

## HOUSE OF ASSEMBLY

Wednesday 2 June 1999

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

**PUBLIC TRUSTEE, MOUNT GAMBIER**

A petition signed by 124 residents of South Australia requesting that the House urge the Government not to close the Public Trustee office in Mount Gambier was presented by Mr McEwen.

Petition received.

**PAPERS TABLED**

The following papers were laid on the table:

By the Deputy Premier, for the Premier (Hon. J.W. Olsen)—

Fees Regulation Act—Regulations—Fees

By the Minister for Primary Industries, Natural Resources and Regional Development (Hon. R.G. Kerin)—

Regulations under the following Acts—

Meat Hygiene—Fees

Mines and Works Inspection—Fees

Mining—Fees

Opal Mining—Fees

Petroleum—Fees

Seeds—Fees

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

Regulations under the following Acts—

Dangerous Substances—Fees

Explosives—Fees

Occupational Health, Safety and Welfare—Fees

Roads (Opening and Closing)—Fees

State Records—Fees

Valuation of Land—Fees

Workers Rehabilitation and Compensation—Medical

Practitioner Scale of Charges

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

Regulations under the following Acts—

Adoption—Fees

Controlled Substances—

Fees General

Fees Pesticide

Fees Poisons

Development—Fees

Harbors and Navigation—Fees

Housing Improvement—Fees

Motor Vehicles—

Fees

Trade Plates Fees

Passenger Transport—General Fees

Public and Environmental Health—Fees

Radiation Protection and Control—Fees

Road Traffic—

Expiation Fees

Inspection Fees

South Australian Health Commission—

Fees

Private Hospital Fees

Recognised Hospital Fees

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

Regulations under the following Acts—

Financial Institutions Duty—Non Dutiable Receipts

Gaming Machines—Fees

Land Tax—Fees

Petroleum Products Regulation—Fees

Tobacco Products Regulation—Fees

By the Minister for Environment and Heritage (Hon. D.C. Kotz)—

Regulations under the following Acts—

Botanic Gardens and State Herbarium—Fees

Crown Lands—Fees

Environment Protection—

Beverage Containers

Fees and Levies

National Parks and Wildlife—

Hunting Fees

Permit Fees

Pastoral Land Management and Conservation—Fees

Water Resources—Fees

By the Minister for Industry and Trade (Hon. I.F. Evans)—

Regulations under the following Acts—

Associations Incorporation—Fees

Bills of Sale—Fees

Births, Deaths and Marriages Registration—Fees

Building Work Contractors—Fees

Business Names—Fees

Community Titles—Fees

Conveyancers—Fees

Co-operatives—Fees

Cremation—Permit Fees

Emergency Services Funding—Unpaid Levy

Firearms—Fees

Land Agents—Fees

Liquor Licensing—Fees

Plumbers, Gas Fitters and Electricians—Fees

Real Property—

Fees

Transfer Fees

Registration of Deeds—Fees

Second-Hand Vehicle Dealers—Fees

Security and Investigation Agents—Fees

Sexual Reassignment—Fees

Strata Titles—Fees

Supreme Court—

Fees

Probate Fees

Trade Measurement Administration—Charges

Travel Agents—Fees

Workers' Liens—Fees

By the Minister for Recreation, Sport and Racing (Hon. I.F. Evans)—

Racing Act—Regulations—Percentage Totalization

By the Minister for Local Government (Hon. M.K. Brindal)—

Local Government—Regulations—Fees.

**ADELAIDE AIRPORT**

**The Hon. I.F. EVANS (Minister for Industry and Trade):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. I.F. EVANS:** The Government welcomes today's announcement by the ACCC of its draft decision on new passenger charges at Adelaide Airport, agreeing to a PFC of \$3.45. The ACCC will now seek comment on that draft decision. Moving Adelaide Airport from its current inefficient and operationally inadequate state to a level that can support the reasonable economic development aspirations of South Australia has been one of this Government's most important priorities for infrastructure development within South Australia. The multiuser integrated terminal (MUIT) will be another step in the rebuilding of the State's tourism and

business infrastructure so poorly neglected by previous Governments.

As all members would be aware, this Government has worked extremely hard, with strong support from QANTAS, Ansett, Adelaide Airport Limited and the Federal Airports Corporation, over the last three years to develop a proposal to integrate and upgrade the passenger terminals at Adelaide Airport in a manner that is commercially sound.

*Mr Koutsantonis interjecting:*

**The SPEAKER:** Order, the member for Peake!

**The Hon. I.F. EVANS:** Adelaide Airport is the poor cousin of mainland Australia's capital city airports. For a city in excess of one million people the airport as the State's front door is at best substandard. The domestic terminal building, itself a temporary building when first erected in the 1950s, has no aerobridge access, making for appalling service standards on all but fine weather days. The building has seven different roof lines, reflecting a process of ongoing temporary fixes as the primary means of facilitating the growth of services needed for a city of Adelaide's size. This process of facilitating growth through *ad hoc*, fragmented adding-on has resulted in a facility that has major maintenance problems and is functionally flawed.

The fact that the building is effectively owned separately by the two domestic carriers, who have delineated their areas through different carpets abutting each other down a central corridor, completes a picture of a totally unacceptable gateway to a capital city. The international terminal building has one aerobridge serving on certain days of the week three aircraft, resulting in delays and additional costs to airline users. Further, the short distance between the check-in counters and the front door results on many occasions in users lining up outside the terminal to check in. The confined meeter and greeter area is equally overcrowded. The poor service standards for international passengers at this facility is a matter raised not infrequently by international business visitors considering investing in South Australia.

The new integrated international and domestic terminal facility will be designed to deal with the regional, domestic and international traffic passengers all in the one facility. It will provide for the optimal use of infrastructure and therefore reduce the infrastructure costs of separate terminal facilities. It will provide superior standards of service and will be purpose built for the needs of aviation tenants. The proposed \$193 million facility will be a multistorey building, will feature 10 aerobridges and will be accessed by a raised road running the entire length of the building at the first level. The project provides a major boost for the State's economy as a result of increased tourism and export potential. It repositions Adelaide as a major international gateway to Australia. The Government welcomes this announcement and looks forward to further progress on the multiuser integrated terminal in the near future.

#### LEGISLATIVE REVIEW COMMITTEE

**Mr CONDOUS (Colton):** I bring up the fourteenth report of the committee and move:

That the report be received.

Motion carried.

## QUESTION TIME

### ELECTRICITY, PRIVATISATION

**The Hon. M.D. RANN (Leader of the Opposition):** My question is directed to the Acting Premier. Given all the promises made to the community by both the Premier and the Treasurer, and given the critical importance that the Olsen Government has placed upon the claimed level of interest savings from the planned ETSA privatisation, will the Deputy Premier explain which of the two significantly different figures used by the Premier and the Treasurer last Friday is correct?

Last Friday the Premier claimed that the privatisation of ETSA would 'save something in the order of \$500 million worth of interest'. On the same day, when asked how much the privatisation of ETSA would reduce the State's interest bill, the Treasurer (Mr Lucas) said, 'The commentators say, well, around \$300 million.' Who is right and who is wrong?

**The Hon. R.G. KERIN:** I thank the Leader for his question. He has picked up on some statements that were reported in such a way—

*The Hon. M.D. Rann interjecting:*

**The Hon. R.G. KERIN:** First, who knows what we will get for the lease or sale of ETSA, anyway? Secondly, whatever we get will determine how much debt is actually paid off. If we got a high figure for it and it all went to debt repayment, the gross figure would be at the higher end of the scale. If we looked at a net figure after everything is taken into account, we would come up with a different figure.

*Members interjecting:*

**The Hon. R.G. KERIN:** We do not know the figure because we do not know what we will get for a sale or lease. Despite what the figure is, it will be of enormous benefit—

*Members interjecting:*

**The SPEAKER:** Order! The Minister has the call.

*Mr Foley interjecting:*

**The SPEAKER:** Order!

**The Hon. R.G. KERIN:** I will explain it slowly for the member for Hart. Whatever games we play with figures, no-one knows what we will receive for a lease or a sale. The one fact that remains constant is that a lease or a sale is well and truly in the economic interests of all South Australians.

**The Hon. M.D. Rann:** You don't know what the figures are.

**The Hon. R.G. KERIN:** No, because we don't know what we are going to get.

*Members interjecting:*

**The SPEAKER:** Order! The House will come to order. The honourable member for Hartley.

### SMALL BUSINESS

**Mr SCALZI (Hartley):** My question is directed to the Minister for Employment.

**Mr Atkinson:** How is your Bill going?

**Mr SCALZI:** The Bill is going very well, Mr Atkinson.

**The SPEAKER:** Order! The honourable member will ask his question.

**Mr SCALZI:** Given that small businesses generally seem to hold the key to creating new jobs, how does the 1999 Employment Statement assist business to take on a new employee?

**The Hon. M.K. BRINDAL:** I thank the member for Hartley for his question and acknowledge that on this side of the House at least members are interested in employment and especially in employment created through small business. The 1999 Employment Statement recognises the Government's success and improves the range of services available to business where a need has emerged.

*Members interjecting:*

**The Hon. M.K. BRINDAL:** Opposition members would do well to listen to the answer to this question. They might not realise, but there are 72 000 small businesses in this State and they currently employ more than 245 000 people. I would say that is a significant sector of South Australian electors and a sector that deserves some attention. The Premier yesterday described the Manufacturing Centre as arguably the backbone of the South Australian economy. If that is so, then the small business sector obviously represents a very important component, say the arteries of our economy.

**Mr Conlon:** What are you?

**The Hon. M.K. BRINDAL:** I know that the member opposite might be construed to be a blood clot but I do not know for myself. The independent review of existing programs and consultation on a broad range of employment issues in the last year has culminated in the 1999 Employment Statement. We got out there and talked to the people and to the UTLC and we have come up with what we hope is a more focused strategy for this year. The strategy takes the \$100 million committed last year and adds to it \$28.4 million committed in the next three years, and I believe that all members of the House will acknowledge that that is a strong commitment given that the budget is hardly flowing at the suppers with additional funds for programs.

Among the initiatives that we are most pleased about is the Small Business Employer Incentive Scheme and the Human Resource Advisory Service, which will be continued into 1999-2000. The success of these programs in 1998-99 has led the former to being allocated an additional \$4 million over three years to enable 1 000 trainees and apprentices to be placed in small business. The latter apprenticeship scheme was due to cease at the end of 1998-99, and that is being allocated \$400 000 over the next two years. So, by these schemes, there will be an incentive to increase the skills base about which I know trade unions across this State are concerned, and a capacity for small businesses to employ more trainees.

So successful has that scheme been that last year, without advertising it, it was constantly over-subscribed. That is a reason why the Government has decided to put funds into this scheme in particular. But we are equally proud of the mature age employer incentive scheme. We believe this to be a first in this country, and it acknowledges something that came up repeatedly in the Jobs Workshops, that is, that there are two critical areas that need our attention in providing skilling and employment opportunity.

One undoubtedly is our youth. No-one in this Parliament would argue that. The second is people aged over 40 who through no reason of their own find themselves redundant and in need of reskilling and help. We will provide \$2 000 to companies that employ people 40 years of age and over. This scheme is worth \$4 million over three years and will assist business—and we hope specifically small business—because of the experience and expertise involved, to recruit staff and at the same time enable mature age job seekers to enter the work force.

Constantly, the Labor Party refers to 'our mates, the employers', and they like to refer to 'their mates, the employees'. I would like to refer the Labor Party in this State to Tony Blair in the UK who has managed to actually look past old rhetoric and who can explain to them in words they can understand what we are trying to do on this side of the House, that is, to form a new partnership, a partnership that does not exclude employees, but a partnership that equally does not exclude employers. What we are trying to do is come up with a constructive arrangement within the South Australian community to make South Australia a better place.

*Mr Conlon interjecting:*

**The Hon. M.K. BRINDAL:** I do not know what the member opposite is beating—probably his own drum. The Employment Statement, as I said, adds an additional \$28.5 million over three years. It is a major commitment of this Government to the future of South Australia and to our greatest resource, its people. Members opposite can continue in the childish antics that they normally indulge in during Question Time or they can help to push the State forward, and they will then be part of a process. They can either continue to be sullen and childish, like some members opposite, or they can help us get on with the game.

**Mr KOUTSANTONIS:** On a point of order, Mr Speaker, the Minister is reflecting on the Opposition benches by calling us childish.

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

#### HOPE VALLEY RESERVOIR

**Ms HURLEY (Deputy Leader of the Opposition):** Given the statement of the Minister for Environment to this House on 4 August 1998, can the Minister now explain why the Hope Valley Reservoir has again been closed because of contamination, and can she tell the House what action she has taken to clean up the Hope Valley catchment, including Sixth Creek? Following a statement by the Minister on 4 August 1998 that our water supplies were safe from cryptosporidium and giardia, and that agencies had been told to double efforts to prevent contamination of our supplies, it was revealed that the public had not been told until six weeks later that the Hope Valley Reservoir had been closed on 24 July 1998 and that the public was not warned that Sixth Creek had been identified as a source of pollution. A Government briefing note obtained by the Opposition under FOI states that the risks of contamination could be reduced through tighter controls on land use in the catchments.

**The Hon. D.C. KOTZ:** I certainly do appreciate the question from the Deputy Leader. As the Deputy Leader would be aware, in terms of the Hope Valley Reservoir's being closed, that is outside the jurisdictions for which I have any responsibility. However, I am extremely pleased that the member has actually broached this subject, because I would like to take the opportunity to brief the House on the background as to just exactly what is happening within the catchment areas.

The House would understand that, since the Water Resources Act 1997 was first proclaimed, there were other mechanisms that enabled different means to operate by setting up catchment boards and encouraging those catchment boards to take some very strong steps to look at whole of catchment rather than what was happening previously on an *ad hoc* basis.

Since its inception, I advise the House, the Torrens Catchment Water Management Board has worked closely

with Government agencies, with the Mount Lofty Ranges catchment program and other statutory bodies to oversee a major transformation in stream management in the catchment area. In rural areas more than 100 kilometres of stream has been rehabilitated in the past three years, with another 150 kilometres to be rehabilitated in the next three years. This scale of rehabilitation is unprecedented in this State and reflects the rate needed to rehabilitate water courses across the Mount Lofty Ranges. The work undertaken by the catchment boards has complemented the obvious fine work that has been undertaken by numerous land care and catchment groups in the Mount Lofty Ranges.

As outstanding as these results were, unfortunately the actions of these groups did not lead, and were never destined to lead, to any significant whole of catchment rehabilitation of streams. It was a case of treating a few hundred metres of water courses rather than the many miles and kilometres of water courses. Even though these groups had a very high profile in the Mount Lofty Ranges, their actions led to only scattered adoption in other regions rather than the whole of catchment stream rehabilitation which we are into now. As I earlier stated, this was because the institutional arrangements prior to the Water Resources Act 1997 were not conducive to facilitating these changes from a small catchment into an entire catchment area.

*Members interjecting:*

**The Hon. D.C. KOTZ:** I am sure the member who asked the question would like to hear the answer. I am pleased to continue to tell her that there has been a major contribution to improving stream health through the preparation of riparian management plans for seven major catchments in the Mount Lofty Ranges.

*Members interjecting:*

**The SPEAKER:** Order! I call the member for Hart to order.

**The Hon. D.C. KOTZ:** The respective catchment boards are all implementing these plans. Over the next two years there will be three additional riparian management plans developed for three catchments in the Mid North of the State. Undoubtedly, the creation of catchment water management boards is one of the most significant changes to the institutional arrangements that affect the management of water courses in South Australia and, since the enactment of the legislation, some six water management boards covering key water resources of the State have been created. I am sure members are aware of those particular boards: the Onkaparinga, the Northern Adelaide and Barossa, the River Murray, the Patawalonga and the River Torrens Water Catchment Boards. They have identified stream rehabilitation as a major objective and have consequently allocated substantial funds towards this aim.

As the member has rightly said, we are talking about an immediate circumstance. In an immediate circumstance this financial year allow me also to tell the House that not only have the boards identified priority and stream restoration but, through their own budgets, they have made these allocations: River Torrens \$1.71 million; Patawalonga \$3.05 million; Northern Adelaide Barossa \$1.1 million; Onkaparinga \$1.2 million; River Murray \$3.2 million; a total of \$10.23 million that is directed into the very matter about which the member is asking, that is, what is the quality and effect of any of the management that we have put in place? It is all happening now: the sum of \$10 million has been allocated to this issue and I can assure the honourable

member that all of these things have an effect in the outcomes of water quality.

*Ms Hurley interjecting:*

**The Hon. D.C. KOTZ:** As I said, if the honourable member wants to direct her question elsewhere concerning Hope Valley, I am sure she will, but part of what she has asked concerns water quality and I am happy to give her an answer.

*Ms Hurley interjecting:*

**The SPEAKER:** Order! I warn the Deputy Leader, who has had a fair go with interjections.

**The Hon. D.C. KOTZ:** The majority of works that have been undertaken involve the fencing of water courses to exclude stock access and revegetation using local native species. Other works have included woody weed and exotic tree removal, plus the construction of erosion control structures. All of this has been achieved without the need to revert to regulatory enforcement. The board has made explicit recognition of the public good nature of water quality and has also offered land-holders a substantial package of incentives to encourage them to rehabilitate their water courses, and there has been a significant contribution from land-holders with respect to on-ground costs.

In addition to these measures (which I think members will agree are quite substantial) a departmental working group has prepared a report entitled The State of Catchment. This report identifies the issues affecting water quality in the Mount Lofty Ranges watershed and the strategies to minimise further risk. It recognises that there are background levels of giardia—

**Mr FOLEY:** Sir, I rise on a point of order. The Minister was asked a specific question. She is now clearly going into some detail. She has access to ministerial statements. I know that she is lacking confidence in her job, but this is a bit—

**The SPEAKER:** Order! I cannot uphold the point of order because I cannot control the length of replies—although I do point out to the Minister that there is the opportunity for ministerial statements. However, as long as the Minister sticks to facts and does not debate the issue, she is free to proceed.

**The Hon. D.C. KOTZ:** My answers are totally directed to the water quality aspect of the Deputy Leader's question, and all these answers relate to management structures in place now. I am very pleased that the Deputy Leader asked this question, so we can put it on the record. Allow me to conclude the answer by just saying to this House that part of the strategies that are being developed out of The State of Catchment report recognises that there are background levels (which are very low) of giardia and cryptosporidium in the watercourses. However, with good management, as being performed by the River Torrens Catchment Board management, all these strategies put in place, all the monitoring that is going on and all the programs that are encouraging land managers to look at what ends up in our river systems—which is being addressed very much so by this \$10 million program right across the whole of catchment—will, in effect, continue to reduce by a great percentage the incidences of these organisms in our system.

Wherever we have human and animal habitation there will always be a symptom of organisms that will be picked up by what we have seen recently, that is, the downpours of precipitation, which is our basic natural element of rainfall.

*An honourable member interjecting:*

**The Hon. D.C. KOTZ:** Exactly. I am glad you were listening. That in itself means that the whole of the landscape

has been drenched: all the organisms and bacteria that lie around the land gather in our streams.

**Mr FOLEY:** Sir, I rise on a point of order. The Minister is clearly now debating the question.

**The SPEAKER:** Order! The Chair does not uphold the point that the Minister is debating the issue, but I ask her to start to wind up her reply.

**The Hon. D.C. KOTZ:** I think that it was extremely important to make those final points—that we will always have a situation where the natural elements will not allow us to have pure and absolute pristine control over our streams and our waterways. We will have good management, because only under a Liberal Government has this catchment process come into place.

### REGIONAL EMPLOYMENT

**Mrs PENFOLD (Flinders):** My question is directed to the Acting Premier.

*Members interjecting:*

**The SPEAKER:** Order!

**Mrs PENFOLD:** Can the Acting Premier—

*Mr Atkinson interjecting:*

**The SPEAKER:** Order! I caution the member for Spence.

**Mrs PENFOLD:** Can the Acting Premier indicate the Government's commitment to successful employment generation in regional areas?

**The Hon. R.G. KERIN:** I thank the honourable member for her question and, no doubt, the Opposition will be more interested in this than water quality. The Government through its actions, its policies—

*Mr Foley interjecting:*

**The SPEAKER:** Order! I warn the member for Hart for interrupting Ministers.

**The Hon. R.G. KERIN:**—and the directions it is taking is doing a lot in regard to regional employment, and I commend the Minister for Employment on the focus he has given regional schemes in that regard. The member for Flinders was recently a member of the Regional Development Task Force which went out across South Australia and genuinely listened to what people had to say. That task force brought down a report which included many recommendations, some of which have already been taken up. The Office of Regional Development will keep a close eye on coordination, across Government, of job creation programs, amongst many other issues.

One major initiative under the 1999 Employment Statement is to improve services to employers in country regions. That will be critical in creating the jobs and the regional development that we want. I certainly commend the Minister and previous Ministers of this Government in that traineeships have made an enormous difference, whether they be public or private, in regional areas. They have been a major initiative.

Part of the Employment Statement to which the Minister referred included \$800 000 for an aquaculture business development program to expand jobs in what is a very exciting industry. That backs up the Government's \$4.5 million commitment to aquaculture; the 120 traineeships (many of which are based on the Eyre Peninsula); and assistance to aquaculture developments through the Rail Reform Committee, which is chaired by the member for Bragg. I thank the honourable member for his efforts in that respect. It is a pity that aquaculture, which is a major opportunity, particularly for the Eyre Peninsula and to a

lesser extent the Yorke Peninsula, has not received better support from the Opposition Parties. On the one hand they say that they support it yet, on the other hand, they do plenty to impede it as well as eroding community confidence in aquaculture.

Despite the efforts to slow it down, latest figures show that up to 1 600 jobs in the Port Lincoln area have been created through aquaculture, which has enormous spin-offs throughout the Eyre Peninsula, particularly along the coastline. Certainly, the member for Flinders has been terrifically supportive of that and is very conscious of the opportunities it is bringing to her community. As a result of the upgrade of the Port Lincoln airport and some major private investment in Port Lincoln, the value of seafood exports is increasing at a quick rate.

That backs up what is happening with mining, Roxby, Beverley and, hopefully, the magnesium project, on top of our record grain harvests, the expansion of horticulture, olives, the terrific success of the wine industry, the citrus industry and many others, to the extent that, as I previously mentioned, some of our regions have, for the first time in decades, a shortage of housing and also employment. That is a challenge we need to face but it is a challenge that has not been seen by Governments in South Australia for a long time. We have a strong commitment to the regional areas, particularly to job opportunities and, despite the attempts of spoilers, we will continue to fight for more jobs in regional South Australia.

**Ms Breuer:** Build the power station at Whyalla.

**An honourable member:** You generate enough gas for it.

*Members interjecting:*

**The SPEAKER:** Order!

### EDUCATION, CAPITAL BUDGET

**Ms WHITE (Taylor):** I direct my question to the Minister for Education, Children's Services and Training. Was Parliament misled about the amount of money allocated in the 1998-99 budget for capital works on school projects? In his budget speech on 28 May 1998, the Treasurer told the House that the 1998-99 capital works program included '\$84 million for capital works in schools, pre-schools and child-care centres'. On 30 June 1998 the Minister told the House that the capital budget for schools had been cut from \$106 million the previous year to \$84 million in 1998-99.

**The Hon. M.R. BUCKBY:** I will check on the figures that have been raised by the member for Taylor and bring back a reply.

### SMALL BUSINESS

**Mr HAMILTON-SMITH (Waite):** Will the Minister for Industry and Trade advise the House of the findings of the review into the small business emergency service?

**The Hon. I.F. EVANS:** I thank the member for Waite for his question. He and other members such as the members for Heysen and Fisher—and the member for Mitchell as well, from memory—have written to me in the past month about the review that was undertaken by the Department of Industry and Trade into the small business emergency service. Members might recall that the service was set up in 1997 really as a way to provide advisory service and counselling services to try to reduce the emotional and financial distress in small business areas and to try to avoid a number

of small business failures in the crises that do occur from time to time, and hopefully reduce the number and the cost of business failures within the State.

We have reviewed the service twice. The first review was inconclusive; it could not come down with a conclusion one way or the other. A second review from an economic point of view recommended that the facility service not continue, but it did add the rider that it was almost impossible to measure some of the social benefits such as the reduction in suicides or in the number of breakdowns. The department has spent about \$290 000 since 1997, when it was first established. It now has an annual budget of about \$90 000 a year. It is my judgment that, for \$90 000, if you can provide some benefit to small business so that someone does not lose their house or can leave business in a better financial shape than would otherwise have been the case, that is probably money well invested.

Members would be aware that the service is run through the Adelaide Central Mission in conjunction with both the Institute of Chartered Accountants in Australia and the Australian Society of Certified Practising Accountants who provide financial advice from time to time. We have decided that we will continue the service for another three years in conjunction with the Adelaide Central Mission. We have asked it to specifically come back to us with any policy issues we might be able to address on a more whole of Government basis, so we can adjust some programs in other departments in order to provide a little more support to small business. We are happy to look at that. For those members who have raised the issue, they can go back to their electorates saying that the service will continue for at least another three years.

### EDUCATION, CAPITAL BUDGET

**Ms WHITE (Taylor):** My question is directed to the Minister for Education, Children's Services and Training. Was the Estimates Committee misled on 19 June 1998 when it was told that the budget for education capital works for 1998-99 was \$110 million? On budget day, the Treasurer issued a media statement saying:

The building and construction industry would benefit from \$110 million for capital works on schools, preschools, child-care centres and TAFE institutes.

In response to a question to the Minister about the capital works budget for education, the Estimates Committee was told:

The budget for 1998-99 is \$110 million.

**The Hon. M.R. BUCKBY:** As I did last time, I will check the figures that have been given to the House by the member for Taylor and return an answer to her.

### TOURISM INITIATIVES

**Mr CONDOUS (Colton):** Will the Minister for Tourism outline details of the successful tourism marketing initiatives contained within this year's budget that were referred to in the House yesterday by the member for Wright?

**The Hon. J. HALL:** Given that so many activities that relate specifically to tourism are going on in the member for Colton's electorate, he has quite a history of an interest in this great and expanding industry. I was very pleased yesterday to hear the member for Lee, the shadow Minister for Tourism, congratulating the Government on the good things it had done for tourism in this year's budget, and particularly his congratulations on the success so far of the Secrets campaign.

Every member of this House would recognise the enormous potential there is for economic development and employment generation within the tourism industry. It is equally important for us to know some of the good news that comes out of the tourism sector.

I believe it is of great interest to know that since 1994-95 the value of tourism to our State's economy has increased by at least \$300 million, so that it is now generating more than \$2.2 billion, a pretty significant component. It is fairly obvious that some members opposite are not interested in the good news that this Government has, that is, that the direct employment generated from tourism has increased by more than 4 000 to over 30 000. Again, in our current times I would have thought that some of those employment figures would be welcomed by members opposite rather than just laughed at.

The indirect estimates suggest that the travel, tourism and hospitality industries combined account for more than 50 000 jobs across this State, and I would have thought that that was pretty significant. But to keep these jobs growing—

**Mr ATKINSON:** On a point of order, Mr Speaker, Erskine May says that questions are inadmissible that require information set forth in accessible documents such as statutes or ordinary works of reference. All the information we have been hearing and are promised was in the budget that was tabled in this House last week.

**The SPEAKER:** Order! I uphold the point of order inasmuch as what the honourable member has said is correct as far as Standing Orders go. I ask the Minister to take that into account in the framing of her reply.

**The Hon. J. HALL:** It is obvious from some of the remarks that members opposite do not like hearing the good news relating to tourism and the growth that it is generating this State. One of the successes of our ongoing growth in tourism will be to ensure that the numbers keep coming to South Australia. I would have thought that that would be of great interest, because it is important to note that we are embarking on a very aggressive marketing campaign to get more tourists here to South Australia and for those tourists to spend more time when they come here. In particular, we are embarking on a very aggressive domestic and international marketing campaign, because we need to keep reinforcing that this is a great destination with a great product.

Some of the initiatives we are planning will impact on all the electorates and will generate enormous opportunities and pride in this State. One of the initiatives—and I know that every member will take a great interest in this—is the expansion of the Secrets campaign. Over the next 12 months we will be producing three more Secrets books. So, we will be out there readily selling our State secrets! And our State Secrets are pretty important, because they will cover each of the nine regions and each book will feature three regions. I am delighted to be able to tell the member for Heysen that in the first one the Adelaide Hills will be very strongly featured. Our State Secrets are of enormous relevance, because what is happening in the regions, particularly, is helping to bring more tourists to our State.

I would have thought that, rather than laugh about some of these things, members opposite ought to take a very great interest, because the pride in South Australia that our tourism campaigns are generating is significant. In addition to the Secrets campaign and the sale of the State Secrets, we will be distributing another 200 000 of our Shorts book, which has been an enormously successful campaign. One of the most important aspects of the campaign will be the extension of

and priority that we are putting on marketing the State secrets internationally.

**Mr ATKINSON:** On a point of order, all these matters were tabled last week with the budget papers, and the Minister is merely reciting from an accessible document.

**The SPEAKER:** Order! The Chair has not had the opportunity of reading all the documents we were presented with last week, but I cannot imagine that the detail the Minister is giving us is actually in the fine print. It may come out in Estimates, but I doubt if it is in the fine print yet. At this stage I will allow the Minister to proceed.

**The Hon. J. HALL:** Thank you, Mr Speaker. A lot of this material was not tabled last week partly because of its graphic content. I would have thought that it is of interest to know that an aspect of the international marketing campaign that we are about to embark upon, which will generate lots of income and employment, is the release internationally of the *Secrets* book. It will be released in three languages other than English, and they are, for the interest of members opposite, French, Italian and German, which is very important because it is such a key international market for us.

The other important aspect of releasing the *Secrets* book internationally is the release of the travel planner, which will be a very important document for international operators. Tourism in South Australia at the moment is on an all-time high and I would have thought that, like the shadow Minister, members opposite would congratulate and be determined to work with the Government to increase the success of tourism.

#### EDUCATION, CAPITAL BUDGET

**Ms WHITE (Taylor):** My question is directed to the Minister for Education, Children's Services and Training. Given the repeated statements to Parliament that last year's capital works budget for education was \$110 million and given the Minister's inability to confirm that figure today, why did the Minister issue a media statement last week claiming that this year's \$79 million capital budget for education was \$14.7 million greater than last year's?

**The Hon. M.R. BUCKBY:** This Government's record on capital works funding for our schools bears no comparison with that of the previous Labor Government. I have only to think back to my own electorate in the 1980s to consider the amount of money that was spent not only in capital works but also in minor maintenance works. The degradation that occurred in our schools because of the lack of money spent by the previous Labor Government was disgraceful. The amount of money that this Government is spending in our schools is improving the quality of the existing schools, and the maintenance work that is being undertaken in those schools is excellent in comparison with that of the Labor Government of the 1980s and early 1990s.

#### RURAL AGED CARE FACILITIES

**Mr MEIER (Goyder):** Can the Minister for Human Services give an update on what the Government is doing to provide increased aged care facilities for South Australians living in rural areas?

**The Hon. DEAN BROWN:** I highlighted to the House recently the much broader role that hospitals are playing. Instead of providing only acute services, now they are also providing nursing beds, hostel accommodation, in some cases independent living, as well as invariably the medical clinic and the community health service. I am delighted to say that,

in the most recent budget, \$3.6 million has been specifically allocated to provide aged care facilities in rural communities, in other words, to expand what we are already doing very effectively in regional and country towns in South Australia.

Although it will not all be done this year, with that \$3.6 million we are in the process of putting in 20 additional beds for aged care in the South-East; 20 additional beds in the Wakefield region, which includes Maitland; eight beds at Waikerie—and I have already approved the Waikerie project and that is under way; and six extra beds in Jamestown, which is in the design phase and is about to be approved. Those six beds at Jamestown are part of an urgent upgrade of aged care facilities there that I asked for earlier this year after visiting the hospital.

In addition, with respect to Mount Gambier, where there has been some complaint about the lack of aged care beds, and nursing beds in particular, in April this year we approved an allocation of short-term funding for Boandik Lodge, where they have already 28 independent living units, so they can put 24 extra beds into Mount Gambier.

**Mr McEwen:** Well done.

**The Hon. DEAN BROWN:** I know that the member for Gordon appreciates those additional beds. They were urgently needed. We have been arguing with the Federal Government very strongly for the last few years to make sure that we get additional nursing beds in this State because the aged population is increasing very substantially.

I raised the point because I do not think the community generally has understood the impact that ageing will have across our community over the next 20 to 30 years. South Australia has started providing the services very effectively, but the task ahead of us will be enormous over that period. The 80 years and over group is the fastest growing community group in Australia. Currently, about 14 per cent of our population is over the age of 65. Within a period of 40 to 50 years, we will find that 26 to 28 per cent of our population is over 65 years of age. That is a huge increase and we need to provide for it as a community.

#### HOSPITALS, PUBLIC

**Ms STEVENS (Elizabeth):** Given the announcement by the Minister for Human Services that a budget cut of \$46 million will result in 14 000 fewer hospital admissions and other services, does the Minister accept responsibility for rationing services, and can the Minister now tell pensioners, the aged and others requiring treatment who will now be refused admission to public hospitals or denied non-admitted services, or does someone else have to take the blame?

**The Hon. DEAN BROWN:** First, let me explain to the House that in the current financial year, 1998-99, we have put in additional money—money which came from our cash reserves—to meet an unprecedented demand in our public hospital system. Whereas it was projected for this year that we would have about 288 000 in-patients, in fact we expect by the end of the year to have treated 301 000 patients. So, we have exceeded the target by about 13 000 people this year.

Over the last two years, because of the sudden increase in demand, particularly in two areas—one in mental health and the other in accident and emergency (because of the drop out by private GPs from providing after hours services), we have had this huge pressure put on our public hospital system. Of course, it is also known that we have the ageing of the population, we have the drop out from private insurance and, on top of that, we have the fact that more and more people,

even with private insurance, are coming into our public hospital system and being treated as public patients.

*Ms Stevens interjecting:*

**The SPEAKER:** Order! The member for Elizabeth will contain herself.

**The Hon. DEAN BROWN:** Yes, I would ask her to try to contain herself.

*Ms Stevens interjecting:*

**The SPEAKER:** Order! I warn the member for Elizabeth for interjecting after I have called her to order.

**The Hon. DEAN BROWN:** Therefore, what is provided in the budget—and we have been very open about this—because we have been given an allocation of funds for next year based on forward projections, plus some additional money of about \$18 million which Cabinet assigned to me, and after taking into account increases in costs, inflation, enterprise agreements and superannuation, we will have to spend less than we were able to spend this year. The reason for that is simple. We have spent more than was provided in the budget this year because we had cash reserves, and we believed it was responsible to be out there spending those cash reserves rather—

*Ms Stevens interjecting:*

**The Hon. DEAN BROWN:** Well, how many times have we all heard the honourable member in this House say, 'If you have money there, then treat the patients'? We had the cash reserves: we have treated the patients. So, the last thing she can complain about is the fact that we treated about 14 000 more people this year than we projected to do. I have talked about the increase in pressure and demand and I am the first to acknowledge that this will put enormous pressure on the public hospital system. I have already said that there will be about 14 000 fewer inpatients this coming year than were treated this year. I have outlined the reasons for that and they are fully covered in the budget papers.

*Members interjecting:*

**The SPEAKER:** I call the member for Elizabeth to order for the second time.

**The Hon. DEAN BROWN:** I suggest that the honourable member pick up the budget papers, where the matter is fully explained, just as I have explained it this afternoon.

### DAIRY INDUSTRY

**Mr McEWEN (Gordon):** My complex question without notice, which could take about 14 minutes to answer, is directed to the Deputy Premier.

*Members interjecting:*

**Mr McEWEN:** As I have not even asked the question, there is no point in repeating it. I understand that on Monday the Deputy Premier indicated to South Australian dairy farmers that his Government supported the \$1.25 billion dairy industry deregulation fund. Given that support, from where does the Deputy Premier think the money will come? Will the money given to farmers be tax exempt?

**The Hon. R.G. KERIN:** This is an important issue for the dairy industry and doubtless members on this side will listen extremely carefully to the explanation. As the member said, the industry has put to the Federal Government a restructure package worth \$1.25 billion to help the industry restructure when deregulation comes in next year. The issue of restructure has been debated in the dairy industry over the past couple of years. Unfortunately, the industry did lose a bit of time because, despite it becoming obvious that Victoria was going to deregulate and therefore other States would not have

a choice, some chose to lead farmers to believe that, despite what Victoria was doing, they would hold on to regulation in other States. Of course, the commercial reality says that cannot happen.

One reason why they have not an answer on this package when we are only 12 or 13 months away from deregulation is that industry and political leaders in other States have told people what they wanted to hear rather than what they needed to hear. The New South Wales Government put out a press release at one stage assuring farmers that regulation would remain until 2004. I hope that not too many farmers believed that and made investment decisions on that. It was not responsible to take that track when it was obvious what was going to happen in Victoria. The current situation is that the industry has put the package to the Federal Government and there are some options but they are based on money being paid to farmers on day one and then there is to be a fund to run over a period varying from eight to 10 years to recover that money to repay the Federal Government for what has been put forward.

We have been urging the Federal Government to try to give the industry some indication of how achievable this is. We know that all the States are giving some support to it but the States supported the GST as well and we saw what happened in Canberra with political opportunists, despite all the States agreeing. We will be pushing the Federal Government and the other parties in Canberra to indicate to the dairy industry what their attitude to the package is. My biggest fear is that the industry will get assurances from everyone but in May next year, just one month short of deregulation, the industry will find out that it does not have a package and it will have just one month to work out its future. So, we will be pushing for a quick answer, and I assure the honourable member that we will monitor it very closely.

### DRUGS EDUCATION

**Ms THOMPSON (Reynell):** Will the Minister for Human Services advise when the \$4.1 million balance of the \$8 million previously committed to drug education will be distributed? I have been contacted by members of a community group concerned with drug education who have advised me that, although \$3.9 million of the announced \$8 million commitment to drug education has been allocated to the Anti-tobacco Advisory Task Force, they have been unable to establish when the remaining \$4.1 million will be distributed.

**The Hon. DEAN BROWN:** I would be happy to talk to the honourable member after Question Time. I am not quite sure where she has obtained her figures from. She is talking about \$8 million for drug education. The education side of it does not come under me: the money for education in schools comes under the Minister for Education. But, in fact, I have never talked about \$8 million for tobacco—and the honourable member was talking about tobacco.

*An honourable member interjecting:*

**The Hon. DEAN BROWN:** I would like to see the figures that the honourable member is talking about. I am not exactly sure which figures they are—whether she is talking about tobacco or whether she is talking about drugs in a more general sense. I would like to clarify that aspect, and I will obtain an answer.



### CONTAINER DEPOSITS

**The Hon. D.C. WOTTON (Heysen):** Will the Minister for Environment advise the House what is being done to stop the rorting of South Australia's successful container deposit system of refuse collection, particularly by interstate profiteers?

**The Hon. D.C. KOTZ:** I thank the honourable member for his question, because I know that he has a very deep interest in the container deposit legislation that he is talking about. It is worth while reiterating to the House that South Australia is unique in that we do have container deposit legislation. No other State in Australia has the privately run drop off centres that we have here. In addition, Adelaide and other centres have kerb side recycling. As a result, Adelaide (and South Australia) is equal to the national average in nearly all recyclable commodities and exceeds the national average in regard to beverage containers. South Australians recover for recycling and reuse some 83 per cent of their glass beverage containers, 73 per cent of plastic containers and 84 per cent of aluminium cans. The national average is only 45 per cent for glass, 30 per cent for plastic and 65 per cent for aluminium. The importance of South Australian container collection depots cannot be underestimated. Of the 109 000 tonnes of domestic material that has been recycled through kerb side and collection depots, some 71 500 tonnes is handled by the depots, and that is about 66.1 per cent.

It has come to my attention over recent weeks that unscrupulous persons interstate are attempting to rort the container deposit system by bringing in large quantities of used containers to South Australian collection depots and demanding a return of the deposit. As the law stood, depot operators were required to take containers and to return the deposit. Since no deposit had been paid on the interstate containers, this could have threatened this system very seriously, with perhaps the collapse of the system. The Government has reacted quickly by redefining a beverage container to include only those which are sold in South Australia and on which a deposit has been paid. This will stop the interstate pirates from bringing in their truckloads of refundable containers from across the border, which would have effectively sabotaged our system for their own financial gain. So, depot operators in South Australia can now refuse to accept containers that were sold interstate, ensuring the integrity and the continuation of this South Australian recycling success story.

### HAMMOND, Dr L.

**Mr HANNA (Mitchell):** My question is directed to the Minister for Government Enterprises. When the Chief Executive Officer of the Department of Premier and Cabinet, Mr Kowalick, negotiated a termination payment with MFP chief, Dr Laurie Hammond, was he acting on your behalf?

**The Hon. M.H. ARMITAGE:** This matter has been addressed on about three previous occasions; it is in *Hansard*.

### YEAR 2000 COMPLIANCE

**The Hon. G.A. INGERSON (Bragg):** Will the Minister for Year 2000 Compliance advise the House how Government funding is being used to assist businesses in South Australia to overcome the millennium bug?

**The Hon. W.A. MATTHEW:** Members of the Parliament know the honourable member's interest in business and particularly this issue. Government has established three principal groups of people to help business tackle the year 2000 date problem or the millennium bug. In relation to those groups of people and in realising the risks to the private sector the Government established a dedicated year 2000 industry support project team. This team operates from the Business Centre and one of its principal functions is to operate the Government's year 2000 hotline. For the benefit of any members who wish to direct their constituents to that line it is a very simple number: it is a 1 800 number, obviously, with 112000 being the other digits to dial.

The staff of that hotline are able to provide support advice not only to business but also to other members of the public. The staff also provides presentations and distributes information to various business groups and regularly holds seminars to ensure that businesses are aware of the issue and have appropriate advice in knowing how to tackle it. The team has printed and distributed in excess of 100 000 leaflets and brochures, particularly to small and medium size business. The team also provides a secretariat support to the second group of people that has been established by Government, that is the Industry Action Task Force.

This task force comprises essentially representatives from business and key industry sectors, as well as Government, to address awareness and information raising, again principally for small and medium size business. The third group of people was established by me in October 1998 through the establishment of the Office for Year 2000 Compliance. The staff from this office work with the industry support team from the Business Centre to ensure that South Australian businesses are made aware of the year 2000 date problem in addressing issues within their business.

Utilising these three groups of people, the Government essentially undertakes the role of information provider to ensure that businesses are not only aware of the issue but also know how to tackle it and, importantly, to whom they can turn for paid help should that be necessary. Also to this end, by way of further assistance, the Government has established a year 2000 website that can be found at [www.y2k.sa.gov.au](http://www.y2k.sa.gov.au). This particular website provides assistance to Government, highlights the seven key steps that businesses and individuals need to undertake to ensure their compliance and provides assistance through information sheets on a wide range of topics that might affect their business.

We have also engaged the services of four regional liaison officers to specifically assist small and medium size business in the community. I have been particularly pleased with the way in which those officers have worked in country regions in ensuring that rural South Australia is aware of the issues. I hope that the honourable member who represents the area of Whyalla, the member for Giles, is happy with the way in which her office is working. I know that she has had contact with the liaison officer to ensure that that occurs.

Also, I am pleased to advise the House that a further innovative measure has been provided through my colleague's department, the Department for Education, Training and Employment. Three curriculum modules on the year 2000 have been prepared for schools, which are aimed at assisting school students in advising family members who might be involved in business of the import, and that is a very important role that is being undertaken through school projects. The Government is also undertaking a variety of strategic advertising to ensure that business is aware. I am

happy to provide the House with full details of that advertising and also our future advertising involvement. Of course, the Chamber is well aware, through its assistance in passing the South Australia Information Disclosure Act, of another important measure for assisting business.

### MENTAL HEALTH

**The Hon. DEAN BROWN (Minister for Human Services):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. DEAN BROWN:** The Opposition requested in the House yesterday that I order an urgent investigation into why there were no available beds in the metropolitan area for emergency mental health referrals on the evening of Sunday 30 May 1999. The initial investigation has revealed that there were vacant mental health beds but there was a breakdown in the system for which I apologise. I ask the honourable member to pass on my apologies to the people concerned. If it is the case we believe it to be, the caller on Sunday night was asked to attend the Royal Adelaide Hospital Accident and Emergency Department but instead attended the Modbury Emergency Department.

This led to a complicated series of communications which caused frustration to the patient and friends. However, the patient was and continues to be managed appropriately at home with the support of mental health services staff. I am advised that the patient's mental health condition did not require hospitalisation. I have asked the Department of Human Services to address the issue of the breakdown in communication between the community team and the hospital as a matter of urgency. I thank the honourable member for bringing this matter to my attention.

### VICTIMS OF CRIME

**The Hon. I.F. EVANS (Minister for Industry and Trade):** I lay on the table the ministerial statement relating to the Review of Victims of Crime—Release of Stage 1 Report made earlier today in another place by my colleague the Attorney-General.

### GRIEVANCE DEBATE

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

**Ms STEVENS (Elizabeth):** Last Thursday I attended with other members of this Parliament the Parliament House version of the Anti-Cancer Foundation's major fundraising event 'Australia's biggest morning tea'. I thank you, Mr Speaker, and the President in another place for organising the event. I also thank my colleague the member for Kaurna because I believe the event was his initiative. The Anti-Cancer Foundation does a wonderful job in not only providing funds for research but also in proselytising the cause of anti-cancer in our community.

This year the foundation is spending \$1.8 million in cancer research in South Australia and that figure amounts to 60 per cent of the funds raised in 1998. With an ageing population cancer is becoming more important as a cause of death and,

while research into cancer and the causes and forms of cancer is developing, we still have a long way to go.

At the morning tea Mrs Judith Roberts, President of the Anti-Cancer Foundation, provided some information on the major areas of cancer for our consideration. First, prostate cancer is the most common form of cancer in males. The lifetime risk of being diagnosed with prostate cancer is one in 10 and the lifetime probability of dying of this cancer for men is three in 100. Studies suggest that 25 per cent of men in their 50s, rising to more than 40 per cent of men aged over 60, are potentially at risk of getting prostate cancer. Unlike breast cancer, screening programs have not been shown to save lives. The Anti-Cancer Foundation instead recommends that men discuss with their general practitioners whether they should be tested for prostate cancer.

Mrs Roberts further talked about breast and cervical cancer, and this is where we have some good news. The Cancer Registry for 1997—and I have previously spoken about this—has recorded a significant decrease in breast and cervical cancer, largely due to the successful screening programs and early intervention programs we have in place.

I want to spend the rest of my time talking about tobacco smoking, because tobacco smoking is the cause of 30 per cent of cancers. Although there has been a reduction in tobacco smoking, it is still the largest single preventable cause of death and disease in Australia, and it has an enormous cost to the community. It is a problem particularly with young people. A 1996 survey showed that one in four children aged 15 had smoked in the seven days before they were surveyed, and in the 16 to 17 age groups, smoking prevalence was one in three. I now come to the Government's tobacco control strategy. On 27 May 1998, the Minister announced in this House the expenditure of \$3.9 million per year to go towards targeting the reduction of smoking by 20 per cent in five years in South Australia. This was a very significant commitment of funds. It is on a par with world's best practice. The amount of money per head of population is on a par with that spent in California where they have been able to make significant inroads into smoking levels.

What I need to say now is not so good. There is considerable concern amongst health groups in the community that the Government will renege on this commitment. Indeed, on Monday the Minister made an announcement of what had been spent this year under this strategy. About \$760 000 has been spent in grants and there have been some extensions of other programs—nowhere near \$3.9 million. I call on the Minister who has taken the praise for the initiative to be very clear with us about whether he means it and whether he will follow through and commit the funds as stated. It is a very important initiative. It is a highly significant cost to our community, and we deserve some honesty and commitment in ensuring that what he said will happen actually does happen.

**The Hon. D.C. WOTTON (Heysen):** I was pleased to see in the Capital Investment Statement that funding is to be made available to ongoing programs investment in State parks across the State. Mention is made of the Mount Lofty precinct redevelopment. I want to speak about one aspect of that precinct today, that is, the St Michael's site, the site of the old St Michael seminary which, of course, was destroyed in the Ash Wednesday fire. I understand that the property, including the ruins, are vested in the Department of Transport and Urban Development but managed by the Department of Environment, Heritage and Aboriginal Affairs. I am con-

cerned about this site. It was in 1994 or thereabouts, Sir, when you were Minister, that expressions of interest were first called for that site. We all realise that it is not the appropriate time to proceed with a development on that site. It has been made perfectly clear that the funds are not available to do that at this time. The site has stood in considerable disrepair ever since the Ash Wednesday fire, and it is some 15 or 16 years since then.

I am of the opinion—and I am putting this suggestion forward to both Minister Laidlaw and to the Minister for Environment—that priority needs to be given to this site. The St Michael site ruin is in desperate need of being made safe. I would suggest that the building, the old seminary, which is well past being redeveloped, should be levelled and the valuable material salvaged—and I am talking about the valuable stone that was used for the building. There is a gatekeeper's cottage close to Summit Road which should be retained and refurbished. It may be that some of the material salvaged from the old St Michael ruins could be used for that purpose. I know that it is a significant cottage because a plaque is attached to the building indicating that it is a heritage item.

The presence of large underground tanks which hold water at present pose a considerable risk and danger to the community, as well. My concern is that young people could get in there and we could have a tragedy. One proposal that has been suggested includes the development of a water holding facility for fire fighting purposes. I know that that would require significant security measures, but it needs to be considered. I would also suggest that the St Michael site should be returned to open space, effectively cleaned up and planted to provide a long term attraction. It could then be retained in public ownership until such time as an appropriate development could be identified. However, at least with such a prominent site the area would be much more presentable than is currently the case.

The Mount Lofty Precinct Committee that made me aware of these concerns has suggested that the departments responsible should be encouraged to clean up and to turn the open space into a much more attractive area for the use of tourists who visit that precinct. I believe that this is essential. There is urgency in this situation for the reasons that I have suggested, and I ask the two Ministers responsible that they give urgent consideration to this matter. It is an important site, but it needs to be dealt with as a matter of urgency.

**Mr KOUTSANTONIS (Peake):** I rise today to talk about the move of the member for Hindmarsh, Ms Christine Gallus. She is relocating her offices into the electorate of Morphett, which I believe is in your electorate, Mr Speaker. I am very concerned about this move. Hindmarsh is a large inner western suburb seat, and at the last election in 1998 Ms Gallus defeated Labor's candidate, Mr Steve Georganas, very narrowly after sustaining the largest swing against a Liberal candidate in South Australia because of her complacency. What worries and concerns me today is that Ms Gallus is moving her offices down into Morphett, away from the inner west. She is abandoning the inner western suburbs. She is not leaving the western suburbs because of any monetary need, not because the lease has expired or because office space is cheaper or more accessible. She is leaving for no reason other than because she feels it will benefit her politically. This is a disgraceful act by a Federal member of Parliament, abusing taxpayers' funds.

I can see no reason whatsoever why the taxpayers of South Australia should fork out the money for Ms Gallus's move to a new office simply because she has lost the faith of the voters of the inner west. Her office is currently located at 213 Henley Beach Road, Torrensville, where she is enrolled to vote. I have no idea where she lives. In fact, I am not even quite sure that she lives in the electorate of Hindmarsh; I assume she does not.

By moving her office, she is sending a clear message to the people of Torrensville, Mile End, Brooklyn Park, Kidman Park, Flinders Park, West Hindmarsh, West Beach, Lockleys, Fulham Gardens, West Richmond, Richmond, Cowandilla, Hilton, and all those suburbs in that area, that she is not interested in serving them. She is not concerned about what they care about. She does not want to be accessible for them. She is moving down a patch that the Speaker has worked very well. Had it not been for the electorate of Morphett, which the Speaker has kept for the Government quite well in his excellent service to it, Ms Gallus would have lost her seat.

Unfortunately for the Labor Party, the swing that it received was lowest in the area occupied by the Speaker, and I do not for a minute credit that to the member for Hindmarsh: I credit that simply to the member for Morphett for the excellent job he does down there—and I am sure that this speech will be featuring prominently in one of his newsletters! Ms Gallus claims in her newsletters that she has unfortunately disadvantaged her southern voters. The fact of the matter is that she has not disadvantaged them: she has just realised that no-one goes to see her in Torrensville because she has lost the faith of the voters there. She is moving to an area that she needs to prop up in the southern region because her name recognition in those areas is very low.

**Ms Key:** What about the curfew?

**Mr KOUTSANTONIS:** I am sure the curfew has something to do with it as well. Ms Gallus is not in her office very often: obviously, she is overseas quite regularly. What concerns me about this is, first, the cost to the taxpayer of relocating her office through no real need. There is no real justification to move her office at great expense to the taxpayer simply to prop up her failings as a candidate and as a member of Parliament. Secondly, she is disadvantaging and disfranchising constituents in the inner western suburbs by making them travel to Glenelg from Torrensville, Mile End, Brooklyn Park, Cowandilla, Netley, North Plympton and all the other suburbs that she is abandoning by moving to Glenelg.

I must say that Glenelg is a very nice place to have an office. It is close to Jetty Road. Senator Quirke enjoys the ambience down there quite a lot, as does Senator Meg Lees. Now the people of Glenelg will have the Speaker of the House of Assembly, the Leader of the Australian Democrats (Meg Lees) and Senator John Quirke (who gives excellent representation down there), and, on top of that, they are getting the member for Hindmarsh, Ms Chris Gallus. I am not quite sure that they want her there.

**The Hon. R.B. Such:** And you'd like to be there, too.

**Mr KOUTSANTONIS:** No, I am quite happy where I am: I like serving the western suburbs. I do not believe that she is doing this from any great need: she is doing this for pure political gain.

**The Hon. R.B. SUCH (Fisher):** I would like, first, to touch on the issue of accommodation at one of my schools, Craighburn Primary School. I have written to the Minister and spoken to him twice about this matter. Like all the schools in

my area, this is an excellent school. One of the reasons for that difficulty at the school is that it is so popular: it has grown from 310 enrolments to 510. Unfortunately, the buildings are designed to accommodate only 310, so one does not need to be a mathematician to realise that there is a problem. I am appealing to the Minister, and I am confident that he will respond in a positive way, to deal with that situation, because at the moment some of the classes, in particular music classes, are being held in the corridor.

The staff at the school cannot all get into the staffroom at the one time, and I believe the situation warrants some urgent attention. I understand that Hassell and Partners wrote a report on accommodation needs at that school, and once again I urge the Minister and his department to try to address the situation as quickly as possible.

Another matter that will impact on my electorate very shortly is the development of Blackwood Park, which is on the adjoining land of Craighburn Farm at Blackwood. At the moment we know that 550 dwellings will be sited on that piece of land, and I understand that it is likely that there will be a further 600 dwellings there. Members will appreciate that that will create an enormous increase in traffic flow down Old Belair Road, Windy Point Road and Shepherds Hill Road and will put great pressure on Unley Road, Goodwood Road, Fullarton Road and so on. I appeal to the Minister for Transport to look urgently at ways of dealing with what will be a traffic problem in the years ahead. We know that it is coming and that something needs to happen, and we must look at ways of dealing with what will be a significant increase in traffic volume along those arterial roads.

Members who live in the south would appreciate that even now it gets tricky at times, particularly at peak times, negotiating Unley Road and Goodwood Road. I have sympathy for the traders along those roads and realise that parking restrictions impact on their business, but somehow we need a solution to getting people along those tight arterial roads, particularly at peak hour. Ideally, we should be getting more people to use public transport, and to that end it would be desirable to develop an improved public transport system for the southern area, including an O-Bahn or light rail system. The problem of moving people from the southern area into the city is not going to go away.

What public transport we have at the moment is of an excellent standard, given that we have a scattered population and are used to a very affluent, convenient lifestyle, where people like the convenience and comfort of hopping into their car when it suits. Putting that aside, we need to address the issue of vehicular access to and from the city.

I come back to a theme of mine that I will keep pursuing, and that is biotechnology. Many members had the privilege of attending the CSIRO briefing here in Parliament this week. The CSIRO, to its credit, is seeking to enlighten people about biotechnology and is working with schools and the community through radio and so on to point out what biotechnology is, how it operates and how it can benefit people, as well as making sure that people are aware of possible downsides to the technology. So, I was very annoyed last night to hear a reported statement by Prince Charles, which I think was very foolish, in which he referred to genetically modified foods as 'Frankenstein' foods.

I think it is silly for someone in his position (someone for whom I normally have high regard) to say something like that, because it will create unnecessary fear in people's minds. I am not saying that we do not have to be careful in terms of developing biotechnology, but that sort of throw-

away headline does nothing to promote and encourage a sensible, rationale debate. They are not Frankenstein foods. We know that in England there were problems with mad cow disease, but that is no reason for promoting and encouraging a scare campaign that is not based on fact.

**Ms BEDFORD (Florey):** I would like to let the House know about the success story of one South Australian company. On 21 May I attended the opening of the new facilities of Glen Ewin Jams, the result of many years of vision by Don Wilson, the Managing Director of that company.

**The Hon. R.B. Such:** Excellent jam, too.

**Ms BEDFORD:** Excellent jam. Glen Ewin Jams was founded by George McEwin at Houghton in the Adelaide Hills in 1862. I knew about Glen Ewin, even though I was born in Sydney. As a child in the 1950s I remember eating Glen Ewin jam that my mother had bought in tins from the local grocer, so I had always known about the company and was happy to include it in a 'Made in Makin' booklet, an initiative by the former member for Makin, Peter Duncan, with whom I was working at the time. The booklet was put together to promote local businesses, and was so successful in that aim that similar booklets have been prepared and are now being distributed by State and Federal members in their own electorates.

In the early days of putting the book together, I visited Glen Ewin and Don Wilson and found them sharing the same factory as Spring Gully Pickles. As Don Wilson told us in his speech on the day of the opening, Spring Gully and the Webb family were the only way that Glen Ewin could survive in the early days. They provided Don with the plant and equipment to produce his jams when he had no manufacturing facilities at all. That assistance, as well as the encouragement offered by Spring Gully and the Webb family, allowed Glen Ewin to reach the stage that it has now reached from Don's humble start in the jam business 11 years ago.

The opening of the new facility also saw the announcement of a major production contract with the famous English food manufacturer J.A. Sharwood and Company, one of the world's largest manufacturers of Indian and Asian sauces, curry pastes and foods. Under this new agreement, Glen Ewin will manufacture a range of Sharwood products for the Australian and New Zealand markets. The products are currently exported to Australia from the UK, and the rapid growth in this sector of the market in this part of the world, along with Glen Ewin's ability to meet the strict conditions and standards demanded by Sharwood, means that it is now more efficient to produce those products locally. While Glen Ewin will initially manufacture and distribute Sharwood's products for Australia and New Zealand, in time there is every chance that they will be supplying Sharwood's growing Asian market, as well.

The new Glen Ewin plant covers 1 900 square metres and the production area is built to the highest quality, safety and export standards, with the latest preparation, cooking and cooling equipment. Sharwood's business will mean that 70 per cent of the new facility's production is now taken up by import replacement which, of course, has exactly the same impact on the South Australian and Australian economy as exporting. Glen Ewin is already exporting to the United Arab Emirates. The support received from the State Department of Industry and Trade when planning began for the facility has been gratefully acknowledged by Don Wilson.

Mr Wilson has always believed that South Australia is the ideal location for food production and processing as Adelaide is centrally located and close to the Asian markets with quality raw materials and a skilled local work force. Local growers supplying Glen Ewin come from the Riverland and the Adelaide Hills and supply plums, figs, strawberries, apricots and other fruits for the company's products. Angas Park Fruit Company has also played an integral role, and I heard on radio yesterday that Angas Park has formed another company called Norman & Hayes and is planning to continue its work in exporting premium fruits to the North American market. I wish the company well in its new venture.

Like Don Wilson at Glen Ewin, Angas Park and every other South Australian company relies on our buying their products. Buying locally made products whenever we can ensures that local businesses survive and continue to employ local people and keep local growers, especially in a case like Glen Ewin, growing. Success is shared by all when we support each other and I commend Don Wilson, his vision and his investment in South Australia and in its future. I wish him and all at Glen Ewin every continuing success and good wishes for the growth that their company so richly deserves.

**Mr MEIER (Goyder):** Last week I was privileged to attend Australia's Biggest Morning Tea right here in Parliament House, and I thank you, Mr Speaker, as one of the co-hosts with the President of another place (Hon. Jamie Irwin), for hosting that event. It was great that so many members of Parliament and staff took the opportunity to attend. I do not know what was raised here but that sum will go towards the anticipated \$150 000 that South Australia hopes to raise for the Anti-Cancer Foundation of South Australia. Last year some \$100 000 was raised in this State and \$1.8 million was raised throughout Australia at 840 locations. It is wonderful that so many people are getting behind this worthwhile project.

Members would also be aware that Monday, 31 May was World Non-Tobacco Day, and it needs to be brought to the attention of this House just how destructive tobacco smoking is in our community. The Chair of the Australia's Biggest Morning Tea project, Mrs Judith Roberts, whom I thank for all her work and for being present at Parliament House last week, identified the fact that tobacco smoking is responsible for around 30 per cent of cancers, and the Anti-Cancer Foundation is pleased to be involved in helping to develop a State tobacco control strategy and to host the Quit line to support smokers needing help to stop smoking. As members would be aware, Parliament has supported this to the tune of some \$3.9 million a year in an endeavour to reduce smoking in South Australia.

The worrying thing is that evidence shows that about two-thirds of children who start smoking during their teenage years continue to smoke throughout their life and half of them will die from smoking-induced illnesses. They start dying in their late 20s and early 30s. In fact, it is horrifying to appreciate that smoking causes about 19 000 Australian lives to be lost each year, which is about 82 per cent of all drug-induced deaths. That is a horrifying figure. From this we can estimate that, in South Australia, more than 2 000 deaths are caused by cigarette smoking. To put it another way, that means that each day some six South Australians die from diseases caused by smoking tobacco, compared with approximately 2.5 deaths as a result of road accidents every five days.

Members are aware of the Government's intense strategy against road deaths and, when we compare the number of road deaths in Australia with the number in a similar sized country such as Malaysia, we can see that we have made enormous strides. I think that Australia has in the vicinity of 3 000 deaths each year as a result of road accidents and in Malaysia the figure is in excess of 13 000 road deaths with a similar population. We have made great strides, but 19 000 Australians lose their lives each year as a result of smoking and I know that we have to do something about it. We have to be more active and we have to start with our young people if we are to make any real progress.

Last week I commented on the role of the Senate and other Upper Houses, an issue that has disturbed me greatly. I am very pleased that in the Australian Senate it appears that some common sense may prevail with respect to the GST, and I hope that continues to be the case. Perhaps democracy will continue with a bicameral system of Parliament. Let us hope that the common sense that we have seen in Canberra will continue in the foreseeable future.

**Mr MEIER:** Mr Speaker, I draw your attention to the state of the House:

*A quorum having been formed:*

#### **PUBLIC WORKS COMMITTEE: QUALCO SUNLANDS GROUND WATER CONTROL SCHEME**

**Mr LEWIS (Hammond):** I move:

That the ninety-fourth report of the committee, on the Qualco Sunlands ground water control scheme, be noted.

The Qualco Sunlands district commenced large scale irrigation development in the 1960s. It is about 10 kilometres north-west of Waikerie and currently comprises about 2 700 hectares of high value irrigated horticulture in mainly citrus and vines. Over the last 30 years there has been an accumulation of drainage water above the Blanchetown clays in that general area resulting in the development of shallow watertables. Efforts to address the problem by deep drainage during that time have resulted in a ground water mound building up beneath the district.

Primary Industries and Resources SA (PIRSA), as the agency, has proposed to construct the ground water control scheme for the Qualco Sunlands district at an estimated cost of \$7.2 million, and the scheme will address the current problems of increasing drainage hazards as well as the rising ground water mound, the resulting environmental degradation and the consequential impact on the River Murray's salinity. When it has been completed, the scheme will lead to ecologically sustainable horticulture as a principal enterprise in that district.

Using 4 per cent as the discount rate, which is accepted by Treasury and Finance, the net present value of this project is \$39.71 million, with a benefit cost ratio of approximately four over the 30 year period of its assessed life. I believe that it will last longer than that but, for the record, the proponent suggested a 30 year life. That is huge and compares with the other sorts of investments that we have made in this State from time to time in memorials to idiocies, such as the stadium at Hindmarsh, where the benefit cost ratio is less than one; that means the net present value is negative. You lose

money every time you invest in those schemes by comparison with the investment in schemes such as this.

The proposal will comprise a ground water control scheme which contains a bore-filled pumping station and pipelines with a series of 15 bores and their associated pumping stations strategically located throughout the irrigation area. They will be constructed into the highly saline regional aquifers and special stainless steel submersible pumps will lift the saline ground water and push it through approximately 35 kilometres of pipeline to a disposal basin out on Stockyard Plain. That disposal basin is to be operated by SA Water on behalf of the Murray-Darling Basin Commission, and it is considered to be the most appropriate site for the cost effective disposal of the ground water.

We are told there is an opportunity to re-use up to 600 megalitres per annum of the low salinity water from the perched watertable, and that will be re-used in adjacent agricultural land for crops such as lucerne which will be using varieties that are tolerant of higher salinity water. It should be noted that re-use is preferred rather than disposing of the water from this perched water table via the drainage bores into the Murray group aquifer and subsequently pumping it out again using ground water pumps. Re-use would also result in reduced operating costs and allow some economic return.

During the course of our examination, on behalf of members of the committee, I raised the prospect of using the saline waters as the means to establish aquaculture enterprises. The Public Works Committee understands that the ground water mound is rising and displacing regional saline ground water into the River Murray which is causing significant damage to the riverine environment. Moreover, investigations undertaken by the proposing agency, PIRSA, indicate that if nothing is done urgently to address the problem, 40 per cent of the district will become non-viable within 50 years, by 2045.

The committee also noted that considerable environmental degradation will also occur because of the ongoing salt loads into the river and, worse, the cliff slippage and flood plain degradation. In some places we saw where orange trees from the orange grove on the cliff top had in fact simply slipped off the cliff into the river or perched themselves at a point some way down the cliff to the surface of the river.

Members consider that the proposed works will address these problems by eliminating the increasing drainage hazards, reducing the rising ground water mound, and reducing that environmental degradation, thereby reducing the impact on the River Murray and, in particular, its salinity. The committee recognises that the proposed works will deliver significant benefits to growers, the local community, the surrounding districts and to the State and environment by achieving sustainable horticulture, ecologically sustainable development of irrigated enterprises in the district, enhancing the environment of the district by reducing the salt load in the Murray, and reducing if not eliminating completely over time the cliff slippage, the flood plain degradation and the land degradation in general, thereby enabling regional economic development opportunities to be undertaken.

We are told that the district irrigation impact on the River Murray of the salinity finding its way in there is about 11.1 EC units which has an economic cost to the State of about \$1.1 million per annum in 1998 dollar terms. It is expected to increase to 13.8 EC units, that is, an estimated \$2.35 million per year in the upper limit, if the regional saline

ground water displacement into the river is allowed to continue increasing. That is the economic loss.

The committee was told that the Murray Darling Basin Commission has a salinity and drainage strategy which includes a reduction target of 80 EC units at Morgan. Currently there is a shortfall of approximately 18 EC units to meet this reduced target. The committee understands that this shortfall can be achieved by adding to the proposed works the future Waikerie stage 2 salt interception scheme with bores adjacent to the Qualco north and Qualco south areas.

Furthermore, the committee was told that if this integrated approach is taken, not so much as an additional project but as part of the overall strategy, particularly during the same phase as this project, there will be a total salinity benefit of up to 18 EC units and a significant benefit to the river. This will meet the targets of the salinity and drainage strategy and will represent an annual benefit to the State's economy of \$2.7 million. Therefore, the committee recognises that while the proposed works will deliver a reduction of six EC units in salinity, an integrated approach would produce a further gain of an additional 12 EC units over and above that six, which would meet the required target for the salinity and drainage strategy.

Accordingly, the committee recommends to the Minister that the future Waikerie stage 2 salt interception scheme with bores adjacent to Qualco north and Qualco south be pursued to complement the Qualco Sunlands Ground Water Control Scheme so as to achieve the required salinity and drainage targets which would considerably reduce any further environmental degradation and provide significant economic benefits to the State.

I am pleased that the Minister at the bench, the Deputy Premier, is the Minister who has responsibility for these programs, and I trust that he has noted the unanimous view of the Public Works Committee about the desirability of continuing with the further work in this integrated approach which the committee has recommended to produce that further gain of at least double the amount of EC units which the work we saw and are reporting upon realised.

So, pursuant to section 12C of the Parliamentary Committees Act, the Public Works Committee reports to Parliament that it recommends the proposed work, and we look forward to hearing from the Minister and the Murray-Darling Basin Commission as to whether they share what we saw as cost effective commonsense in achieving that reduction in 18 EC units altogether by the extension of the proposed works.

**Ms THOMPSON (Reynell):** I want to speak in support of the Public Works Committee's report on this matter. This is the third time during my membership of the committee that we have considered the issue of irrigation and ground water management. It is certainly evident to me that this is a major issue for our community and economy as we go into the twenty-first century. Each time I see such a project I worry about the fact that the people who developed the schemes which we are now finding so damaging did so with such great hopes and good intentions, but we are now paying a cost for the damage caused. In the case of the Qualco Sunlands, there seems to be an opportunity to address the issue of groundwater and salinity by including extra pumps in the manner that the Presiding Member discussed in his remarks.

The other issue that concerns me about these schemes is that I am never certain whether there is a plan about which schemes are addressed in which order. We have dealt with the Loxton irrigation scheme, whereby the majority of expendi-

ture was directed towards providing water to Century Orchards and only 18 per cent of the blockies in the area were having their irrigation problems addressed. In the context of one hearing, it is difficult to assess which is more important: allowing remediation of existing facilities that are rapidly losing their ability to be productive or establishing new facilities. For instance, in the case of the Qualco Sunlands, we learned that, if no action is taken urgently to address the problem of groundwater, 40 per cent of the district will become non-viable by the year 2045. That is indeed a sobering figure.

In supporting the recommendations and endorsement of the report, I express my concern that we are not able to assess the priority order of addressing the various problems along the Murray River. We know that national bodies are involved and PIRSA and SA Water are also undertaking their own actions and, to date, we have never been given a context of priorities so that we can assess the work before us in that way. With those reservations, I commend the report to the House.

Motion carried.

#### **PUBLIC WORKS COMMITTEE: ADELAIDE FESTIVAL CENTRE**

**Mr LEWIS (Hammond):** I move:

That the ninety-fifth report of the committee, on the Adelaide Festival Centre—priority upgrade works—be noted.

This is another example of your taxes at work, Mr Speaker—or whatever else you think is happening to them. The Adelaide Festival Centre was opened in June—26 years ago—with the completion of the main Festival Theatre followed by the Playhouse and the Space, and they were opened in October 1974. The centre was the first major Australian capital city performing arts venue to be built. Let me make plain that, whilst it was built during the term of Premier Don Dunstan, it was instigated by and facilitated through the Hall Government's actions and necessary legislation.

Since its completion it has been the premier performing arts facility in South Australia, accommodating the Adelaide Festival Centre Trust and the State Theatre Company of South Australia. ArtsSA has proposed major work to the centre to refurbish the Festival Theatre—its foyers, toilet facilities and plaza, including improvements to the acoustics, aesthetics, seating and the needs of people with disabilities. It is part of a \$10 million program in an ongoing way. The work also includes significant technical enhancement to the acoustics of the main auditorium, and the estimated capital cost of this batch of the work of repairs and upgrading is \$3.66 million.

More specifically, the detailed scope of the work provides an additional 26 seats for people who have disabilities, giving a total number of 30. It provides a ramp to allow wheelchair access to the rear of the auditorium. It installs a hearing loop on all levels to enable people like me who are a bit deaf a choice of seats. It provides two viewing rooms with seating and monitors for people with disabilities. It refurbishes the seats to include a hard back and seat, new cushions, new arms and reupholstering in a new velvet fabric. It replaces the existing carpet with parquetry to improve the overall aesthetics and acoustics of the theatre. It will improve the acoustic performance of fine music and opera with the installation of an electro acoustic system and it will provide new stair nosings and bud lighting on all steps. It will provide

an additional 14 female toilets to the stalls' level and it will upgrade the existing finishes to the female toilets on the stalls' level to include wall and floor tiling, which is very important. If you make a mess in there you can clean it up fairly easily.

*Ms Stevens interjecting:*

**Mr LEWIS:** I look forward to the honourable member's contribution. It will upgrade the disability toilet so it will then comply with Australian standard 1482.2 and it will upgrade the general lighting and provide emergency lighting. In the foyers it will replace the existing carpet and underlay with new direct stick to enable smooth wheelchair access across the carpet, upgrading lighting to increase the levels but maintaining flexibility for the rotating art work outside—for better or for worse—and I must be a little dim in that respect: my lights are not quite bright enough to see the joy or excitement that comes from that display. It will install a parquetry staircase to create a visual link between the auditorium and the foyer and install extra lights in the foyer.

As far as the signs go—the finger posts, plaques and so on—there is now more visible signage in consideration of people with disabilities: that is, signs are mounted at levels that can more easily be seen by all of us. It upgrades the internal signage to comply with the regulations and allow clear direction around the place. A delegation of the Public Works Committee conducted an inspection of the upgrade works being undertaken. We saw through the main auditorium and were able to see that the carpet had been removed and parquetry floors put in its place. Officers from ArtsSA advised the committee that this was done to improve the acoustics of the auditorium, especially for opera and symphony performances.

Members also noted that bud lights were being installed on the edge of the steps within the auditorium to accommodate occupational health and safety regulations and enable people with impaired vision to find their way around more safely and more easily. At the time of our visit, many of the seats in the auditorium had been removed for reupholstering. Members were advised that the original seating frames were used, with new foam and fabric added to provide improved support and comfort. Although the reupholstered seats were not fixed to the floor, several were available on site for members to see. The committee was also shown the first floor balcony level viewing room which is to be refurbished to accommodate patrons with disabilities or patrons with young children. We were pleased to see the provision of such a facility.

The committee also acknowledges that the Adelaide Festival Centre is a national arts icon. However, members are aware that it is in urgent need of ongoing maintenance and refurbishment to upgrade both the technical and aesthetic amenity of the building. We noted that, unlike similar facilities interstate and overseas, the Adelaide Festival Centre is highly recognised and valued for its flexible multi use functionality, balancing the diverse needs of users and patrons by catering for performances such as operas, rock and roll, eisteddfods and speech nights, and commemoration ceremonies of our universities. Members consider that the inclusion in this project of removable seating at the rear of the theatre further complements the theatre's flexibility, as it will give the opportunity for access to an even wider audience through standing room only type ticketing, as is the case in other world renowned theatres outside this country.

The committee understands that the Adelaide Festival Centre needs to continually capture and to respond in a

dynamic way to the discerning modern audience who come to participate in a large variety of events. It has become evident that the centre's ability to meet these needs has been affected by poor acoustics, particularly under the balconies, and the worn, uncomfortable seating—although it was not uncomfortable the first time I sat in it 26 years ago: I was a guest on that occasion, because I supplied the strawberries that were consumed in considerable quantity on opening night. It is recognised that the theatre needs significant improvements to increase the level of access for people with disabilities. Special seating and hearing assistance is currently available, but only in limited form. As stated earlier, the centre is used for all types of activities, which are accessed by a broad range of people in the community, and improving access for people with disabilities is a key component of this project. The committee was particularly pleased to see that the first floor balcony level viewing room was refurbished, enabling people with disabilities and young children to be accommodated.

The committee understands that the Adelaide Festival Centre needs to provide for itself a clean, safe, modern image so that all the community will recognise through that, and the improved access, that it is able to provide programming in an environment with adequate amenities. Members further agree that the present scope of works provided a continuation of the commitment to upgrade the centre to maintain it as a premier arts theatre in Australia and to raise the theatre to world-class standards in both performance and ambience.

Notwithstanding that, the committee has concerns regarding the structural soundness of the Festival Centre car park and the possibility of concrete cancer being present in that structure. While the committee was advised by both the project manager, the Department for Administrative and Information Services and the Chief Executive Officer of the Adelaide Festival Centre Trust that there is no sign of concrete cancer at present, the car park is being monitored for concrete cancer and there are no reports to indicate that there are any occupational health and safety or public safety issues. The committee, nonetheless, calls on the Minister to state publicly whether the Festival Centre car park is safe or not.

The other aspect of this inquiry about which I make some personal remark is that I was disappointed to discover that the fabric chosen to cover the seats by the bureaucrats responsible for that choice was not made from textiles produced in Australia or made by Australian firms into the final article but, indeed, came from overseas. Notwithstanding the remarks that were made in response to our inquiries, I believe that we could have better served our interests had we taken the opportunity to use it as a promotion for our home grown wool and our locally woven fabric using that wool. Other members of the committee shared my view about those matters but we were not in a position to test the veracity of the alternative views put by the proponent's architects in relation to that matter.

**Ms STEVENS (Elizabeth):** I support the committee's report on the upgrade of the Festival Theatre. I reiterate and concur with the comments made by the Presiding Member, and I would like to add a few of my own. I think that the interior of the Festival Theatre looks beautiful at the moment. I have been in it twice since its upgrade, and the visual amenity is much improved. The parquet floor, the colour of the seats (notwithstanding the fabric on the seats: it is a pity that it was not made here in Australia) and the lighting has made a significant difference.

*The Hon. R.G. Kerin interjecting:*

**Ms STEVENS:** Really? I think they should see their doctors. As Adelaide is the arts capital of Australia, we need to have a Festival Theatre and other Arts venues that are up to that standard. So, I welcome this spending.

The Festival Theatre is now a number of years old (I think it is 30 years old, but I am not sure of that) and was certainly in need of the upgrading that it has had. I was particularly impressed with the upgrade of the acoustic system. On our site visit, members of the committee were shown how this was to occur and a very full explanation was given to us in relation to the electronics of the new system. I understand that it has been successful and, in particular, in relation to the *Ring* cycle made a significant difference. I have noted comments in the press in the past few days about a similar acoustic system and theatres in Sydney and Melbourne in order to ensure that every seat in an auditorium has access to the best possible sound coming from a performance.

The issue of access is very important for a public theatre, a theatre that is there to promote the arts and to enable the arts to be accessible to all members of the community. In that regard, I want to make a comment about people with a disability. The committee acknowledged in its report that the centre needs significant improvements to increase the level of access for people with disabilities and that, even though special seating and hearing assistance is currently available, they are still in a limited form. Certainly, that is something that I will be watching in future years when further upgrades occur. However, it is something that the Festival Centre Trust needs to apply its mind to, because we really do need to accept the fact that we have a large number of people with a disability and that they have every right to be able to access our public facilities in all areas.

As the Presiding Member mentioned, another issue in relation to access is the provision of a first floor balcony viewing room to accommodate people with a disability or families with young children or crying babies. We applaud that provision. However, it has just been pointed out to me that, during the memorial service for the late Don Dunstan just a month or so ago, there was an incident involving a woman with a crying baby but she was not shown by a staff member up to the viewing room. We have the facility. It will be very important that staff are also aware of that facility and ensure that patrons have the opportunity to use that room so that they can watch the performance and other people are not disturbed.

I particularly note my pleasure that additional female toilets have been provided in the theatre. Every woman knows that, at breaks and intervals in performances, there are long line-ups at the toilets. People open the door and say, 'Oh, no.'

*The Hon. R.G. Kerin interjecting:*

**Ms STEVENS:** The Deputy Premier says not as much as he does when he opens the wrong door. I am sure that that would be a sight to behold. Certainly many places have inadequate provision of female facilities, so that is certainly welcome by women of all ages. My colleague the member for Reynell has a particular interest in the toilets. She has told me that she believes that, because the new tiles have been placed on top of the old tiles, the distance between one's feet and the bowl has now been reduced which could cause some problems for some patrons. However, she has undertaken to monitor closely this situation over the coming years.

*The Hon. R.G. Kerin interjecting:*



**Ms STEVENS:** That will be enough; no further comments from the Deputy Premier. I reiterate that the committee fully supports this project. It is great to see such a wonderful change in the look and acoustics of the theatre, and I look forward to enjoying many pleasurable days and evenings in the facility with other members of the South Australian public and visitors.

Motion carried.

### **PUBLIC WORKS COMMITTEE: GOVERNMENT RADIO NETWORK CONTRACT**

**Mr LEWIS (Hammond):** I move:

That the ninety-sixth report of the committee, on the Government radio network contract, be noted.

The Department for Administrative and Information Services proposes to establish a new single integrated State-owned Government radio network for South Australia at an estimated cost of \$247.7 million. In net present value terms the total cost of the project, including the forecast spending and adding in a 10 per cent contingency allowance, equates to \$221.4 million, which is discounted at 7 per cent and inflated in accordance with the ABS forecast. Savings in network costs for mobile data and paging services using the integrated approach proposed is estimated to be about \$52 million, over individual solutions for each of the Government agencies requiring them. The necessity for such a network is driven by community needs as well as by technical and legislative reforms in radio communications across Australia and the year 2000 compliance issues within the old system.

The committee is told that Telstra will be responsible under the proposed contract for the design of the network, the site selection and site works, equipment ordering and installation, the testing, acceptance and documentation of the GRN. The GRN will operate from approximately 160 sites and provide services to an estimated 5 000 portable (hand-held) units; 8 200 mobile (vehicle mounted) voice radios; 7 500 pagers; and 300 mobile data terminals. The GRN will provide mobile radio and paging services for up to 45 000 users right across the State. Dedicated high speed mobile data services will also be provided for the greater metropolitan area.

The proposed works, in summary, will incorporate the following main elements—and can I say that this is, indeed, a summary of what is an extremely complex subject with which the committee had to wrestle for some time to sort out the rhetoric from the substance. The committee is told that following investigation and the consultant's reports into the comparison of available technology platforms and architecture, it was determined that trunking technology provided the best overall solution for the State, and in consequence the Motorola Astro™ Smartzone™ platform with Omnilink™ is the recommended voice services network that is to be implemented.

The committee points out that trunked mobile radio platforms are built to enable both analog and digital, and a mix of the two, in the equipment to be used, so that we can, in a seamless way, move from where we are to where we want to be. We will be able to migrate from the old inadequate technology of the moment into the new and much safer performance enhanced technology which this system will deliver. In addition, the trunked platforms provide service functionality across the full coverage area without the need to be tied to geographical areas. The proposed paging

services network is to be implemented using the Flex paging protocol.

Under contract to Telstra, Link Communications will build and provide this service. The paging services network will be purpose-built to meet the needs of all the emergency services as well as the police. The proposed mobile data services network is to be implemented using RD LAP protocol under contract to the State. Telstra will build and provide this service. The network will be purpose-built to meet the needs of police, the emergency services and the other business users. It will solve the problems associated with the non-compliance Y2K equipment of the existing SA Police mobile data network and it will provide a platform for mobile data applications for emergency services organisations and State commitments for the year 2000 Olympic Games.

The Network Operations Control Centre will manage and monitor the operation of the three sub-networks, and this centre is to be constructed on an existing State-owned site in the State Administration Centre. Currently, the South Australian Government radio network arrangement consists of approximately 40 000 to 45 000 users operating on 28 separate networks across 17 Government agencies utilising 1 200 communication sites, 12 000 radios and 8 000 pagers. The committee is told that in the main these disparate systems—that means uncoordinated, unconnected, incompatible—use out-of-date technology and ageing equipment resulting in significant inter-agency communication and operational difficulties. They also are operating on poor frequencies.

Those agencies operating their own network with differing frequencies and coverage capabilities are unable to communicate via radio without multiple terminal equipment, resulting in some State Emergency Service vehicles requiring short-term patching arrangements, that is, a number of radios to enable communications between them and the essential on-site presence of other vehicles from other agencies. That frequency band is no longer available for that purpose under the new Commonwealth Government laws. Mr Deputy Speaker, as you know, telecommunications is the domain in law of the Commonwealth given to it by the Constitution.

The committee understands that Astro Smartzone has been chosen as the technology most suitable to provide the mixed analog and digital operation required and give us the most effective method of managing the State's encrypted voice needs so that they can avoid being scanned so easily as they are at present. That will give greater security to the communications on this network between police on sensitive matters than is possible at present. The committee notes that the proposed Government radio network will provide a purpose built network, replacing the current networks, and will enable public sector agencies and emergency service organisations to communicate with each other. The advantages of this network will be seen in a variety of emergency conditions such as bushfires, floods and major chemical spillages. I use the word 'bushfires' deliberately rather than this new word that has come in from America or elsewhere—wildfires. I thought 'wild' meant angry, and I do not think that fires have feelings. Fire is merely the rapid oxidation of available flammable material at the ambient temperature to which it has been exposed.

This will enable all emergency services to communicate much more effectively and efficiently within their own ranks and between agencies. It will lead to improved services for the community, particularly in the emergency services area, by cutting down on the length of time it takes to establish

common understanding as to the definition of a problem and how to address it. Members consider that a key requirement of an integrated solution is that it meets the needs of all agencies in terms of coverage and service levels. As the proposed solution operates in a mixed mode, the varying needs of the agencies can be met, as they can choose to operate in the mode that best meets their requirements. This solution will also resolve the police mobile data network year 2000 compliance problem. The committee agrees that the main benefits of the GRN are to improve the services to the community through the faster and more accurate responses to emergencies and to provide improved law enforcement and privacy of information.

There will be an improvement in agency and interagency communications. It will provide greater reliability and availability of services than is possible via the ragtag, grab bag full of garbage they have at present. It will provide greater privacy, flexibility and security through the use of trunking, as well as digital technologies and encryption. It will achieve compliance with the Australian Communication Authority frequency spectrum regulations to which I referred a little earlier, and it will provide common equipment across Government and reduce the complexity of training that is, therefore, required for those people operating it at various levels. It will facilitate the re-engineering of the agencies' business operations and provide improved efficiency and productivity from the improved telecommunications services. It will reduce the number of sites required for radio communications from the current 1 200 to approximately 160, and we are told it will meet agencies' current and future operational requirements for a long time to come. The Government radio network will provide emergency services with the capacity to provide that much higher degree of coordinated response and control in those emergency situations that we seem to need these days and, indeed, in the committee's opinion, are entitled to expect.

We understand that the implementation of the GRN will improve public services across South Australia. We expect that there will be faster response times in emergencies; improved communications for both the Country Fire Service and similar services such as the SES; and the ability for improved communication with other State organisations interstate, such as the Country Fire Association in Victoria, along State borders during emergencies. It will improve the coordination between all agencies. The committee recognises that the current inability to meet the requirements of many agencies to communicate with each other using radio during these major emergencies is a major deficiency. It will be eliminated through the use of the one integrated network.

This aspect is particularly important in regional Australia, where speed of response to life threatening situations is extremely important. Notwithstanding the foregoing, the committee is disappointed and dismayed by the reluctance of Treasury to provide specific financial information which we requested to enable us to more thoroughly assess the viability of the proposed project and comment upon that aspect in the public interest. The Treasury took the view that it alone understood the public interest and it alone could be relied upon in that regard.

The committee noted that the information provided by Treasury fails to address the committee's inquiry, particularly regarding the forward estimates for the cost of the GRN. Moreover, it is our strong view that it has and will continue to have a heavy workload which has placed pressure and unreasonable demands on staff in terms of time available to

conduct all the necessary hearings and site inspections. This pressure has been exacerbated by the off-handed attitude that has been adopted by some project proponents when scheduling projects.

Certainly, these problems have been demonstrated by the way in which this project was dealt with by the proponent agency and, in particular, the Treasury. The committee was first told in December last year that the project required urgent consideration. The committee reorganised its diary to accommodate a hearing late in January. However, the committee was unable to have that date met due to Cabinet and/or agency delays, and we were again asked to reschedule in February.

The committee is unanimous in its emphasis that it will not sign off on any project until it is completely satisfied that it has met its obligations under section 12C of the Parliamentary Committees Act. Accordingly, regardless of whether adequate lead times have been allowed by either Ministers or agencies, it will do its job. One of the matters before the committee, that is, the ElectraNet connection between Pelican Point and the switch yard on Torrens Island, will be treated accordingly.

The committee reminds Ministers and agencies that they need to anticipate the lead time required for the Department of the Premier and Cabinet's acquittals committee and Cabinet's projects approval prior to the Public Works Committee hearing. This will allow the committee to obtain, study and hear more timely, accurate and complete information as required by the Act and its derivative procedures. The Parliament did not set up this committee to rubber stamp things.

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

**Mr LEWIS:** Can I seek leave of the House for an extension of two minutes?

**The DEPUTY SPEAKER:** Order! There is no opportunity for such an extension. There is an opportunity only for an extension of time regarding the introduction of Bills.

**Ms THOMPSON** secured the adjournment of the debate.

#### **PUBLIC WORKS COMMITTEE: MOTOROLA**

**Mr LEWIS (Hammond):** I move:

That the ninety-seventh report of the committee, on Motorola Stage 3—extensions to software centre—Technology Park, be noted.

This motion relates to the extensions to the software centre of Motorola, Stage 3, Technology Park. The Motorola Australia software centre was established at Technology Park in 1995. The attraction of the centre is a major element in the Government's strategy to build the information industry in South Australia and give it a credible international profile. The committee notes that the Motorola Australia software centre is expected to play a leading role in facilitating a number of strategies and new developments that would greatly assist telecommunications operators in growing subscriber applications and, in particular, Internet and network usage. Consequently, there is now an urgent need to undertake the proposed works as the current buildings of the Motorola software centre are at maximum capacity and do not support any further expansion.

Accordingly, the Department of Industry and Trade proposes to undertake building extensions to the current software complex at Technology Park at an estimated cost of \$7.466 million. The proposed Stage 3 building will add a

further 3 725 square metres of office accommodation to the existing facilities, bringing the total area available to 7 976 square metres. The extension will allow Motorola to increase the staffing capacity at the Motorola Software Centre to a minimum of 400 employees. The committee is told that, in accordance with the master plan developed for a coordinated expansion of facilities at Technology Park, two stages have already been completed.

Stage 1 was completed in April 1995 and consists of a two storey reception, admin and meeting rooms facility with an attached two storey office building of approximately 3 636 square metres of useable space, designed to accommodate approximately 200 employees. Then comes Stage 2 of the master plan, completed in October 1997, consisting of a dining and training facility of 615 square metres. In that building we see provision of a canteen, kitchen, cool room and toilet facilities at ground floor level, while the first floor level is presently being used as an open plan office area in order to overcome the current shortage of office-type accommodation. This building is linked to the Stage 1 office building by enclosed walkways at each level.

In summary, the proposed Stage 3 extension will consist of a two storey office building similar in construction and complementary to the previously completed Stages 1 and 2. At Motorola's request the proposed Stage 3 extension has been replanned and repositioned to accommodate a possible future Stage 4 two storey office building addition of approximately 1 860 square metres. In addition, a separate laboratory building and tennis court, including general outdoor staff recreational facilities, have been incorporated in the Stage 3 works together with security fencing around the entire facility, and provision for extended site works capable of further expansion to accommodate the future Stage 4 car parking requirements.

As mentioned previously, the existing southern office wing, Stage 1, has a capacity to accommodate a minimum of 200 employees while the proposed northern wing, Stage 3, will have a capacity to accommodate a minimum of 200 employees, with the future northern office wing in Stage 4 having a capacity for another 100. We are told that considerable effort has been invested by both Motorola and the Industrial and Commercial Premises Corporation (a derivative of a section of the Housing Trust that used to build factories for lease) to ensure that the building area requirements, internal and external circulation patterns, the access road, the car parking, the mechanical and electrical services and the stormwater drainage have been designed to accommodate both the immediate needs of Stage 3 and the future needs of Stage 4.

The external building fabric for this project will be similar to that used in Stages 1 and 2. The exterior cladding panels will be six millimetre thick Symonite embossed aluminium sheet sandwich panels fixed to steel sub-framing. The windows will be matching powder coated frames fitted with double glazing to reduce air-conditioning costs and to keep out light aircraft noise, as this site is located under the Parafield southern flight path. The first floor ceiling and all external walls will also be insulated against aircraft noise, as well as for normal heat reduction or warmth insulation reasons. The new and existing buildings have been designed to withstand both wind and earthquake loads as required by the relevant Australian standards. The basic building structure is essentially similar to that adopted for Stage 1.

We are told that the building design will incorporate state of the art air-conditioning and lighting management control

systems to achieve very tight temperature tolerance for building occupants and to minimise energy consumption. Wherever possible, movement sensors will be used to activate lighting controls, especially for meeting rooms, to ensure that lights only operate when they are in use. Stage 3 works include the supply and installation of a new computer, as well as modifications required to ensure that the existing building management system is year 2000 compliant.

The committee has been provided with details of the financial returns to the South Australian community from this investment in the Motorola development if it was to be considered in a similar perspective to a corporate decision; that is, let us envisage South Australia to be the corporation making the investment and then let us see what returns as a corporation South Australia gets from that investment. From a whole of Government perspective, the net present value of its investment is a minus \$9 million at the required rate of return of 15 per cent and an internal rate of return for the project of 10.6 per cent. However, from the State community's perspective, if we look at corporate SA, the net present value from the expansion of Motorola is estimated as a positive \$22.6 million.

The committee has also been provided with an alternative assessment calculating the return over the whole life of the project. In the context of the assumptions used for those calculations, the calculations of benefits from the project are best summarised as follows: On a rental revenue basis assessing return to the Government agency that invests the capital, the net present value will be negative. However, from a whole of Government perspective for an 11 year period the net present value is a positive \$2.8 million, with an internal rate of return for the project then of 21.8 per cent. Then if you look at the corporate position for the whole of the South Australian community, the net present value of the expansion of Motorola is estimated at a huge \$141 million with an internal rate of return for the funds invested of 383 per cent. That is magnificent.

The committee notes that the proposed extension of this purpose built facility will support the commitment by Motorola to meet its obligations under the memorandum of understanding by continuing its operations at the Software Centre for at least the next seven years; by increasing employment at the centre from the current 230 to at least 400 within five years; and, further, the proposed extension will allow the company to expand its existing involvement with tertiary institutions in the State in such areas as research, education and training in information technology.

In addition to the foregoing, members recognise that the expansion of the Motorola Australia Software Centre is expected to generate a number of benefits to the State, including a high-tech recruitment strategy, which is expected to substantially increase the competency of high-tech sectors of South Australia across the board, so as to increase the State's ability to attract other international investors; an international focus for technology development by integrating the recruitment of staff and the development of appropriate tertiary courses that are likely to create a work force with the essential advance technology skills to attract further international investment; and education and training through Motorola's current commitment to education and training here in South Australia.

While I am on that point, let me say on behalf of the committee that we were pleased to note that Motorola and the Adelaide College of TAFE are currently working together on the development of suitable tertiary level courses for high

school graduates to be trained as technical service professionals to work in key support roles in Motorola's software development teams.

Debate adjourned.

### OCCUPATIONAL HEALTH, SAFETY AND WELFARE (PENALTIES) AMENDMENT BILL

**The Hon. M.H. ARMITAGE (Minister for Government Enterprises)** obtained leave and introduced a Bill for an Act to amend the Occupational Health, Safety and Welfare Act. Read a first time.

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

*That this Bill be now read a second time.*

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

Leave granted.

#### Introduction

Last year, around 2 900 Australians died at work and 650 000 were injured.

In South Australia, during 1997-98 there were 24 workplace fatalities and it is estimated that there are 50 000 work related injuries or illnesses reported each year. The annual cost of workplace related injuries to the South Australian community is considered to be more than \$2 billion.

The South Australian Government established its policy in relation to worker safety in 1997 with its pre-election policy document 'Focus on the Workplace'. Linking health, safety and economic development is an integral theme of the Government's policy. In order to achieve this, the Government is committed to reviewing the existing occupational health, safety and welfare system and to continue the reduction of the incidence of workplace injury or disease.

In the Ministerial Statement of 26 March 1999 on Workplace Safety, a number of integrated initiatives of the Government were outlined to provide the framework to allow South Australia to be a truly safe, productive and competitive State. These initiatives may be summarised as follows:

- The promotion of the vision of South Australia as a State of safe and productive workplaces.
- The abolition of a number of outmoded and unnecessarily complex regulations under the Occupational Health, Safety and Welfare Act.
- The trialing by Workplace Services (DAIS) and WorkCover Corporation of industry specific approaches to occupational health and safety.
- Two information initiatives designed to improve everybody's understanding of their obligations:
  - (1) WorkCover's 'Work to Live' campaign, which promotes increased awareness of safety in South Australia by drawing attention to the social and economic cost of injuries, illness and death in our workplaces, has already attracted considerable attention.
  - (2) Workplace Services will also be commencing a revitalised industry liaison and awareness strategy aimed at better linkage of inspectors with industry and better dissemination of information on key safety risks to the community.
- The development by Workplace Services of a comprehensive prosecution policy for breaches of the Occupational Health, Safety and Welfare legislation.
- Finally, the Occupational Health, Safety and Welfare Advisory Committee was requested to provide advice to the Government in relation to the adequacy of maximum penalties provided in the Occupational Health, Safety and Welfare Act. At the time the Government foreshadowed its intention to increase penalties significantly, if it was supported by that advice.

In November 1998 the Advisory Committee formed a tripartite working party to carry out the task. In preparing its report, the Working Party consulted with its respective constituencies. The Advisory Committee made minor refinements to the recommendations of the Working Party and this Bill implements that advice.

#### Rationale for Increased Penalties

Maximum penalties under the Occupational Health, Safety and Welfare Act have remained unchanged since the inception of the Act. Since then, there has been considerable erosion of the real impact of the fines. In the intervening period, the general level of

prices, as measured by the CPI All Groups Index (weighted average of the eight capitals) has risen by 52.7 per cent.

A comparison of interstate penalty structures reveals that the level of penalties in South Australia is now towards the lower end of the scale in relation to other States.

The Government considers that maximum penalties under the Act must be maintained as an appropriate deterrent and act as an inducement to bring about behavioural change in the workplace. Significant penalties and the threat of prosecution do elicit a response in the workplace. The increases in maximum penalties contained in this Bill will convey a message to the community at large as to the importance of occupational health and safety in the workplace and that all offenders, be they corporate or otherwise, who commit these offences will face substantial penalties.

#### Discussion of Proposed Penalties

Generally speaking, the Bill will double the existing maximum level of penalties in the Occupational Health, Safety and Welfare Act. However, the Bill will increase a number of maximum penalties even further, to rectify perceived anomalies, whilst a few will be retained at their existing level, principally because the offences are viewed as administrative in nature.

#### Conclusion

This Bill demonstrates that the South Australian Government continues to view the improvement of occupational health and safety in the workforce as a top priority.

The Government looks forward to the passage of this Bill, which will send a clear message to all parties in the workplace in the promotion of workplace health and safety.

#### Explanation of Clauses

##### Clause 1: Short title

##### Clause 2: Commencement

These clauses are formal.

##### Clause 3: Amendment of s. 4—Interpretation

This amendment proposes to substitute new amounts for the divisional fines set for the purposes of the principal Act.

- a Division 1 fine means a fine not exceeding \$200 000 (increased from \$100 000);
- a Division 2 fine means a fine not exceeding \$100 000 (increased from \$50 000);
- a Division 3 fine means a fine not exceeding \$40 000 (increased from \$20 000);
- a Division 4 fine means a fine not exceeding \$30 000 (increased from \$15 000);
- a Division 5 fine means a fine not exceeding \$20 000 (increased from \$10 000);
- a Division 6 fine means a fine not exceeding \$10 000 (increased from \$5 000);
- a Division 7 fine means a fine not exceeding \$5 000 (increased from \$1 000).

##### Clause 4: Amendment of s. 21—Duties of workers

Currently, subsection (1) of this section imposes a duty on an employee to protect his or her own health and safety at work and to avoid adversely affecting the health or safety of any other person through an act or omission at work. The penalty imposed for breach of this subsection is a fine of \$1 000.

The amendment is not very different, substantively, from current subsection (1) but proposes to split that subsection into a number of different subsections to enable different penalties to be imposed for different elements of the offence.

New subsection (1) provides that an employee must take reasonable care to protect his or her own health and safety at work with the penalty for a breach is a fine to be \$5 000.

New subsection (1a) provides that an employee must take reasonable care to avoid adversely affecting the health or safety of any other person through an act or omission at work with the penalty for a breach to be a fine of \$10 000.

New subsection (1b) provides that an employee must so far as is reasonable (but without derogating from new subsection (1) or (1a) or from any common law right)—

- use equipment provided for health or safety purposes; and
- obey reasonable instruction that the employer may give in relation to health or safety at work; and
- comply with any policy that applies at the workplace published or approved by the Minister after seeking the advice of the Advisory Committee; and
- ensure that the employee is not, by the consumption of alcohol or a drug, in such a state as to endanger the employee's own safety at work or the safety of any other person at work.

The penalty for a breach of this subsection will be a fine of \$5 000.

*Clause 5: Substitution of s. 22*

Currently, section 22 imposes a duty of care on employers and self-employed persons in respect of their own safety at work and in respect of other persons who are not employees or engaged by the employer or self-employed person. The current penalty for a breach is a fine of \$5 000.

New section 22 will separate the duty owed by employers and self-employed persons to themselves from the duty they owe to others, with different penalties being imposed for breaches of the separate duties.

*22. Duties of employers and self-employed persons*

New subsection (1) provides that an employer or a self-employed person must take reasonable care to protect his or her own health and safety at work with the penalty for a breach being a fine of \$10 000.

New subsection (2) provides that an employer or a self-employed person must take reasonable care to avoid adversely affecting the health or safety of any other person (not being an employee employed or engaged by the employer or the self-employed person) through an act or omission at work. The penalty for a first offence is a fine of \$100 000 and, for a subsequent offence, a fine of \$200 000.

*Clause 6: Amendment of s. 58—Offences*

This amendment proposes to substitute a new subsection (7) to provide that proceedings for a summary offence against this Act must be commenced—

- in the case of an expiable offence—within the time limits prescribed for expiable offences by the *Summary Procedure Act 1953*;
- in any other case—within 2 years of the date on which the offence is alleged to have been committed.

*Clause 7: Further amendment of principal Act*

The schedule of the Bill contains amendments to the principal Act in respect of penalties for breaches of the Act.

Where the amendment does not change the divisional penalty, the monetary penalty will, in fact, have increased because of the operation of new section 4(5) (*see clause 3*).

Some of the amendments insert differential penalties for first and subsequent offences.

Other amendments insert penalties where previously no specific penalty was provided.

The general penalty under section 58 will now be \$20 000 through the operation of new section 4(5) (*see clause 3*).

**Ms KEY** secured the adjournment of the debate.

## APPROPRIATION BILL

Adjourned debate on second reading.  
(Continued from 1 June. Page 1544.)

**The Hon. M.D. RANN (Leader of the Opposition):** I rise to deliver the Opposition's reply to the sixth Liberal budget. Like the Premier's previous budget, this is a budget of total deceit. It is a budget that entirely dishonours the present Premier and, even worse, the office of the Premier of South Australia. It is a budget that provides in full technicality to the people of South Australia the knowledge that in John Olsen they have a Premier they simply cannot trust and in Rob Lucas a Treasurer in whom they can have no confidence whatsoever. It is a budget that shows South Australians that, in spite of their attempts to blame others, John Olsen and Rob Lucas have lost control of their budget. While they have cut essential services, they are spending as if there was no tomorrow. While they are spending up big, they are spending on all the wrong things. While they are spending on the wrong priorities, they are taxing struggling South Australian families halfway into penury.

In spite of the Government's attempts to hide the fact in the budget papers, this budget brings the Liberal tax grab since they came to office less than six years ago close to

\$1 billion—a rise of more than 50 per cent. Nearly half of that, almost \$500 million, has occurred in the last two Olsen-Lucas budgets. Those crippling tax increases immediately followed an election in which the Government promised not to increase taxes, just as it promised never to privatise ETSA. I want members, including members opposite, to remember what Treasurer Stephen Baker said then. He said, 'We are not out to get an increase in the quantum of tax.' That is what he was quoted in the *Advertiser* as saying on 19 September 1997. Stephen Baker said that the budget was in balance and would provide a small surplus. He said that we had broken the back of debt. He called the pre-election budget a remarkable and historic turnaround.

Either the Olsen Government was practising deceit then or it is practising deceit now. Either that budget was a fraud or this one is. Of course it was Stephen Baker, the former Treasurer who, after the election, told the truth when he said:

It might well be... [the Government's]... new priority is to spend money, and if you decide to spend money you have to raise taxes or build up debt... It's a matter of priorities... levels of expenditure are significantly above what they were when we delivered the budget in 1997.

When the Premier was asked how to justify this massive increase in taxes for the second year running, he said that it was to fund health and education. We have seen it all before, of course: a series of leaked pre-budget, 'boosterish' announcements designed to portray cuts as extra funding. Sometimes people fall for it. Yet outlays are up by \$448 million or more than 5 per cent in real terms and there is more than \$101 million worth of additional spending as a result of policy changes since the last budget.

This is a budget that confirms that the Olsen Liberal Government is a Government of waste and extravagance. It might be parsimonious towards public health and education, but it is generous to consultants, to the public relations industry and to interstate and foreign firms. That is why the Labor Caucus Waste Watch Committee will be watching the Government very closely from now until the next election. We will bring to light the irresponsible profligacy of this Government. The committee will report on examples of Liberal waste and ways of putting public money to work for the public good.

For instance, Labor would not pay out tens of millions of dollars to John Olsen's bevy of consultants for the privatisation of ETSA. Labor would not operate John Olsen's open-ended model of company assistance. We would not waste tens of millions of dollars on rewarding promises from private firms that are simply not delivered. Labor would only give industry assistance to companies that have delivered on agreed outcomes and on the principles of performance based industry assistance. Labor would cut in half John Olsen's \$50 million plus annual consultants' bills. We would axe the Department of Industry and Trade and make it accountable for the delivery of real benefits as a much leaner jobs commission reporting to the Premier in Cabinet, not to a junior Minister who does not attend.

The budget also shows us that the Olsen-Brown Liberals carry no weight whatsoever with their counterparts and colleagues in Canberra. The Human Services Minister, the former Premier, called for an extra billion dollars from the \$5.4 billion Federal surplus to be spent on health and utterly failed. The Premier called for more of the surplus to be spent on economic development in South Australia, but there is nothing whatsoever for our State's economic development in the Federal budget. However, we have lost 3 000 Federal

public sector jobs since the Howard Government came to office, and that is having an extraordinary impact on both the services and economic wellbeing of rural and regional South Australia. I will have more to say later about those cuts, about the Olsen Government's extortionate taxes and about the fact that this is a budget in deficit, chock full of one-off and extraordinary items to boost the budget's bottom line.

I shall now address the budget's relationship to the ETSA privatisation debacle. Let us be under no illusion that a 97 year lease of ETSA and Optima is indeed the privatisation—the sale—for ever and a day of our most valuable public asset. Such a lease gives real ownership and control of ETSA to foreign investors who have no interest in the welfare of our elderly, in the health of our community or in the development of the South Australian economy. If anyone ever needed proof that once we lease ETSA for 97 years we have sold it for good, just ask an international investor how much less they would be prepared to pay for a 97 year lease compared with a full sale. Merchant bankers say that the difference in price between the two is about a dollar. In fact, they have said that a 40 year lease is virtually the same as a sale and a 97 year lease is a sale and will be seen to be a sale.

About possible events in the other place over the next day or so I simply say this: this is a vital vote for the future of our State. It is a choice between keeping faith with the electorate, being elected on a promise and keeping it, or rewarding deliberate deceit and total dishonesty. I do not want my grandchildren turning around to me and asking why our generation sold off the farm, why everything in this State is owned by people overseas. It is about either handing the farm onto our kids or selling it off from beneath them. If John Olsen is rewarded for his deceit before and after the election and for his blackmail of the people of South Australia with the privatisation of ETSA that most South Australians do not want and all South Australians voted against, we will not be handing anything onto our kids. We will be selling it off overseas against the clear, expressed wishes of the people of this State.

I ask Trevor Crothers to listen to the people of this State, not just to Rob Lucas and Terry Cameron, and to remember the untruths the Government told about the supposed benefits of its water privatisation deal. It was very interesting when a group of private sector people came to see me last year and said that the Labor Party should sell or lease ETSA. They said that there would be great benefits for the people of this State. These were the same people who came to see me two or three years before to tell me that the Premier was right, that if we leased our water through a privatisation lease deal we would see a huge decrease in the price of water, that we would see Australian ownership, that it would be owned by Mr and Mrs South Australia, and that we would also see 1 100 new jobs in an international water industry to be built here in South Australia. If ever there was an example of a lease privatisation deal that has not benefited the people of this State, it is the water deal. Instead of a decrease in water prices, we had a 25 per cent increase. Instead of 1 000 plus new jobs, we had hundreds fewer jobs and cuts in services. Of course, instead of its being Australian owned, it is 100 per cent foreign owned.

The Premier last year said that, if the Parliament did not allow him to break his promise and privatise ETSA, he would introduce new taxes to cover the so-called shortfall in revenue. When we asked the Premier and the Treasurer to show the people some evidence that the privatisation of

power would be of financial benefit, they ran for cover. But they persisted with the entirely unsubstantiated claim of a \$150 million a year budget benefit from the privatisation of ETSA and that, if the Parliament did not pass the legislation, the Government would impose extra taxes of up to \$150 million. In New South Wales, they had the big ETSA equivalent promise: here, the big threat, the blackmail.

But in the very same budget, before the Parliament had even had an opportunity to vote for or against power privatisation, this Government raised taxes by 10.5 per cent or almost \$250 million. Then the Auditor-General looked at the budget in light of ETSA's proposed privatisation. He concluded that there would not necessarily be any financial benefit from privatisation. When he investigated Treasury spreadsheets and calculations to see what was behind the claim that we would be a recurrent \$150 million worse off without the privatisation, he could find no such evidence, despite the fact that his previous report had been used persistently by the Government to somehow substantiate its claims.

On the basis of Treasury figures only, and without independent verification, the Auditor-General said there could be a benefit to the budget of \$35 million to \$65 million a year, but he stressed that that was on the basis of Treasury figuring alone and that losses as much as gains could be the result of privatisation. So, \$35 million to \$65 million—the Government's own figuring—is equal to less than one half of 1 per cent of the annual Government budget. That is no bonanza from the sale of ETSA. Today we heard the Treasurer saying that there will be a deficit and starting the process bit by bit—which we will see over coming weeks and months—of running away from all the promises of the El Dorado, the panacea and the nirvana that will result from the sale of ETSA.

The Government said that we had to sell ETSA to slay the dragon of debt. Then John Olsen attempted to bribe the electorate with a \$1 billion so-called reinvestment fund. He even invited the public to make suggestions on how to spend \$300 million of the proceeds—a sort of pick-a-box, a raffle, or a lottery that everyone would win. Now the story was that we had to sell ETSA to pay for the things the Government had promised in previous budgets—to fund our schools and hospitals, and all those things that are announced, then re-announced—and hopefully there would be a few gullible journalists to run it again and again through a process called slippage.

John Olsen has promised everything—from the privatisation of ETSA to more jobs, to cheaper power, to move services, to new schools, to rebuilding hospitals, to new seating at Football Park—with no evidence whatsoever to support the claim. The Premier made these promises, like his New South Wales counterpart Kerry Chikarovski, knowing it would be the height of financial and economic irresponsibility to sell an income earning asset such as ETSA on a spending spree rather than reducing the debt, the dragon which he said we had to slay.

But, of what he promised in terms of capital works, most had been promised before without the need to privatise ETSA. That is what we were told in the 1997 budget. The Premier did not deliver them then, so why would anyone believe him again? Given the way he has mismanaged the budget and his irresponsible promise to use some of the proceeds on purposes other than debt reduction, who could trust the Premier, John Olsen, to sell South Australia's most valuable income earning public asset? We are going to see all

those events in the night—the dodgy deals, the cameras turned off, the late bids, the probity auditor going home early. Who could believe, though, that he would not use the proceeds to prop up his budget and run up new debts and liabilities?

Then the Olsen ETSA tax was supposed to pay for ETSA capital works. Not one cent of John Olsen's \$100 million ETSA tax would go towards retiring debt. This latest blunder confirms those fears and entrenches the well-earned reputations of the Premier and the Treasurer as incorrigible policy fakes. It highlighted that the Olsen Government's budget is already in tatters. Last Friday, the Premier claimed that the sale of ETSA would save \$500 million a year in interest payments. Professor Richard Blandy, the adviser to the former Premier, Dean Brown, has shown that, if ETSA and Optima were sold for the mooted figure of \$6 billion, there would be a public debt interest saving of about \$300 million a year at current interest rates. But this is the same amount that ETSA has returned to the Government over the years, so there could be little or no benefit to the budget from the sale of ETSA.

The Government's claim is that ETSA's dividends are falling massively but, given this Government's record on ETSA and budget honesty, I can say we will be looking at the Government's claims on this very closely. I hope that the Government is not attempting to manufacture a crisis now to buttress its policy of privatisation, intending to pull out extra ETSA dividends from a hollow log for a spending spree in time for the next election.

But what takes the cake for Government dishonesty is that, while John Olsen wants us to believe that ETSA dividends are in free fall, he also wants us to believe that the price from any sale of ETSA has actually gone up, and gone up drastically. The two simply do not go together. They do not equate. One rules out the other. Last Friday the Premier was asked the fundamental question that the Opposition has been asking. Given that outlays are up by nearly \$450 million in this budget, how can the Premier claim his budgetary disarray is because he cannot privatise ETSA? The interviewer asked John Olsen:

But it [the privatisation of ETSA] won't wipe out half a billion dollars of extra spending, which is what you're doing this year.

John Olsen's reply was, if you will pardon the pun, truly priceless. He said:

The position is... That would save something of the order of \$500 million worth of interest.

For there to be \$500 million per year in interest savings at current interest rates, you would have to privatise ETSA for over \$9 billion. Do not take our word for it on the \$9 billion figure: just listen to Rob Lucas. He had a different script on the same day. He said that a \$6 billion sale price would save \$300 million in interest. It was a performance that insulted the intelligence of South Australians.

The Premier claims that ETSA's dividends are set to fall, that its asset value is about to be slashed by up to 50 per cent: not only will the private sector pay a premium over the odds for the assets but their value to international investors has somehow just increased by 50 per cent. So, either you believe the Premier or the Treasurer, or neither of them. He can only be making such outlandish claims because his shoddy budget contains the political death warrant for his marginal seat colleagues opposite.

*The Hon. G.M. Gunn interjecting:*

**The Hon. M.D. RANN:** Why the member for Stuart should believe this Premier after what he did to his Speakership, God only knows. When the Premier's ridiculous claim was put to the Treasurer, he simply made things worse. In an interview on the same day, a journalist effectively asked Rob Lucas why he continued to claim that the budget was in a shambles only because the Government cannot sell ETSA. The interviewer asked:

But, Treasurer, that power bill increase was only going to bring in \$100 million and yet you're spending more than \$400 million, so selling ETSA really wouldn't get yourselves out of the mess you've got yourselves into it, would it?

The Treasurer replied:

... let's look at where the money is going. We're spending it on education. We're spending it on health... It is easy to say, 'You are spending \$400 million.' We're spending it on behalf of the taxpayers.

The fact is, though, that this budget produces yet more cuts in funding for health and education. The Treasurer was asked about the Premier's claim of a \$500 million a year interest saving from the privatisation of ETSA. Again, Rob Lucas was found asleep at the wheel. He turned in a shambolic performance that confirms this Government could never be trusted with our most valuable public asset. He was asked by how much we would reduce interest payments if ETSA was sold and he said:

It depends on the sale price obviously... the rough calculations that some of the commentators have done is that you may well save around \$300 million on some of the estimates they have provided. You get four, five to six billion dollars say for the sale of the asset. You work out what the interest rates are at the moment, 5 or 6 per cent. You do that calculation and the commentators say, 'Well, around about \$300 million.' If we got more than \$6 billion, then obviously we would save more in interest costs.

Then the tape was played of the Premier's meandering on \$500 million in interest savings from the sale of ETSA and the interview of the Treasurer was resumed:

Interviewer: So the Premier this morning is saying that if we sell ETSA... we free up \$500 million in interest, you're saying it would free up \$300 million. Which is it?

Treasurer: It depends on how much you get for the sale of the assets. As I said, the commentators so far have predicted four, five or six billion. If you get enough to get rid of all your debt—you've got \$7.5-\$7.6 billion worth of debt... if you got enough to get rid of all your debt and the current costs are as the Premier has indicated. We pay \$735 million in total interest. There's about \$500 million which relates to the non-commercial sector of the... budget.

Interviewer: But does it worry you that he's using one figure and you're using another?

Treasurer: ... because no-one can say what you're going to get for the sale value of your assets. You can't tell me how much people would pay for the assets... You can only make estimates... so it just depends on what you... factor in on calculations from the sale value.

Despite all the incoherence and nonsense in both the Premier's and the Treasurer's spiel, they have provided eloquent testimony to this Government's disarray. John Olsen wants to privatise ETSA, South Australia's largest income earning public asset, at a time of historically low interest rates, a time, that is, when the costs of servicing our debt are coming down. Much of South Australia's debt portfolio is about to be turned over to take advantage of those lower rates. We now know for certain that the Treasurer is canvassing a sale price as low as \$4 billion, while the Premier is claiming ETSA could be privatised for more than twice that amount.

The Olsen Government tells us that the asset is falling in value, that expected future returns have fallen, but that suddenly its sale price has skyrocketed to as much as \$9 billion. The Treasurer and Premier have no idea at what

point a privatisation would be a net benefit to the State's public finances, and they would probably sell at any price. It is a disgrace when the Treasurer of this State says we could get four, five or six billion dollars from the privatisation—a variation of 50 per cent. It is a disgrace when he says that no-one can tell what investors would be prepared to pay but that we want to sell anyway. Remember what the Treasurer said:

You can't tell me how much people would pay for the assets.

I want to know how many millions of dollars Morgan Stanley was paid for its advice if the Treasurer is still in the dark on the fundamental issue of the price upon which privatisation of our electricity assets, in the opinion of this Government, is worth while. How much have Alex Kennedy and Geoff Anderson been paid for their advice to the Treasurer, given that the Treasurer appears to be none the wiser today than a year ago? What were all the other consultants doing, given the Premier's and Treasurer's lamentable conflict as well as ignorance on the key factor about how much and at what level it would be worth for sale?

The Treasurer later confirmed, with astonishing but rare candour, that the Olsen Government has no policy for South Australia but the privatisation of ETSA. The public has known this all along but it was about time the Treasurer admitted it. Not only did the Olsen Government frame a budget on the assumption of proceeds for the privatisation of ETSA before the Parliament had had any opportunity to vote on the matter—in other words, it was spending money it did not have—but it has framed a budget on the assumption of revenue from the sale without having any idea whatsoever on what size that revenue flow would be and no idea if the financial results of any privatisation would be positive or negative.

When we look at the 1997 budget and all of the promises that were told to the people of this State and when we look at this budget it shows that John Olsen and Rob Lucas cannot be trusted to frame a budget and they cannot be trusted to manage and sell ETSA. I am concerned about the projections for revenue from ETSA in coming years in this budget: not, I stress, because the budget reflects the true position but because it would be true to the history of this Premier to hold down ETSA income to reinforce the case he has so far failed to make for the privatisation of ETSA and to hold healthy returns over for the expenditure of pork barrelling before the next election.

Let me just say this. In order to try to win support, which he has not done from the public of this State, this Premier has promised everything to everyone who puts their hand up if the sale of ETSA goes through. If it does go through, if Trevor Crothers does cross the floor, I will be visiting every hospital and school highlighting every announcement and promise that every member has made in their electorates, as well as every Minister, about the Nirvana that is about to come to see whether or not it will be delivered. I can tell the House one thing: this Government lied to the people of this State before the last election and this Government is lying to the State again.

**The Hon. G.M. GUNN:** Mr Deputy Speaker, I rise on a point of order. The Leader has used unparliamentary language in relation to the Government, indicating that it lied. We are all aware that that is contrary to Standing Orders and I ask for a retraction.

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! The Leader of the Opposition would realise that the word 'lie' is unparliamentary.

*Members interjecting:*

**The DEPUTY SPEAKER:** Order!

**Mr ATKINSON:** On a point of order, Sir.

**The DEPUTY SPEAKER:** I am still dealing with the previous point of order.

**Mr ATKINSON:** But you are getting it wrong, Sir.

**The DEPUTY SPEAKER:** Order! The member for Spence will take his seat. I uphold the point of order and I ask the Leader of the Opposition to withdraw the word and the implications relating to the Government's lying.

**The Hon. M.D. RANN:** I am sorry, Sir, but the simple fact is that before the election—

**The DEPUTY SPEAKER:** Order!

**The Hon. M.D. RANN:** No, Sir, I have to respond to this. I have to put it in the context that you deserve because of your longevity in office, that is, before the election this Government said the Opposition was lying in saying that it was intending to privatise ETSA after the election and was deceiving the people of this State. What has come out, of course, is that there were lies. It was not me—it was the Government of this State that was telling lies before the election.

The budget papers talk about how the disaggregated electricity companies are starved of investment capital, yet no mention is made of the fact that two budgets ago the Liberals took \$600 million out of ETSA, including a \$450 million debt restructure. No wonder it is capital starved today. I also note that the interest rate on our debt assumed in the out years of the budget is around 10 per cent. Once again, I hope that this is not a strategy on the part of the Olsen Government to accumulate reserves for the next election. I hope I am mistaken about this but it is interesting to note that for the year 2001 the interest rate assumed in the 1998-99 budget seems to be just under 9 per cent. I will be pursuing these matters in details in the Estimates process.

It would not be fair to describe John Olsen just as the Premier for privatisation. That would be unjust: he is also the Premier for high taxes. He is tightening the noose of regressive and unfair taxes on South Australian families. It was the height of insensitivity for the Premier to do what he did last Wednesday, to rise to his feet in this place just a day before his own budget orgy of unfair taxes, to claim the Senate should pass John Howard's tax on food.

That is he wanted: he wanted Howard to be given unfettered access to be allowed to put a tax on the food, as well as the groceries and everything else, that the people in this State need in terms to run their lives. This is a Premier, however, who not only believes in taxing your power, your home, your car, your trailer, your boat and your caravan but who also believes that the food of families and pensioners should be taxed to pay for tax cuts for high income earners.

What we can say is that, with this budget, the increased tax take since the Liberals came to office 5½ years ago is almost \$1 billion (\$1 000 million), a rise of more than 50 per cent. Since John Olsen toppled Dean Brown, State taxes have risen by around \$500 million. Since the 1997 election, before which the Liberal Party and its Treasurer said it was not out to increase the quantum of taxation, State taxes have increased by around \$400 million. This budget alone increases the State tax burden by \$360 per family, and that is before John Howard's goods and services tax.



I have used words such as 'about' and 'almost' in describing the size of this obscene tax grab because, true to Olsen-Lucas form, these budget papers also seek to hide the truth. The traditional category of taxes, fees and fines has been redefined in this budget. Fees and fines have been removed and there is no disclosure anywhere in the budget papers of the aggregate of these. These budget papers disclose that the tax take in 1999-2000 is expected to be \$2 640 million and that, in last year's budget, the revenue from fees and fines for 1999-2000 was expected to be \$172 million. I will put the Treasurer and the Premier on notice: come budget estimates, they should be prepared to provide table 6.11 from Budget Paper 2 on the same basis as table 6.10 in the same volume of the 1998-99 budget, including fees and fines.

The Olsen Government's latest budget features two hefty regressive taxes: the emergency services levy and the ETSA tax. Let us deal first with the emergency services levy. When the then Emergency Services Minister (the member for Davenport) introduced the emergency services tax into Parliament on 21 July last year, he said:

... this is simply a different method of collecting the revenue that has been previously collected under the levy on insurance premiums.

He assured the people of South Australia that the new tax would collect no more than the aggregate of the previous levies. That was untrue, and the failure by the Premier and the Ministers, time after time, to answer questions about how much the emergency services tax would raise overall and how much the emergency services tax would cost the average family attests to the fact that the Olsen Government did not tell the truth about how much this tax would cost South Australians to anyone in this Parliament or outside. And we know why: because there has been a blow-out in John Olsen's Motorola and Government radio network contract. The Government wants to use emergency services tax revenue for purposes other than funding emergency services.

We know that whatever you own—a house, a car or two, a boat, a trailer—will now be taxed. The Olsen tax will net an extra \$100 million a year—a total of \$141 million, compared to the present levies that raise about \$40 million in a normal year. The Government rejected Labor's amendment last year to provide pensioner concessions but, having made several mistakes in drafting the legislation, it will now have to bring the Bill back into Parliament. The Government belatedly has agreed to pensioner concessions, and Labor will again try to make this tax a little fairer. The Government has claimed that it always intended to allow for pensioner concessions, but that again is totally untrue. They have only come about because of Labor Party opposition, assisted by Liberal Party backbenchers.

John Olsen said that there would be pensioner concessions, but this was contradicted by his own Attorney who, on 27 August last year, in opposing the amendment, told Parliament:

The present Government has no intention of granting concessions, but maybe a future Government will offer it in the heat of an election campaign. . .

It was only a couple of weeks ago that the Premier said for the first time:

... I have always been of the view that pensioners deserve, needed, were entitled to some concession.

That is totally opposite to what was said in Parliament the year before. And we well know that, when the Premier committed the Government to providing pensioner conces-

sions, the Government tried to get some of the money needed to fund pensioner concessions from local government. At 7 o'clock on the Monday morning prior to the budget being brought down, the Minister was meeting with the Local Government Association to cut a deal. This was very close to the time when the budget papers had to go off to the printers to be ready for last Thursday. So, here is a budget that is already looking as though it is just being held together by a piece of string. This gives us an insight into the way in which the Government operates.

The EST was first announced in February 1998. The legislation passed the House in around September 1998. The Premier left on a three week overseas tour in April, and declared that the budget had been bedded down. But three days before the budget was due, the emergency services tax figures were still being negotiated. The Act was so shoddy, it has now come back into Parliament. In the scramble to find the money for pensioner concessions the Government is now seeking to slug taxpayers twice, taking the money from ratepayers as well.

Every time the Government attempts to defend the emergency services tax it merely underlines how unfair this tax is. The Premier has given, of course, the poison chalice to the hapless member for Mawson—please encourage him to appear on television representing the Premier, the Treasurer or anyone else who wants to duck behind him. Mawson is a key seat at the next election. When the member for Mawson was asked about the fairness of the tax, he proudly announced that the owner of a \$400 000 property in North Adelaide would be better off. Let me tell members that those words will be put into every letterbox in Woodcroft, Willunga, McLaren Vale, Hackham West, Noarlunga Downs, and everywhere else. We have the television clip ready to run. That is fairness, that is equity John Olsen style. He did not have the guts to front himself but was prepared to put the member for Mawson onto the D-day landing grounds on his own. The Premier has, of course, tried to imply—

*Members interjecting:*

**The Hon. M.D. RANN:** That's right: Saving Robert Brokenshire will not be a movie made around about the next election campaign! The Premier has, of course, tried to imply that the Olsen emergency services tax will be removed if only the Parliament will agree to the privatisation and foreign ownership of ETSA. The emergency services tax would not be removed if the ETSA lease were sold tomorrow. The other \$400 million worth of Olsen taxes that have been brought down since he toppled Dean Brown would not be removed if ETSA were to be privatised.

But let us just talk about the ETSA tax. We must always remember that John Olsen, his close adviser, Alex Kennedy, the Hon. Rob Lucas, the extraordinarily gifted, agile and mercurial Geoff Anderson and all the others of the Premier's cabal have not shown us that there is any financial benefit whatsoever from the privatisation of ETSA. If there is not—and there is not—John Olsen's ETSA tax will stay alongside all John Olsen's extra regressive, unfair taxes. This was supposed to be the tax that made up for the fact that Parliament kept John Olsen to his election promise never to privatise ETSA. This was the privatisation of ETSA for which the Auditor-General, on the basis of the Olsen Government's own figuring, produces a financial benefit of about zero.

The ETSA tax will cost the average family an extra \$186 on their annual electricity bill. Not a cent of that tax would go to pay off debt—and therein lies the fraud of the ETSA tax

and this budget. Like other Olsen taxes, it will most hurt those on low to middle incomes. Yet, as we have seen, the Treasurer and the Premier cannot agree on how much the budget is supposed to be out-of-pocket by their failure to privatise ETSA. How then can they justify an extra \$186 tax on every household electricity bill?

In conclusion, I want to talk about the economic impact on the State. These taxes are bad for families but they are also bad for our economy. The South Australian economy is struggling at present, particularly if we look at the leading indicator of private investment. In the year to December 1998, private new capital investment crashed by 30 per cent. What little growth has been seen has been based on household and personal consumption, and John Olsen's taxes will snuff out a lot of this demand. When that happens, the small signs of improvement in our job market could disappear. John Olsen's own budget papers confirm his Government's failures on jobs and the economy. This budget covers the year John Olsen said he would bring down our unemployment rate to the national average. Remember that key promise? He said that he would bring down our unemployment rate to the national average.

These budget papers provide John Olsen's admission of failure. Significantly, the budget papers provide no forecast of unemployment but they do forecast a continuation of our under-performance compared to the rest of the nation that has become the hallmark of the Olsen Government. Budget Paper 2 (page 4.3) shows that by next year South Australia's unemployment rate will remain well above the national average.

One of the grossest deceptions of this budget is the Olsen Government's claim that the budget for 1999-2000 is a balanced budget. It is not. This Government's spending, like its taxing, is out of control. Outlays are up by 7 per cent, or 5.2 per cent in real terms. That is nearly half a billion dollars more being spent in 1999-2000. In spite of their taxing and in spite of all their cuts to essential areas of spending, this budget is in deficit. The Government admits to a \$65 million deficit for this year and boasts a \$1 million surplus in 1999-2000. This budget is replete with one-off items illegitimately brought into the budget bottom line—not just the extension of the Government's time line for full funding of superannuation but also the South Australian Asset Management Corporation dividend that must include proceeds of asset sales and has no place in the same column with the budget deficit or surplus result for the non-commercial sector.

But do not take my word for it. The Premier's own economic adviser, Cliff Walsh, said so in his *Advertiser* column of 1 June. Could you ever trust this Government not to squander the proceeds from any privatisation of ETSA to prop up its mismanagement of the budget? Certainly, I am very pleased to inform the Parliament that the Opposition has established a Waste Watch Caucus Committee, because for too long the South Australian public has borne the burden of this Government's waste and financial irresponsibility. Today I will be announcing as Labor's response to this litany of waste the creation of a Waste Watch Committee—

*An honourable member interjecting:*

**The Hon. M.D. RANN:**—which will be coming to an electorate near you soon, the member for Hartley. The committee will comprise five Labor Caucus members: the members for Wright, Playford, Norwood and Reynell, and the Hon. Carmel Zollo. The committee, over this year and next, will be examining and researching the detail of this Government's spending. Committee members will be examining

estimates documents; they will follow every rabbit down every burrow; they will launch Freedom of Information searches; and they will be watching very carefully every cent spent by this Government. The committee's charter is to find the waste and expose it. It will expose the grubby little deals; the handouts to their mates; and the Terry Burkes, Geoff Andersons and Alex Kennedys.

The committee will find examples of this Government's mismanagement, which will not be too difficult, and expose them. It will be examining the bills of consultants as well as the French champagne lunches. It will look into the Government's funding of opinion polls, Government advertising for political purposes, weekend retreats for bureaucrats, Concorde flights across the Atlantic, the use of Government credit cards, industry assistance, pay rises and payouts for senior executives and, of course, bonuses for chief executive officers minutes before they are fired, as well as the appointments of cronies to make up executive positions, to name just a few.

In the gathering of this information we will be adding up the costs and making this Government publicly accountable for its spending sprees. We want South Australians to have a full understanding that, while this Government has been cutting back on our children's education and the delivery of services for our aged, the Premier has been flying on Concordes with his staff to New York and, of course, putting himself and his staff up in some of the most expensive hotels in the world. This sixth Liberal budget provides conclusive evidence of the incompetence and the callous disregard for the people of South Australia of this Government.

The more the Treasurer and the Premier ham-fistedly attempt to blame others for their own actions, their own cuts, their own taxes, their own wastes, their own skewed priorities and their own dishonesty before the last election, the more the public of South Australia knows that it is John Olsen and no-one else who has done it to them. This is a budget of which the Liberals should be ashamed. The public of South Australia has had their fill of you and your gang. They remember what you said about the budget before the election, and well might the Independent member laugh. He had better join the Liberal Party pretty quickly before the preferences are allocated, because they want John Olsen gone. If John Olsen manages to privatise ETSA, the Olsen gang's promises of everything from more jobs to better services will be seen for the deceit that they are. This Opposition will fight each and every day from now until the election to expose this Government for the lies, deceit and dishonesty that it has perpetrated on the people of this State.

**The Hon. G.M. GUNN:** I rise on a point of order, Sir. The Leader has again used unparliamentary language, which has been previously ruled by the Speaker as being out of order. The Leader of the Opposition has implied that the Government is lying. That is unparliamentary, and I ask for an unqualified withdrawal.

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! As the Chair indicated previously, the word 'lie' is certainly unparliamentary. It is language that would not be encouraged by the Chair in this place. I ask the Leader of the Opposition to withdraw the word 'lie'.

**The Hon. M.D. RANN:** I cannot tell a lie to this Parliament by withdrawing something that is absolutely true, and the Government knows it. The Premier uses the word 'lie' frequently—

**The DEPUTY SPEAKER:** Order!

**The Hon. M.D. RANN:**—and is never called to order for doing so.

**The DEPUTY SPEAKER:** Order!

*The Hon. G.A. Ingerson interjecting:*

**The Hon. M.D. Rann:** Is that right? And you would know, wouldn't you.

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! The Chair suggests to the member for Stuart that the word 'lie' was not used personally of any particular person, and the Chair cannot enforce and ask the Leader of the Opposition to withdraw, however unwise and unfortunate the use of the word 'lie' might be in a parliamentary sense. The member for Gordon.

**Mr McEWEN (Gordon):** I wish to do four things this evening. First, I wish to—

**Mr Foley:** You told me three.

**Mr McEWEN:** I told you about only three of them, Kevin. First, I wish to demonstrate what I call a superannuation sleight of hand; secondly, I want to talk about the whole of Government radio network extortion; thirdly, I will refer to the emergency services levy bungle; and, finally, I want to talk about the ETSA tax blackmail. I will deal first with the superannuation sleight of hand. Members who are privileged enough to have in front of them the Budget at a Glance document 1999-2000 will see an interesting table on page 7; those who do not will need to try to follow what I am saying carefully. I wish to demonstrate that, in the best case scenario, this is a \$188 million rip off.

**Mr Foley:** The best case scenario?

**Mr McEWEN:** That is the best case scenario, Mr shadow Treasurer. We need to go back to 1997-98. In that year, the Government planned to put \$214 million into the unfunded superannuation liability fund. It actually put in \$264 million. So it earned itself a credit of \$50 million. To show a balanced budget that year, it earned itself a credit of \$50 million. In the next year, 1998-99, one would expect that it, again, would be making an appropriation of about \$214 million. If we allowed it to take straight back the \$50 million—so it would have put it in one year and taken it straight out the next—we could have allowed it a credit of \$50 million, and therefore expected it to pay in \$164 million. Actually, it budgeted for \$76 million. Now it has taken back its \$50 million and taken off another \$88 million. However, last year it paid in not \$76 million but \$26 million. From a high of \$214 million and a credit of \$50 million, it has paid in \$26 million. The best case scenario is that that is a \$188 million sleight of hand.

I will now talk about the whole of Government radio network. It is a fair question in Estimates to ask every Minister what higher priorities they have than this radio network before this Government commits further money towards a \$250 million outrage. There are other ways to solve the radio network problem; for example, the CFS has indicated that, for approximately \$13 million, it could achieve a satisfactory upgrade to its network.

**Mr Foley:** Thirteen?

**Mr McEWEN:** Thirteen.

**Mr Foley:** Against \$250 million?

**Mr McEWEN:** Against its part of \$250 million. I am not saying it is only for its purposes. Mind you, the way it is going it will be the only one left in it. However, for \$13 million it could have done the equivalent. But for \$13 million they would have got something better. In evidence to the Economic and Finance Committee last week, Mr Lawson indicated that he had some concerns about

whether or not this new network would work even if we spent \$250 million on it. He went on to say that, although he had some questions about the ability of the network to provide his requirements, he understood it was a service based contract. He said, in part:

... so if it does not meet our requirements additional features will need to be incorporated to ensure that it meets the needs of the services that have specified their requirements.

He is saying that \$250 million might not even be the total cost at the end of the day, because it might cost even more. So I have some problems there.

The third matter I would like to bring to the House's attention is a very interesting one—the emergency services levy bungle, I call this one. It is interesting because the Minister seems to have acted contrary to his own budget papers. I bring to the House's attention Budget Paper 2. Paragraph 6.3 states:

The levy on mobile property is based on premium class codes that the Motor Accident Commission applies in setting compulsory third party premiums. The mobile property levy will be collected by the Department of Transport using its vehicle registration system.

We know about the second part of it; we know about the rip off in terms of spending \$9.7 million to collect the two components of the levy and about \$2.6 million of that to be paid to the motor registration people. However, we now learn that, contrary to this comment in Budget Paper 2, the mobile levy will not be based on premium class codes. A lot of explaining has to be done in that regard.

Finally, there is the matter of the ETSA blackmail tax. I do not often agree with comments by the Leader of the Opposition, but I have to say that I agree with many of the comments he made about the numbers not seeming to add up and about every time you get a commentator on this you get a different impact on the bottom line, a different estimate of the value. All in all, it does not seem to make a lot of difference to the budget's bottom line. What we have to understand in terms of the ETSA-Optima sale is that it has always been approached as a bland 'Yes/No'. However, there are at least seven commercial elements in there, and every one of those elements could be treated in a number of ways—own, sell, lease, float or partial float.

In any sophisticated analysis of the best possible option for this State in terms of ETSA-Optima, if you applied all those opportunities against each of the commercial entities, you would not come up with a bland 'Yes/No'. In my brief early analysis of this budget—and obviously during Estimates we will be asking many more questions—I believe in a best case scenario there is a \$188 million sleight of hand in terms of the treatment of the superannuation fund. The whole of Government radio network is just becoming a ridiculous set of circumstances, where it is not high on the list of priorities of many of the Ministers. So, in terms of the capital expenditure it should be reprioritised.

It terms of the emergency services bungle, obviously we should set up a select committee. This House chose to do a wise thing in setting up a select committee, and that committee will try to unravel all these problems with the emergency services levy, the least of which will be asking the Minister to explain how, between the budget papers and the budget in the House, they managed to shift ground. Finally, the ETSA scenario will unravel in the Upper House tomorrow, and hopefully we will be given more time to explore all options and tomorrow we will not find ourselves forced into a lease option.

**Ms STEVENS (Elizabeth):** I want to begin by speaking generally about issues in my own electorate and then move on to the Department of Human Services, my portfolio area. On Friday the response from my electorate on the budget was unbelievable. I have never seen anything like the storm of protest that we got last Friday about taxation, particularly the emergency services tax and the ETSA tax. On Friday everything had to stop in my office, especially during the morning, while my assistant and the trainee were full-time fielding the calls that came from constituents, expressing outrage at these imposts. The Government needs to understand that, when people are struggling, the thought of having to pay an extra \$200 or \$300 a year is an incredible burden. I do not think that this Government has any idea of the hardship and struggle that so many families in South Australia are now enduring. For the people on fixed incomes, the people on pensions—whether it be the aged pension or a disability pension—or unemployment benefits, having this sort of impost is the straw that breaks the camel's back.

I note how the Government has said that Housing Trust tenants will not pay the emergency services levy. However, some Housing Trust tenants have cars and a trailer, so they will be hit by that levy from that direction. They will not have it removed from them entirely.

The other point about the emergency services tax relates to local government. I and other members, I am sure, have been approached by our local government constituency. I have had representations from Playford Council, from Salisbury Council and from Tea Tree Gully Council, all reiterating in exactly the same terms the fact that, when they were initially informed of this levy by the previous Minister, Hon. Iain Evans, they were assured that savings that would come from not having to pay for the emergency services in their area would be fed back to them to pass on to their ratepayers, either through a direct cut in rates or through extra services. They are outraged that that undertaking has now been broken. But when we look at all the undertakings of this Government, should we really be surprised? It is just another one of its broken commitments.

In my area the overwhelming issues are, first, unemployment and the stimulation of the economy and, secondly, access to services. I say again that we see little to give us any confidence that this budget will do anything about stimulating matters in South Australia and making things better on the job front. Little bits and pieces will not result in any significant advances in this critical area. I would like to reiterate the comments of the Leader of the Opposition in relation to the Federal budget and the fact that there is a \$5 billion surplus, and a Treasurer who could not help but smirk and smile and pat himself on the back, yet a State such as South Australia that needs a joint strategy between Commonwealth and State to actually get things going goes begging.

We have several Cabinet Ministers from South Australia, and I did not hear one word from the lips of Alexander Downer, Amanda Vanstone, Robert Hill or the rest in relation to this State's particular needs and, as South Australians, their commitment to actually fighting for them. They seem to have conveniently forgotten about the State they come from and the special needs that we have here. Why did they not do something about it? The same thing applies to a Federal Treasurer sitting on a \$5 billion surplus with unmet needs in disability services across the country estimated at \$300 million and no attempt to address these needs.

In terms of access to services, I have said many of these things before but I will say them again, because it is getting

worse in our communities. I was invited to the Elizabeth Mission that Anglicare has run for 40 years. Staff told me that things are getting worse but, overwhelmingly, the issue that is now pervading all requests for help is the issue of homelessness. Never before has this issue been so prominent in every request for services, whether it be for emergency financial assistance, family breakdown or whatever. Homelessness is the issue that has come to the top. They told terrible stories of families living in the backs of cars, going from place to place with friends; of people with a mental illness adding to this burden because, of course, funds have not followed them out into the community sector.

Again I say to the Government that we need to understand that there is a social responsibility in what we as Governments do, and homelessness is at a critical stage. Of course, it is not just in my electorate. A month or so ago I met with the heads of non-government agencies—Anglicare, the Catholic Welfare Service, the Adelaide Central Mission, the Port Adelaide Mission, Mission SA, Lutheran Community Care and the Salvation Army—and they reported the same thing in terms of homelessness and the dire straits in which so many of our families and so many individuals in our community in South Australia now live.

I would also like to talk about health services in my electorate and in the northern suburbs generally. I attended a workshop on Thursday 20 May at the invitation of the Mayor of Playford. It was put on in conjunction with the Northern Division of General Practice and the Northern Adelaide Region of Councils. A number of people were asked to come to that workshop, spanning the services, local government and general community groups, and were asked to look at the needs of the northern area. I thought I would put some of these on the record, because they certainly tell a story in terms of need in health services for the northern area. These are some of the things that came up.

The question was: what are the dominant health issues in the region? The things that came out were: parenting and issues for single parents; family violence; unemployment; the lack of services in general; poverty; social disadvantage; substance abuse; mental health; counselling and crisis care; after hours medical services; dental care; services for asthma; a dietitian; and X-ray services. In terms of mental health a comment was made, 'Don't have a mental health crisis after 5 p.m. on a Friday.' They cited behavioural maintenance; family support; abusive situations; lack of basic access to services; no complementary services; no hands on; drugs; doctor shopping; limited support for counselling; unemployment; nutrition, dietary; lifestyle; family support; media education; early intervention; family support; lack of community education and support; social issues; violence; unemployment; homelessness; gambling; family breakdown; image. I could go on—and I will continue my remarks after the adjournment.

*[Sitting suspended from 5.59 to 8.15 p.m.]*

**Ms STEVENS:** Before we adjourned for dinner, I was speaking about the workshop held at the Lyell McEwin Hospital a couple of weeks ago which looked at the health needs of the northern suburbs. This is an example of a lack of services in one area, but a similar set of issues can be found in areas such as education and, as I said before, in employment. I also want to say that these issues are not just part of metropolitan Adelaide. The Government needs to be aware of the fact that large numbers of the South Australian

population are in financial trouble in terms of the amount of money they get, and I will remind the House of some of these statistics.

In 1998, 47 per cent of the South Australian population was in receipt of some sort of Government allowance. Over one year from 1997 to 1998, there was a rise to 53 470 in the number of people receiving disability support pensions. In 1996, 22.8 per cent of all South Australians had incomes below the Henderson poverty line. Rural areas have been badly affected by economic and financial pressures. Yorke and Lower North are the poorest regions in Australia with an average per capita income of \$15 000 in 1996. The Murraylands was the second poorest region in Australia with an average per capita income of \$15 765, and Eyre was the fourth poorest. One-third of rural families in South Australia have annual incomes of less than \$16 000 per annum.

It is interesting that we rarely hear members from the other side of the House speak about access to services, poverty and the needs of people in these rural areas, yet members opposite who represent these areas must know what is going on. If people think that the sale or lease of ETSA will end all this, they have a big surprise coming. It will not be the Holy Grail, it will not be the answer to all this. It is quite clear that this Government is not able to control its own expenditure and make the sort of decisions that are required in South Australia for the future of all our people.

I return to the point that I made before, that South Australia needs a national strategy, a Commonwealth and State joint strategy, because things are very difficult here and, in the near future, they will continue to be difficult and a national approach is required if we are to progress. That makes even more pertinent the points that were made in Question Time today. Senator Brian Harradine has done wonders for Tasmania and he has used his position in the Federal Parliament to achieve significant gains for his State. It would be a good thing if the Cabinet members in the present Liberal Government did the same and if the Democrats who now hold such an important position of power in the Senate showed the same sort of commitment to their home State.

I turn now to the human services and health budget, as much as we know of it at this stage, because with the new format of the budget papers it is very difficult to discern any specifics in the budget areas, certainly in my portfolio. At the moment we are working on very broad figures. However, we know that in this budget the Government has increased its outlays by almost \$450 million while at the same time, it has cut health expenditure and, in particular, it has cut \$46 million from hospital services. From 1994 to 1997, the Brown-Olsen Governments focused on cutting health expenditure rather than delivering services. They were proud of doing that. The then Health Minister (Michael Armitage) told Parliament that the Government had decided to cut annual health spending by a total of \$70 million by 1996-97 and, over the four years of that Government, \$230 million was cut in real terms from health spending.

After reinstating funding for the election year budget in 1997, the focus has returned to cuts. John Olsen's promise before the 1997 election was to quarantine our hospitals from budget cuts. Last year's budget documents, which were leaked to the Opposition, revealed cuts in the human services portfolio of \$108 million over three years, and those cuts included \$30 million over three years for hospital growth funding. The hospital growth funding that was supposed to be built into the budget for three consecutive years is

designed to take account of the ageing population in South Australia and the increased activity and demands that will fall upon our health services as a result. That is what the Minister talks about constantly when he accuses the Federal Government of not doing enough for health.

That growth funding was deliberately cut from the budget by this State Government. This year the Minister has acknowledged that there will be a cut of \$46 million and that it will result in 14 000 fewer admissions to our hospitals. It is interesting to note that one of the other things that came to light as a result of that leaked document last October was that the Health Commission's funding reserves had also been run down. The funding reserves were used to fund the blow-outs in hospital and health unit budgets over the course of a year. They do not exist any more, so we have to find \$46 million immediately just to break even.

In the parliamentary break, I consulted local hospitals and these are the overruns that they are looking at for the end of June this year: Women's and Children's Hospital, \$2.5 million; Flinders Medical Centre, \$5 million; the amalgamated Queen Elizabeth and Lyell McEwin Hospitals together, \$5 million, with a further shortfall of \$2 million in their mental health services; Noarlunga Hospital, \$1.2 million; the Repatriation Hospital at Daws Road, \$4 million; and country hospitals as a group, \$6.5 million. The \$46 million cut is about making up those and other shortfalls. Even though we have a cut of \$46 million on what was spent last year, that does not take into account the increase in demand. We have a cut in what was spent last year as well as an increase in demand. It is a double whammy.

It will be a horrendous year in terms of hospital services and health services generally. We will have more long waits in emergency services in our A&E departments, and elective surgery waiting lists will blow out. So, the promise not to cut hospital services was broken at the first opportunity, just like the promise never to sell ETSA.

It is very important to remember that Minister Brown continues to blame the Federal Government for the problems in our health services funding. Let us all remember that the Olsen Government signed off on the Medicare agreement just before the last Federal election. The State Premiers and State Health Ministers had the Federal Government over a barrel. They needed to have health funding signed off before an election. They had Howard where they wanted him and caved in, so blaming the Federal Government now just will not wash. You cannot have your cake and eat it. They signed off. Now it is their turn to do their bit and the responsibility for funding cuts rests fairly and squarely on this Government.

**Mrs MAYWALD (Chaffey):** This is a high taxing, high spending Labor Treasurer's dream budget. From where the shadow Treasurer sits, it is a budget to die for. I am not surprised that the member for Hart has given the Government such a hard time about this budget. He is just green with envy. Here is a budget that does what his Party in office in this State today would never dare to do. This budget's foundations are built on a blatant tax grab to hide a budgetary black hole caused by a Public Service wages blowout and various additional spending measures that South Australia cannot afford and has not asked for. It is a budget that has all the hallmarks of a 1970s Whitlam budget.

The basic budget facts speak for themselves. On the one hand, State-sourced revenue has been set to increase over the next year by an extraordinary 13.9 per cent, or 11.9 per cent

in real terms. Within this total revenue tax collection effort, State taxation is to increase by 5.9 per cent this year following an 8.6 per cent increase last year. This means we have had a 14.5 per cent increase in State taxes on South Australian families over the past two years. With inflation running at only 1.75 per cent, tax increases of that size are an indictment on the Government's budget strategy and its economic management.

It is not as if this ongoing tax grab is producing positive results in terms of this State's underlying fiscal position. The budget is estimated to finish at break-even point this year after recording a \$65 million underlying deficit last year. The reality is that, despite the 14.5 per cent increase in State taxes over the last two years, the Government still has not been able to achieve a significant budget surplus. As a result, the State's net debt and unfunded superannuation liability position will continue to deteriorate. Last year it came in at \$9.51 billion, and this year it is estimated to increase to \$9.56 billion net of asset sales.

Even if projected asset sale proceeds are included in the picture, the net debt situation still shows a deterioration from \$7.66 billion last year to \$7.71 billion this year. This result certainly does nothing to engender confidence in me that the sale or lease of ETSA assets would be the right move. I am convinced that any reduction in net State debt from the proceeds of an ETSA sale or lease would simply be used by the Government as an excuse or licence to run up a bigger and bigger budget deficit in the future.

The Government's record of economic management in the last two budgets does not support its case for selling ETSA. In fact, I would say the opposite is true. If a Liberal Government cannot manage to get the State's budget into surplus at the end of a cycle of good economic growth, imagine how fast the State's finances are likely to deteriorate in the future under a Labor Government, when the inevitable downturn in the Australian economy occurs.

*Members interjecting:*

**Mrs MAYWALD:** Absolutely shocking. Before I leave the revenue side of this budget to talk briefly about the equally dismal picture on the outlay side, there are two further revenue measures appearing in the budget that I want to highlight. They are both matters I hope the Auditor-General takes a close look at in his report to Parliament later this year. Let me deal first with the SAAMC dividend scam.

*Members interjecting:*

**Mrs MAYWALD:** Bad bank. I believe that the Government's decision to defer SAAMC dividends from 1998-99 to 1999-2000 is just the kind of cynical budgetary fudge that accrual accounting was supposed to get rid of. The SAAMC dividend is a budget contribution that should have been brought to account in the 1998-99 budget. The Government's creative accounting has turned what should have been reported as an underlying budget surplus of about \$95 million in 1998-99 into a deficit of \$65 million, and an estimated underlying deficit of about \$131 million in 1999-2000 into a reported surplus of \$1 million.

The political rationale for this classic budget accounting fudge is obvious. It would have been embarrassing for the Government to be seen to be running a budget surplus of around \$95 million at the same time as it was announcing that South Australian families were to be slugged with the new \$100 million ETSA tax. But in attempting to massage the figures in the way it has in this year's budget, the Government has merely cast doubt on the credibility of its budget strategy and its own economic management credentials.

The budget fudge also makes a nonsense of the claim made earlier this year that the new ETSA tax was forced on it by Labor's refusal to support the sale of the electricity assets. The credibility of the Government's budget strategy has been brought under even more strain by its decision to extend from 30 to 40 years the time required to eliminate the superannuation liability. At the same time, the Government has clawed back around \$180 million in contributions over four years from 1998-99.

On its own estimate the contribution to eliminating past service superannuation liabilities will now be \$247 million less over the four years to 2001-2002 than would have been the case had it maintained the strategy and repayment schedule set out in the 1998-99 budget strategy. Clearly these budget fudges are about making the Government's pledge to maintain a balanced budget an easy objective to achieve over coming years. The Government may think it can fool its supporters by this kind of sleight of hand but it will not fool the credit agencies or the financial markets which are the ultimate arbiters of the State's credit rating and borrowing costs.

The Treasurer has suggested that the failure of Parliament to pass the ETSA sale legislation and the financial difficulties facing the State are the reasons for the decision to slow down the pace of superannuation liability elimination. If that is the case, I ask: why did the Government decide to add more to the tax burden on the South Australian taxpayers by putting in place plans to increase spending by 7 per cent over the next 12 months, or 5.2 per cent in real terms?

In the next year alone, the Government will have to set aside \$130 million of taxpayers' funds to pay for increases in Public Service wages and salaries. Over four years from 1998-99 to 2002-2003, the overall cost to the taxpayer of Public Service pay increases already agreed to or likely to be agreed to will be more than \$450 million. According to the Treasurer, this year's budget allocations for Public Service wage and salary increases are moderate and reasonable and within budgeted forward estimate provisions. I would ask Government members to try to tell that to South Australian families paying at least \$400 a year more this year in taxes and charges through the new ETSA and emergency services taxes.

The Treasurer has dismissed claims that Public Service wage increases have been an important part of the reason for the new ETSA and emergency services taxes. The facts show otherwise. The emergency services tax is estimated to raise \$141 million this year. This will be just enough to cover this year's extra public service wage and salary bill of \$130 million. It may not be coming out of the fund but it is certainly a fund that is now contributing to certain areas of funding that were never intended for the emergency services levy. In his budget speech last year the Treasurer said that public sector wage movements continue to exceed the rate of inflation, but I ask the Premier how the Government can criticise those who now question the affordability of these public service wage increases when you raised similar questions in Parliament earlier this year. The fact is that wage costs are the single biggest element of the Government's outlays. The Government's responsibility is to hold the line against nominal wage increases in the areas where it can bring its influence to bear.

When a Liberal Treasurer starts defending as moderate and reasonable wage settlements well in excess of the rate of inflation then I for one start to worry. I am sure my worries are shared by many conservative voters especially in rural

areas where services continue to be cut back because these public service wage settlements are coming out of departmental budget allocations. It is on the outlay side of the budget that rural South Australians will get less bang for the extra taxation bucks that the Government is taking from them. What we see is an increase in the capital program of almost 50 per cent this year, representing capital spending of almost \$1 billion a year. Of this amount \$69 million is allocated for the Government Radio Network. With the total project cost of \$247 million the GRN is well on target to become another costly financial white elephant, almost of State Bank proportions.

When total budget outlay for the year is looked at by purpose, it becomes clear that the Government's largesse is very selective indeed. In health and education, the two largest service portfolios, current outlays are increased by less than the rate of estimated inflation. This means that budget funds available for service delivery and the everyday operations of education and health are actually being cut back this year. For example, current outlays on health are increased by just 1.9 per cent this year and, when expected salary increases are taken into account, it means that less funding is being provided in this budget for the delivery of health services than was provided last year. The reality is that this budget does not reflect a responsible underlying State economic management strategy. It is not honest in describing what is being done in the budget, nor is it honest in describing where the burdens of the budget will fall most heavily.

I want to conclude tonight by reiterating some views I expressed when I was invited to give an Anzac Day address in my electorate. My theme and my concern on speaking on that occasion was that political leadership must reflect and stay in touch with community priorities and aspirations but, if by their policies, particularly their budget policies, Australian political leaders show themselves to be entirely out of touch with the everyday aspirations, ideals and concerns of ordinary Australians, then the question must be asked: is the challenge and responsibility that leadership carries with it being met or are we being let down by our elected leaders?

When it boils down to this, when Government pursues policies which it knows are opposed by the majority of constituents, it is effectively disenfranchising those constituents. When the Government pursues policies that are not only opposed by most people but are also bad policies then, in my view, these political leaders are failing in their stewardship of this country and this State. There is no doubt in my view that bad Government policies will be brought into account by the electorate at the appropriate time. As a proud South Australian and a relatively new representative of the River

land in this Parliament, I have watched with growing concern the evidence that we are adrift as a State and that our political leaders have no clear view of where they are taking us or how best to get us there.

I have deep concerns about the integrity of this State budget strategy, about the less than frank manner in which the Government is dealing with South Australian taxpayers and the extreme vulnerability of the State's financial position when the economic cycle turns down in due course.

**Ms WHITE (Taylor):** I want to reiterate many of the comments made on this side of the House and at least once on the other side about the truth of the budget. This is a high taxing budget that will affect my constituents bitterly. It is a budget that shows up the Government's poor economic strategy, poor budget strategy and poor economic management. The big increases in spending in this budget go to consultants and projects such as the Government Radio Network. They certainly do not go to the very important fundamentals of health and education. The budget papers are particularly difficult to read under the new form of accrual accounting. They should be more easy to read but the Government has rearranged headings, left out figures and hidden important deficits in its strategy.

In this budget the Government has increased outlays by \$447 million. The two major critical areas of the budget, where you would expect to see additional money going—health and education—have been crucially cut by the largest cuts in the budget and I believe that typifies the attitude of the Government towards the people of South Australia. The Government does not mind spending more on consultants and deals for mates and very poorly targeted industry assistance but, where it is not spending, is on the health and education of its people. That is an indictment and the budget reflects a tax grab of unprecedented proportions.

The Government is blaming the failure to date of the sale of ETSA for that but, even if ETSA is leased or sold, my constituents will be facing enormous tax increases of hundreds of dollars per family per year. In my electorate it is getting more and more difficult for constituents to cope with increases as high as \$5, let alone these hundreds of dollars that they are now going to have to find in additional support for the Government's spending spree on consultants, mates and other than essential services.

I now wish to turn to my portfolio responsibility area of education and comment briefly before we go into the Estimates process on what is generally happening in the budget as it concerns education. Mr Speaker, I seek leave to have inserted in *Hansard* without my reading it statistical material in tabular form.

Leave granted.

Department of Education, Training and Employment Budget Strategy

	Budget Task	1998-99			1999-2000			2000-2001		
		Ongoing \$m	One-off \$m	Total \$m	Ongoing \$m	One-off \$m	Total \$m	Ongoing \$m	One-off \$m	Total \$m
A	Unavoidable cost pressures									
1	Year 2000 Compliance Project (total estimated cost is \$9 million)		2.5			1.5				0.0
2	Reduction in Liabilities Workers Compensation		2.0			1.0				0.0
3	State Government Efficiency Dividend	4.4			6.6			6.6		
4	Indigenous Education Strategic Initiatives Program				0.8			1.7		

## Department of Education, Training and Employment Budget Strategy

	1998-99			1999-2000			2000-2001		
	Ongoing \$m	One-off \$m	Total \$m	Ongoing \$m	One-off \$m	Total \$m	Ongoing \$m	One-off \$m	Total \$m
5	TVSPs (assume Government funding)								
6	Leave Loading increase	0.7		0.7			0.7		
	Total Cost pressures	5.1	4.5	9.6	8.1	2.5	10.6	9.0	0.0
<b>B</b>	Unfunded Government policy initiatives								
1	EBA (at 1995-96 prices)	5.2			7.9			11.1	
2	Provision for implementation for other policy initiatives	0.5			1.0			2.0	
3	On Line delivery of Vocational Education		3.5			3.5			
4	Non Government School Interest Scheme				0.5			0.5	
	Total Policy initiatives	5.7	3.5	9.2	9.4	3.5	12.9	13.6	0.0
<b>C</b>	Government Savings Task								
1	1 Per cent per annum towards Enterprise Agreement	11.2			16.4			19.6	
2	Other savings on State outlays	18.6			22.9			27.4	
	Total Government Savings Task	29.8		29.8	39.3		39.3	47.0	
	Total Budget Task	40.6	8.0	48.6	56.8	6.0	62.8	69.6	0.0

## Department of Education, Training and Employment Budget Strategy

	1998-99			1999-2000			2000-2001		
	Ongoing \$m	One-off \$m	Total \$m	Ongoing \$m	One-off \$m	Total \$m	Ongoing \$m	One-off \$m	Total \$m
	Proposed Savings Strategies								
<b>A</b>	Saving towards Enterprise Agreement								
1	Formation of DETE—Efficiencies in the longer term (assume 30 positions in 1998-99 and further 30 in 1999-2000)	1.5			3.0			3.0	
2	Shorter school year by 1 week	1.5			3.0			3.0	
3	Devolution of water, energy and telephone costs to schools	1.0			2.0			2.0	
4	Devolution of TRT Budget to schools	0.6			1.2			1.2	
5	Adult re-entry	0.5			1.0			1.0	
6	Site closures—rationalisation—recurrent savings	2.0			3.0			3.0	
7	Option for 90 FTEs	2.5			4.4			4.4	
	Sub Total—Enterprise Agreement	9.6			17.6			17.6	
<b>B</b>	Corporate Savings Strategies								
1	Absorb inflation on goods and services including school grants for 3 years	6.4			13.0			19.5	
2	Continued conversion to outcome cleaning contracts	0.5			1.0			1.0	
3	Continued rationalisation of school bus routes (to be absorbed by pressure on industry rates)	0.8 (0.8)			1.7 (1.7)			1.7 (1.7)	
4	Acquit portion State Recurrent Contribution under the National Child Care Strategy	0.5			0.5			0.5	
5	Commonwealth specific purpose grants for primary and secondary—supplementation	5.0			5.0			5.0	
6	Fringe benefits tax	0.5			0.5			0.5	
7	Procurement strategy	1.0			2.0			2.0	
8	DETAFE cross charge	1.0			1.0			1.0	
9	Non Government school sector (3.75 per cent)	1.2			1.6			1.9	
10	Generate additional income								
11	Balance of discretionary fund	0.5			0.5			0.5	
12	Means testing of transport concessions				1.7			3.4	
	Sources	26.2	0.0	26.2	44.4	0.0	44.4	52.9	0.0
	Net Shortfall/(Surplus)	14.4	8.0	22.4	12.4	6.0	18.4	16.7	0.0



## Department of Education, Training and Employment Budget Strategy

		1998-99			1999-2000			2000-2001		
		Ongoing \$m	One-off \$m	Total \$m	Ongoing \$m	One-off \$m	Total \$m	Ongoing \$m	One-off \$m	Total \$m
C	Use of cash reserves To pay for once off items above. Balance of available cash		13.3			6.0		0.0		
D	Further Group Savings Strategies									
1	Operations Group (including TAFE SA)	5.9			10.4			11.9		
2	Employment and youth	0.1			0.1			0.1		
3	Strategic development	0.4			0.5			0.5		
4	Programs and Curriculum group	2.1			2.1			2.1		
5	Resources group	1.8			1.8			1.8		
	Total Funding Sources	36.6	13.3	49.9	59.2	6.0	65.2	69.3	0.0	69.3
	Net Shortfall/(Surplus) including other savings options	4.0	(5.3)	(1.3)	(2.4)	0.0	(2.4)	0.3	0.0	0.3

**Ms WHITE:** This is a table of the Department for Education, Training and Employment's budget strategy 1998-2001. The Minister for Education, Children's Services and Training has confirmed the bottom line figures in this document. This information has been leaked to the Opposition and indicates the whole budget strategy for those three years. It is important so that we can see what happened with the budget last year and what is happening with the budget this year.

I refer to Treasury's budget cut to the education portfolio this year of \$39.3 million—that is the total Government savings task, as indicated in this table. However, members will see that the total budget task for this coming financial year is \$62.8 million, a difference of \$23 million. The Minister has said that he will meet that difference by calling on cash reserves out of his department. My question to the Minister is (and, with respect to these three years, we have a list of all the areas that were last year identified to be cut), if he is to meet \$23 million of savings out of cash reserves, which programs will he continue to cut and which will no longer be cut? Will he no longer cut the funding to TAFE? Last year, there was a \$3.2 million cut to TAFE institutes; this year, it will be \$7.9 million; and next year it will be \$9.5 million. They are the figures that were confirmed in Estimates last year.

If the Minister is using his cash reserves to find \$23 million, does he still intend to cut TAFE to that same vicious extent? Does he still intend to cut funding to schools by freezing school grants starting last year? The amount of money to be absorbed in that exercise is \$6.4 million last year, \$13 million this year and \$19.5 million in the following year. That freezing of school grants, of course, will lead directly to an increase in public school fees. A range of other cuts are listed and the Minister must explain, now that he has stated publicly that he will be meeting \$23 million of that budget task from cash reserves, which programs that he had previously identified to be cut will no longer be cut. He has been very silent on that, and I wonder why.

I have been talking about the recurrent budget under these budget papers. Now I would like to turn to the very important matter of spending on capital works under this budget. It is clear from the budget papers generally that capital spending generally across all the portfolios will be down this year on last year. What is also clear is the tremendous under-spend in the capital works budget in this current financial year, as has been the case in previous financial years since this

Government took office. Much of that capital spending slip has come from the health and education budgets: a number of school and TAFE projects have been announced and reannounced and have slipped back from year to year. The Government says that they are budgeted for but just does not do the work in that year, and we have significant shifts.

During Question Time today I asked the Minister about the budget for capital works and education. I asked the Minister, who put out a press release last week claiming a \$14.7 million boost in the capital works budget for education, how he got that figure. It is clear from the budget papers this year that the capital works budget for 1999-2000 is \$79.4 million. However, it has been repeatedly claimed that the capital works budget for last year was \$110 million. The Minister claims that he has increased the capital works budget. If that is so, why have the Treasurer and the Minister and his department repeatedly told Parliament that last year's capital works budget was \$110 million? We were told in Estimates last year that, of that \$110 million, \$84 million would be spent on schools, child-care centres and the like and that the rest would go towards TAFE capital works.

The Minister reiterated those figures on 30 June last year, when he told me, in answer to a question on the budget for schools, that the budget for schools had been cut from \$106 million the previous year to \$84 million in 1998-99. During Question Time today, when I asked the Minister about that budget figure and the accuracy of the information that has been given to this Parliament over 12 months, the Minister said that he would have to check the figures, even though he put out a budget press release last year asserting a \$14.7 million increase in that budget spend.

The Minister must explain, and I will be looking very carefully at his explanation, because he cannot have it both ways. He cannot have told Parliament that the budget last year was \$110 million, that the budget this year is \$79 million, and claim that he is increasing the budget. Somewhere this Parliament has been misled, and it is up to the Minister to correct any incorrect or misleading information that has been given to the House.

Another quite obvious point that I would like to raise with respect to the education budget is that, while we are going through this period of savage cuts to education in this State, the Minister has been busily collecting a cash reserve within his department. Grants to schools are being frozen, the TAFE system is suffering significant massive cuts, school bus routes are being cut back and a week has been cut from the school

year to save money. While all that has been taking place, the cash reserves from July 1998 have increased from \$86 million to \$142 million in June 1999, and they are forecast to increase again to \$144 million by June 2000. So, while schools and education have been cut back, the cash reserves have increased by \$58 million. This year, education is getting \$39 million less from Treasury but the cash reserves that have been built up over that time amount to \$58 million. One has to ask how this Minister can justify the severe cuts to education while his department has been building up this significant cash reserve—perhaps for a future election spend in an election year. Meanwhile, students and school resources are suffering. We are told that 30 schools have to close, and 100 teachers received redundancy packages last year.

In relation to the issue of teachers, this week we heard the Minister say that, last year, there was a net increase into the public school system from the private school system of 500 students. The Minister got rid of 100 teachers last year. He will have an increase of 500 students this year. On Monday, during his initial media comments on this issue, the Minister said that he would be going back to Treasury to ask for more money. Four days after the budget, the Treasurer's representative in this House said that he would be going back to Treasury to get more money because he had more students and he would need more teachers—after getting rid of 100 teachers last year. But the Minister had to put out a clarifying statement. No doubt the Treasurer telephoned him and said, 'Fix this up.' The Minister issued a clarifying statement and I have a record of a very poor interview with the Minister in which he had to try to explain away how he made that blunder in the first place. The Minister had to explain away the fact that, even though he would have those students, he would not need more teachers. Obviously class sizes will be impacted.

The main message from this budget is severe cuts to education and massive amounts of cash reserves (\$144 million by next year) while, at the same time, school children are having to do with less. That is the plan of this Government for South Australians. That is the plan of this Government, which is raising taxes to the hilt to cover for its poor economic management; to cover its blow-outs and matters such as its unfunded superannuation position; to cover consultants' costs and a Government radio network that has blown out by \$100 million; and to cover poorly targeted money to industry as a result of poor economic management. The Government is using a veil by saying, 'If we could sell ETSA all would be rosy,' but what the Government is covering up is a poor budget, poor economic management and a blow-out in spending while at the same time the important areas of education and health are being cut to the hilt. The South Australian public deserves better than this Liberal Government.

**The Hon. G.M. GUNN (Stuart):** I am pleased to participate in this debate. I have had the privilege of sitting in this House for many years and I have listened to a number of debates and heard a number of Treasurers bring budgets to the Parliament.

**Mr Atkinson:** And 'sit' is an appropriate verb; it sums up the whole—

**The Hon. G.M. GUNN:** Does the honourable member have an ounce of decency? Some of us did not have the same educational opportunities that he might have had. However,

everything that I have done, I have done through bloody hard work and not through the snide, nasty and vindictive attitude that comes from this Opposition. The speech we heard from the Leader of the Opposition today was full of hatred, dishonesty, lies, misrepresentation and complete inaccuracy.

**Mr ATKINSON:** I rise on a point of order, Sir. The member for Stuart just said, in case you did not hear, that the Leader of the Opposition's speech on this very debate was full of lies. I think that is unparliamentary when applied to an individual and I ask you to instruct the honourable member to withdraw.

**The SPEAKER:** If the honourable member did say that he should withdraw in accordance with parliamentary tradition.

**The Hon. G.M. GUNN:** Mr Speaker, my comments were made completely in line with the comments made by the Leader of the Opposition and ruled on by your Deputy. I raised a point of order, Mr Speaker; the Leader did not withdraw so I do not intend to withdraw.

**The SPEAKER:** There is a difference between whether an honourable member implies that the Government lied or an individual lied. I think that, in this particular case, if the honourable member starts to allude to an individual's lying then it is not within the tenor of debates in the Parliament and he should desist. If it is the Government that is lying that is a different matter, and I ask the honourable member to take that into account in the framing of his words.

**Mr ATKINSON:** Sir—

**The SPEAKER:** No, the member for Stuart has the call.

**Mr ATKINSON:** But, Sir, you required the member for Stuart to withdraw.

**The SPEAKER:** I did and the honourable member—

**Mr ATKINSON:** And he has not withdrawn, Sir.

**The SPEAKER:** The honourable member will resume his seat.

**Mr ATKINSON:** The member for Stuart is defying your authority, Sir.

**The SPEAKER:** No, he has not defied my authority. I have asked the honourable member to consider carefully the words I said. The member for Stuart.

*Members interjecting:*

**The SPEAKER:** If the honourable member was referring to the individual, I think the honourable member should consider withdrawing; if he was referring to the Government in general lying, that is a different question.

**The Hon. G.M. GUNN:** I do not need the advice of the malcontents sitting opposite. I do not need their advice.

**The SPEAKER:** Order! I am sure that members opposite do not intend to get involved in this. The matter is between the member for Stuart and the Chair. The Chair believes that, if the honourable member was referring to an individual, he should withdraw.

**The Hon. G.M. GUNN:** All I say is this: I draw your attention—

**The SPEAKER:** No, I am sorry. The Chair—

*Members interjecting:*

**The Hon. G.M. GUNN:** I am getting advice—

**The SPEAKER:** I am sorry; the Chair has requested that, if the honourable member was referring to an individual, under the circumstances the honourable member should withdraw.

**The Hon. G.M. GUNN:** I am very happy to rephrase my remarks, Mr Speaker.

**The SPEAKER:** No, I am sorry; the honourable member should withdraw his remarks if he was referring to an individual, and I would ask him to do so.

**The Hon. G.M. GUNN:** I do not believe I was but, Sir, if it is your direction I am happy to withdraw and say that I believe the Opposition was not telling the truth and was telling lies—very happy.

*Members interjecting:*

**The SPEAKER:** Order!

**Mr FOLEY:** I rise on a point of order, Sir. That is clearly a reflection on your ruling. The honourable member must withdraw; if not, he should be named.

**The SPEAKER:** The honourable member, in my opinion, has withdrawn the inference to the Leader of the Opposition. He is now referring in general terms. The Chair is prepared to accept that and call on the member for Stuart to continue the debate.

**Mr Atkinson:** On the basis that he withdraw.

**The SPEAKER:** On the basis that he withdrew his reference to the Leader of the Opposition.

**The Hon. G.M. GUNN:** Members opposite like to hand it out but, when a bit is handed back, they cannot take it.

**Mr Atkinson:** After your four years in the Chair, mate, I took a lot.

*Members interjecting:*

**The SPEAKER:** Order! I know that some members have had some activities earlier this evening. I would like the debate to concentrate on the question before the Chair.

**The Hon. G.M. GUNN:** In my time in this Chamber, I do not think I have ever heard a more vicious and vindictive approach and response to a budget. I thought that the Opposition's role was to put forward constructive alternatives and suggestions on how it would manage the economy. I sat in this Chamber for about 45 minutes, unfortunately, and listened to the Leader's speech. I was looking forward to hearing some alternative suggestions on how the Leader of the Opposition would run South Australia if we were unfortunate enough that he had that opportunity, but we heard nothing.

Not one suggestion was put forward on any alternative process. Not one alternative was given as to how the Opposition would raise revenue, how it would expend it or how it would attract industry. We all know there is one way to improve the welfare of the people of South Australia, and that is to create a bigger cake so that we can spread it further. That is the only way, but what have we had from this Labor Party? I came into Parliament in 1970. The Labor Party promised to build a dam at Chowilla. What happened? Nothing.

**Mr Foley:** I was still in primary school.

*Members interjecting:*

**The SPEAKER:** Order! I am quite happy to go back to my check list in Question Time and continue it on. I ask members to come to order and allow the member for Stuart to make a contribution.

**The Hon. G.M. GUNN:** The next great debate we had was about whether we should allow for the construction of one of the largest mining ventures that this country has ever seen. Members of the Labor Party opposed that process which has brought great benefits to the people of South Australia. All they appear to want to do is say 'No' to every suggestion that is put to the Parliament on any major issue. It is rather unfortunate.

**Mr Atkinson:** But we say it so nicely.

**The Hon. G.M. GUNN:** I don't know whether you say it so nicely; you don't say it very constructively or very

wisely. Members opposite snipe and sneer at every project that has been put forward, regardless of whether it is in the west of South Australia or having some decent exploration in Yumbarra. What do we have? I understand they have Vera Hughes from the Wilderness Society helping them. How do you ever expect to attract any industry to South Australia when you have people like that advising you? I just wonder. There is no mining there. All members opposite want to do is be negative and nasty about every project that is put forward. I ask the Opposition: where are your alternative policies, plans and suggestions? Anyone can say 'No.' Where are your alternative plans? The member for Elder has been loud and boisterous in this Chamber in his short time here, but we have not yet heard from him any alternative suggestions on how we would improve the economy of South Australia.

**Ms Breuer:** It would be an improvement if we could get rid of you!

**The Hon. G.M. GUNN:** Well, you've been trying for a long time, girlie, and that's something you can never achieve.

*Ms Breuer interjecting:*

**The SPEAKER:** Order! The member for Giles is not contributing to the debate whatsoever.

**The Hon. G.M. GUNN:** The honourable member has on her staff Mr Negative No. 1. She has Eddie Hughes. What has he ever done, except knock people?

**Mr ATKINSON:** I rise on a point of order, Mr Speaker. I would ask for your ruling, Sir, on whether it is parliamentary language for the member for Stuart to refer to the member for Giles as 'girlie'.

**The SPEAKER:** It is not appropriate, if that is the case, and I do not think it adds to the tenor of the House. My mind was distracted at that particular time. I ask members to try to conduct the debate in accordance with Standing Orders. Before I resume, I ask also that the member for Stuart be heard in silence and that the debate settle down.

**The Hon. G.M. GUNN:** Thank you, Mr Speaker. It is entirely up to members opposite; if they want to interject, I am happy to respond.

**An honourable member:** Withdraw!

**The Hon. G.M. GUNN:** I'm not going to withdraw anything. I've got nothing to withdraw. The honourable member started off by interjecting. The honourable member was trying to coach you; you really should have started a long time ago.

**Ms BREUER:** I rise on a point of order, Mr Speaker. I would ask that the member withdraw the remark 'girlie'. I am somewhat flattered that he would still see me as a girlie, but I consider it a total aspersion on my sex. I would prefer to be referred to by my correct title rather than 'girlie', boyo!

**The SPEAKER:** Order! I did not hear the remark. It is not what I would actually put into the classification of an unparliamentary remark. I would put it more into the category of an inappropriate remark. If the honourable member has taken offence and has asked for it to be withdrawn, perhaps the honourable member may consider it. Other than that, I ask that the debate proceed.

**The Hon. G.M. GUNN:** If the honourable member is so thin-skinned, I am quite happy to withdraw. If the honourable member wants to have a fight: Frank Blevins said to me, 'There's a few things you want to ask her.' I might do it one day—quite a few interesting things about how she treated her staff, and all those sorts of things. I could go into all that, if you want me to.

**Mr FOLEY:** I rise on a point of order, Mr Speaker. The member for Stuart has imputed improper motives on the member for Giles—indeed, improper conduct. I suspect that the member for Stuart has strayed into a very dangerous area, and I ask that you, Sir, guide the member for Stuart on what should be appropriate.

**The SPEAKER:** Order! The member will resume his seat. I do not uphold the point of order. The member would have to go into far more detail than that to incur the Chair's displeasure. I ask members to settle down and remember what this debate is about. Members should let the member for Stuart make a contribution and let it be heard in silence.

**The Hon. G.M. GUNN:** Thank you, Mr Speaker. I am personally concerned about the welfare of the people of South Australia. I want to see the people given an opportunity to go forward and develop the State, and make it a productive place for young people to grow up and have the opportunity of building a successful life. The only way that will take place is if the Government acts in a manner that will create opportunities. The very reason that we unfortunately have extra revenue measures before this Chamber is that—

**Mr Foley:** You can't balance your budget.

**The Hon. G.M. GUNN:** For someone to interject who was one of the financial advisers to a Government—

*Mr Foley interjecting:*

**The SPEAKER:** Order! I warn the member for Hart.

**The Hon. G.M. GUNN:** —that absolutely destroyed—

*Mr Foley interjecting:*

**The SPEAKER:** Order! I warn the member for Hart for the second time.

**The Hon. G.M. GUNN:** —business confidence in South Australia, I am absolutely amazed that he would make such a comment. Some of us—including you, Mr Speaker—sat in this Chamber year after year when the economy of South Australia was run down. The member for Taylor talked about superannuation liabilities. Premier Dunstan set up the new superannuation scheme in South Australia and I well recall it. It was not long after that that the Public Actuary got sacked, I understand. However, no provision was made in the budget to fund it. Members opposite were loud of their criticism of Joh Bjelke-Petersen, but at least he provided for their superannuation on an annual basis. If the honourable member wants to talk about superannuation, she ought to take a quick look in history and see who created the problem and who was responsible for not making any provisions.

I am pleased to see in this budget that my constituency will receive funds to build tourist roads in the Flinders Ranges which will create opportunities, that the water scheme in Hawker will get upgraded, after years of people complaining about the poor quality of water, saying that it is below world health standards. Now something will be done about it, and it is high time it was. I commend the Government for it. All I want to say is that I am appalled that we have here for over a week and we have not heard from the Opposition one constructive alternative of how to remedy the difficult financial situation South Australia that faces. The difficulty we have is not of this Government's making. We were not the ones who sat idly by and let the Leader of the Opposition's mate Marcus Clark run the State Bank down. Who was responsible for Marineland and SGIC? So we could go on. Who was it?

*Members interjecting:*

**The SPEAKER:** Order! I remind honourable members that the warnings given in Question Time are as applicable now as they were then.

**The Hon. G.M. GUNN:** In addressing the Appropriation Bill, all I want to do is cast accurate aspersions upon the Government. It has no idea of how to solve the problems facing the people of South Australia. It appears to me to be opposed to every mining development in South Australia. It panders to every minority group that puts on a turn around the State. It sides with them. The shadow Minister for the environment seems to be an agent for the Conservation Council, which is the most negative group of people you would ever come across. Unfortunately, the people of South Australia are not getting good value from the Opposition, because it does not appear to have any constructive alternative on how to manage the affairs of South Australia. No-one likes increasing taxes or charges. However, at the end of the day, we have members in this House demanding more and more daily. Perhaps Ministers ought to do a—

*Mr Atkinson interjecting:*

**The Hon. G.M. GUNN:** I have been as successful in this world as you have been. If the honourable member had to go out in the real world and stand on his own feet, I would like to see how he would battle. The honourable member could not look after an electorate like many of us have because he has no means of getting himself around it.

*An honourable member interjecting:*

**The Hon. G.M. GUNN:** As long as it is one, you know that. I say to the people of South Australia that they should demand of the Opposition—the alternative Government—some alternative policies and suggestions, because on a daily basis they want more money spent. Ministers ought to start drawing up a list of all the demands for extra expenditure. Each ministry ought to have a chart. Every time the Opposition asks for more money to be spent, we can do a tally to see how much in a six month period it has asked for in extra expenditure, and keep updating it. It would be an interesting exercise to engage in, because the amount would be substantial.

*An honourable member interjecting:*

**The Hon. G.M. GUNN:** Let the honourable member go back, play with the power station and see how she gets on; that is what she wants to do. I am happy to support the measure and look forward to the budget Estimates Committees.

**Mr LEWIS (Hammond):** The first thing to which I wish to draw the attention of the House is the glee with which I greet the prospect of having filtered water for the majority of people in the towns of the lower Murray in this coming year, as provided for in the budget and foreshadowed many years ago. That is a credit to the Premier from the time when he was the Minister responsible for such matters. It will not be long before all of us will be able to wash our white shirts in Murray Bridge in the full knowledge that, after we have washed them, they will still be white.

**Mr Hanna:** It will come up like that one.

**Mr LEWIS:** Indeed. And I do not do my laundry in Murray Bridge for that simple reason: the water moves so quickly through the storages supplied to the town after it comes from the river that it is literally filthy. On some occasions, after taking my shower in the morning, when I get out of the shower and look at myself in the mirror, I mistakenly believe that I have a suntan. That is how filthy the water is. The suspended material makes it impossible even to feel clean. My wife and I bought a whole new suite of towels that were a nice light brown colour just so that we did not feel so

badly about having dried ourselves following our morning shower.

I know that is the way that other people in the town feel, although many of them have got used to it now. Even the grass in the lawn, whether on the high school oval, the football ground, the cricket pitch or the back yard, is brown after you irrigate. Most people would like to see their lawn looking green. However, unless it rains, you do not get to appreciate the real colour of the grass in your lawn in Murray Bridge if you water it; and if you do not water it, it will die. That is not so much the fault of the Government but the fault of some silly fool who put European carp in the Murray-Darling river system. It has done amazing damage, and that draws me to the next problem I see arising from the appropriations, which has not perhaps been addressed in the way in which I would like it to have been addressed, because it crosses portfolio areas of responsibility.

We do not have a strategy to seriously deplete through exploitation the population of carp in our river: we just have this wishy-washy commercial fishing licence arrangement that we, as a State, hope will result in sufficient numbers of the damn fish being removed from the river—

**Mr Hanna:** Get Dorothy Kotz onto them.

**Mr LEWIS:**—I thought that was what this debate was about—to reduce the numbers to the point where they would do less damage than they do now. They have been more devastating in their impact on other native species, not because they eat them—they eat their eggs—but, more particularly, because the poor devils cannot breathe in the water that I have to wash in, as the carp are so persistent and effective, from their point of view, in stirring up fine solids and ensuring that they remain suspended, even enabling huge volumes of colloidal material that once animated in river water to remain there.

Colloids do not settle out, by definition, unless they have been neutralised and flocculated. They remain suspended and make it impossible for the sunlight to penetrate the water to the aquatic plants upon which the native species depend in the food chain. Worse, by stirring up the mud they make it impossible for the native fish to live, because the mud simply clogs their gills and they die of suffocation in great numbers.

*Mr Hanna interjecting:*

**Mr LEWIS:** The purple spotted gudgeon is the best example. It has been wiped out in the river system simply because carp is there. There were other factors affecting it and depressing its population until carp came along, but now the purple spotted gudgeon has gone. It has been put back in the reserve of water, the pond, in the natural depression in the army firing range to which the effluent water from Murray Bridge sewage treatment is pumped, but that will not last forever. And that brings me to the next point.

We have not yet done sufficient to ensure that we make best use of that water, and we could have. It is not likely to be an expense to the State's taxpayers, but some seeding funds need to be provided. I am pleased with the progress that has been made with people responsible at the most senior levels of management in SA Water to allow, for instance, private irrigators now to apply for and gain access to water pumped from the river on their behalf on a licence they own through that pipeline. But what we need to do is make better use of that waste water around the State. It ought not simply to be put into ponds and treated as a problem so that it can then evaporate, because those ponds will become increasingly saline as time goes by.

The practice of putting the water into evaporation ponds is not sustainable in perpetuity. It has to be used in a way that makes it possible to derive some income from it. I know the army has a good contract, but the problem is that what is being done with the water is not sustainable. Simply pumping more and more water with its dissolved salts into that depression will result eventually, through evaporation, in the salinity level becoming so high that it will be worse than the Dead Sea. It is not sustainable.

The next matter to which I wish to draw attention is a serious problem that has plagued me almost all the time I have been here—and it has become worse over time—and that is the problem of youth suicide, particularly amongst young men. Their role models have been debased in value. When it comes to the income derived by people engaged in traditional rural pursuits as farmers, dairy farmers, pig producers or poultry meat producers, their fathers before them were effective and successful and made an enormous contribution to the balance of payments of this country, and still do. The grain is still harvested every year, the wool is still shorn, pressed into bales and sold, and the beef is still taken, slaughtered and sold, and the balance of payments contribution coming in is still enjoyed by the rest of us, but the actual profit, the margin that is left, is so small that the lifestyle left to those families engaged in that production is depressingly low. It is below the poverty line and less than they would earn on the dole.

When young men first attempt to establish themselves, year after year they are told it will get better, it will come good, the cycle will change in the normal course of events. But it never does, because incremental increases in the cost of production take away any benefits that accrue, and the cost of buying the neighbour's farm strips away the income that the family would otherwise have had, leaving them with a disposable income level so low that the young men, when they first seek the hand of a young woman in a permanent marriage relationship, find themselves rejected and cannot cope with that rejection.

They do not understand what is wrong with them; they do not understand why they should be so treated after making such a realistic and reasonable contribution. They work hard, but they see themselves as having nothing to offer the community in which they live and nothing to offer any person with whom they would want to share their life, and no prospect then of their becoming fathers themselves and raising families. So they take their life and they do it in increasing numbers. The level of suicide amongst young men in rural Australia is the highest now that it has ever been in any developed nation any time in human history, and to my mind that is an enormous tragedy that must be addressed.

That brings me to my next topic, regional development, and I commend the member for Flinders for the enormous effort that she made in conjunction with other people during the last 12 months in visiting rural centres around South Australia and travelling throughout the regions, listening to what people had to say about what ought to be done and putting all that information quite properly into a report which has recently been made available by the Premier and through the aegis of the Deputy Premier's office and that of the Minister for Trade and Industry. That report made recommendations about what needs to be done.

Whilst I see in the budget some recognition of the need to address that problem, I cannot for the life of me stomach it when I find Government agencies coming before the Public Works Committee, which I have the honour and responsibility

ty to Chair, asking for money to spend on pet projects which are not viable and which will do nothing to enhance the health of the people who will use the facilities erected at public expense. A sedentary activity such as sitting and watching a sport is not good for the health. It may be good for the feelings of the moment, but it is certainly not good for one's health. One needs to be encouraged to exercise. I am not saying that the sport of itself is not a grand endeavour and something useful for those who are engaged in it, but for God's sake, for your sake, for my sake and for the sake of the people I represent, it is not a good way to spend money, to put facilities there for people to sit in that they are not otherwise prepared to pay for and that they are not otherwise capable of supporting.

We have other, higher priorities for that money in areas like regional and rural South Australia which have been too long neglected by Governments of all political persuasions, even before I came here. It is not proper to marshal our priorities politically, as it were, to suit the outcomes of elections when in consequence of doing so we do two things: first, destroy the capacity of the economy to generate the wealth through the balance of payments upon which we depend to sustain the lifestyle to which we have become accustomed; and, secondly, deny the very people who produce that wealth anything like a reasonable lifestyle, where they get no profit from it or so small a profit that they would be better off if they were on the dole.

I turn now to another problem, and that is the necessity for us to quickly recognise the needs of the disabled rather than the needs of the wealthy middle class who may influence the outcome at elections just because they want better circus venues and cheaper bread. Middle class people can well look after themselves and we need to pay more attention to the problems emerging in the Department of Human Services and to deal with those families who have the misadventure to have someone seriously disabled as a member of their family. They need adequate respite because it is not fair to require them to continue year in, year out, decade after decade, to sacrifice their life for someone they love. It is also important to ensure that the people who suffer that disability can derive a better quality of life.

The Duke of Edinburgh got it right when he opened the Strathmont Centre many years ago, but conventional wisdom in these contemporary times tells us that that kind of institutional care is not appropriate, yet we seek to duplicate it. I am sure that there are people who do need and will continue to need institutional care of that kind and there are other people who wish, and are capable and willing, to undertake not only the training to provide it but also to make the commitment to look after them. More attention needs to be given to that. I was the only member of the Liberal Party, as I recall, at a meeting held less than a month ago on a Sunday afternoon which was also attended by the member for Florey, the member for Elizabeth and many others, where we saw the personal tragedy and enormous burden and difficulty suffered by those people.

I move on from that to the domain of health and point out that I do not see that the best interests of South Australia in particular or Australia in general are served by any policy that does anything other than force those who can afford to pay for their own health care to do so. I do not think it ought to be socialised. There must be more encouragement and incentive from the Federal Government for people to rejoin private health funds and greater penalty needs to be applied

to those who could meet their private health insurance costs or carry their own risk.

**Mr Hanna:** That is what socialism is all about.

**Mr LEWIS:** No, it is not. I do not see that I should have to pay for anyone else's health care: I did not expect anyone else to pay for mine. It is possible for us all to insure against that risk and we should be doing so and greater incentive ought to be provided for us to do so. We will simply drown in our own debt if we imagine that someone else can pay, because those of us sitting in this place are old enough to be part of a generation of geriatrics who will live for so long that the people younger than us, not well represented here in number with the exception of the member for Peake and a couple of others who fit this category, will not be able to carry the burden of the high health cost of looking after the hundreds of thousands of us living extended lives in geriatric twilight.

**Mr Hanna:** We'll all have to share the cost.

**Mr LEWIS:** I am not saying that we should all share it equally. I am saying that we should set aside some of our income in a properly managed insurance fund and we also need to take greater control of the level of demand for payment made by doctors from both the public purse and our own pocket in meeting that cost. They do not have the commitment of service to the community that doctors had in my experience as a child, and I am disappointed by that.

Having commended the member for Flinders for the work she did in regional development, I will move straight past that now to deal with a matter of great import as far as I am concerned. I am anxious to learn, and so far I have been disappointed because I cannot discover it, what is being done to deal with the year 2000 problem. Notwithstanding the publicity that we have received about that, there has been no provision of funds anywhere and no attempt has been made to audit, check or verify that the stuff that is being sold as product by those who are peddling it to fix the problem will actually work. Yet small, medium and large businesses across the board are buying that product, whether it is hardware or software, installing it and believing that it will solve their problem and there has been no check as to whether or not it will perform. No attempt is being made to do that.

It is easy to install these kinds of programs or hardware, wherever they are bought, but we need to be sure that it will work when we do so. It has to be able to work on all common operating systems including DOS, Windows, Windows 3.x, 95, 98, NT, Novell, OS2 and Unix. It needs to be able to work in PCs, whether it is a 286, 386, 486, 586 or Pentium, because they all have some problem in prospect. It needs to be reliable and safe, and we need to have products that can be checked by independent auditors and proved by some Australian Standard that they will work. The tragedy is we have made no attempt to do that and it is about time we did.

I am told in correspondence that has come across my desk that year 2000 non-compliance is mistakenly considered to be a problem of earlier than the 486 PC. Well, it is not. The 486, 586 and some Pentiums can have the problem, and so can the programs that have been installed in them when they have been sold. In fact, virtually all 486s will fail unless fitted with a rollover that is capable of dealing with the problem. Some 93 per cent of chips in the 586 produced before 1997 will fail.

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

Bill read a second time.

**The Hon. M.H. ARMITAGE (Minister for Government Enterprises):** I move:

That the Bill be referred to Estimates Committees.

Motion carried.

**The Hon. M.H. ARMITAGE (Minister for Government Enterprises):** I move:

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

Motion carried.

### FINANCIAL SECTOR REFORM (SOUTH AUSTRALIA) BILL

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clauses 21 and 38, printed in erased type, which clauses, being money clauses, cannot originate in the Legislative Council but which are deemed necessary to the Bill. Read a first time.

### FINANCIAL SECTOR (TRANSFER OF BUSINESS) BILL

Received from the Legislative Council with a message drawing the attention of the House of Assembly to clause 8, printed in erased type, which clause, being a money clause, cannot originate in the Legislative Council but which is deemed necessary to the Bill. Read a first time.

### APPROPRIATION BILL

**The Hon. M.H. ARMITAGE (Minister for Government Enterprises):** I move:

That the House note grievances.

**Mr KOUTSANTONIS (Peake):** I was touched by the member for Hammond's speech about youth suicides in our regional areas. It is probably the greatest disaster afflicting us in South Australia that so many of our young South Australians are taking their own lives and that we are virtually powerless to stop this tragedy from occurring. The loss of opportunity, the ever-growing increases upon young farmers and young adults living in regional South Australia just goes to show how far both political Parties have failed these young people in regional areas and how we must act urgently to try to remedy this position.

I hope that the next Rann Labor Government will address that issue, because obviously this Government is not, even though there are some valiant efforts by Government backbench members, such as the member for Flinders and the member for Hammond. They are trying to do their best for regional areas, but when they have their hands tied by a Government committed to ideological economic rationalist goals to try to get this State moving, which obviously are not working, it is making their jobs a lot harder.

Today, the Leader of the Opposition announced *Waste Watchers*, and I want to get the name of that committee right every time I announce it. The Opposition is planning to flush out this Government. Even though it has run consecutive election campaigns on economic and financial responsibility, this Government is one of the worst perpetrators of economic mismanagement in this country. It has taken advantage of the State Bank disaster, and to its credit has done it very well, but it has managed to hide and cover up its own failings and mismanagement.

Today we had the hapless Minister for Education and Children's Services, who is the Treasurer's representative in this House, not even knowing budget forecasts for the capital expenditure on education and programs dealing with his portfolio. It is an absolute disgrace that the Minister who has carriage of that Bill in the Lower House, the Treasurer's representative in the Lower House, does not even know his own budget figures.

**Mr Snelling:** His own portfolio?

**Mr KOUTSANTONIS:** For his own portfolio. An absolute disgrace! It just goes to show how important it is that the Opposition in South Australia is as effective as it is, because we are holding members of the Government to account for their mistakes. We are catching them out. We are letting the good people of South Australia know exactly when this Government is making mistakes. We are finding holes in its budget. We are not happy when we find holes in its budget. We do not sit there with glee. We do not want the Government to fail; we want the Government to succeed. I want the Government to succeed.

I want the Government to lower unemployment and create jobs. I see the member for Flinders shaking her head in disbelief. It is amazing how, when the member for Unley comes into this place and says, 'You always think us Conservatives have the wrong motives, that we are trying to hurt people,' but as soon as a member of the Opposition gets up and says, 'We hope the Government succeeds,' we see members of the Government shake their head. Well, shame on Government members, because the Opposition does want the Government to succeed. We want them to do well. We do not want to see them fail. We might disagree on items of politics and ideology but, ultimately, every member in this place has the best interests of South Australia at heart. That is why we all stand up to be counted in this place. That is why we all put our names on the ballot paper. It is not because of any personal or monetary gain, but because we want to do better for our constituents. We want to improve their lot. We in the Labor Party believe we can do it better than the Government, but we do not want to see the Government fail.

This budget fails miserably. It fails miserably for the western suburbs. The Queen Elizabeth Hospital is in urgent need of restoration. In fact, it is such a badly maintained hospital, there is no air-conditioning. The Queen Elizabeth Hospital basically has an air-conditioning system that is run by fans. The QEH has purchased fans, put them on stools and put one in every ward. That is how it manages its air-conditioning system. It is an absolute disgrace. The only place where they have any form of air-conditioning is in the obstetrics ward, and even that needs to be upgraded.

The other part of the budget that fails the western suburbs is in relation to Adelaide Airport. The current Minister for Transport (Hon. Diana Laidlaw) failed to ensure that adequate measures were taken when the runway extension at the Adelaide Airport was carried out. When the Patawalonga Creek was filled in to facilitate the extension of the runway, the State Government and the Federal Government made no facilities for the extra stormwater run off.

By filling in the Patawalonga Creek they have ensured that, if we get heavy rain in the western suburbs, homes in Lockleys, West Beach and Brooklyn Park will flood quite dramatically. I have asked the Minister what she thinks she can do about this and she has told me that remediation would cost about \$10 million. She said, 'If you sold ETSA, we could do something about it but, if you do not agree to sell ETSA, you cannot get this money.' I expect that tomorrow

the Government will be able to sell ETSA and I will be knocking on the Government's door asking for \$10 million for my constituents. Indeed, I am sure that many Labor backbenchers will be approaching the Government, because many times the Premier has said, 'We would love to spend money in your electorate, and we would love to upgrade hospitals, fix schools and spend more on police, health and education, but we can't because you will not let us sell ETSA.'

We will hold the Government to account and make sure that every promise made by every idiot Minister after the Bill to sell ETSA was introduced is kept. Ministers were asked stupid questions about what they would do if they had the \$2 million a day now paid in interest, and we will hold every Minister to account and make sure that every single cent they promised in those speeches is realised, because now the Government has no-one to blame. It has no more bogey man; it has no more excuses; this is it. Unfortunately, after tomorrow ETSA will be gone and the Government will have no-one else to blame. Government members will have to come in here and look us straight in the face and say, 'We have sold ETSA and here is what we are going to do with the money.' I suspect that the Government will come back into the House and say, 'It was the State Bank. We have sold ETSA and that is good but, if it wasn't for the State Bank, we could have done more.' I can predict exactly what this Government will do: it will do absolutely nothing because, over the six years it has been in power, it has done nothing.

It has seen unemployment rise and it has seen South Australians leave South Australia in droves. The Government has failed South Australians in education, health, policing and crime. The Government has failed regional South Australia, and the proof of that is the three Independents sitting on the cross-benches. They are certainly proof that this Government has failed regional South Australia. We have heard Government members claiming—and I must admit that they have tried their best—that they represent rural South Australia, but the evidence that they do not represent rural South Australia is the three Independents sitting on the cross-benches. Indeed, they are the proof that rural South Australia is fed up with the conservative Government after four years.

Only one Labor member represents rural South Australia: the Hon. Frank Blevins, the former Deputy Premier, held the seat of Giles, and was followed by Lyn Breuer. We narrowly lost the seat of Stuart but we ensured that three Liberal MPs lost in those crucial Government seats, and we will be doing more in holding the Government accountable for every promise it has made. The Government has made many promises and has broken them all, claiming it was all because of ETSA. ETSA will be gone tomorrow—and I see members hanging their heads because they know what is coming. I refer to all the promises that the Premier made, promising everything to any corporation that would come to South Australia. He promised everything 'if only we could sell ETSA'. Well, tomorrow the excuses run out. We will be here next time Parliament meets to hold the Government to account and to ensure that every promise made by every Minister that was conditional on the sale of ETSA is realised. I assure the House that one thing the Premier did not count on was selling ETSA. Now that it will be sold, the Government will be shot.

**Mrs PENFOLD (Flinders):** It is my pleasure to be part of a State Government that is progressive and positive. Employment is usually accepted as a key indicator of

economic health, and the unemployment rate in South Australia has fallen to 8.3 per cent. The Australian Bureau of Statistics trend figures are used as an indicator of the strength of the labour force. Recent figures show that unemployment in the State has dropped for the ninth consecutive month, while the number of people in full-time employment has risen for the eleventh month in a row. In fact, the latest ABS labour force survey results give the long-term employment figure as 658 900 people in work in this State—the highest number ever.

All this is good news: it is news that every person in South Australia should be familiar with, yet many have never heard it. The Government has supported sustainable development both to create employment and to bring revenue to the State. The tuna industry is an example. Port Lincoln tuna fishermen were the first in the world, as far as I know, to push for catch limits on southern bluefin tuna. The late Bill Haldane, who was a pioneer in the industry, worked for many years to get recognition of the pointers that indicated a resource under threat. His work, and the work of others in the industry, eventually led to the tripartite agreement between New Zealand, Japan and Australia on catch quotas. This work was being done years before environmentalists such as those who support Greenpeace jumped on the bandwagon. Of course, these three nations are not the only nations in the world that fish for southern bluefin tuna.

Australia has honoured its obligations under these agreements. Those who express concern about our environment and who are opposed to tuna farming would gain support by acknowledging the positive efforts of the tuna fishery in this State to conserve southern bluefin tuna. Tuna farming is a progression of those efforts. The ultimate aim is to get tuna to breed in captivity so that the preservation of the resource is assured. Much of the criticism of the industry in recent weeks has been erroneous and undeserved. One reaction could be to ignore all criticism; however, it is to the industry's credit that decision makers have not gone down this road. Instead, the industry itself is taking steps to overcome identified problems. When people work together in a cooperative and conciliatory manner, problems can be overcome. That is what is happening in the tuna industry.

Because of public disapproval earlier this year of tuna farms sited near Rabbit Island, Eyre Regional Development Board and Port Lincoln City Council moved to have a briefing forum where participants could present their views. The intention was to provide the board, the council and other interested parties with a better understanding and appreciation of the various issues. The organisers went out of their way to have representation from the Conservation Council of South Australia, but to no avail. Assistance with costs, telephone link-ups and teleconferencing were all refused. This is extremely disappointing, considering the Conservation Council's active objections not only to tuna farming but to all aquaculture.

If we are to feed the population of the world in the future, aquaculture will be part of the solution. I cannot understand why the Conservation Council and others would not be encouraging the leading edge research that is being done at Port Lincoln. I can only assume that they care not about finding solutions but about preventing others who do care. I am both pleased and sad that Port Lincoln has the only operational fish cannery in Australia. I am sad because it reflects the downturn of the industry in other States but I am pleased because it is one more indication of the entrepreneurial business spirit in my electorate.



The managers and directors of Port Lincoln Tuna Processors have been developing alternative products and markets for many years. John West's range of Tuna Tempters that we find on supermarket shelves was researched and developed in Port Lincoln. I pay tribute to the enterprise and initiative of Lindsay Guillot. Lindsay designed the tempters in his own kitchen in the factory at Port Lincoln. Port Lincoln Tuna Processors has recently been awarded the 1999 Port Lincoln Chamber of Commerce Business Excellence Award.

Congratulations also go to Tony's Tuna International Pty Ltd, which won an award in the seafood section of the 1998 Premier's Food and Fabric Awards. Tony Santic has world leading edge technology in his new factory, which is also located in Port Lincoln. Port Lincoln is the premier fishing port in Australia: we constantly receive a stream of surprise compliments from visitors who enjoy the variety and freshness of the local product. I believe it is very unusual for one location to have such variety: tuna, prawns, crayfish, abalone, shark, mussels, oysters and a large variety of fin fish are to be found in the region. Therefore, it is no surprise that aquaculture is expanding not only in Port Lincoln but at appropriate points along the electorate's coastline, which is longer than that of Tasmania.

The years of experimentation and research are paying off in viable industries, in more money circulating in businesses and in employment. In addition to tuna, oysters, abalone, muscles, barramundi, yabbies, sea horses and snapper are the principal aquaculture industries, with lateral thinkers putting more on the drawing board all the time. Zippel Enterprises at Smoky Bay was awarded the 1999 Aquaculture Product Supplier of the Year at the annual South Australian Fishing and Seafood Industry Awards for its oysters. Hubert and Margaret Hurrell of Miniribbie Yabbie Farm were awarded the Seaqual Award for excellence in seafood quality in the 1999 South Australian Fishing and Seafood Industry awards—the first aquaculture operation in South Australia to be accredited to the SQF2000 quality code. Jethro Grocke of Elliston is the 1998 Fishing Industry Pathway Student of the Year—the most outstanding secondary student at the Australian Fisheries Academy.

Just as few in South Australia are aware of our fishing industries, so also are few in South Australia aware that farmers on Eyre Peninsula lead the nation—and, indeed, the world—in certain areas. Awards are one way of measuring success amongst peers, and it has been a pleasure to hear of the successes that have come to Eyre Peninsula recently from farming expertise. Bryan Trigg and staff, of Trigg Rural Supplies of Cleve, were awarded the 1998 Combined Rural Traders National Member of the Year. Neville and Ann Starke of Cummins won the 1999 AgroEvo/Australian Wheat Board National Wheat Cropping award. Matthew and Mignon Dunn of Rudall won the APW category in the 1999 AgroEvo/Australian Wheat Board Golden Grower National Wheat Cropping award. Trevor and Kerri Cliff of Kimba were divisional winners in the 1999 AgroEvo/Australian Wheat Board Golden Grower National Wheat Cropping award. Kingsley Macdonald of White Flat won the SACBH Young Rural Achiever of the Year award. Many of these winners receive overseas tours to look at work similar to their own that is being done in other countries.

The success of programs under Landcare is recognised across Australia. It is exciting to see bare areas of salt scald covered with vegetation and to see trees and shrubs growing on land that had been too salty to support any plant growth. I commend the support given by the Government to primary

industry, notably through the field staff of the Department for Primary Industries and the Agricultural Bureau. Farmers who have moved interstate say that one thing they miss is the field support provided by the department.

Roads and airports are an important component of country life: it is not too sensational to say that they can mean the difference between life and death when accessing medical attention. Indeed, it was the death of a young mother through the lack of a landing field for the flying doctor that mobilised the Elliston community into building its own airport. One of the early functions of Dean Brown and me was opening the airport, which was built mainly by volunteers and which was supported by a \$50 000 State Government grant to help with lighting. When Don Starke, the former Chairman of the District Council of Elliston, retired in December, he remembered the event as an outstanding one in his long and successful term. He would be delighted to know that the recent budget has provided \$1.5 million for the continuation of the sealing of the Lock to Elliston road. The longest unsealed regional arterial road in South Australia, and one that many believed would never be sealed, will now reach its halfway point. The second longest road in South Australia to be unsealed, between Kimba and Cleve, has funding to be completed all but the final seal. I have the highest praise for the Minister for Transport, Hon. Diana Laidlaw, for her willingness to provide funding to seal and upgrade rural roads, which shows the commitment of the Liberal Government to rural South Australia.

Education has been lifted under the Liberal Government. This is another positive story, of which the majority of South Australians are unaware. More is spent on education now than in the last budget of the Labor Government. However, the funds are spent differently. In this budget, \$1.8 million has been allocated to capital works alone in my electorate, with \$500 000 allocated to the Cleve kindergarten for relocation, \$350 000 for the Kimba Area School library and resource centre, \$650 000 for the administration area library resource centre at Kirton Point and \$300 000 for the redevelopment of the administration, library resource centre and computer suite at the Port Lincoln Primary School.

Buildings and equipment are as necessary as teacher numbers: both are needed for students to achieve the best possible outcomes from schooling. Putting money into maintenance and upgrading has seen the introduction of computers into schools, along with the emphasis on information technology and the Internet, so that students are prepared for the world of today. The use of technology is overcoming the tyranny of distance that has disadvantaged rural students of the past. Karcultaby Area School student Danika Fromm, who studied by Open Access, achieved a 92 per cent tertiary entrance score last year.

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

**Mr HANNA (Mitchell):** In my speech in relation to the Appropriation Bill I took a fairly general view of economic policy and the impact of the budget. I now want to turn to one particular area where the people of South Australia, particularly the poorer ones, are being squeezed hard by this Liberal Government. I will speak particularly about Housing Trust rents—and I realise that this rent increase dates from before the budget. However, there is an ironic twist to it and I will come back to that. It relates very strongly to the budget that is being brought down by the Government now.

Before I talk about the subject of Housing Trust rents and the new rent scales, I would like to pay tribute to two of my local Housing Trust activists, Ethel Sparre of Mitchell Park, who has been involved for many years in trying to make the life of Housing Trust tenants better, and Marlerne Littlewood, who holds an official position which enables Housing Trust tenants to come to her and for her to get very quick and satisfactory answers from the local Housing Trust office. Marlerne is also able to advise tenants on policy changes.

However, I want to particularly address the increase in Housing Trust rents recently. I would like to compliment the Minister for Human Services, Hon. Dean Brown. After all, the Minister for Human Services often comes into this place showing a more caring face than that of the Premier or the Treasurer, who must be primarily responsible for this budget. As I say, I would like to be able to compliment the Minister for Human Services but, in relation to the Housing Trust rent increases, I am not able to do so.

Members would be aware that Housing Trust rent is calculated as a percentage of gross family income. Housing Trust rents in properties other than bedsits or cottage flats pay 25 per cent of their gross family income in rent. So, that may relate to the one or two breadwinners—perhaps a married couple or a *de facto* couple. It may also include the income of a son or a daughter living with them. Tenants with incomes of less than \$250 used to pay a slightly lower percentage of their income towards rent, and this was in recognition of the equity of the situation and the dire straits in which people find themselves if their household income is less than \$250 a week. By the same token, the trust rent scales recognise that a single person will obviously be able to live a little more cheaply than a married couple. However, there was, effectively, a subsidy or a discount on rent for those people who earned between \$162 per week, or thereabouts, and \$250 per week. The recent amendments to the Housing Trust rent scales have lowered the bar above which the full 25 per cent of income is taken: they have lowered that bar from \$250 per week down to \$216.55 per week.

Some of the members here will be totally unsympathetic to the plight of people in these situations, who are losing perhaps a couple of dollars a week, but I am talking about people for whom \$100 a year is a very substantial sum. It is an amount which would probably cover all the birthday and Christmas presents for that family in that year. It is an amount which would represent 20 takeaway meals in terms of pies, pasties, and so on—something a bit special rather than the usual baked beans and cheese on toast. We are talking about really a substantial difference to the way in which people will have to save and the way in which they spend their meagre weekly allowance.

Under the new rent scale, people with gross incomes of less than \$162.85 per week still pay at a rate of 19.5 per cent of income. For people with incomes above that, rents are scaled from 22.4 per cent up to 25 per cent, and they pay that 25 per cent of their income as rent now when their income hits \$216.55 per week. Of course, everyone with an income above that level pays the 25 per cent of their income up to market rent levels. One does not see many people with a gross income of less than \$162.85 per week. If you do see them they are probably looking very thin and pale because I really do not know how they survive on that amount of money.

However, in fact, people do earn less than the disability and old-age pensions because our welfare benefits go that low. Just as an aside: one of the implications of the philoso-

phies constantly pushed by the Liberal Government here and in Canberra is that market wages should apply, whether it be for adults, juniors or whoever, so that if wages went down to \$2 an hour that would be quite satisfactory to the Liberal Government, members of the Liberal Party and their supporters. But, we would see a growing underclass of extremely poor people, people frequently driven to crime, if those philosophies ever become fully implemented. We are here to see that they do not.

As I say, the recent Housing Trust rent increases mean that the poorest people in our community are copping an extra \$100, or so, a year. They are missing out on the equivalent of another loaf of bread a week. It is interesting to note one anomaly that, once gross income rises above the baseline of \$162, or so, per week the trust rent rises from 19.5 per cent of income to 22.4 per cent of income. In other words, someone earning \$163 a week will pay nearly \$5 a week more than someone earning \$162 a week. So, a \$1 a week increase in income results in nearly a \$5 increase in rent. People who are in that situation of earning very low incomes of around \$162 are really being hit the worst by this Liberal Government. Now for the ironic twist that I said I would come to.

As a result of the emergency services levy that this Government has introduced many people in an average home, perhaps a home of not particularly high value, will be paying three or four times what they were paying before in terms of their fire insurance levy, which was going towards emergency services facilities and protection. Home owners, in the sorts of homes in which many Housing Trust residents live, will be paying an increase in the amount of money they put towards emergency services of, maybe, an extra \$100 or so a week.

The Labor Party and those members who form a majority in the Upper House will not let this Government force Housing Trust tenants to pay the emergency services levy. That would be totally unjust, but here is the twist: it turns out that, through the Housing Trust rent increases, the Government is grabbing that extra \$100 from them, anyway. The Government does not need to hit them with the emergency services levy: it has increased their rents. The rents increased earlier this year, just at a time when pensions increased by a couple of dollars a week as a so-called 'cost of living' increase.

Literally dozens of Housing Trust residents have contacted my office because their pension increase has been not only swallowed up but swamped by their Housing Trust rent increases. They have actually gone backwards and that is with a so-called 'cost of living' increase. It is manifestly unjust and it is just one example of how the policies of this Liberal Government are really hurting the poorest people in our community.

**Mr HAMILTON-SMITH (Waite):** I welcome an opportunity to speak in support of this Appropriation Bill. I will make some comment on the substance of the appropriation; I will also make some points about the way ahead and the need to go forward. First, I believe the budget contains considerable good news for the people of South Australia and, in particular, the people in my constituency of Waite. I am pleased to see that there is a real increase of 5.2 per cent in total outlays for 1999-2000, and that final consumption expenditure before superannuation is up 1.1 per cent. I was also pleased to see an injection of capital investment to

exceed \$1 billion over the coming year which, in my view, is vital to creating jobs and stimulating economic activity.

I was further pleased to see additional funding of \$97 million over four years to meet the demand for human services primarily in health care. I have near my constituency the Repatriation General Hospital, a vital community service and one in which the Government has made a considerable investment in the past two years.

In regard to the issue of debt, I was particularly pleased to see the issue of ETSA and the future possible sale or lease of ETSA given a predominant place within the budget. The bottom line is that the State must reduce its debt. We cannot continue to spend money on interest payments to foreign banks: we must start spending money on people and, in that respect, I agree with many of the members opposite that there is a need to do more.

But you cannot do more unless you have the money with which to do it. Excluding the effect of the power bill increase, distributions from electricity utilities for the four year period 2001-2002 have been revised downwards by \$159 million since the 1998-99 budget. Everything that the Government had been predicting is coming home to roost. All the claims made by members opposite that there was no need to sell the asset, that the dividends would be enshrined and that the dividends would be there for future years have been shown to be flawed.

The tariff increase contained in this budget will produce an additional \$100 million of revenue per year, which will off-set the loss of the premium from sale built into the 1998-99 budget. It will help to fund maintenance, repair and other capital expenditure in the electricity business, but it will not fill the hole created by the loss of revenue over the coming four years from the effects of the national electricity market upon ETSA.

Concessions received by almost 180 000 concession customers within the State will be increased by \$70 to \$140. The tariff increase will result in average increases of \$92 per household for concession customers, with \$186 per year for non-concession households. We are still paying for the mistakes of former Labor Governments. In fact, arguably these increases should have been imposed many years ago when this Government first came to office. If legislation is passed by the Parliament in respect of the sale or lease of ETSA, the Government has also, I think quite appropriately, indicated that the power bill increase will be dropped immediately. It is a Rann-ETSA tax.

There is \$185.9 million worth of additional revenue measures. I have already mentioned that there is a good argument that these increases should have been made far earlier. Still, despite these increases, the per capita level of taxes in South Australia in 1999-2000 is projected to increase to \$1 761, an increase of \$89 per capita, but an increase which leaves South Australia as the third lowest of all States and Territories, being \$89 per head less than the average of \$1 850 in Australian States.

There is more good news in this budget which I applaud. In particular, in the area of health, South Australia is now ranked second of those States and Territories for which comparable data is available. It is 7.5 per cent below the national average, indicating the efficient provision of these public services. The level of service provided as measured by the number of patient separations per 1 000 of population is the second highest of any State, with 11.9 per cent above the national average, representing an additional 34 655 admissions. This is the good news that the Opposition

refuses to recognise, preferring instead to muddy the waters by continually finding fault and continually blocking.

In education, total expenditure per student in Government schools is \$161 above the national average, representing, in total, an additional \$30 million in expenditure per annum. Employer satisfaction with the level of vocation, education and training graduate work skills is the highest of any State or Territory. In police, population surveys have indicated that community satisfaction with the South Australian Police Force is the equal highest of any State or Territory, and community perceptions of police, in terms of honesty, professionalism and fairness, is the highest of any State or Territory. In justice, the South Australian civil courts were ranked either second or third out of any State or Territory against various measures of cases finalised within the targeted deadline. All this is good news; all this shows that the Government's budget is on target and that we have been kicking goals.

There are a number of economic highlights. Growth has remained solid, and in 1998-99 South Australia is likely to go further forward, with a possible moderation towards the year 2000. Household spending was the mainstay of South Australia's economic growth, with private business investment down a little. This is predominantly the result of the completion of the Olympic Dam expansion, but that also shows that there has been progress right across the State and, in particular, in the metropolitan area. Wage and salary earners' employment grew steadily by 1.25 per cent in 1998-99, and unemployment has declined to 8.3 per cent, the lowest level since 1990. All this contains a message, and that message is that this budget, as was the previous budget, is good for South Australia and is producing dividends.

I appeal to the members of the House, and in particular to members opposite, to seriously consider the fundamental basics of economics. It is not enough simply to throw ideological monologue at the problems facing South Australia. We have this thing called the non-accelerating inflation rate of unemployment or the natural rate of unemployment. There is a balance between wages and jobs. There is a balance to be struck between the generosity of our welfare system and our job creation programs. There needs to be a balance. There will always be some level of unemployment. The question is: what is a reasonable level?

This Government is making the changes that are needed to set the scene for future economic growth. In particular, I applaud the initiative of the Minister for Government Enterprises with the industrial relations legislation currently before the Parliament which seeks to move South Australia out of the dark ages of industrial relations and into a new age where employees and employers will cooperate together in mutual benefit to both parties. It is also evident in the waterfront reforms that have been achieved and in a range of other successes such as shopping hours. I also appeal to business to develop a spirit of entrepreneurship, to get off the golf course to ensure that workers are rewarded but to ensure that South Australian business forges forward with gusto. It is claimed that the richer are getting richer. Many of the poor are also getting richer. There are still people who are suffering, but there are many people who are better off today than they were some time ago. We need to see more of that.

**Mr De LAINE:** Mr Deputy Speaker, I draw your attention to the state of the House.

*A quorum having been formed:*

**Mr HILL (Kaurna):** I refer to the budget as it relates to the environment portfolio. The figures that are stated in the various budget documents raise a number of important questions, which I hope the Minister is able to address in the Estimates Committee. In the Budget at a Glance document, the figures reveal a \$14.5 million negative variation—which means a cut, as I understand it—between the 1999-2000 budget figure of \$121.5 million and the 1998-99 estimated result of \$136 million. So there is a \$14.5 million cut given those two figures. The question we have to ask is: how is that explained? The outputs operating statement shows a reduction from \$179 million in 1998-99 to \$170 million in expenses in 1999-2000. So about \$8 million has been cut out of expenses. What does this mean? Is this a cut, or is it just an accounting phenomenon?

The figures also show a deficit of \$21.49 million in the operating result for 1998-99. This seems to be mostly in the area of national parks management services. Once again I ask why. The documents say it is attributable to depreciation. If that is the case, I would like to know why. It is a very significant figure. To depreciate your assets by \$21 million is quite significant. What does this mean? Does it mean that the value of the parks has been reduced, that the value of the capital which is associated with the parks has been reduced or that the buildings on our national parks have been reduced in value?

In addition, net expenses between 1998-99 and 1999-2000 show a reduction from \$127.55 million to \$123.2 million. A whole range of figures indicate cutbacks or reductions in the environment budget. Given the new system of accounting, it is very difficult for anybody looking at the figures to really understand the impacts. I give notice to the Minister that, during the Estimates Committee, I will be exploring those issues.

*The Hon. M.H. Armitage interjecting:*

**Mr HILL:** The Minister for Government Enterprises is saying that the Minister will not be able to answer those questions. Did I get you correctly on that?

*The Hon. M.H. Armitage interjecting:*

**Mr HILL:** Exactly right! I made the point yesterday, when I gave my address on this, that our whole system is absurd where you have to make two speeches about the budget before you get a chance to understand what is in it.

**The Hon. M.H. Armitage:** You don't have to make a speech.

**Mr HILL:** No, that's true; you don't have to, but your constituents demand this of you.

**The DEPUTY SPEAKER:** Order!

**Mr HILL:** Sorry, Mr Deputy Speaker.

**Mr Conlon:** Don't apologise; it's him. You've got the call. You don't need to apologise.

**Mr HILL:** I like to uphold the decorum of the place. In terms of investments—which used to be known as capital works—there has been a big reduction in this budget for the environment. In 1998-99 outcomes showed \$16.36 million, and that has been reduced to \$10.77 million budgeted for this current financial year. Just under \$6 million has been cut. There are big variations on the estimated results of the budget. In particular, national parks funds are down from \$7.2 million to \$5.994 million; information technology has gone up from \$2.7 million to \$3.4 million; and other projects have gone from \$.9 million to \$2.7 million. Minor works have also suffered a cut, from \$2.1 million to \$.74 million. There is a whole range of variations that, obviously, during

the estimates process I would like to follow up. That is on the financial side.

On the program side, which is in many ways the more interesting side of the budget documents, it is worth noting that in the environment portfolio there is actually a very strong theme of economic development. I am not opposed to that: it is important that we link economic development and environmental protection, but it seems to me that this budget and this Minister for the Environment has really gone on the other side. We have a Minister who is really an apologist for economic development: she is not a Minister for the Environment. She does not seem to care terribly much about the environment: she is really there to try to screw as many bucks as she can out of the environment portfolio.

I refer to some of the Minister's actions over recent times. The much vaunted and much proclaimed parks agenda really is an agenda to build tourism facilities in national parks. I am not particularly opposed to this: it is important that we allow visitors to come and look at our parks. But only last week I was able to reveal that the Belair National Park is experiencing a development activity at the moment that will mean that 12 hectares, I think, will be excised from the park and converted into private use for building and for tourism facilities and, in the process, native vegetation will be destroyed. That seems to me something that the Minister for the Environment should not be pushing. That would be the job of another Minister perhaps, but for the Minister for the Environment to come in here and say, 'This is a good thing for the park' is really absurd. It really shows what her agenda is. It shows why the former Minister for the Environment (Hon. David Wotton) was removed from the portfolio—because he was a man who actually cared about the environment. He was popular in the environment—

**Mr Clarke:** An absolute lion!

**Mr HILL:** He was an absolute lion, as the member for Ross Smith says. He was appreciated by the conservation movement; he understood the issues. Because of that, he was removed. Instead, the Premier has put in his place a Minister who will say 'Yes' to any of the outrageous behaviour of the pro-development lobby that exists in the Government. So, at Belair National Park we see the excision of a number of hectares for development purposes.

In addition, native vegetation is being chopped down on a regular basis. I have just been informed by people from Eden Valley that 18 trees have been cut down today. Mature trees between Angaston and Tanunda were chopped down. No advice was given to the local community: the neighbours were not advised; they just found out when the trees were being chopped down. In addition, 180 trees in the Eden Valley area are under threat because of vineyard developments, and the Minister for the Environment of course says nothing about it. She wants to put in regulations that will make it easier for people to chop down trees.

The third area in which the Minister has shown that she is not interested in the environment is the issue of birds. Only last week the Minister announced that four species of birds would now be able to be killed by farmers without any permit or licensing. Some of these birds are only native to South Australia. They are not in plague proportions. They are important for pollinating and for a lot of ecological reasons, and the Minister is just allowing farmers to—

**Mr Clarke:** What is the choice of weapons? Clubs or lead?

**Mr HILL:** The choice of weapons is probably left to the individuals interested in doing this. But a range of species is

now proclaimed in such a way that farmers can kill them without recourse to licensing. The fourth area to which I would like to refer in terms of the Minister's lack of action—and the budget shows no positive light on this—is in the area of marine and estuarine strategy. Last year was the Year of the Ocean. Towards the end of the year, after much prompting, the Minister finally brought down a document that talked about these issues. It was a very weak, limp document. I understand that the advisory committees that advised her on this were not very enthusiastic about it. She put it out at the last moment and it has now completely disappeared. This current budget shows no activity about implementing any of the strategies that would protect our marine and estuarine environments.

So, we have an environment strategy that shows a number of cutbacks; we have a number of outcomes that really are to do with economic development and little to do with the environment; and we have a Minister who seems totally out of touch with her portfolio and offside not only with the environmental movement but, I gather, with most of the members on the other side of the House. It is no wonder that the Premier is considering removing her and bringing back the member for Bragg, who did such a sterling job in his portfolios earlier on.

**Mr CLARKE (Ross Smith):** I want to speak on two issues tonight. One relates to road transport and, in particular, to some of the concerns that the member for Adelaide would share with me with respect to the use of heavy transport along Churchill Road, Prospect. The member for Norwood also has concerns, as I have, about the amount of traffic using Portrush Road along Hampstead Road. I am in the unfortunate position of having both Hampstead Road and Churchill Road, or part of it, in my electorate.

*Mr Conlon interjecting:*

**Mr CLARKE:** As the member for Elder says, he also has some grief with respect to South Road. The interesting point about this is that the State Government is trying to have two bob each way with respect to this issue—and well it might. I will lay London to a brick that, for as long as the Minister for Transport's brother-in-law is the member for Adelaide, the amount of effort the Government will make with respect to forcing heavy transport along Robe Terrace and Churchill Road via Torrens Road will be minimal, because of the impact it is likely to have on his electoral standing between now and the next State election. However, that does not help my constituents who live along Hampstead Road.

One of the issues that I am going to take up with the Minister for Transport is to make mandatory in South Australia that truck drivers may not use exhaust brakes in built up metropolitan areas. Members may recall that when they drive along Grand Junction Road, Hampstead Road or Main North Road leading into the city, there are signs up for truck drivers that read 'Please do not use exhaust brakes in built up areas.' Unfortunately, by and large the truck drivers ignore them. I have had a number of deputations from constituents on both sides of Hampstead Road—and not just those residents living on Hampstead Road but those living down side streets just off that road, in Greenacres, Northfield, Clearview and Enfield—who can hear trucks pulling up particularly at traffic lights using their exhaust brakes.

It considerably increases the noise level—quite unnecessarily—because truck drivers prefer to use the exhaust brakes, not because of any safety reason but predominantly because they do not want to wear out their conventional brakes for

cost reasons. I can understand the truck drivers. I do not want to blame them unnecessarily: they run to tight schedules. Many of them are independent contractors who are also running very fine margins in terms of what they can charge on their freight. But the fact is that, particularly during the early hours of the morning, by using these exhaust brakes they are unnecessarily disturbing the sleep and quiet of those residents in the suburbs I just noted.

There is little point in setting up a sign that states, 'Please do not use exhaust brakes' if it is ignored. We must now look at enforcement and we should bring in regulations to ban their use. In Sydney, for example, truck drivers are not allowed by law to use their exhaust brakes in built-up areas and, if they do and they are caught, a financial penalty applies. That same procedure should apply in South Australia with respect to built-up areas and I will make representations to the Minister for Transport on this matter.

The problem becomes more acute when trucks on Grand Junction Road travelling up the hill from Port Adelaide want to turn right to go along Hampstead Road and then Portrush Road because the sequence for the right-turn arrow is far too short. When there are a few trucks in that right turning lane, it is not uncommon for constituents of mine going about their normal business, such as going home from work, to have to wait for seven sets of changes in the traffic lights before they are able to turn right into Hampstead Road, and that is just not good enough. I will be addressing those issues with the Minister for Transport to see whether we can get some resolution on them.

I turn now to the goods and services tax and the agreement entered into between the Democrats at a national level and the Howard Government. I do not intend to go through what I alluded to yesterday in any great detail, that is, the inherent unfairness of the GST and the stupidity of having a GST with exemptions in certain areas which will only lead to confusion and additional costs, particularly for small business. We either have a GST or we do not have it at all. We in the Labor Party quite rightly oppose a GST, for all the reasons that we have set forth: it is unfair and it is regressive. Nonetheless, the Federal Liberal Government has decided that it wants some sort of GST and it has compromised with the Democrats.

This must be the first time that the Democrats have had to take responsibility for anything. For so long, the Democrats as a minority Party both in this Parliament and in the Senate have been able to blame Liberal or Labor Governments or Oppositions, depending on which Party occupied the Treasury benches. The Democrats have climbed off the barbed wire fence and now, instead of being holier than thou and opposing everything, they have been caught out advocating an unfair tax—the goods and services tax. Meg Lees, acting as the junior Coalition partner with John Howard, is having to go to the media and to her own Party members and advocate a goods and services tax with some changes that she says makes it fairer.

I find it particularly delightful to see the Democrats having to take responsibility and having to get up before the public of Australia and say, 'We are responsible for a goods and services tax in Australia. We believe in a goods and services tax in Australia. We believe that it is a fair and just tax and that it meets all our social justice obligations. We do not believe that the Howard Government is doing enough in publicly selling a goods and services tax, so we are going to act as the junior Coalition partner and heavily sell to the public this goods and services tax.' We have never seen the

Democrats adopt such a position in the past. It is the first time in the 22 years of their existence that they have not had the luxury of sitting back on the crossbenches criticising the major Parties and preaching what virgins they are in this political world. They have got to get up and advocate something that they know is a bitter pill for most Australians on fixed incomes or on relatively low to middle incomes.

This is a particularly important time. It is a turning point, I believe, as far as the Democrats are concerned, with the general public. The general public who voted for the Democrats as a safety valve believed John Howard's promise before the last Federal election that there would be no compromise on a GST and believed the Democrats when they said they would never vote for a GST on food, but they have been caught out. Howard was prepared to compromise, as we knew he would if he was re-elected, and the Democrats have been hoist with their own petard. I will be interested to see how Meg Lees and her entourage reconcile their social justice objectives with the GST.

**The ACTING SPEAKER (Mr Scalzi):** Order! The honourable member's time has expired.

**The Hon. D.C. WOTTON (Heysen):** I will speak only briefly in this debate because I recognise that other members want to speak after me and a lot has already been said about the budget. I want to refer to a few matters in connection with issues within my own electorate. I am pleased to see in the capital investment statement that a number of long-term issues are to be addressed in the coming years. I am particularly pleased that the Heathfield waste water plant is to be upgraded, with an environmental improvement program to be completed in 2002. This will include major modifications to the sewerage system to improve environmental performance, which is a much-needed development and one that has been on the books for a long time. So I am pleased that funding is to be made available for those works.

The other program of interest is the upgrading of the Heathfield Primary School, which is to commence in December this year with a completion date of August next year. The project proposes to upgrade administration and library facilities and to rationalise the school site, including the construction of a new four-classroom unit and a reduction in high building maintenance liabilities. Again, Heathfield Primary School is one of the schools in my electorate that requires upgrading and I am pleased that the budget indicates quite clearly that it is to take place.

Other matters are referred to in that document. I was pleased to see in the section dealing with the environment, heritage and Aboriginal affairs portfolio that, as part of the ongoing program of investment in parks across the State, some \$7 million is to be spent to upgrade facilities and walking trails within parks, with particular focus on key tourism facilities. The parks to be upgraded include the Rocky River precinct, the Flinders Chase National Park and the Morialta precinct, and I am particularly pleased to see that that is now receiving high priority. The potential in that park has been recognised. It is very close to the city, it has some spectacular scenery and it is one park that receives considerable visitation, so I am pleased to see that funding is to be spent on that precinct.

I am also pleased to see that the Mount Lofty precinct is to receive some funding for redevelopment and that visitor information centres are being considered for various high visitation parks. As I mentioned earlier today, I have a particular interest in the redevelopment of certain areas of the

Mount Lofty precinct, and I hope that we will see some results in that particular area.

Looking back over the last 12 months or so, I am pleased to be able to say that a number of significant issues that have been in the too hard basket for far too long have been addressed. One was the issue of water quality throughout the Hills. I am delighted that that issue has now been addressed. Water quality through the Hills is superb. I cannot say that that is the case for all the Hills areas: I know that some areas have not received attention but, I hope, they will be addressed in the not too distant future. Certainly the areas in my electorate have gained considerably as a result of the improvements to water quality in that area.

The other major concern that we have all been aware of for a very long time relates to the problems experienced with what was referred to as the Mount Barker Road—the section of road between Crafers and Cross Road. I do not need to go into any detail about the concerns experienced with that section of road, given the number of semitrailers that overturned and the number of accidents that occurred. I do not have all those statistics in front of me, but they have certainly been referred to on a number of occasions. It is very much appreciated that we are now seeing the results of a huge amount of Commonwealth funding going into that project. As I have reported on a number of occasions in this place, the contractors carrying out the work, MacMahon Contractors, are doing so in a superb fashion and they deserve to be commended.

There are other areas that have seen considerable improvement as a result of expenditure by this Government in recent times, but I refer to some of the needs that are now recognised, and I mention the issue of roads within the Hills. The transporting of grapes from the McLaren Vale-Langhorne Creek area to the Barossa Valley has brought with it concerns in many ways. I attended a public meeting only last week when considerable concern was expressed by residents who live on River Road, Hahndorf. This road links the Mylor to Echunga road with Hahndorf. It is certainly not a major arterial road, but it is being suggested that more heavy vehicles could travel along it. I have concerns about that; the people who live on that road have significant concerns about it; and I will be making more representation about the issue at a later stage. There is urgent need for a further ramp to be built to cater for the township of Hahndorf and the surrounding area, and strong representation will be made in regard to that matter in the near future.

Although it is not in my electorate, there is a desperate need for the Onkaparinga Valley Road to be completed. I hope that we can see that happen. Within my electorate, there is an urgent need for a significant upgrading of the Echunga to Hahndorf road.

I want to make mention of the need for a tourism information centre for the Hills. This is a matter I have raised with the current Minister for Tourism and previous Ministers over a long period of time. It is something that has been required, and representation will continue to be made in the hope that we may be able to achieve such a centre. The Adelaide Hills area is very well known now for what it provides through excellent wines and its crafts, arts and produce in so many ways. It is important that the Hills be able to show that off. Again, we will be making representation on that matter.

Finally, I refer to a sports and performing arts centre at Heathfield. The Minister for Education is well aware of the need for that facility, and I can indicate to him very clearly that I will be making strong representation for funding for

that facility over the next 12 months, and I am pleased that he is in the Chamber to be able to recognise that at the present time.

**Ms KEY (Hanson):** Tonight in this debate I will discuss the issue of junior rates of pay and the claims that junior rates of pay will mean more employment for young people. Youth wages, as members would know, are rates of pay for young people based on the age of the employee. The junior rate is paid as a percentage of the wage paid to an adult employee, with the rate rising as the age increases.

For example, in the retail industry, typical junior wages for 17 year olds are 60 per cent of the adult rate and, for 18 year olds, 70 per cent. When the age of 21 is reached, most awards pay full adult rates. Some 56 per cent of young people under the age of 21 years employed in Australia in May 1996 were employed on junior wage rates. Approximately 13 per cent were employed as trainees or apprentices, and about 31 per cent were employed on adult wage rates. So the question I would ask is: if youth wages, which Minister Armitage tells us have a predominance in South Australian awards, is the panacea for youth unemployment, why has the youth unemployment rate gone up instead of down? It would seem to me that the proposition being put forward by both the Federal Government and now the State Government is flawed.

The Labor Party believes that people should receive equal pay for equal work. We believe that workers should have the right to a wage that they can live on. Australia has endorsed various United Nations conventions which seek to ensure basic human rights and standards. Although this is quite often scoffed at in this House, I believe that United Nations conventions are a very important way for Australia, and South Australia where appropriate, to demonstrate our commitment to carefully thought out conventions, rules and basic principles.

This debate is particularly relevant to the United Nations Covenant on Economic, Social and Political Rights, and the United Nations Convention on the Rights of the Child. In fact, Article 7 of the United Nations Covenant on Economic, Social and Political Rights states:

The State Parties to the present covenant recognise the right of everyone to the enjoyment of just and favourable conditions of work, which ensure in particular:

- (a) Remuneration which provides all workers, as a minimum with:
  - (1) Fair wages and equal remuneration for work of equal value without distinction of any kind. . . One would presume that, when we are talking about distinction, that would include age also.

It continues:

- (2) A decent living for themselves and their families.

The United Nations Convention on the Rights of the Child is intended to protect the rights and maintain standards for young people up to age of 18 years. Article 27 of the convention states:

Parties to the convention should recognise the right of every child to a standard of living adequate for the child's physical, spiritual, moral and social development.

I know that a number of members in this Chamber may say that is all very well if you live in a third world country, but I remind members that Australia has supported these conventions. It has been said a number of times that both the workplace relations legislation that Minister Reith has attempted to introduce in the Federal arena and, in our own

State, the legislation introduced by Minister Armitage actually defies these United Nations conventions.

The other point that needs to be made about youth wages is that the Government is advocating lower wages, but many young people actually have the same costs as adults. I believe it is an outdated assumption that young people face lower living costs than adults. Young people living at home often contribute to the household expenses and, in some cases, support a parent or parents who are unemployed. Not everyone has the chance to grow up in a Brady Bunch type of society. Many families out there are struggling and I know of many instances in my electorate where the breadwinner in the family is one of the children. This makes it difficult for many young people to leave home, especially with the social wage being screwed down in the way it is and because of the age discrimination that is attached to when someone is supposed to be independent.

When I was a young person I left home at the age of 15 and I can tell the House that we had the same costs as adults and certainly the young people of today still have to pay for rent, food, clothing and other essential items. In some instances they rear children, either with another young partner or in some cases as a lone parent and try somehow to live above the poverty line. In advocating youth wages it suggests that young people, whatever work they do, whether it is adult work where they hold their own in the workplace, should live below the poverty line.

As I said, a percentage of the adult rate is paid under junior rates and so far we have not seen any evidence that junior rates, which have been around for a long time, have made any difference to employment rates, particularly in South Australia. In his address to the House on the Workplace Relations Bill the Minister made reference to a survey by the Australian Retail Association and the claim that 200 000 youth jobs are in jeopardy if youth wages are not introduced. First, that was the only evidence that the Hon. Mr Armitage put before us in support of youth wages and the draconian changes that he wants to make to the Act. Secondly, it is a 1994 survey and we are also looking at an industry where there are many categories, agreements and awards for 15, 16, 17 and 18 year old workers on junior rates.

You would not have to be too far away from this industry to know that once a worker turns 18 they often lose their job. The excuse given to them for losing their job is that the employer has to start paying adult wages. Of course, this works hand-in-hand with the concept that has been brought into our new industrial relations legislation that fewer and fewer people in South Australia, particularly casuals of less than one year's service and workers in workplaces of fewer than 15 workers, have access to unfair dismissal conciliation or arbitration provisions.

The retail industry is the largest employer of teenagers, with 289 000 young workers or 49.4 per cent of the total teenage work force working in this area. Typically, a 17 year old earns \$6.82 an hour, which is 60 per cent of the adult rate for undertaking the same work. If an adult worker and a young worker are doing the same job, the young worker gets 60 per cent of the adult rate. As I said, the assumption is that 220 000 jobs will be lost if junior rates were abolished, and this is despite the fact that the earnings of young people are falling in comparison with adult wages over the past two decades. Youth unemployment has risen from 14.6 per cent in June 1989 to 28 per cent now. So, decreasing wages has not led to new jobs. In fact, it has done the reverse: we have found there has been an increase in youth unemployment.

The Government is committed to retaining junior rates without examination of any alternatives. As members probably know, the Australian Industrial Relations Commission is conducting an inquiry into alternatives to junior rates based on the fact that there must be alternative systems to junior rates that would not immediately result in young workers being paid the full adult rate but at least being recognised for the skills, experience and the contribution they make to the work force. So, attempts are being made to try to come half way in this debate. As I said, it is of great concern to me that the only justification that has been used to introduce junior rates has been an old survey, and the Minister for Youth has been very silent on this issue.

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

**Mr CONLON (Elder):** Before I was elected to this House, when I first sought election, one of the issues on which I campaigned was the question of police numbers and policing in South Australia. I campaigned on that for a number of good reasons, not simply because it was politically opportune, but because I had the good fortune in my working life to work with some lawyers who were former police prosecutors and before that police officers on the beat. I came to have an intimate understanding of the full set of responsibilities of police officers and simply how difficult their job is. That was one of the reasons and one of the other reasons, when I was first running for office, was the obvious shortfall in police to do the job they were doing.

I am sorry to say that since that time not only has there been no improvement in that situation but the situation with police in South Australia, their numbers and their ability to do the difficult job they have, has eroded further. I was very fortunate to be made my Party's spokesperson on police and so I was able to pursue this interest further. It is with great sadness that we find that this budget continues to do nothing to remedy the problems that have grown through five years of persistent cuts to police budgets and police staff. The context of this situation is clear.

In 1993, when Labor was last in Government, the best estimate we could get on current numbers is that we had some 270 more full-time equivalent police than we have now. We were not accused of being overly generous by the then Liberal Party Opposition. In fact, it said we had too few police and that there was an urgent need for 200 more. Indeed, that was the promise of the Liberal Government, the then Liberal Opposition at the time. As I said, instead of the 200 more, it seems to us that numbers have declined by some 270 full-time equivalents in the Police Force. It has got to the point where these sorts of levels of cuts can simply no longer be borne.

We have been talking to the community and police officers about what has been happening out there and I want to just run through some examples of what is happening in recent times as a result of the current staffing and resource levels in the Police Force. Recently, on a Friday about a week ago there were large numbers of people on the Pelican Point picket line, a community protest which has been going on for over a month. It is hardly a surprise but, because there was a large presence there, the local Port Adelaide service area felt that its priority was to send a good group of police officers to attend to that community protest.

The result of that was that, on the Friday, at the start of day shift for that Port Adelaide service area, that extremely large area which stretches from the airport in the south right

up the Le Fevre Peninsula in the north and takes in parts of Dry Creek as far as Salisbury, was staffed by one patrol car for the Henley area, one patrol car for The Parks area and none for Port Adelaide. Earlier that day the Henley patrol had found a body and was tied up in dealing with that for the remainder of its shift, and The Parks patrol caught a house-breaker and was tied up with that for several hours. As a consequence, until some three or more hours had elapsed and Star Force personnel could be recalled from their training, there was no patrol available to answer calls in the entire Port Adelaide service area.

On that same day, in the Sturt local service area—which is, in fact, the largest metropolitan service area, which should get by with a minimum of six two person patrols—there was on duty one two person patrol and two solo police patrols. Those two solo patrols were, in fact, unable to take a meal break during the shift because of the lack of personnel. Should something have gone wrong in the Port Adelaide local service area, the Sturt local service area would not have been able to lend a hand.

I will draw to the attention of the House some other circumstances earlier in that same week, on 19 May. On the Yorke Peninsula, of the three police towns of Ardrossan, Port Victoria and Maitland, Port Victoria is ordinarily a two person station, Ardrossan a single person station and Maitland a two person station. Because a prisoner was being escorted to the city, another officer was off on sick leave and another was attending an interview in the city, and because with our current staffing levels there is simply no pool of police to call upon—there is no relief pool of police at all in South Australia—on 19 May there was one person at Port Victoria who was acting as the police staff for those three stations. That is a disgraceful situation.

As I understand it, the Port Adelaide CIB staff is ordinarily made up of eight detectives. On that same day—19 May—three detectives were off on secondment, a couple more were on sick leave, another was on annual leave and another was attending to an interview. There was, in fact, one detective on staff at the Port Adelaide CIB, as I understand it, for that day. That is an unacceptable situation.

I have been contacted by a constituent who was recently walking with his wife on the beach—and this record comes from the Police Complaints Authority files. A group of youths hurled large and dangerous rocks at them, narrowly missing the man's wife. One of the youths then exposed himself. These people were both frightened and upset, and they proceeded to a house on The Esplanade, where they rang the police. They were asked by the police to remain at the house until they could send a patrol car. They left 45 minutes later in disgust—25 minutes earlier the youths, who had hung around for that period of time, had moved on. The response to their complaint from the Police Complaints Authority was simply that there was no-one available and that a car had attended 40 minutes after their call. They say it was longer than that. Again, I say that that is simply an unacceptable situation. It has occurred merely because this Government has taken too much out of the police budget.

We cannot accept excuses in this area. There are some fundamental services that a Government must, and can, provide, and one of them is an adequate police service. The Government cannot use the excuse of the State Bank or its inability to sell ETSA. If government were easy we would not need it. The fact is that government is not easy, it is not easy in South Australia, but there are certain basic things that need to be attended to, and one of them is an adequately staffed



police service. We have attended public meetings with respect to this issue and we receive the same answers wherever we go. We have been to the northern suburbs, the southern suburbs and the western suburbs and the answer is the same wherever we go: there is an inadequate number of police to do their job. We have the best regarded police force in Australia (it has been that way for many years) that now has the worst morale it has ever had, because the police are the people who have to turn up 45 minutes late and take the abuse from desperate people. It is simply unacceptable.

We are not talking about vast amounts of money here. In fact, this Government, with its new emergency services tax, will rip an extra \$20 million out of the public to send to the police and it will simply take that amount out of the budget of the police with no net addition. This means that the people of South Australia are getting less than the basic standards they should get from their Government.

This Government has had the excuse of us stopping the ETSA sale. It has had the excuse of the State Bank. Should the ETSA privatisation unfortunately proceed I will be in this place wanting to know what the Government will do for the police and the community in South Australia, once what it says is to blame is removed. I want to know, and I will be in here asking, just when the Government will improve the standard of policing and police numbers in this State should it be successful with its ETSA privatisation. I am afraid that I know the answer already.

**Ms RANKINE (Wright):** Last night in my address to this House about the budget I made reference to the \$141 million tax whack that this Government is bringing in under the guise of its emergency services tax. I relayed to the House the extent of the impact that this tax is having in my electorate, and I had a couple of members opposite pooh-pooh me for that. I thought that I would take the opportunity tonight to relay some of the issues raised by people who have contacted my office, so that members opposite have some idea of the impact that the Government's unfair, ill-conceived tax is having on people out there.

*An honourable member interjecting:*

**Ms RANKINE:** Yes, absolutely. A woman from Salisbury East rang my office. She told me that she had been a member of the Liberal Party for a number of years and had always voted Liberal, but never again. Her mother is struggling to maintain her home. Her husband died six years ago, and now she says that they are finding it really hard and asks why they should suffer for trying to do their best. A fellow from Greenwith phoned. He is on a fixed superannuation pension after being involved in an accident at work. His income is around \$24 000 a year. His wife works part-time and is his carer, and they have three school-aged children. He said that, whichever way you look at it, he will have to find over \$230 more each year to cover this levy. He said that he might be asset rich, in that he owns a house, but that is all he has. He is being forced to consider selling his home, because he will not be able to afford to pay for it.

A lady from Salisbury East said that she was angry and upset about the levy: she has no idea how she will pay it. She is scared. She lives on the pension: she will be 69 soon. She has nothing and does not know what she will do. Another woman from Salisbury East, a grandmother who has been raising her granddaughter, said that she saves her \$2 coins for school holidays. They saved up and bought a caravan, and now they cannot afford to keep it because of the tax. She said

that she is tired of doing the right thing and being kicked for it.

A man from Wynn Vale said that he is angry at the levy and has no idea how he will pay it. Another woman from Salisbury East said that her house is worth about \$100 000 and that she will have to pay \$117 a year. She said that she was paying \$38 in insurance policies and she will now be paying \$117. She said that the rebate of \$40 is a joke. So, as much as the Minister for Human Services is espousing this wonderful concession, it will do nothing to help these people. This woman said that it is unfair and cruel and people cannot afford to pay it.

A man from Fairview Park said that he was 65 and frightened. He said that he and his wife had worked all their lives and should be enjoying life at this point, yet they cannot sleep at night. Life should not be like this at their age. A woman from Wynn Vale telephoned. She is 82 and angry about the emergency services levy. She asks, 'How are pensioners supposed to afford it?' She is trying to stay in her home, which she owns, and the Government is doing everything it can to take it away and make life as difficult as possible. A lady from Fairview Park said, 'The levy is not equitable; it is unfair. Once again the middle income earners who try to do the right thing are hit. We are struggling, too.' She said that she does not object to a levy that is equitable but this is ridiculous. For the benefit of members opposite, they are not my words: they are the words of people in my electorate who have contacted me specifically about that matter. We heard the member for MacKillop last night talk about the health budget. The honourable member said:

I know it is very difficult for someone who needs a hip replacement—

and he knows it is difficult, that is interesting—

or some other procedure to be told that they must wait six, eight, 10 or 12 months to have that procedure, but they should realise they are probably being treated in the best system in the world and that just because they are not getting instant treatment does not mean that the system is completely falling down . . . In relation to the individuals who are in pain and who are expecting the instant treatment, one of the problems is that our expectation has been built up a little too high.

I was absolutely astounded at this. The member for MacKillop clearly has absolutely no idea what some of these people are suffering. Coincidentally, yesterday, just prior to the honourable member making his remarks, a 72 year old woman came into my electorate office. She is in urgent need of a hip replacement operation. She was referred to an orthopaedic surgeon at the Royal Adelaide Hospital but was told that she could not see anyone until August. She was told that, if she waited possibly all day in out-patients at Modbury Hospital, she might get to see someone. She did that. She sat in the waiting room at the Modbury Hospital in the hope that she might be seen.

She saw an orthopaedic surgeon and he agreed that she was in a bad way and in need of a hip replacement operation. But she must wait for one to two years on the waiting list for this surgery. This woman was in tears in my office. She walks with a frame. She is in constant pain. Her husband was in the British marines. She is a war widow and on a war widow's pension. She is having difficulty with shopping, washing, getting dressed and cleaning the house—in fact, most things she does on her own. She cannot cope. She has strong family support. I know she has a loving and caring family and a son who lives nearby, but he has five children. He cannot be there every day, nor can his wife. This woman receives no

domiciliary care assistance because the books on domiciliary care have closed. The local home assistance program has offered to see what it can do to help, but it currently has more than 1 800 people on its books and it is supporting more than 33 90-year-olds. These people cannot get help through domiciliary care because the funds from this Government simply are not available.

The other issue I want to talk about briefly relates to accommodation for people with intellectual disabilities. Some time prior to the 1997 election, I attended a meeting at Northfield organised by a group calling itself Project 141. Project 141 was about obtaining accommodation for people with intellectual disabilities who were in crisis situations. Their families were in crisis and could not cope. Only a couple of weeks ago I attended a meeting, again organised for parents of children with intellectual disabilities. I was told that currently 140 South Australian people are in crisis, are in need of accommodation. So, through the term of this Government its sole achievement in assisting these people is to house one person—to lower that waiting list by one. I sat and listened to the most heart-rending stories of elderly people who for 30, 40 and 50 years have been caring for their children.

They have been torn between caring for their children and having a life for themselves. Most of them have given up having a life for themselves and have devoted themselves to their children. This situation is intolerable. I heard stories of parents having nervous breakdowns as a result of the stress they are suffering. This is absolutely intolerable, as I said and, if we are a just society, we cannot allow this to continue. Some action must be taken to alleviate this crisis situation. As I said, I am not talking about people who just want accommodation: I am talking about people who are in absolutely desperate situations and who do not know where to turn or what to do, and their children, and ultimately the other members of the family, are suffering as a result of it. I do not believe that any member in this House, if they sat and listened to these stories, could not be moved and would not come away determined that the situation be rectified.

**Mr SNELLING (Playford):** I want to raise two issues this evening. The first follows on from the previous speaker, the member for Wright, who quite eloquently expounded the problems facing people wanting priority housing. I have experienced a similar problem. It seems to me that so-called priority housing has simply become an empty promise—a promise that, maybe, one day you might be able to get a house; you might be able to get Housing Trust accommodation. But that is it. It is simply an empty promise.

I bring to the attention of the House the case of a woman in my electorate who has three children and who is forced to live in her sister's shed. She is on the priority housing list but, as far as she is concerned and as far as I am concerned, it is just an empty promise. For all intents and purposes, it means nothing. It is appalling that, in a civilised society, people are being forced to live in a shed. This woman has three children and she is being forced to live in a shed because she is unable to get Housing Trust accommodation.

I rise principally to speak on another matter, having raised that problem. I refer to Grace Child Placement Incorporated, which has been trying for some time to obtain a licence to operate as an adoption agency in this State. Peter and Susan Ingwerda founded Grace Child Incorporated to go some way toward relieving the misery of orphaned children who live in China. Orphans in China live in subhuman conditions and,

whilst removing children from their country of birth is always a second-best solution, for those poor children living in squalor in Chinese orphanages without any hope for the future it is, unfortunately, the only solution. There is no shortage of childless couples in Australia who are only too happy to provide a home for some of these children.

**Mr Lewis:** They are not really orphans, are they? They are the second births which the Government banned.

**Mr SNELLING:** Often that is the case, yes. The member for Hammond seems quite aware of the brutality of the Chinese one-child policy. Grace Child Placement seeks, first, to provide a life for children who would otherwise have none; and, secondly, to assist childless couples who are willing to open their homes in Australia to such children. I point out to the House that Grace Child Placement is a very reputable organisation. The Director, Susan Ingwerda, is already licensed by the United States to place children with United States citizens living in Australia. Grace Child Placement has provided advice to the Federal Departments of Foreign Affairs and Immigration and Ethnic Affairs and to the Federal Attorney-General on Chinese adoption matters. Grace Child Placement fulfils all the requirements of the Hague Convention on inter-country adoption.

Grace Child Care does not seek any Government funding but merely requires a licence from the Department of Human Services to operate as an adoption agency. In making this speech it is not my desire in any way to criticise the Minister. In fact, the Minister for Human Services was kind enough to meet with Mrs Susan Ingwerda late last year. However, since then there has been no decision from the Minister whether or not to licence Grace Child Placement. I merely hope that, in making this speech, I hurry up the Minister in making a decision about whether to license Grace Child Placement Inc. to operate in this State as an adoption agency.

I have met with Mrs Susan Ingwerda, the Director and founder of Grace Child Placement Inc., and I have been impressed by her dedication, particularly to the welfare of children who reside in orphanages in China. I urge the Minister to make a decision so that Grace Child Placement Inc. can undertake the valuable work for South Australian citizens that it has already been licensed by the Government of the United States to do for United States citizens living in Australia. I urge the Minister for Human Services to think of the children. It is no secret that the conditions in which orphaned children are forced to live in China are subhuman. Whilst it is obviously impossible to solve all the problems in the world, we might be able to go some way to giving at least a few children a chance in life.

**Mr LEWIS (Hammond):** This evening in my grievance speech I wish to make some remarks about four matters. Before I do that, I remind members opposite of just a couple of the facts of life. I understand and sympathise with their constituents where they have found themselves hard hit and adversely affected in their personal budget planning by the levy that they now must pay to secure their property, whether that property is real estate or movable property such as boat trailers, motor cars, and so on. In most instances, the examples cited have been for real property.

I also hear the pleas being made by members opposite and by my own constituents for some additional resources for elective surgery and other things of that nature—perhaps even including the kind of remarks made by the member for Playford about children from countries overseas who have,

for one reason or another, been dispossessed by their parents or dispossessed of their parents, one or the other.

In the case of China, as the member for Playford acknowledges, the vast majority of the so-called orphans are not orphans at all; they are simply removed from their parents because they are the second or subsequent child of marriages where the State—that is, the entire Chinese Government—has said, ‘You may have no more than one child.’ Brutally, insensitively and without consideration of the welfare of the child whatever, it sets out to punish those parents who, by accident or by design, end up with two children. The member for Playford makes the plea that such children ought to be able to come to Australia to live, but that would require more resources to be provided from somewhere to enable it to happen. I am not saying that it is not compassionate and not honourable, but where do we get those resources?

Mr Deputy Speaker, you know and I know that Governments do not create wealth; they can only redistribute it. If more resources are to be made available from the public purse to answer the pleas and the cries we hear from members opposite to meet the needs of the people whom they have used as examples of the wider malaise in the community, we have to pick it up from somebody’s pocket. You have to take away the spending power from those people who have it and redistribute it to those programs which are identified as being the most worthy. Governments cannot, in some magic way, wave a wand and procure the funds to do it. It has to be taken from someone else who created it. And that means, regardless of whether it is taken away today or borrowed from a lender to be taken away by today’s children when they become adults tomorrow and have to repay it, either way, someone generating wealth by their efforts, skill and acumen has to have that wealth removed from them by law so that it can be redistributed to meet the needs that have been identified.

So, I say to members opposite: you cannot have it both ways. Either you acknowledge the need to collect the higher amounts of revenue necessary to service those requirements, as well as the debts created by the stupid policies you pursued when you attempted to create wealth by getting involved in ill advised Government enterprises, or, if you do not want to do that, do not complain about the problems that are there. Instead, members opposite should accept that there has to be a balance and that the budget finds that balance, because it is a compassionate budget.

There is no other country on earth where you can get as many fresh vegetables at such a low price as you can here—not just in Australia but South Australia in particular. There is no necessity for people to feel that they should go to the supermarket and purchase highly processed foods to gratify their needs or other fancy cosmetic products that are really well and truly in excess of their basic needs in life. In consequence of that observation, we all have to remember that there is a limit to what can be done, and that limit is what is being done by the collective efforts of everybody else.

The amount of cake we have to share is determined by the amount of cake we bake; any other approach is idiocy. There is no magic pudding. You cannot expect that you can cut it and it will come again. That does not happen; it is as silly as the flat earth society to say that it does.

I now want to turn to the problem to which some members have alluded in the course of their remarks, and that is the unfunded superannuation bill that this State has. I acknowledge the truth of the remark about the term over which the Government intends in its program to address that unfunded liability and bring it to book. I happily accept that, but I also

make the observation that people with some experience on which to trade who are working in the Public Service and elsewhere these days have great mobility and can shift from one job to another from the private sector to the public sector and back again. There is no necessity to offer such high levels of benefit for public servants at public expense as an inducement for them to come and work in the service of the Government. They can get just, fair and equitable treatment by paying their superannuation funds in the way that anyone in the private sector would and putting them into a fund that is managed in the private sector that has to ensure that its liabilities are funded from the returns it generates from the investments it makes.

To expect that you can suck off the taxpayer’s tit and get what you want without detrimental consequences in the economy is ridiculous; that is a burden on taxpayers. Members of Parliament should set the example in that respect, and the old superannuation scheme should be abolished straight out. Once our contributions are concluded—that is, when we lose office—they should be paid over to the member to invest in a superannuation fund in the private sector, the same as anybody else has, and managed in that way by that private fund, selected by that member. Likewise, public servants should have their money given to them at the time they retire, knowing that if they take it all as a lump sum they will pay a heavy level of tax on it but that if they otherwise invest it as they should and avoid having to pay that tax, leaving the capital intact, they will simply be able to get on that money, according to how prudently they choose the fund or funds to manage it, sufficient to live.

There is not a magic pudding. I am saying that all MPs should take their money, put it into the same privately managed investment opportunities or superannuation funds or combination of the two, set an example and not stop where they are at the present time. They should set that example for the wider community and avoid the odium of being criticised—and justly criticised at that.

In the minute that is left to me I want to talk about the silliness of the republic debate and make one point, as I will make subsequently in the next few months from time to time. If we go for a republic and remove the Governor-General and replace the Governor-General by a President—however elected—the proposal will mean that State Governors go and, in the event that the Governor-General (then called the President) is sacked by the Prime Minister, he will be replaced by the most senior Premier of any State as the Acting Governor-General. That is the way the Constitution is structured; that will be the law; and that will be a tragedy.

**Ms BREUER (Giles):** The first issue I want to raise tonight is the matter of dry area legislation for Coober Pedy which is currently being considered by the Legislative Review Committee. I have been asked for my comments on this, but I wanted to speak on this in the House before I made comments to that committee. It appears to be a very simple matter on the surface, but I have a number of concerns on this issue—not with the legislation, because it has certainly been of some benefit to the town of Coober Pedy. I know that the council very much supports it, and I am also prepared to support this legislation. Recently on a trip to Coober Pedy I was approached by a group of residents who had many concerns about problems of vandalism at present in Coober Pedy, public drunkenness and other damage being caused. These residents believe that this is a major problem in the town and that not enough action is being taken to address

these problems. They also believe that local residents may take matters into their own hands and form vigilante groups.

I sympathise very much with these residents because obviously they feel very strongly about this. However, on the same visit I also went to a camp that has been set up by the Aboriginal community out of town because of the problems occurring at the Umoona Aboriginal community. The old people are going there to live because of the problems that this dry area legislation has caused in their community. I think the best way I can talk about these problems is to read their own words. The women have written to me about this problem as follows:

We are worried about many things. We can't have a sleep, no rest, especially ladies—too dangerous, people coming from the north—drinking. It is too dangerous. We don't know what they might do to ladies sleeping. People have been murdered there, last year and the year before. Asking for food, ring up, everything. We ring up. Nobody got a phone. If we do find a phone and ring up, the police take a long time to come. There's so much trouble, we've had to leave our own houses and camp out in the creek.

We've been camping out at 10 Mile Creek. There's no dry out. They go to Umoona where old people are, where we are, and drink. It's still a wet area at Umoona. It should be a dry area. Even the yard. They do wee-wee everywhere, even in our yards. No sobering up centre, no safe house, no dry out, no women's place. They bang on the door all day and all night asking for money—\$10, \$15, \$30. They're still selling the black wine in plastic bottles. No good.

It is signed by a number of the elder women in the community. And how does this relate to the budget? It is because of the lack of resources in the town. You cannot solve this problem by creating dry areas, increasing police activity or forming vigilante groups unless you have backup services in your community. And there are no backup services. I have spoken to the local police about this at some length. The problem in the town is that there is no youth worker. There is no sobering up centre in the town. There is no drug or alcohol worker to work with these people with problems. There are very limited domestic violence resources. There is no women's shelter.

What would be ideal there would be, as in Port Augusta, a mobile assistance program that could travel around and pick up people, but there are none of these services because, despite the fact that people in the community have been asking for years, there is no money to fund these resources.

The other issue is that the sly grog is still being sold. I believe it is sold from one of the local supermarkets in milk cartons. You go in there and buy it, and it is very cheap. The problem is that nobody really knows what is in this grog, but it is very potent. I would very much like to have this grog analysed. There was a stop to it recently for a couple of weeks, but I believe it is back on sale now, as the women said in the letter that I cited.

The local police, local citizens and the council have voiced their concerns about this to the Liquor Licensing Board and to the Government, but they feel that nobody wants to listen—the old argument in our region. What they are really looking for is legislation that will allow restrictions in selling alcohol to some people, as they have at Marla and Cadney Park, which by their standards are just up the road. So, we must look at money to cover resources for these areas as well as at the licensing conditions for places that are selling grog in those areas.

The other issue that I wanted to talk about tonight is the increase in Housing Trust rents and its effect on tenants, particularly in my electorate in the city of Whyalla. However, my colleague the member for Mitchell has already very

eloquently stated the case tonight, so I want to make a few brief comments in support of what he had to say.

First, I would like the House to note that I lodged a petition in this place last week signed by 541 residents of Whyalla, requesting that the House urge the Government to ensure that changes to Housing Trust rents to income scale are amended to reflect the scale that operated prior to 27 March: 541 residents who have concerns about their Housing Trust rents signed that petition.

I must pay tribute to one lady in Whyalla who came in to my office yelling and screaming about the fact that her rent was increased and the problems that this was going to cause for her, many of her friends and her neighbours. She wanted me to do something about this: she wanted me to get up here and shout about this. She wanted me to get a petition going and do all sorts of things. I said that it was up to her to get a petition going, so she did. Mrs Thompson is an incredible bundle of energy, and I hope that other areas of South Australia may have the same Mrs Thompson to come and do the same there and get them to put up petitions to this Government.

**An honourable member:** You want rid of her, do you?

**Ms BREUER:** No, she can stay there, but I would like her to pass it on to other areas. She was complaining that every time she gets a pension rise it is really just a rise for the Housing Trust: her rent goes up. In her case (and in many others) her rent actually went up this time by more than her increase—not by very much, but if you are looking at a dollar it is quite a lot over the year for these Housing Trust rents on top of the other rent that they are paying.

Changes introduced by the State Government to the way Housing Trust rents are calculated are a slap in the face for people struggling to get by on low incomes. People who pay reduced rent will be affected by the changes. My office has been inundated with complaints from Housing Trust residents. They have come into the office in pairs, they have come in singly and they have come in groups, to complain about the fact that they are paying far more rent. The people who come to the office are all on low incomes and are angry that their rent rise will take more than what they will receive from their Centrelink Consumer Price Index increase to their pension. We are talking about people who are already struggling to make ends meet, and this latest increase means that they will not be marking time but that, financially, they will be going backwards.

I challenge the Minister for Human Services, Mr Dean Brown, and Premier Olsen to move into a South Australian Housing Trust home and live on a pension so that they can appreciate what this latest increase means. Once they have moved in, they can invite their mates in the Commonwealth Government to join them, because the State Government should not wear all the blame for this latest increase. The Commonwealth Government should shoulder most of the blame. Funding under the Commonwealth-State Housing Agreement has been cut in real terms by 40 per cent and, on top of the cuts, the Commonwealth Government has required all States and Territories to review public housing rents. The result of this Commonwealth policy is a rise in rent for people on low incomes.

This Government must take this into account and re-evaluate its priorities. People are struggling out there; they are finding it very difficult. Now my office is being inundated with complaints about the GST and how that will affect people. We still do not have any real clarification of the effect that that will have on their rents and other costs associated

with their Housing Trust homes. So, this budget will create a lot of problems for a lot of people in communities who are on low incomes. I hope that we can re-evaluate, look at this and do something about it for these people in the future.

**Mr MEIER** secured the adjournment of the debate.

**Mr MEIER:** Mr Acting Speaker, I draw your attention to the state of the House.

*A quorum having been formed:*

### FINANCIAL SECTOR REFORM (SOUTH AUSTRALIA) BILL

Second reading.

**The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training):** I move:

*That this Bill be now read a second time.*

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

Leave granted.

The *Financial Sector Reform (South Australia) Bill* provides the necessary legislative framework to facilitate a transfer of the responsibility for the corporate and prudential regulation of building societies, credit unions, special service providers and friendly societies from the State and Territory based Financial Institutions Scheme to a national framework overseen by the Australian Securities and Investments Commission and the new Commonwealth prudential Regulator, the Australian Prudential Regulation Authority (APRA).

The *Financial Sector Reform (South Australia) Bill* is the first, and most important, of a package of two Bills which make up the South Australian legislation necessary to ensure that the reform of the Australian financial system can proceed. The *Financial Sector (Transfer of Business) Bill 1999* is the second of these Bills.

The *Financial Sector Reform (South Australia) Bill* is based on model legislation to be passed by all State and Territory Parliaments by a target 'transfer date' of 1 July 1999 and complements legislation introduced into Federal Parliament which is also expected to be passed by the target transfer date.

In 1997 the Commonwealth Government's report into the Australian financial system, the Wallis Report, recommended changes to the regulation of the Australian financial system to establish a more efficient, competitive and flexible financial system, better equipped to deal with change, especially the continued globalisation of financial markets, and rapid advances in technology.

Most significantly, the Wallis Report recommended that all financial institutions, including banks, non-bank financial institutions and friendly societies, be subject to the same regulatory regime, and that the responsibility for regulating this new regime be transferred to a single Commonwealth regulator.

In line with these recommendations, the Commonwealth and all State and Territory Governments agreed as a matter of policy that:

- the corporate and prudential regulation of non-bank deposit taking institutions and friendly societies under the Financial Institutions Scheme would cease;
- all deposit taking institutions and friendly societies would become registered as companies under the *Corporations Law* and that corporate regulation of these entities would become the responsibility of the Australian Securities and Investment Commission (ASIC), formerly the ASC;
- deposit taking institutions would be licensed and prudentially regulated at a federal level under the *Banking Act 1959*, and the 'financial' activities of friendly societies (the selling of financial products through benefit funds) would be licensed and prudentially regulated under the *Life Insurance Act 1995*;
- prudential regulation of all deposit taking institutions and the financial activities of friendly societies would become the responsibility of the new federal prudential regulator, the Australian Prudential Regulation Authority (APRA) established under Commonwealth legislation in 1998;
- the transfer of regulatory responsibility would, if possible, occur on 1 July 1999.

The Commonwealth is in the process of passing legislation to achieve the steps detailed above. However, complementary State and Territory legislation is also necessary to complete the transfer. Consequently, the States and Territories have developed model legislation to be introduced in all jurisdictions. The *Financial Sector Reform (South Australia) Bill 1999* is based on this model legislation.

Part 1 of the Bill repeals the *Financial Institutions (Application of Laws) Act 1992* and the *Friendly Societies (South Australia) Act 1997*. This has the effect of cancelling the registration and regulation of building societies, credit unions, special service providers and friendly societies under the Financial Institutions and Friendly Societies Codes.

Part 2 of the Bill confers on ASIC and APRA the power to regulate building societies, credit unions, special service providers and 'financial' friendly societies for the purposes of the transition from regulation under the Financial Institution Scheme to the new regime.

Part 3 deals with the winding up of the Australian Financial Institutions Commission (AFIC) a body established under Queensland legislation to coordinate the prudential and corporate regulation of building societies, credit unions, special service providers and friendly societies. Clauses 10, 11 and 14 provide for the transfer of AFIC staff, assets and liabilities to ASIC and APRA, the details of which are to be contained in a transfer agreement entered into between the Commonwealth and the State of Queensland. Clause 15 preserves civil legal proceedings involving AFIC which were commenced prior to the transfer date, with the State of Queensland substituted for AFIC as a party. Clause 16 empowers ASIC and APRA to continue proceedings brought by AFIC for breaches of the AFIC Code.

Part 4 of the Bill provides partly for the winding up of the South Australian Office of Financial Supervision (SAOFS). Clauses 18 and 19 deal with the transfer of SAOFS staff to APRA, the details of which are to be contained in a transfer agreement entered into between the Commonwealth and the Government of South Australia. Clauses 21 and 22 provide for the winding up of the supervision and credit union contingency funds administered by SAOFS. Civil legal proceedings involving SAOFS which were commenced prior to the transfer date are preserved by clause 23, which substitutes the State of South Australia for SAOFS as a party. Clause 24 empowers ASIC and APRA to continue proceedings brought by SAOFS for breaches of the Financial Institutions and Friendly Societies Codes.

Clauses 26 to 29 of Part 5 preserve certain provisions of the repealed AFIC, Financial Institutions and Friendly Societies Codes, including provisions empowering AFIC and SAOFS to enforce and to investigate suspected breaches of the Codes. The powers previously exercised by AFIC and SAOFS in this regard are provided to ASIC and APRA. Clause 29 also preserves certain provisions of the Friendly Society Code relating to the restructure and termination of friendly society benefit funds.

Parts 6 and 7 deal with various miscellaneous matters necessary to complete the transfer. The most significant of these are clause 31 which provides that money in dormant accounts is to be transferred back into the account of customers, and clause 32 which is necessary to convert withdrawable shares held by members of the State's building society to deposits prior to the institution transferring to the *Corporations Law*. This will ensure adequate protection is given to these institutional members under the *Corporations Law*. Clauses 34 and 35 ensure that mergers and transfers of engagements commenced under the Financial Institutions or Friendly Societies Code before, but not completed by, the transfer date can be completed under the supervision of ASIC and APRA. Finally, clause 36 deems that all applications made to the defunct Australian Financial Institutions Appeal Tribunal against decisions of either AFIC or SAOFS that have not been decided prior to the transfer date are taken to have been withdrawn. The Government is advised that the only such appeal was withdrawn voluntarily some time ago.

An exemption from State taxes, duties and charges is provided in respect of the transfer agreements transferring assets from AFIC or SAOFS to APRA or ASIC.

The financial sector reforms, and in particular the legislation enacted by the Commonwealth, has necessitated certain consequential amendments to a number of South Australian Acts. These consequential amendments are contained in the Schedule to the Bill. Most of these consequential amendments relate to the conversion of banks, building societies and credit unions into one type of deposit taking institution, 'authorised deposit taking institution'. This reflects amendments to the Commonwealth's *Banking Act*.

Also included in the schedule are provisions completing the winding up of SAOFS, so that the powers of SAOFS are limited to those necessary to effect winding up. The schedule provides that any surplus assets are to be paid back to industry and that once the winding up process is completed, SAOFS must prepare a winding up report. This report must include accounts audited by the Auditor-General. The *South Australian Office of Financial Supervision Act 1992* is then to expire on a date fixed by proclamation.

South Australians have been fortunate to have been served by a strong regional financial sector, based on the growth of non-bank financial institutions. This has complemented the services provided by the traditional banking sector, promoting greater consumer choice of financial institutions and products. There can be no doubt that prudential supervision of this sector under the Financial Institutions Scheme has been successful. Since the scheme's inception, no South Australian has lost money deposited with a South Australian scheme institution. The framework provided by the scheme has also promoted the growth of the non-bank financial sector in this State. There are now 14 credit unions, one building society and four financial friendly societies in South Australia. This State now boasts the largest credit union in the country.

Despite these successes, the Government supports the Commonwealth in its efforts to further reform the regulation of the Australian financial system to make it more competitive and better able to withstand international pressures. The Wallis Report identified the move to a single prudential regulatory regime as the best way to ensure that this occurs. South Australians should also benefit. Our institutions will have access to a truly national financial market which will enhance competition. Consumers will have access to a greater selection of financial service providers and products.

The State's financial institutions and friendly societies have expressed strong support for implementation of the reforms at the earliest possible time. The Commonwealth Government has identified 1 July 1999 as the most appropriate transfer date. This date is supported by the State and Territory Governments, all of whom are working towards passage of their legislation by 30 June despite the tight time frame.

The Government therefore calls upon all members to ensure passage of this Bill by the 30 June deadline.

I commend this Bill to the House.

#### Explanation of Clauses

#### PART 1 PRELIMINARY

##### *Clause 1: Short title*

This clause is formal.

##### *Clause 2: Commencement*

This clause provides for commencement of certain provisions on assent and certain provisions on the transfer date.

The legislation is complementary to amendments to the *Corporations Law* providing for building societies, credit unions and friendly societies to become companies under that Law on the transfer date. Once complementary legislation has been enacted in each jurisdiction, the transfer date will be specified by the Commonwealth under section 3(16) of the *Financial Sector Reform (Amendments and Transitional Provisions) Act (No. 1) 1999* of the Commonwealth.

A provision of this measure is to come into operation on the transfer date except where preparatory action is required under the provision, in which case, the provision is to come into operation on assent.

##### *Clause 3: Repeals*

The *Financial Institutions (Application of Laws) Act 1992* and the *Friendly Societies (South Australia) Act 1997* are repealed.

##### *Clause 4: Interpretation*

This clause contains relevant definitions.

#### PART 2 CONFERRAL OF FUNCTIONS AND POWERS ON APRA AND ASIC

##### *Clause 5: Conferral of functions and powers on APRA*

This clause formally confers functions and powers on the Australian Prudential Regulation Authority (APRA) for the purposes of the measure.

##### *Clause 6: Conferral of functions and powers on ASIC*

This clause formally confers functions and powers on the Australian Securities and Investments Commission (ASIC) for the purposes of the measure.

#### PART 3 PROVISIONS RELATING TO AFIC DIVISION 1—AFIC TO CONTINUE

##### *Clause 7: Continuation of AFIC for certain purposes*

This clause provides that despite the repeal of the relevant legislation the Australian Financial Institutions Commission (AFIC) is to continue for purposes connected with winding up its affairs. AFIC was established under Queensland legislation but the AFIC Code (applied as a law of South Australia) governs appointments to the AFIC board, appointment of staff etc.

##### *Clause 8: Delegation of AFIC's powers*

This clause enables the AFIC board to delegate powers to an appropriately qualified employee during the winding up period.

#### DIVISION 2—PROVISIONS ABOUT AFIC'S STAFF

##### *Clause 9: Interpretation*

This clause includes the executive director of AFIC within the term employee for the purposes of the Division.

*Clause 10: Transfer of staff to APRA under transfer agreement*  
The Queensland Minister administering the corresponding legislation in that State is authorised to enter into a transfer agreement under Commonwealth legislation providing for the transfer of AFIC staff to APRA. AFIC staff may also be transferred to ASIC but this is to be achieved through the Commonwealth *Public Service Act*.

*Clause 11: Effect of transfer under section or of employees of AFIC becoming appointed to the Australian Public Service*

This clause ensures that, on transfer of a person's employment from AFIC to APRA or ASIC, the person's employment with AFIC ends without giving rise to any entitlements for payment for termination of employment.

##### *Clause 12: Statement of accrued benefits etc.*

This clause requires AFIC to provide a statement of accrued benefits, remuneration and length of service for each transferring employee.

#### DIVISION 3—INFORMATION MAY BE GIVEN TO APRA OR ASIC

##### *Clause 13: Giving of information*

This clause ensures that information obtained by AFIC may be passed on to ASIC and APRA.

#### DIVISION 4—TRANSFER OF AFIC'S ASSETS AND LIABILITIES

##### *Clause 14: Transfer of assets and liabilities*

The Queensland Minister administering the corresponding legislation in that State is authorised to enter into a transfer agreement under Commonwealth legislation providing for the transfer of AFIC assets and liabilities to APRA or ASIC.

#### DIVISION 5—PROCEEDINGS INVOLVING AFIC

*Clause 15: Continuation and preservation of certain civil proceedings involving AFIC*

This clause provides that, from the transfer date, the State of Queensland is to take the place of AFIC in relation to civil proceedings.

##### *Clause 16: Continuation of certain offence proceedings*

This clause enables APRA or ASIC to continue to prosecute offences in place of AFIC where a prosecution has been commenced before the transfer date.

#### PART 4 PROVISIONS RELATING TO SAOFS DIVISION 1—TRANSFER OF SAOFS' ASSETS AND LIABILITIES

##### *Clause 17: Transfer of assets and liabilities*

The State Minister is authorised to enter into a transfer agreement under Commonwealth legislation providing for the transfer of SAOFS assets and liabilities to APRA or ASIC.

#### DIVISION 2—PROVISIONS ABOUT SAOFS' STAFF

*Clause 18: Transfer of staff to APRA under transfer agreement*  
The State Minister is authorised to enter into a transfer agreement under Commonwealth legislation providing for the transfer of SAOFS staff to APRA. SAOFS staff may also be transferred to ASIC but this is to be achieved through the Commonwealth *Public Service Act*.

##### *Clause 19: Effect of transfer to APRA or APS*

This clause ensures that, on transfer of a person's employment from SAOFS to APRA or ASIC, the person's employment with SAOFS ends without giving rise to any entitlements for payment for termination of employment.

##### *Clause 20: Statement of accrued benefits etc.*

This clause requires SAOFS to provide a statement of accrued benefits, remuneration and length of service for each transferring employee.

## DIVISION 3—WINDING UP OF FUNDS

*Clause 21: Supervision Fund*

The Supervision Fund is established under the Financial Institutions Code. Building societies, credit unions and friendly societies pay levies into the fund and the expenses of SAOFS are paid out of the fund.

This clause provides for the use of the Supervision Fund during the winding up period. It authorises payments out to APRA and ASIC in respect of transferred liabilities. It also authorises the winding up and other expenses of SAOFS to be paid out of the Fund.

Any surplus in the Fund is to be distributed amongst building societies, credit unions and friendly societies in proportions considered by the Minister to be fair.

*Clause 22: Credit Unions Contingency Fund*

This clause provides for the winding up of the Credit Unions Contingency Fund and the return of funds to contributing credit unions. This will include distribution of certain funds to Northern Territory credit unions that have contributed to the fund under an agreement entered into under the Financial Institutions Code.

## DIVISION 4—PROCEEDINGS INVOLVING SAOFS

*Clause 23: Continuation and preservation of civil proceedings involving SAOFS*

This clause provides that, from the transfer date, the State is to take the place of SAOFS in relation to civil proceedings.

*Clause 24: Continuation of certain offence proceedings*

This clause enables APRA or ASIC to continue to prosecute offences in place of SAOFS where a prosecution has been commenced before the transfer date.

## DIVISION 5—INFORMATION MAY BE GIVEN BY SAOFS

*Clause 25: Giving of information*

This clause ensures that information obtained by SAOFS may be passed on to ASIC, APRA or the Minister.

## PART 5

## ENFORCEMENT BY APRA AND ASIC OF REPEALED CODES

*Clause 26: Conferral of enforcement powers on APRA and ASIC*  
Enforcement powers of AFIC and SAOFS relating to building societies, credit unions and friendly societies are passed on to APRA and ASIC.

*Clause 27: AFIC Code provisions**Clause 28: Financial Institutions Code provisions**Clause 29: Friendly Societies Code provisions*

Modifications are made to the general enforcement powers contained in the relevant codes for the purposes of enforcement by APRA or ASIC.

*Clause 30: Conferral of functions and powers*

This clause formally confers functions and powers on APRA and ASIC for the purposes of this Part.

## PART 6

## OTHER TRANSITIONAL PROVISIONS

*Clause 31: Dormant accounts*

Under this clause dormant accounts are reinstated as deposit accounts. On the transferring financial institution becoming a company under the *Corporations Law* the matter of unclaimed money will be able to be dealt with under the general law.

*Clause 32: Withdrawable shares in building societies*

In South Australia there is one building society with withdrawable shares. Under this clause on the transfer date the withdrawable shares will be converted into deposits and the shares cancelled. The clause makes it clear that the holder of the deposit remains a member of the building society.

*Clause 33: Matters in relation to deregistered financial bodies and societies*

This clause ensures that ASIC may act in relation to deregistered financial bodies and societies in place of SAOFS.

*Clause 34: Mergers and transfers of engagements commenced under Financial Institutions (South Australia) Code*

*Clause 35: Mergers and transfers of engagements commenced under Friendly Societies (South Australia) Code*

These clauses allow mergers and transfers to be completed despite the repeal of the codes.

*Clause 36: Australian Financial Institutions Appeals Tribunal*

The Tribunal was established under Queensland legislation. It will cease to exist on the transfer date by reason of the repeal of that legislation.

This clause brings proceedings before the Tribunal at the transfer date to an immediate end. Orders that the Tribunal could have made would be irrelevant under the new scheme.

## PART 7

## MISCELLANEOUS

*Clause 37: Registration or record of transfer*

This clause facilitates registration in this State of transfers of assets from AFIC or SAOFS to APRA or ASIC.

*Clause 38: Exemption from State taxes*

This clause exempts all transfers of assets from AFIC or SAOFS to APRA or ASIC under the measure from State duties and taxes.

*Clause 39: Relationship of Act with other laws*

This clause ensures that the transfers of assets and liabilities from AFIC and SAOFS to APRA and ASIC may occur without resulting in a breach of contract etc.

*Clause 40: Regulations*

A general regulation making power is provided.

## SCHEDULE

## Related Amendments

The Schedule contains amendments to various Acts resulting from—

- transferring financial institutions becoming companies under the *Corporations Law*; and
- the regulation of transferring building societies and credit unions as authorised deposit-taking institutions under the *Banking Act* of the Commonwealth; and
- the regulation of transferring financial friendly societies under the *Life Insurance Act* of the Commonwealth.

The opportunity has also been taken to tidy up some out of date references.

The *Acts Interpretation Act* is amended to insert definitions of ADI, bank, building society, credit union and friendly society for reference throughout the Statute book. ADI is a broad expression that encompasses banks, building societies and credit unions. The expressions bank holiday and bank (or banker's) cheque are retained despite their wider application to ADIs.

The *South Australian Office of Financial Supervision Act* is amended to provide for the winding up of SAOFS and the expiry of the Act by proclamation once the winding up has been completed. Under the amendments, SAOFS' reporting obligations for the 1998-1999 financial year are extended to cover the period up to the transfer date. SAOFS is also required to prepare reports for the winding up period (a period after the transfer date). SAOFS' assets not covered by a transfer agreement are to be disposed of and any proceeds paid into the Supervision Fund for distribution to building societies, credit unions and friendly societies. Provisions are also included for the finalisation of the Register of financial interests of SAOFS members and staff kept under section 33 of the Act and the delivery of that Register to the Minister.

**Mr FOLEY** secured the adjournment of the debate.

**FINANCIAL SECTOR (TRANSFER OF BUSINESS) BILL**

Second reading.

**The Hon. M.R. BUCKBY (Minister for Education, Children's Services and Training):** I move:

*That this Bill be now read a second time.*

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

Leave granted.

This Bill completes the package of legislation necessary to ensure the transfer of regulatory responsibility for non-bank financial institutions and financial friendly societies to the Commonwealth.

The Financial Institutions (South Australia) Code and Friendly Societies (South Australia) Code contain provisions which enabled building societies, credit unions and friendly societies to transfer, or merge their financial businesses between themselves with the approval of the relevant regulator. The transfers or mergers permitted were either voluntary, or directed for prudential purposes. These provisions are to be repealed on transfer date.

No equivalent scheme is available under the present Commonwealth regime. The State and Territory regulated entities, such as the building societies, credit unions and friendly societies, along with the Commonwealth, State, and Territories, were keen to ensure that these groups were not disadvantaged by the transfer. The Commonwealth is of the view that some of these provisions were useful prudential regulation tools.

Consequently, Commonwealth, State and Territory Governments have agreed to establish a modified transfer of business regime. This scheme is set out in the Commonwealth's *Financial Sector (Transfer of Business) Bill 1999* and will apply to all deposit taking institutions and life insurance companies, treating all such entities equally.

Due to Constitutional limitations, complementary legislation is required in all States and Territories to ensure that assets and liabilities which are subject to the business being transferred pass legally from the transferring institution to the receiving institution. Hence all jurisdictions are required to pass legislation which gives effect to transfers of business conducted under the Commonwealth's Bill.

The *Financial Sector (Transfer of Business) Bill 1999* is based on model legislation developed by the States and Territories in consultation with the Commonwealth. It establishes a complementary framework to allow the transfer of financial business between deposit taking institutions and friendly societies regulated by APRA under the *Commonwealth Life Insurance Act*, where necessary for prudential purposes (compulsory transfers) or where approved by APRA (voluntary transfers), to proceed under the Commonwealth legislation. Clause 4 (voluntary transfers) and clause 5 (compulsory transfers) contain the necessary provisions to ensure transfers of business under the Commonwealth legislation are effective in respect of any assets and liabilities held by either South Australian institutions, or interstate institutions with assets or liabilities located in South Australia.

Clause 7 of the Bill requires relevant State authorities, such as the Registrar General to register or record transactions affecting assets or liabilities, or documents relating to such transactions and, on application accompanied by a certificate issued by APRA, register or record the transfer or transfers on production of the appropriate certificate issued by APRA. Clause 8 of the Bill provides an exemption from State taxes and duties in respect of transfers under the Commonwealth and State legislation. However, subclause 3 of clause 8 requires a receiving body to pay an amount determined by the Treasurer in lieu of the forgone taxes and duties. Under this provision, it is proposed that taxes, duties etc. will be levied in respect of voluntary transfers but not compulsory transfers.

Safeguards to ensure that voluntary transfers of business can only occur in circumstances where the transfer is in the interest of policy holders or depositors are contained in the Commonwealth Bill.

The passage of this Bill is essential to ensure South Australian financial institutions are placed on an equal footing to those institutions located interstate. Strong support for the inclusion of the transfer of business provisions as part of the reforms has been

expressed by the State's financial institutions. It is therefore essential this Bill, like the *Financial Sector Reform (South Australia) Bill 1999* is passed by this Parliament before 30 June 1999.

I commend this Bill to the House.

Explanation of Clauses

*Clause 1: Short title*

This clause is formal.

*Clause 2: Commencement*

The measure is to commence on the transfer date fixed by the Commonwealth for the purposes of the national scheme.

*Clause 3: Interpretation*

This clause incorporates definitions from the Commonwealth *Financial Sector (Transfer of Business) Act 1999*.

*Clause 4: Voluntary transfers*

This clause facilitates voluntary transfers of business under Part 3 of the Commonwealth Act for ADIs and life insurance companies.

*Clause 5: Compulsory transfers*

This clause facilitates compulsory transfers of business under Part 4 of the Commonwealth Act for ADIs and life insurance companies.

*Clause 6: Certificates evidencing operation of Act*

Certain officers of the Australian Prudential Regulation Authority are authorised to issue certificates evidencing transfers of business under the measure.

*Clause 7: Registration or record of transfer*

This clause facilitates registration in this State of transfers of assets evidenced by a certificate issued under the preceding clause.

*Clause 8: State duties and taxes*

This clause exempts transfers of business under the measure from State duties and taxes. However, in the case of a voluntary transfer of business the Treasurer may require a payment to be made based on an estimate of the duties and taxes that would otherwise have been payable by a receiving body. This reflects the approach taken in the *Bank Mergers (South Australia) Act 1997*.

*Clause 9: Relationship of Act with other laws*

This clause ensures that transfers of business under the measure may occur without resulting in a breach of contract etc.

*Clause 10: Regulations*

A general regulation making power is provided.

**Mr FOLEY** secured the adjournment of the debate.

## ADJOURNMENT

At 11.51 p.m. the House adjourned until Thursday 3 June at 10.30 a.m.