are happy for it to go through to the third reading.

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

PASTORAL LAND MANAGEMENT AND CONSERVATION (BOARD PROCEDURES, RENT, ETC.) AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 18 February. Page 363.)

Mr FOLEY (Hart): I am not the lead speaker on this legislation, and the Opposition will be pursuing a number of aspects relating to this Bill. As shadow Treasurer, I would like to raise a number of issues concerning moneys paid in respect of pastoral leases. Having had a look at some indicative numbers, there are some questions to be asked about the income received from pastoral leases. Whilst I await the answers that may be provided in Committee, it would appear to me from my assessment and from preliminary discussions with my shadow ministerial colleagues that, on face value, we do not seem to be getting a reasonable rate of return from our pastoral leases.

I am looking at that purely from a financial perspective, and I may well be missing something in all of this. I will leave my colleague the shadow Minister to explore that in more detail, but a legitimate question could well be asked, given the large percentage of our State under pastoral lease and the very large pastoral companies, be it the Kidmans, the McLachlans, or others. The amount paid for pastoral leases in aggregate terms looks quite small, and I will be interested to hear the explanation as to why these pastoral lease fees are set as they are.

Mr Venning interjecting:

Mr FOLEY: This is an issue of Crown lease; it is an issue of land that is leased to pastoral holders, many of whom derive significant income from the use of Crown land. I am interested to know whether or not we are receiving an adequate return on those leases, in terms of a constructive debate. I think it is a legitimate line of questioning. As the shadow Treasurer, as soon as I see dollar signs my ears prick up and I have a bit of a listen and a look. With respect to this issue, I think that some legitimate questions need to be asked. I look forward to the debate on this Bill. I want to be satisfied that, in these days of difficult financial times for State Governments, we are receiving an adequate return.

The numbers I have seen indicate that we have roughly a $700 000 total aggregate take from approximately 250 to 300 pastoral lease holders, and that averages out at about $2 500 to $3 000 a pastoral lease. On those bare facts, it seems that something does not quite add up. I am interested to know about the Kidman and McLachlan families who own huge tracts of land and who derive an enormous income from those pastoral leases yet they pay only $2 000 or $3 000 for their pastoral lease. It is something I would like to explore further. There may well be a sound argument for that, and I may well be happy with it, but it is something that I will be interested to hear.

I am glad to see our rural members sitting upright in their seats. We on this side of the House get lectured about Housing Trust rents, wage rates, and the economic viability and the monopolistic position of people on the wharves. All these lectures are directed to this side of the Chamber. The Opposition is turning one back and simply asks the question: is sufficient income being derived from such an enormous gift the State gives to pastoral lease holders? There may well be sufficient income and my fears and concerns may be answered. I just pose the question—

Mr Venning interjecting:

Mr FOLEY: I am not sure that the Kidman family income from its pastoral lease has ever been negative. If it has, I am sure it battled that year through but, in the main, I suspect that it has done pretty well.

The Hon. D.C. Kotz interjecting:

Mr FOLEY: The Kidman and McLachlan families, and other pastoralists, should be able to bear a bit of scrutiny, as do Housing Trust tenants and others who have to bear ongoing scrutiny from the Government—and we heard today of a poll tax of $130 a house. I think the least we can do is put pastoralists under some degree of scrutiny. With those few comments, I leave it to my colleague to lead the debate.

Mr VENNING (Schubert): I note the comments of the member for Hart. I understand that the method used to calculate rents on the pastoral leases was highly sensitive to fluctuations in wool and beef prices, particularly of late when we have seen wool prices in the negative and certainly beef prices fluctuating. I did not appreciate the comments of the member for Hart, particularly when he suggested that perhaps pastoral lease holders were not paying enough to the State revenue. I hope that that was not a hint that, should Labor get back into power, it would escalate these payments. Not all, but most, of these people have been in a negative income situation for many years.

One wonders what they live on, because we all know that the price of wool has been below the cost of production.

Sheep prices have been reducing and the cattle prices have been down. If pastoralists have been able to fatten their stock they have received reasonable money, but those farmers further out, who have been selling off their store stock, have been barely making their costs. Members need to go out there to find out. Members should hire a plane and fly out to see what money the pastoralists are making.

The Hon. G.M. Gunn interjecting:

Mr VENNING: As the member for Stuart would well know, these people, his constituents, are the salt of the earth, and they live where they do because they love their properties. Often the properties have been in the family for many generations. That is why they stay there. They are often too proud to do anything about it. I become very incensed when I hear speeches questioning whether they are receiving a free ride. Rents could have varied from year to year quite significantly because they were set on the wool and beef prices. Farmers never knew where they were, and nor did the banks know, because many of the people would be indebted to the bank in terms of borrowings and mortgages.

Because the prices for wool and beef have been so variable it has been very difficult. Farmers got only a minimum rate with the bank. Banks never gave them the benefit of the doubt. As members know, the bank never loses. The bank always takes the easy option. The industry did not always understand how the rents were calculated, which led to a number of inquiries and appeals. This only added to the problems and concerns with which pastoralists had to deal, given the difficult times they have had to endure over past years. As we know, the new approach now adopted is consistent with those used by other States and Territories with range-land responsibilities.

I congratulate the Minister for at last addressing this problem because we have been intending to do this for some years. In fact, I believe the last Labor Government intended to address the situation and did not. This approach has been well received by industry in general, with only one pastoralist following his assessed rentals to a formal review. However, this was withdrawn in November last year. Given the changes that have occurred and the time available to carry out these changes, it is encouraging to note that the acceptance of the outcomes by the industry is considered to be very satisfactory.

The Bill provides for a more consultative process in determining rents and allows for an additional mechanism to assist in resolving differences by informal discussions. Rents are able to remain unaltered for a period up to five years which, I am sure, will be welcomed by pastoralists. This will definitely assist the pastoralists with their forward cash flow and budgeting processes, particularly in their dealings with the bank in establishing their credit rating and viability. There is also strong evidence that the industry is interested in the assessment program dealing with the conditions of pastoral land.

This shows that the Government is in tune with these people, unlike our Labor colleagues, particularly after hearing the speech of the member for Hart a few minutes ago, who have little regard for rural Australia. I did ask the member for Hart, 'Where are your rural members?' There are none. At least in the Dunstan days Labor had one or two, but it has none today and, after a speech such as that, I can understand why. No pastoralist would support a Government that had the heart of the member for Hart. This Bill will permanently put in place a transparent and easily understood lease rental assessment process.

The Bill also strengthens the Government's ability to recognise good stewardship and land management by adjusting the rent actually payable. We know that the pastoralists of today are responsible people in relation to land management, and to see the properties today in relation to what they were, say, 30 years ago, is a credit to them. They ought to be and will be rewarded by this Bill.

This whole matter brings me to the other issue of land holding. As I interjected during the speech of the member for Hart, I think that pastoralists should be able to freehold the land they occupy. Members might say, 'Shock, horror', but I remind every member of this House that all the land in this State was at one time Crown lease land, and it was eventually sold off and freehold tenure was given to the various areas of farming.

In fact, the Strangways Act—and the photograph of the gentleman is located in the passage outside the Premier's office, the chap with the beard—enabled Crown land or Government-owned land to be sold off to the landowners, and farmers were able to take up their holdings. I do not see why pastoralists cannot do the same thing, particularly those who live between the inside country and the outside country in what we call the 'interim zone'. Why can that area not at least be approved for freehold? A lot of farming is undertaken in this land—as the member for Stuart would know—which encompasses areas such as Burra, Wilmington, Hawker and Robertstown. These people are well known to me, and they are unable to freehold purely because their land falls within this so-called interim zone. Those people should be allowed to freehold those areas straight away. These people ought to be encouraged to freehold the land. I always question why this land cannot be classed as freehold. This Government likes to decentralise control and, as such, would look seriously to vest the control of these pastoral leases to freehold particular properties.

I hope that in the years ahead we will get used to this idea that pastoralists should have ultimate title of their land, that is, freehold. I cannot understand why not. I will listen to any argument at any time from anyone or any member who says anything to the contrary. They are being left out while we in the inside country have had our land freehold for 130 years. The time has come for the pastoralists to get what they deserve. I support the Bill.

Mr HILL (Kaurna): The Bill has two parts. The first part deals with the board and how the board meets, and the second part deals with how rentals are calculated and collected. I have no problem with the first part, which deals with meetings of the board. I might ask one or two questions during the Committee stage, but the Opposition has no substantial problems with it. The two main parts to those amendments will give the Chair of the committee a casting vote, which the Chair does not currently have. I understand that that is consistent with other committees which have been established in other legislation. From that point of view I have no objection.

The second part deals with the construction of the board and the way that the board can organise its meetings. In particular, under these amendments it will be able to conduct electronic teleconferences and make decisions by post. Given the nature of the people who may be on the board and the fact that they live far apart from each other, it would be sensible if they could make decisions rapidly without the need for expensive accommodation, travel and so on. So, I have no problems with those amendments.

The substantial amendments deal with the collection of rent and the way of determining the value of the rent that should be paid. On this issue, the Opposition has a number of questions. We are not convinced by the argument in the second reading explanation. We are not convinced by the arguments put recently by the member for Schubert that this is a fairer or better way of determining rent. As the member for Schubert said, in the past the rental of pastoral leases was determined by calculating the improved value, in other words, the value of the cattle or the sheep on the land. In a rough kind of way, if the farmers or the pastoralists were having a good year the rent would go up; if they were having a bad year the rent would go down. That seems to me—

An honourable member interjecting:

Mr HILL: And it is paid after the event as well. That seems to be a reasonably fair thing to do. It takes into account good times and bad times. When the pastoralists are having a bad time there is some compensation for that. That is the current situation and that seems to be a reasonable thing. It is now proposed that we get away from that and use the Valuer-General's valuation of the land whereby a flat rate is fixed across all the land for a period of years. That takes out the ups and downs—the swings—and I can understand from the pastoralists' point of view that there is more certainty in it. From bureaucracy's point of view, there is a reduction in the amount of paper work required. It is administratively simpler and it is clearer to explain.

On that basis I would probably support the Bill if it were not for the fact that this appears to be a real reduction in the rent paid by pastoralists. It is not just a change in the way that rents are set but it is also a reduction in the rent that pastoralists pay. I am grateful to the Minister and her office for supplying me with some information that has allowed me to make that claim. Mr Speaker, I seek leave to insert in *Hansard* a statistical document which details the rent collected across pastoral lands in the financial years 1991 to 1997-98.

The SPEAKER: Do I have the honourable member's assurance that it is a statistical table?

Mr HILL: Yes, Sir.

Leave granted.

Financial Year	Rent Collected $
1990-91	1 064 183
1991-92	759 021
1992-93	763 044
1993-94	641 302
1994-95	734 473
1995-96	861 259
1996-97	636 975
1997-98	644 485

Mr HILL: The document was supplied by the Minister's office, and I am grateful to the Minister for supplying it so rapidly. I asked the Minister whether she could give me the figures for the past few years to indicate the highs and lows of the rent collected from the pastoral leases over a period of time so I could tell whether the rent that would be collected under this new scheme would be roughly in line with the rents that were collected before. Unless the figures for the past seven or eight years are unusual, it would appear that the rent being collected under the new scheme will be lower by a considerable amount in some cases than the rent that has been collected before.

For the benefit of members, I will read out some of these figures. In 1990-91 the rent collected from pastoral leases was $1 064 183. That was the highest amount that was collected in the period that this table covers. The lowest amount of rent collected was $641 302 in 1993-94. The average over that eight-year period was $802 380. Across that eight-year period the average amount of rent collected from pastoral leases was just over $800 000.

Under the proposed scheme the rent that would be collected in the 1997-98 year is $644 000. As the member for Schubert said, that would be set in concrete for five years. This is substantially lower than the average that has been collected over the past eight years. Certainly, it is lower than the high point. I might say, it is barely above the low point. The low point occurred in 1993-94 when it was $641 000. In effect, it would appear that the rent being collected from pastoral leases is being set at the lowest level. It seems to me that this is really a gift to the pastoralists, and it cannot be justified in any other way.

If the Government has determined to subsidise the pastoral industry—and it may well wish to do that for whatever reason (and it certainly has subsidised other industries)—it ought to be up-front about that, include the subsidies in the Supply Bill and provide for a proper level of rent in this Bill. As I understand it from the Minister—and once again I am grateful for this information from her office which was supplied to me today—413 000 square kilometres of South Australia is covered by pastoral leases. I was staggered. I thought it was substantial but I did not realise it was that substantial. In other words, 42 per cent of the State is covered by pastoral leases. In return for the almost exclusive use of 42 per cent of the State, which is owned by the people of South Australia, the pastoralists pay $644 000 a year.

These are the people who complain about Aboriginal land rights and the taking over of outback Australia by Aboriginal people. Forty-two per cent of the State is covered by pastoral leases. One might think that that is a lot of land and that there must be a lot of people involved. I understand from the Minister that there are 330 leases in South Australia and only 220 runs. Some runs are an accumulation of some leases. Substantially, 220 families, people or companies control 42 per cent of the State. For that benefit, they paid a total of $644 485 this year. Basically, that is $1.50 for every square kilometre under lease. That is an incredible benefit for the pastoralists.

At the high water mark in 1991 the rate was $2.58—and I guess they were screaming then because it was a mighty high price—per square kilometre. The average run in that year paid $4 837. In the average year, $1.93 would be paid per square kilometre, or $3 647 per run. Under the formula that is presented tonight by the Minister, as I said, the average per square kilometre is $1.56 and the average per run is $2 979. Is that not amazing—42 per cent of the State for just under $650 000 in revenue. What kind of investment is that for the people of South Australia?

I will ask a number of questions in Committee. Particularly, I will be asking the Minister about market rents and what a market rent might be in this environment.

An honourable member interjecting:

Mr HILL: Negative; that is interesting. We should be paying people to live there. That involves subsidies. If that is the case, the other aspect of this Bill which is worth noting, apart from pastoral leases, is conservation. A number of measures come into play—and the member for Schubert referred to them—in terms of rewarding pastoralists who look after their land by having a reduced rent. I am not opposed in principle to that because any measure which can improve the treatment of the land is worthwhile. In that context, I draw

to the attention of the House a recent article in the *Australian Farm Journal* of January 1998, pages 67 to 68, in which Julie Francis refers to the state of the pastoral lands and some alternatives for those lands which at least this author and the subject of the report believed could occur. In part, the article states:

> Most of Australia's pastoral grazing property should be converted into stewarded conservation areas to ensure native mammals survive for future generations. This is the opinion of Mike Archer from the University of New South Wales. He was speaking at a National Landcare Conference in Adelaide late last year.

Mr Lewis: What are his qualifications?

Mr HILL: It is in the *Australian Farm Journal*. This is not the Labor Party *Herald* but the *Australian Farm Journal*, and that is why I found it so interesting. The article further states:

> Archer says that 50 per cent of the world's recent mammal extinctions have occurred in Australia, which has the world's highest percentage of endangered, threatened or vulnerable species. He says a report by the Industry Commission found agriculture was mainly to blame for land degradation costing Australia $2 to $5 billion a year.

We are subsidising people potentially to cause enormous damage to our land. Mr Archer advocates living within the environment and using it sustainably rather than fencing off some areas while living in and degrading the rest. The article further states:

> The first step, he says, is to decrease consumer dependence on non-native animals, such as cattle, sheep, wheat and cotton. He says these substantially contribute to land degradation. This affects 61 per cent of Australia while contributing only 3 per cent of the gross domestic product. . . Archer advocates—

and this is the interesting part for members opposite who represent rural seats and who might like to suggest some of these very good ideas to their constituents—

> the harvesting of crocodiles, emus and large kangaroos, previously considered as pests. 'Income derived in this way could offset losses resulting from decreased dependence on non-native species,' he says. . . the kangaroo industry is demonstrably sustainable. It employs more than 6 000 people, produces a healthier meat for humans and uses an animal that has evolved over 30 million years.

There are issues to do with conservation in the pastoral lands as well as the issue of rents, but I will deal with more of the issues in Committee.

The Hon. G.M. GUNN (Stuart): I support this Bill. It is long overdue. It is in the interests of the people of South Australia. We are dealing with a group of people who work hard, who provide substantial export income for this State and nation, who have pioneered large tracts of South Australia and other States of Australia, who live in isolated communities and who, with great difficulty, have to provide education for their children, their own power and in most cases their own water.

Mr Clarke: And put up with you as their local member.

The Hon. G.M. GUNN: They would not put up with the honourable member. At least I have some knowledge and appreciation of the difficulties and the contribution they make to the welfare of the State. The member for Kaurna made a typical socialist, anti-farmer speech. The honourable member was aided and abetted by the member for Hart. His speech was couched in terms used by a group of people who have no practical knowledge but have a dislike for anyone who has any initiative or enterprise and who wants to do something for the people of South Australia.

Mr FOLEY: Mr Speaker, I rise on a point of order. The honourable member is reflecting on members on this side of the House and I ask that he withdraw.

The SPEAKER: I do not uphold the point of order. I feel that the honourable member can perhaps respond at some time during the debate or at another time but I do not believe it is a reflection on the honourable member.

The Hon. G.M. GUNN: Normally I am a man of few words.

Mr Foley interjecting:

The Hon. G.M. GUNN: The honourable member interjects and says he likes farmers. He certainly has not given that indication in his contribution, nor has the member for Kaurna. There seems to be a dislike amongst them. Many of these people involved in these properties work on an overdraft. They have been through a most difficult period of operation. The price of wool is less than satisfactory. The price of cattle is somewhat less than favourable. Many of these people also have to pay substantial dog fence rents to maintain the dog fence.

An honourable member interjecting:

The Hon. G.M. GUNN: I do not know whether the honourable member knows anything about the dog fence, but I gather he is not familiar with it. They are on limited tenure and they have been paying a system of rent which bears no relationship to the value of the properties because the properties vary in value depending on the economic conditions of the industry from time to time. This is a fair and reasonable proposition. It has been long in coming, and I commend the Minister for her initiative and her predecessor who was involved in this proposal. Lengthy discussions have taken place and therefore it is certainly worthy of support.

The member for Kaurna went on at some length about the amount individuals were paying. The member for Hart could not help himself: he had to be critical of some of the most successful pastoral people in this State. If you have a larger pastoral property, you will pay more. We should encourage those people to have good pastoral practices and to reinvest in their property. The more you take out in taxes, the less people are able to reinvest and the likelihood is that they will try to get the maximum return out of that land to try to pay their way.

An honourable member interjecting:

The Hon. G.M. GUNN: That is right. Some criticism was made of one family who have developed tracts of land in the west of the State with which I am very familiar. They have invested huge amounts of money to make those properties viable and soundly managed. They create employment not only for the people who work on them but also for the people who are involved in contract work and fences as well as windmill experts and people who deliver the fuel and other machinery which is essential to the effective operations of those properties. Many of those people are struggling today. They work hard and they are entitled to a fair go. It should not be the role of government to make life as difficult as it possibly can for these people or to try to extract every dollar out of them no matter what the cost.

Mr Foley interjecting:

The Hon. G.M. GUNN: In many cases many of these people would be having difficulty in paying their subscription to the Farmers' Federation. If the honourable member saw some of the conditions under which these people operate and knew about the great personal sacrifices they have made to educate their children, he might have some sympathy for them, but the nasty attitude from across the House today is

deplorable. It is grossly misleading and inaccurate. We are fortunate that we have had a good pastoral industry in this State and I am very pleased to be representing many of these people. During my time I have represented all areas of the pastoral industry in South Australia. People have limited ability to diversify. Some of them have now gone into the tourism industry, and they will be paying extra rent. They are subjected to all sorts of inconveniences. They provide assistance to people who travel through the land and who break down.

These people are now subjected to uncertainty by native title claims of the most dubious nature which, in many cases, bear no resemblance to the facts. I look forward to the 10-point plan being implemented to deal with that uncertainty and that irrational decision which was made by the Keating Government: it is a complete nonsense. I look forward to the day when these people are given even better and more secure title over their leases—the same as has occurred in New South Wales, with the western land leases. That initiative was implemented by a Labor Government in New South Wales and gave people perpetual leases. Perpetual leases should be introduced in this State to allow people to have security of title so that, when they have to borrow and raise money, they have a better opportunity and can do so at a more favourable rate. Therefore, I commend the Minister and the Government and I strongly support the Bill.

I believe it is a great pity that the member for Kaurna, in one of his early contributions, and the member for Hart could not help themselves: it is a pity that they could not be a little more practical. They engaged in what was really a very mean and nasty attitude towards these people.

The Hon. D.C. KOTZ (Minister for Environment and Heritage): I move:

That the time for moving the adjournment of the House be extended beyond 10 p.m.

Motion carried.

Mr LEWIS (Hammond): At the outset, let me declare an interest, not in holding any pastoral lease, as I have never done that, but because my activities on pastoral lease country extend back for more than 30 years of my life on and off. I have been a bit of a fossicker and prospector, so I have known many leaseholders or property managers. I have also been a shearer.

Mr Clarke: Did you pay them rent while you were fossicking?

The SPEAKER: Interjections from the member for Ross Smith are out of order.

Mr LEWIS: That is not a lawful requirement, and I did not ever seek to bribe anybody: nor did I engage in any activities which at the time, so far as I was aware, were unlawful. However, with that association, I support the considered statements made by the member for Schubert and, more recently, by the member for Stuart and go further than they have in refuting the basis upon which the member for Kaurna has suggested we might contemplate the rent paid. That basis is by making a comparison with, say, tenants in Housing Trust homes. I admit that the disposable household income of most of the leasehold managers or owners who live there and work and manage the lease is lower than the income of most Housing Trust tenants in many years and in many instances and, to that extent, there is something comparable. But there it stops completely.

The oversight and misunderstanding of the member for Kaurna in the basis of his remarks is that the Government has invested something in those leases in a comparable way to the investment that it has made on the title on which a Housing Trust home has been erected. The Government has put no bricks and mortar on those pastoral leases; the Government has installed no facilities in any of the dwellings; and the Government pays no rates and subsidises in no way the provision of potable water to the household and the removal of wet and solid waste. It does not provide any such subsidies whatever.

The people who live in Housing Trust homes get a far easier ride, because they are not required to do anything that any normal person would not do. Sooner or later, if you allow the garbage to build up in the kitchen, the bedroom and the lounge room—as we have seen in isolated instances in rental accommodation around the metropolitan area, whether inside a Housing Trust home or other dwelling—you have to get out because there is no room left for you: you have mistreated the premises as a tenant and you will be evicted. I am not talking about that. I am simply saying that the leaseholders are in no way comparable to the tenants of a Housing Trust home and ought not to be drawn as a comparison or made to feel as though they are, in the process of that comparison, such as it was made by the member for Kaurna, worse off because they cannot run sheep, for example. I do not know what his real point was. There is no public expenditure on infrastructure or the provision of services in any way comparable to the Housing Trust.

My second point is that, to date, the rents have not been calculated under the existing formula in recognition of variance in income in any way that is sensible or realistic. If you were a gold miner or a retailer in your management of a business and you had that sort of income and that sort of risk to manage, you would have given up and quit long ago. You would not stay there. You do it because it is your life, and you do it for the long haul. You do not think about your income in terms of a pay packet at the end of the week or fortnight, or even a salary credit to your bank balance at the end of each month—or, for that matter, a crop every year.

If you are going to live in that country—as you, Mr Speaker, would know, having come from the northern areas of the State, and as members opposite ought to know—you have to budget the way you spend in your household, in the shortest period of time, no less than a decade. Any attempt to make judgments based on income levels over any lesser time frame is fraught with risk and will end up with disaster for you and your family. You cannot predict the rainfall and you cannot predict what pestilence you will have to meet. You cannot control wild fires, if you have property where sufficient vegetation has grown to support a wild fire. When I mention pestilence, I am talking about grasshoppers and plague locusts. If you do have a good year, you are suddenly set upon by a plague of insects or rodents of one kind or another that will smartly clear it away, and you will not be able to convert it into marketable product—whether beef, wool or other forms of meat—in any way sensibly.

It is, therefore, not fair of us to simply say that, because it is a lease, it ought to be treated the same as a Housing Trust lease, or any other lease. We ought to be saying that, the sooner we freehold this country, the better. Two things will happen. Whatever we get in payment for the freehold will enable us to retire State debt; and, secondly, it will give absolute security of tenure to the occupiers of the land in a way which will enable them to use their land as security

against which to borrow at comparable interest rates to those of us who borrow to buy a house in suburbia, or to borrow to buy a farm in the inside country. There is no reason in law why we should not do that. We have land care laws that require people to draw up property plans and to manage the native vegetation on their properties in ways which are acceptable to Government and which respect the law. That is there now. There is no other reason which might have otherwise come to us historically requiring us to now retain the status of pastoral lease in our land title books—in our concept about how we allow people to get access, and under what terms, to the occupancy and use of that land.

Freehold title is the way to go, and it could be freehold title now which recognises whatever constraints Federal legislation and the High Court would impose on it with respect to access, property rights for people of Aboriginal extraction, and so on.

The other factor that has not been properly taken into account in calculating rents is the constant escalation in costs, regardless of whether there has been an increase in the market value of what can be or is produced from the land. Those escalating costs are simply imposed upon the producer—the leaseholder—and the leaseholder takes world prices for the commodities that are produced from that land. The member for Kaurna makes great play of the fact that more than 42 per cent of the State is held by such a few—about 220 people, groups or interests. However, he did not say anything about the relative level of fertility. How many sheep can one graze on Lake Eyre? How many beef cows will be reproduced from rocky outcrops where there is no feed? The important consideration, then, is the capacity for the land to produce. That is not in any way reflected by the area occupied. So, to say that 42 per cent gives only $640 000 is piffle. It is irrelevant and not regular in any sense in terms of fairness.

It ought not be a consideration of the public when they take their assessment of what is being done in determining who can do what on that land. As has been suggested by members opposite, if we take out the pastoralists, why do we not look at what it now costs us to employ, on a 1 000 square kilometre basis, officers of the Department of National Parks and Wildlife to look after the land? That will be a drain on the public coffers, not a contribution to them. If we simply tell all the pastoralists to get out of it, to leave, because they are the blight on the landscape, and let it be returned to national park or whatever, it will cost us an enormous amount for the 37½ hour week that those people would be entitled to work to do the jobs that would be necessary to control the rabbits, goats, weeds and feral animals such as cats, camels, and so on, which would do great damage to the land.

There would be nobody there to keep the tracks—or roads, as they are often referred to—under repair. They are not paid for by the public: they are maintained by the leaseholder. There would be nobody there to report the occurrence of plague locusts when there are hatchings and breeding of those locusts. We would have to pay an enormous amount to public servants to look after that land. It is for all those reasons that we owe the pastoralists more than they owe us as an industry. The sooner we find a means of providing greater and better security of tenure of the title of the land they occupy, the more prosperous all South Australia will be, the better served will be the interests of conservation of native flora and fauna, and the greater will be the measure of commitment made by those people living there to the control of the exotic plants and animals that are pests in that domain. I commend the Bill to the House.

The Hon. D.C. KOTZ (Minister for Environment and Heritage): I wish to thank all members for their contributions to this debate, varied as they may have been. In the first instance, in making concluding comments, I feel somewhat moved to remind members of this House—and in particular members of the Opposition—that this is a Bill that amends the Pastoral Land Management and Conservation Act. It may be prudent of members to remember that we are talking about pastoralists who have a total Act of Parliament, filled with rules, guidelines and management practices that they must undertake to hold the leases they hold. This seems to have been a moot point missed by the member for Kaurna and, indeed, members of the Opposition. That is extremely sad in one instance, bearing in mind the member for Stuart's reference to comments made by the member for Kaurna in a bitter and mean-minded way. It is also important in these concluding remarks—

An honourable member interjecting:

The Hon. D.C. KOTZ: We will wait and see. It is important to put on the record the background as to why this is occurring at this time. From the commencement of the current Act until 1995, pastoral rents were levied on the basis of the stock carried, and adjusted annually by taking into account various economic factors, and members have referred to that. This resulted in wide fluctuations in rentals levied from year to year. Obviously, these variances caused a great deal of animosity and objections from the lessees whenever an upturn took place. From the Government's point of view, it was difficult to budget in terms of the department, given the uncertain outcomes.

To resolve the problem, a method of setting rent based on unimproved value was introduced in the 1996 rental period. We are now talking about validating acts that have taken place since 1996 in conjunction with the pastoralists, the Valuer-General's Department and the department. This also brought the method of setting rents into line with conventional valuation practice. The process has the general support of the South Australian Farmers Federation, and the industry has worked well.

Prior to this process, there was a considerable level of disputation with the old system, which used the number of stock carried on each lease and applied a per head formula, which was particularly sensitive, as we have heard tonight from members who were part and parcel of the rural community, to changes in wool and beef prices. When the current Act was assented to in 1989, it was envisaged that the pastoral rents would be sufficient to achieve full cost recovery of the pastoral program. That objective has not been achieved in the ensuing period of eight years.

The member for Kaurna took great delight in thanking me for providing him with certain statistics on the amounts of revenue collected. I know he thanked me more than once, and I appreciate his thanks. Given the manner in which the honourable member thanked me, I think he did so with a sense of glee that he felt he had something to hold over the Minister. I am sure the record will actually show this. I would like to put the honourable member straight on the manner in which he has interpreted some statistics he has been given on the revenue collected. In 1996, rents fell—as correctly intimated by the honourable member—by $220 525 to $637 000. This was the first year using the unimproved value method. We also looked at what would have happened if we had constructed the rents by the previous method. If the method stipulated in the Act had been used, the rent raised has been estimated to be almost the same amount, coming in

at $650 000. That reflected a downturn in economic circumstances. To suggest that there is any pay-back by Government to pastoralists is ridiculous, because rent revenues have been reduced. If the honourable member cares to look at the statistical icon he put into the record, he will note that that economic downturn occurred over many years.

The rate of return is determined by the Valuer-General, who set the rate for grazing at 3 per cent in 1996 and 2.7 per cent in 1997. The Valuer-General has determined a rate of return of 2 per cent for conservation purposes, and 4 per cent for commercial tourism. Among other things, these determinations took into account comparative rates of return for grazing purposes in other States. I would like to point out a major imperative the member for Kaurna needs to take into consideration, that is, that we are indeed the highest charging State in terms of rates for our pastoralists. The Northern Territory uses a rate of 1 per cent; New South Wales, 2.5 per cent; and Queensland not more than 2 per cent. Western Australia is currently renewing its pastoral rent setting mechanism.

Future rents raised will depend upon many other things, including trends in unimproved values, and they will be influenced by a number of economic factors such as the wool stockpile, world commodity markets and especially the Asian market and investment optimism. I will conclude my remarks there in the interests of expediency.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3.

Mr HILL: In reading through the principal Act, I looked at the interests of various groups who were represented on the board and the interests of those who are not represented on the board, and it seemed fairly striking that Aboriginal persons who are considered within the Act to have rights over the land are not represented on the board. In her capacity as Minister for Aboriginal Affairs, will the Minister consider appointing an Aboriginal person to the board?

Mr Lewis interjecting:

Mr HILL: I am trying to speed up this process, Sir, but it is a bit hard when the member for Hammond interrupts. Who is being consulted in the process of determining this new schedule? I tried to find out some information about the board but I could not find any annual reports. I understand that no annual reports are produced by the Pastoral Land Management Board, so will the Minister consider whether that would be a useful addition to its functions?

The Hon. D.C. KOTZ: In regard to the first question relating to Aboriginal involvement on the board, no nominations have been received. I see no reason why a member of an indigenous group could not become a member of the board. It is a matter of nominations being placed and that would be taken into consideration. I would support that.

Mr Hill: What about as an addition to the board by right?

The Hon. D.C. KOTZ: As the honourable member is aware, the Act does not contemplate that. I am certainly willing to consider the honourable member's suggestion. I did not hear the honourable member's second question.

Mr HILL: Who is being consulted over the changes to the Act?

The Hon. D.C. KOTZ: The Valuer-General has been involved in putting together the different aspects of the amendments to the Bill. As to the pastoralists, I have already noted that the South Australian Farmers Federation, which picks up the majority of interests of individuals and groups across the whole area, has been consulted. A member of the Conservation Council is on the rent review committee.

Mr HILL: The Minister has not answered the third question. I asked about annual reports.

The Hon. D.C. KOTZ: As the honourable member is aware, the Act does not require an annual report and that has not been considered or contemplated.

Mr HANNA: What is the need for a change to section 15(4) of the Act concerning the voting powers of the various members of the board?

The Hon. D.C. KOTZ: Is the honourable member asking about the casting vote of the presiding member of the pastoral board?

Mr HANNA: Yes. Why is that necessary?

The Hon. D.C. KOTZ: When amendments to the legislation increased the number of the board to six, it was intended that a casting vote be given because of that number. Under the previous legislation, it never occurred. This is a means of amending that.

Clause passed.

Clause 4.

Mr HILL: I move:

Page 3, after line 32—Insert new subsections as follows:

(6a) The Minister may, on the recommendation of the Board, and if the Minister is satisfied that a lessee has caused degradation of the land, or has failed to properly conserve any of the natural resources (including water) of the land, increase by such amount as the Minister thinks appropriate the rent that would otherwise be payable under the lease in respect of any particular year.

(6b) If, pursuant to subsection (6) or (6a), the Minister reduces or increases the rent payable by a lessee in respect of any particular year, the Minister must cause notice of that reduction or increase, giving details of the reasons on which it was based, to be published in the *Gazette*.

New subsection (6a) allows the Minister, if satisfied on the recommendation of the board, to increase rent if the land has been degraded. I will not go through the details. The Minister's proposal allows a reduction in rent to take into account environmental improvements to land, and that is a fine thing, but the other side of the coin is not included and I would like to see it included. The Bill, in section 23(2)(a)(iv), refers to 'any views as to land condition factors expressed by the soil conservation authority'. In other words, one of the factors that the Valuer-General takes into account when he determines the value of the land is the relative state of the soil. That means that a bad pastoralist or a bad manager will have bad soil and therefore his rent will come down. That seems to be contrary to the intention of the Act.

If someone is not looking after their land, their rent should go up. They should not be rewarded for bad practice. They are rewarded for good practice but here, in a silent way, they are rewarded for bad practice. My amendment attempts to overcome that by allowing a discretion to the Minister through the board to penalise bad practice by increasing rent. There are other penalties, but I will not go into them. This seems to be a useful addition to the Bill.

The Hon. D.C. KOTZ: The Government will not accept this amendment. The member for Kaurna has totally misconstrued the intent of the Act as a whole. Section 43 of the Act covers all the areas that the honourable member has spoken about with regard to land degradation and any other spoilers in land practices that are unacceptable under the Act. Section 43 covers exactly what the honourable member is expressing in his amendment. The issue of land degradation is dealt with fully in other sections of the Pastoral Land

Management and Conservation Act. Section 43 is but one. The pastoral board has at its disposal an absolute range of punitive actions to deal with degradation.

It is not and has never been considered a means of dealing with the bad practices of pastoralists to impose some form of punitive measures relating to rent. Certainly a series of penalties are contained within the legislation that deal with any of the areas of degradation about which the honourable member talks. I can point the honourable member to strategies that are taken up by mutual agreement with lessees and, in the past financial year, 1 000 of those have been placed on notice in those areas; handwritten destocking notices issued by the pastoral inspector have been displayed in 50 paddocks; 20 formal destocking notices issued by the pastoral board have been displayed in other paddocks; and one fine of up to $10 000 has been placed on a pastoralist area.

One other action or penalty that can be undertaken is the surrender of the lease. At this stage there has been none. I assure the honourable member that what he is attempting to do by way of his amendment is contained in a range of provisions throughout this legislation. They are covered very substantially.

Amendment negatived.

Mr HANNA: In relation to the assessment of rent over the past couple of years, I understand that the rent has been assessed in accordance with the system proposed under this amendment rather than the statutory framework that actually existed. Is that right?

The Hon. D.C. KOTZ: Yes, that is correct.

Mr HANNA: Supplementary to that, what is the legality then of the rents collected? Is there any opportunity for legal challenge by the State, if need be, to ensure that the full and correct rents are paid according to the statutory framework current at the time and, if such action is not to be taken, why not?

The Hon. D.C. KOTZ: In the first instance the Valuer-General determines the rents. This was done through a policy arrangement which is quite legal and which is accepted throughout the pastoral area.

Mr HILL: Is the value placed on the land in terms of rental by the Valuer-General a market rent? Is there an issue in relationship to that to the national competition council? What is the value to the State—and the Minister might like to provide this information at a later date—of the production of the pastoral lands which comprise 42 per cent of the State? In what year did the State receive the highest rent from those lands, and how much was that rent in total?

The Hon. D.C. KOTZ: I advise the member for Kaurna very strongly that, with respect to the areas about which he refers, one cannot relate the same type of provisions on markets as one can with the semi-urban and metropolitan areas. There is no such thing as 'market rates' within the vast 413 000 square kilometres. There can be a judgment, and that judgment is legally binding by law under the Valuer-General. As to the total value of production on each of those leases, I will need to provide the honourable member with that figure at a later time as I do not have it with me at the moment.

Mr HILL: What year was the greatest rent achieved across the pastoral leases and how much was it?

The Hon. D.C. KOTZ: I can advise the honourable member only on the figures I have already arranged to pass on to him. I would need additional time if the honourable member wants me to go further back. The honourable member is aware that the figure for 1991 was $1 064 183, and I would suggest that that was a reasonably good year for the pastoralists.

Clause passed.

Remaining clauses (5 to 7), schedule and title passed.

The Hon. D.C. KOTZ (Minister for Environment and Heritage): I move:

That this Bill be now read a third time.

Mr HILL (Kaurna): As a result of this Bill's being pressured through this evening, there has not been a great opportunity for the Opposition to explore it. We have some concerns about the collection of rent. I would like to say to the Liberal backbenchers who represent rural electorates that the Opposition is not anti-rural; we are not opposed to farming; and we are not opposed to the proper management of pastoral lands. We are in favour of conservation, but we also believe that the taxpayers of this State should not be, in some behind-the-scenes way, subsidising a group of other taxpayers in the State.

It seems to me that, if one looks closely at the figures provided by the Minister and which I inserted into *Hansard* tonight, it is apparent that the new way of creating a rent will give a substantial benefit to the pastoralists. They will have a rent struck which will be lower than just about any other year on record, at least on the record the Minister has given me. If the Minister were to come here and say, 'Look, we want to strike a rent which is the average rent over a period of 10 or 20 years', I would not have a problem with that; that would be fair dinkum. But it seems to me that, in the way that this is constructed, there is a benefit going to that particular group.

If the Government wants to do that, it should do it by way of a Supply Bill. It should do it by direct subsidy so that it is up front and transparent and so that we all know what is going on. This is a behind the scenes way, a back room way, of providing a subsidy to some people. It seems also to the Opposition that 42 per cent of the State, as I said before, is locked up in pastoral leases and, for those pieces of land which are owned by the taxpayers of the State, we receive less than $650 000 a year. The member for Schubert said that that will be locked in for five years. So, for the next five years that is all we will get. If one looks back over the previous five years, the rental from those lands has been greater on more occasions than lower.

It seems to me that this is an attempt by the Government to provide some sort of subsidy to the pastoralist industry. It may need it, and I am not disputing that, but if that is what it wants to do it should be up front about it.

I am sorry that the amendments I moved in this House were lost but, no doubt, they will be pursued in the other place. I would ask the Minister to consider the second part of my amendments. I understand that she may be reasonably sympathetic to them, which would mean that any adjustments in rents that are done on the pastoral board's recommendation to the Minister would be gazetted. I think that would be useful because it would be transparent. Everyone would know who was getting a rent reduction and the reasons they were getting a rent reduction. If they have undertaken good environmental works on their property, it is worthwhile spreading that word so that others know that if they do similar things they, too, will get a benefit. We will have more opportunities in another place to explore the Bill, and there are a couple of other amendments I have foreshadowed to the Minister relating in particular to an annual report. I think that

is an obvious and sensible thing which we should add to this Bill.

The Hon. G.A. INGERSON: I rise on a point of order, Mr Speaker. As the member for Kaurna is a new member in this House, I point out that in a third reading contribution it is normal not to treat it as a second reading contribution but, rather, to make a general summation. Since it is the first time this has happened, I will not pursue the issue any further.

Members interjecting:

The SPEAKER: Order! On this occasion I do not uphold that point of order. I believe that the honourable member's contribution was, in fact, in the context of a third reading contribution. However, the Deputy Premier is correct when he says that it is possible to stray during a third reading contribution onto other matters. On this occasion I do not uphold the point of order.

Bill read a third time and passed.

ADJOURNMENT

At 10.33 p.m. the House adjourned until Wednesday 25 February at 2 p.m.