

LEGISLATIVE COUNCIL

Wednesday 14 August 1985

The **PRESIDENT (Hon. A.M. Whyte)** took the Chair at 2.15 p.m. and read prayers.

QUESTIONS

FOOTBALL VIOLENCE

The Hon. M.B. CAMERON: I seek leave to make a short statement before asking the Attorney-General a question about football violence.

Leave granted.

The Hon. M.B. CAMERON: In Victoria yesterday footballer Leigh Matthews was convicted and fined \$1 000 for assault occasioning actual bodily harm during a football match. This brings the whole matter of violence in sport into question because, in the past, incidents on the sporting field have been resolved by the bodies concerned rather than the police becoming directly involved. Of course, this clearly sets a precedent in relation to other similar events.

I make it quite clear that I do not approve of violence in any sport—football or any other sport—but it has always been clear to me that umpires and the football associations are given the opportunity of taking their own action and setting their own standards which, quite frankly, have always seemed to me to be adequate.

At the time of this incident in Victoria it was indicated that the relevant Minister instructed the police to study videos and to take action where it was considered appropriate. Have any instructions been given to the South Australian Police Force in relation to similar incidents on sporting fields in South Australia? If not, is the Attorney-General considering issuing such instructions?

The Hon. C.J. SUMNER: To my knowledge, no instructions have been given to the South Australian police on this matter. If a criminal offence were committed on the football field or anywhere else, I expect that the South Australian police would take the appropriate action. If an assault on the football field commands the attention of the police, I would expect them to take the appropriate action. The fact of the matter is that the presence of anyone on a football field is not a licence to engage in deliberate criminal behaviour. I do not think that there should be any doubt about that in the minds of the South Australian community or Parliament.

No instructions have been given to the police, but, as far as I am concerned, if criminal activity is indicated by the actions of footballers on the football field, or in any other sporting arena, I would expect the police to take action.

PRIVATISATION

The Hon. J.C. BURDETT: I seek leave to make a brief explanation before asking the Minister of Health a question about privatisation in the health sector.

Leave granted.

The Hon. J.C. BURDETT: The Opposition has made clear that it believes that there should be some privatisation in the health sector, especially in regard to the Central Linen Service. I was pleased to see an announcement by the Minister of Health in the *News* yesterday under the heading, '\$20 million sale plan for health mansions'. That must surely be the sale of the century. I am pleased that the Minister is copying the initiative of the Opposition in regard to privatisation. So often when the Liberal Party announces

a policy the Government copies it. Therefore, \$20 million worth of historic mansions is to be sold.

The Hon. L.H. Davis: The sale of the century.

The Hon. J.C. BURDETT: Yes. That seems to be rather inconsistent with the fact that last week the Minister was blasting the Opposition for its suggestions about the sale of the Central Linen Service, but only yesterday he announced that \$20 million worth of property held by the Health Commission would be sold off.

The Hon. L.H. Davis interjecting:

The Hon. J.C. BURDETT: Yes. The Minister is reported to have said that the sale will realise about \$20 million, although, as the Minister rightly says, that will depend on the market and all sorts of similar things. It further states that it will cost about \$5 million to rehouse the bodies that are using the property at present, so there will be a return of \$15 million net. Several times in the article the Minister is reported as saying that that sum will be available for health improvements which he has wanted to carry out but for which he has not had the money. I want to know what those improvements are, what the \$15 million will be spent on and whether the second stage of the Noarlunga Health Centre, which would include a 100-bed hospital—at one stage promised by 1990—will be included.

The Hon. J.R. Cornwall: What would you be doing about Noarlunga if you were in government?

The Hon. J.C. BURDETT: I am asking the Minister.

The Hon. J.R. Cornwall: You are very coy about it.

The PRESIDENT: Order!

The Hon. J.C. BURDETT: My questions are:

1. On what will the Minister spend the \$15 million?
2. What are the improvements required in the health sector (and, of course, there are many) on which the Minister would like to spend the money?
3. In particular, will the second stage of the Noarlunga Health Centre be involved?

The Hon. J.R. CORNWALL: There is a vast difference between selling, flogging off, the assets of the South Australian people in a successful business enterprise—

The Hon. L.H. Davis: What profit did it make for the year ended 30 June?

The PRESIDENT: Order!

The Hon. J.R. CORNWALL:—namely, the Central Linen Service, as against a rationalisation of the very significant property portfolio of the health services of South Australia. The fact is that the replacement capital cost of public health sector property in general in this State is about \$2 billion.

Of course, much of that has been accumulated over a long period. It is a clear fact that either some services are inappropriately housed in buildings that could be used more usefully for other purposes or, alternatively, some of those buildings and some of the land—it is not simply the mansions program (although that is what it is popularly known as)—are clearly surplus to establishment. We are always looking at ways of improving the efficiency of the system.

Whatever the Opposition might choose to say in its rather violent attempts to denigrate me as Minister of Health, no one would ever suggest that I had been incompetent. The other thing that I would say is that when I inherited the health portfolio from the previous incumbent—

The Hon. J.C. Burdett: And a very good Minister she was, too.

The Hon. J.R. CORNWALL: The previous incumbent had been such a good Minister (in the Hon. Mr Burdett's terms) that she had had her capital works program trimmed back by the razor gang—headed by the Hon. Mr Goldsworthy—

The Hon. Frank Blevins: And the Hon. Mr Griffin.

The Hon. J.R. CORNWALL: And the Hon. Mr Griffin had a turn as well. They did them all over—all the per-

manent heads and all the Ministers. When I inherited the health portfolio the capital works program in the entire health spectrum for the financial year 1982-83 was \$11.7 million. What had happened was that the Tonkin Government was using the mortgage money to buy the groceries: it transferred large sums from Capital Account in three successive years to the Recurrent Account. That was much to the detriment of the capital works program, and it was of course running the State towards bankruptcy.

The Hon. K.L. Milne interjecting:

The Hon. J.R. CORNWALL: That is right. We have been able to make some inroads into the Tonkin deficit and at the same time reduce taxation by \$41 million. That is a \$54 million turnaround, which is pretty significant.

Members interjecting:

The Hon. J.R. CORNWALL: Members opposite interject and say that we have collected so much additional money along the way. Again, the vast majority of that amount has resulted from the economy being turned around. Those collections are in a whole range of areas such as stamp duty, for example, on property transactions. They have been in those areas because the economy in South Australia has turned around and has been turned around by the present Government.

Any capital works program in the health area over the next three years that does not involve the expenditure of about \$30 million a year for those three years would be inadequate, so I have been very diligent in getting the capital works program up from the terrible \$11.7 million of 1982-83 towards a realistic figure for 1985-86. As part of that program, and as part of the good management of it, it was drawn to my attention that there were many properties that were either lying fallow, as I said, or being used inappropriately. St Corantyns is a classic case in point. One does not need to have an inner city mansion to run a mental health service. It is certainly more appropriate to accommodate the multi-disabled in warm and friendly suburban surroundings than it is to accommodate them in the mansion called Escourt House, to name but two.

So I put together a significant portfolio of properties. I have Cabinet approval over the course of the next three years or thereabouts to put up a succession of packages to realise on these properties. In some cases, as I said, it will be land that is available at places like Glenside and Hillcrest. In other places it will involve a staged rehousing or re-accommodation of existing services and accommodation. So as that happens and the money becomes available, some of it—a significant part of it in many cases—will be made available to the health services. The remainder will be made available to the community services area in general to boost capital works.

There are any number of places in which I can spend the money; there is no problem there at all. The Queen Victoria Hospital needs to be refurbished. The Adelaide Children's Hospital still has an active building program involving something in excess of \$20 million. The Lyell McEwin Health Village under this Government has been started; that program ultimately will be worth in excess of \$40 million. The Queen Elizabeth Hospital is in urgent need of upgrading in a number of areas, not the least of which is the maternity section, so I could think of several millions of dollars that could be allocated to the Queen Elizabeth Hospital as a matter of genuine urgency.

The Government has pledged (and has never deviated from that pledge) to build a hospital at Noarlunga. In terms of the details of that proposition for a hospital at Noarlunga, I can only say at this stage that we are in the process of actively developing a very exciting project indeed, but the Hon. Mr Burdett and the rest of the Parliament will have to be a little more patient. That will be unveiled in the

fullness of time, but let me assure you that there will be a project advanced that will again be the first of its kind in Australia, like the health village which we are currently finishing and which will be opened towards the end of October. The hospital will be no less exciting and the way in which we are negotiating at the moment will, I would hope, see us with a project which again will be the first of its kind in the country.

So, there is no shortage of areas in which we can spend capital moneys. For example, the Royal Adelaide Hospital in several areas needs major capital upgrading and major carparking facilities. There is a whole range of areas which we intend to ensure are provided over the course of the next four years. I have a very well planned capital works program over the next four years. It will involve the expenditure, I would estimate in 1985 dollars, of not less than \$120 million. It will be essential that an amount of that magnitude be spent if we are to retain the fabric of what is undoubtedly the best health service in Australia at this point in our history, and arguably one of the best in the world.

GEORGE MACKIE

The Hon. K.T. GRIFFIN: I seek leave to make a brief explanation before asking the Attorney-General a question concerning the Mackie bomb murder case.

Leave granted.

The Hon. K.T. GRIFFIN: On Friday last week Mr Justice Johnston in the Supreme Court made a non-parole order under the Government's parole scheme which would allow one George Mackie to be released on 8 September 1985 after serving only 10 years in gaol for premeditated murder. Mackie is 35 years of age and was sentenced to death, but that sentence was commuted to life imprisonment. The murder occurred in the car park near Football Park at West Lakes when the victim turned on the ignition of his car and a bomb made by Mackie and a colleague, and connected to the ignition, exploded. Mackie had acted in concert with a person called O'Sullivan.

Apparently, Mackie and O'Sullivan had discussed the murder some time before it was committed and then crystallised the plans for wiring the bomb to the ignition of the victim's car. Mr Justice Johnston said that it seemed that O'Sullivan was motivated by matters emotionally relating to his relationship with Mrs O'Sullivan and also that financial considerations were involved. Mr Justice Johnston also said that in the scale of murder undoubtedly it was a serious one: it was premeditated and planned and not done in the heat of passion.

For all this, the judge then allows Mackie to be released after only 10 years for a cold-blooded murder. I have had calls from members of the community, and particularly from a member of the victim's family, all of whom are incensed by the decision and want an appeal to be instituted by the Attorney-General. Will the Attorney-General institute an appeal against the non-parole order made by Mr Justice Johnston on Friday last week?

The Hon. C.J. SUMNER: The matter is under consideration and a decision will be made in due course.

SOUTH-EAST DAIRYMEN

The Hon. I. GILFILLAN: I seek leave to make a brief explanation before asking the Minister of Agriculture a question about South-East dairymen.

Leave granted.

The Hon. I. GILFILLAN: It is rather disconcerting that in the access to markets of the dairy industry in South

Australia there is discrimination between geographical locations and that the dairymen who are operating in the South-East of the State have had difficulty in getting access to markets at fair prices equivalent to that of the dairymen of the Adelaide Hills. There are possibly reasons for the industry to be structured in that way, but already 22 dairies have gone out of business in the South-East. I have been advised by the President of the United Farmers and Stockowners Dairy Committee in the area that probably another 20 are poised to go out.

So, people who care about the industry and who consider that there should be a fair go for those operating within it would see that some constructive step needs to be taken to ensure that dairymen in the South-East have fair access to the markets. At the moment they are discriminated against and do not get the opportunity to sell their product—the same product that is produced in the Adelaide Hills—on the same terms as in the inner market. Unfortunately, I have been advised that at a recent meeting of South-East dairymen a member of the Liberal Party said plainly and bluntly that the Liberals would do nothing about it, implying that their vested political interests were to protect dairymen working in the Adelaide Hills.

However, I was consoled to find that at the recent ALP Conference here in this State the following motion was moved and passed:

This convention recognises that the South Australian dairy industry is a State-wide industry and that producers in the South-East should be granted a more equitable share of the market milk premium.

That was moved by Peter Humphries, an ALP candidate in the South-East, and seconded by Frank Blevins, the Minister of Agriculture. So, it is with some confidence that I ask the Minister what measures he has taken to implement the intention of the motion. What measures does he intend to implement, and what effect does he believe those measures will have in getting, 'an equitable share of the market milk premium' for dairy producers in the South-East?

The Hon. FRANK BLEVINS: I thank the honourable member for his interest in this area of the State. It is somewhat belated, I may add: there are certainly other members of Parliament who have discussed this issue with me over at least the past two years, and I am sure that they were discussing it with other Ministers long before that. However, the Hon. Mr Gilfillan's interest, however belated, is welcome.

I can only assume that the Hon. Mr Gilfillan travelled to the South-East, found an issue, leapt aboard, and away he went as the saviour of the dairymen in the South-East. The Hon. Mr Gilfillan flits around the State looking for issues to advance his own personal publicity. It would be very reasonable for one to assume that someone who had found this interest in the dairy industry in the South-East would have done some homework prior to coming into the Council and asking questions. I should have thought that he would approach the South-East Dairyfarmers Association, for example, and ask its Secretary about what was occurring in relation to the problem of milk production and access to market milk margins for the South-East dairyfarmers.

The fact that the Hon. Mr Gilfillan made no mention at all of the South-East Dairyfarmers Association makes me think that he has done little more than go to the South-East, pick up a local newspaper and see that the dairy industry was something of an issue; that was sufficient for him to mount his white charger and come into the Council. I think that is a reasonable assessment of the Hon. Mr Gilfillan's *modus operandi*. Certainly, his ignorance of what is occurring confirms that.

The Hon. R.C. DeGaris: It's the way to go.

The Hon. FRANK BLEVINS: It is the only way to go, is it? It is easy: it requires no work. I suppose that however people choose to operate is up to them. I am sure that it is very easy and that it achieves the cheap headlines which are so necessary in the Hon. Mr Gilfillan's position.

However, to get to the question, I am sure that the Hon. Mr Gilfillan does not know, but every other member in the Council who has had an interest in the area for many years would be aware that there is an augmentation scheme in operation between the metropolitan producers and the South-East producers: in effect, a proportion of the market milk premium is transferred to the dairyfarmers in the South-East.

I have made it perfectly clear to the industry in South Australia—the South Australian Dairyfarmers Association as well as the South-East Dairyfarmers Association—that the present rate of exchange of the benefits of the market milk premium have become somewhat unbalanced, and, in effect, that dairyfarmers in the Adelaide Hills should consider as a matter of urgency the level of payment under the augmentation scheme. In fact, I made that perfectly clear at the annual general meeting of the South Australian Dairyfarmers Association.

I must confess that that news was not received with universal joy. I did not receive a standing ovation, but I did notice that Lance Clements, the Secretary of the South-East Dairyfarmers Association, was a guest at that dinner and he seemed particularly pleased. So, at least one person in the audience was quite happy with what I had to say. On occasions, that is something of an advance for me.

The Hon. C.M. Hill: He wasn't going to sleep, was he?

The Hon. FRANK BLEVINS: He certainly was not. He was absolutely delighted. There have been discussions between the South Australian Dairyfarmers Association and the South-East Dairyfarmers Association with the intention of resolving this quite difficult and complex problem. Having spoken to the parties, I am convinced that they will come to some arrangement. Otherwise I am sure that the Council will have to consider legislation to ensure that a more equitable distribution of the market milk premium is arrived at in South Australia. I assure the Hon. Mr Gilfillan that the Government and members who have a permanent, rather than a passing, interest in the South-East have been considering the issue, have been discussing it and working towards a resolution to the problem that will satisfy all parties.

CENTRAL LINEN SERVICE

The Hon. ANNE LEVY: I seek leave to make a brief explanation before asking the Minister of Health a question about the Central Linen Service.

Leave granted.

The Hon. L.H. Davis: You were passed the question a few minutes ago.

The Hon. ANNE LEVY: I deny that completely; I was not passed a question a few minutes ago on this or any other topic.

The Hon. L.H. Davis: My eyes are deceiving me.

The PRESIDENT: Order!

The Hon. ANNE LEVY: A few moments ago the Hon. Mr Burdett referred to the Central Linen Service, as he did last week during Question Time. This followed an announcement by the Minister of Health the day before in relation to the value of the Central Linen Service, the great increase in productivity that has taken place there, and the fact that it has kept its prices constant for quite a long time—two years, I think.

The Hon. R.C. DeGaris interjecting:

The Hon. ANNE LEVY: It has not increased its prices.

The Hon. R.C. DeGaris: Has it decreased its prices?

The Hon. ANNE LEVY: In real terms—that means that it has. The Hon. Mr Burdett was very scathing in relation to what appeared to many people to be a mistaken reaction to the information provided by the Minister of Health. The Hon. Mr Burdett spoke a good deal about prices charged by the Central Linen Service which, apparently to a number of people, indicated a misunderstanding of what is a linen service as opposed to what is a laundry service.

The Hon. Mr Burdett also suggested that the Central Linen Service had passed to it tender details so that it could take an unfair commercial advantage over competitors. To me, that seems an absolutely outrageous allegation. Will the Minister comment and lay to rest this furphy which I am reliably informed from other sources is no more than that?

The Hon. J.R. CORNWALL: The Hon. Mr Burdett really is having great trouble with his shadow portfolio. I am very pleased that the Hon. Ms Levy has brought this matter back before Parliament because not only does the Hon. Mr Burdett not understand the difference between property rationalisation (that is, good management) on the one hand and flogging off viable assets on the other (so-called privatisation) but also he clearly does not understand the difference between a linen service and a laundry service.

The questions asked by the Hon. Mr Burdett last week and the erroneous assertions that he has tried to propagate since appear either to have been based on misinformation or manufactured from misunderstanding. I make it very clear what the Central Linen Service does not do: first, it does not compete on an unfair basis with other large scale laundry and linen services; secondly, it does not use its contracts with large public hospitals to subsidise its activities in small hospitals and nursing homes.

The Central Linen Service is self funding. It charges competitive rates and it is effectively managed. I am happy to say that, since I have been Minister, the service has enjoyed a highly productive and dedicated work force. The assertions made by the Hon. Mr Burdett, as I said, indicate that, unfortunately, he may not understand that commercial laundries provide two types of service—a linen service and a laundry service. Regarding a linen service, the hospital linen stock is owned and washed by the supplier laundry. Regarding a laundry service, the hospital linen stock is owned by the hospital and only washed by the laundry. So there is a very significant difference in the charge per kilogram. Clearly, the wash only laundry service can be provided at a much lower rate, because the linen stock costs do not have to be met by the laundry service.

The Central Linen Service has never provided a linen or laundry service to any of its clients at the rates quoted by the Hon. Mr Burdett and it has not taken work from the private sector at a cost for standard flat linen between 35c and 40c per kilogram, as the Hon. Mr Burdett quite erroneously asserted last week. The Central Linen Service has successfully tendered for a wash only laundry service contract with the Repatriation General Hospital. It is on that basis that the Hon. Mr Burdett has clearly misrepresented or misunderstood the pricing arrangements. The CLS was advised after the decision had been taken by the Repatriation General Hospital that it had been awarded the contract not because, on average, its service was one-third of one cent cheaper than other tenderers, but because it offered better quality service and a wider range of services, the most important of which was theatre linen prepacks where integrity of supply must be paramount. But, of course, as in so many other areas, the Hon. Mr Burdett would not understand that.

It is not unfair competition, which appears to be the main concern of the opponents of the Central Linen Service; it

is just plain commercial competition in the marketplace. The Central Linen Service has better products, better attitudes and provides better service to its clients. They are the attributes that have led to the improved performance of the CLS. It sells on service and price.

Finally, regarding the assertion made the other day that somehow or other the CLS had access to tenders, that question is gratuitously insulting to the integrity of the staff of the CLS and to all its client hospitals and institutions. The CLS competes fairly with an emphasis on service. It has no need to consider such an unscrupulous practice. In any event, the Repatriation General Hospital is not administered by the South Australian Government, as the Hon. Mr Burdett should know.

DA VINCI EXHIBITION

The Hon. C.M. HILL: Has the Attorney-General a reply to the question I asked last Thursday about the deep concern felt in the Italian community at the prospect that the Government and the Art Gallery will refuse an opportunity to show museum pieces by Leonardo Da Vinci in 1986?

The Hon. C.J. SUMNER: The Premier has advised me that the officers of the Department for the Arts have had full and lengthy discussions with the Italian Coordinating Committee about the exhibition proposal. The Premier has said that claims that the Government is not interested in the display are quite incorrect. Officers of the department have had long discussions with the committee regarding the exhibition. In addition, the Minister for the Arts has written to the President of the Italian Coordinating Committee, Mr Iuliano, detailing the reasons why the exhibition space at the Art Gallery of South Australia is not available next year. The Premier has told Mr Iuliano that visiting exhibitions are usually assigned gallery space at least two years in advance and that the Gallery's exhibition program for 1986 is built around the artistic developments of South Australia over 150 years.

Senior officers of the Department for the Arts have suggested to the committee a number of alternative sites. It has also been suggested that, if the exhibition's tour was deferred until 1987, or, preferably, the bi-centennial year of 1988, it would be recommended to the Art Gallery Board that space be made available. On the other hand, if the committee decided to mount the exhibition this year in one of the alternative venues put forward by the department, an offer has been made to the effect that available State assistance will be thoroughly examined. It is really a matter for the Hon. Mr Hill to say which exhibition he would remove from the Art Gallery next year in the event of his being in a position to do so. He must realise that that is what he would have to do.

As I said, the space for visiting exhibitions is usually assigned two years in advance. The South Australian Art Gallery's program for the sesquicentenary has long been firmly scheduled—before this application came forward. The Director of the Art Gallery is also concerned about the proposed size of the exhibition. He states that, although short term exhibitions of small size can sometimes be received by large art museums, the Art Gallery of South Australia is at present a very small building. An exhibition of the apparent size of the Leonardo show would occupy half the total space of the Art Gallery, according to the director, possibly forcing the removal of some of the displays that are on show at present. That is the information that I have received.

All I can say is that there have been full discussions with the Italian Coordinating Committee. It is not true to say that the Government is not interested in what has been put

forward by the committee. The fact is that the Government has indicated an interest and has done all it possibly can to assist. Therefore, the Hon. Mr Hill must decide what exhibition that has already been booked should be removed from the Art Gallery in 1986 if he wishes to proceed with his commitment.

MINISTERIAL BEHAVIOUR

The Hon. R.I. LUCAS: I seek leave to make a brief explanation before asking the Minister of Health a question about ministerial behaviour.

Leave granted.

The Hon. R.I. LUCAS: It is my sad task to raise in the Parliament again another example of the Minister of Health's appalling behaviour. On this occasion the Minister has engaged in a petty personal vendetta against a former employee of the Health Commission.

Members will be aware that earlier this year the Director of the Health Promotion Unit of the Health Commission, Mr Jim Cowley, resigned his position in a flurry of public controversy with the Health Minister. Members will also recall that the Chairman of the Health Commission, Mr Gary Andrews, saw fit to provide Mr Cowley with a reference—a fact that enraged the Minister.

After his resignation, I am advised that Mr Cowley received a number of good job offers and eventually accepted an excellent job with Techsearch, the commercial arm of the South Australian Institute of Technology. Mr Cowley signed a three-year contract with Techsearch early this year as a senior executive with responsibilities for marketing and training.

I have been advised that some time in April or May this year the Minister himself, or an officer in the Minister's office, acting on his instructions, contacted the President of the council of the institute and expressed the Minister's disapproval at the appointment and wanted the matter reviewed and raised at the council meeting.

I am further advised by two separate sources that the matter was raised at the April-May meeting of the council and that the President indicated at the meeting that 'pressure had been applied by the Minister' to review the appointment. The outcome of the meeting was that Mr Cowley's appointment was not overturned, and he retains his position.

The Minister's petty, vindictive victimisation of Mr Cowley does not end there. I am further advised that earlier this year there was a rumour circulating that Mr Cowley had been appointed as a consultant to the Better Health Commission. The Minister, or an officer in the Minister's office acting on his instructions, contacted a senior officer in the Commonwealth Department for Health expressing disapproval of such an appointment, if it had been made. The senior officer then rang an officer of the Better Health Commission, which was then meeting in Adelaide, to inquire about the rumour. As it turned out, the rumour was baseless.

These two incidents show that the Minister has continued to pursue a petty, personal vendetta against Mr Cowley whose particular expertise in marketing has been recognised by a leading group such as Techsearch. It is a disgraceful example of victimisation by the Minister and it should cease immediately. Therefore, my questions to the Minister are:

1. Did the Minister or an officer in the Minister's office contact either the President of the institute council or any other member of that body (I stress that) and seek to have the matter of the appointment of Mr Cowley raised at a council meeting? If so, what was the purpose of that contact?

2. Did the Minister or an officer in the Minister's office contact a senior officer in the Commonwealth Department for Health about a rumoured appointment of Mr Cowley

to a position with the Better Health Commission? If so, what was the purpose of the contact?

The Hon. L.H. Davis interjecting:

The Hon. R.I. LUCAS: We could have hoped. My questions continue:

3. Will the Minister stop immediately this petty, personal vendetta and give an undertaking that he will not seek to prevent Mr Cowley from retaining employment away from the Health Commission?

The Hon. J.R. CORNWALL: It is remarkable to see the young Mr Lucas go through 180 degrees. It was the young Mr Lucas who originally in this place, through a series of very comprehensive questions both without notice and on notice, raised the matter of possible impropriety and the behaviour of the then Director of the Health Promotion Unit, Mr Cowley, and a whole range of matters that have been brought to his attention by some of his friends in the private sector. If anyone first started to pursue Mr Cowley, then clearly, of course, it was the honourable—or perhaps the not so honourable—Mr Lucas.

The Hon. R.I. Lucas interjecting:

The PRESIDENT: Order! The Hon. Mr Lucas can ask a supplementary question. Let us get on with this one.

The Hon. J.R. CORNWALL: About the time that the Hon. Mr Lucas began his pursuit of me—in that sense it was very much a personal vendetta because, having failed to nail me on a previous occasion, he thought he would go to the well again, but he did not get up anywhere near early enough—I had been aware for some time of irregular practices and, in some areas, a gross lack of administrative skills in the Health Promotion Unit.

Because of that, at my direct instigation, Professor Kerr White from the United States, an expert in community medicine, and Mr Ron Hicks, a senior journalist, formerly of the *Bulletin* and currently resident in New South Wales, were both brought to South Australia to review the operations of the Health Promotion Unit under the then Director, Mr Jim Cowley.

I must say that it is not my intention to use Parliament to reveal matters that might reflect less than creditably on Mr Cowley. I do not think that would be entirely fair, given that in this place we have privilege. However, it is fair to say that he was described to me by Professor Kerr White, who is a world expert in health promotion and health information services, after only a few days in the State, as a 'loose canon'.

Members interjecting:

The Hon. J.R. CORNWALL: The fact is that the records of the Health Promotion Unit were entirely inadequate. Administration was in many ways defective and there had to be, and there was, a major exercise to clean up the mess that had been created. Originally, that unit was created under the administration of the then Minister (Hon. Jennifer Adamson), and in many ways it was her pride and joy. The director, Mr Cowley, was appointed by Mrs Adamson. He came to us from the United Kingdom.

I would not reflect upon Mr Cowley's personal integrity at all. That would be quite wrong. However, I have to say, since the Hon. Mr Lucas sees fit to raise the matter again, that, in terms of administrative ability, Mr Cowley had virtually none. Administratively, the Health Promotion Unit was a disaster area. I am pleased to say that that has now been cleaned up, but not before I found it necessary to seek advice from the Crown Solicitor, from a Crown Law investigator and from the Auditor-General. We had our own Internal Audit Branch in there for more than six months cleaning up the mess that had been created by Mrs Adamson's favoured appointee. That was the background.

Following Mr Cowley's resignation—he resigned subsequent to the report of Professor Kerr White and Mr Hicks

being made available to me—I learnt, to my absolute amazement, that he had been appointed to a position in Techsearch by one of the consultants with whom he had a very cosy arrangement when he was the Director of the Health Promotion Unit. I will say no more. I will not name the consultant at this time, but it was, in my belief, an irregular arrangement, to put it mildly. I felt it was my duty to speak to the President or Chairman of the South Australian Institute of Technology, a man of great integrity who had not been consulted about the appointment at all.

The Hon. L.H. Davis interjecting:

The PRESIDENT: Order! The Hon. Mr Davis will come to order.

The Hon. J.R. CORNWALL: I felt that in all the circumstances I had a duty to draw to Mr Lou Barrett's attention, as President of the South Australian Institute of Technology Council, the fact that Mr Cowley, in virtually every sense of the word or term, had been an 'administrative disaster'. I did that personally.

Apropos whether or not there was a proposition by the Better Health Commission to employ him, I am not even able to say with any certainty whether that was brought to my attention. I have a vague recollection that it may have been mentioned in passing. Certainly, I did not contact anyone. I certainly did not instruct anyone to contact the Better Health Commission or anyone else. Frankly, if the Hon. Mr Lucas or any other member of the Opposition wishes to pursue the matter of Mr Cowley, his original appointment by the Tonkin Government, the disastrous administrative mess that he created at the Health Promotion Unit or anything else, I am perfectly happy to defend my position in the matter. I have a right and a duty in public life in South Australia to try to protect and look after the interests of taxpayers.

It was in that capacity that I spoke to the President of the Institute of Technology and I make absolutely no apology for it. I would have been less than competent and indeed I believe it would have been a dereliction of duty for me to have done anything less.

USED CAR WARRANTY

The Hon. G.L. BRUCE: I seek leave to make a short explanation before asking the Attorney-General a question concerning a constituent's used car warranty.

Leave granted.

The Hon. G.L. BRUCE: On 11 June 1985 one of my constituents purchased a motor car. On 24 June she took the car along to the RAA for a road test. The report came back from that road test and 'S' appearing on the report indicates 'urgent attention essential'. It says:

Urgent repairs required to 'S' related defects. General mechanical condition is considered below average for age of model and numerous items require attention, as listed, before the unit is placed in a satisfactory state. Front end noise detected on road test; suspected front worn/dry suspension ball joints, gear selection difficult due to loose selector extension housing; gear box noise light—however, would have been very noisy as box had to be refilled with lubricant before road testing; vibration through the vehicle at higher speeds due to loose balls in pinion flange.

There is a list of items detailed there. The constituent took the car back to Maidment Motors on 2 July to have those matters rectified under the consumer protection laws for motor cars. Since that date she has inquired on numerous occasions: 19, 23, 24, 25, 26, 26, 27, 29, 29, 29, 30, 31 July; 1, 2, 2, 2 and 5 August. All of these are phone calls and inquiries, some to the Department of Consumer Affairs, but most of them to Maidment Motors, the car dealers. Up to 12 August she is still not in receipt of that car. My concern is that the Consumer Affairs Department has been

brought into it at this stage but it has not been able to get any results or action. Could the Attorney-General as a matter of urgency look into the matter and see whether there is any way that this car can be returned to my constituent?

The Hon. C.J. SUMNER: The honourable member may need to give me some more details about the name of the constituent and the car firm—

The Hon. Frank Blevins: I thought you were going to say 'details of the rattles'.

The Hon. C.J. SUMNER: I am not worried about the details of the alleged defects; I am worried about the name of his constituent. More particularly, he may need to advise me of the name of the used car company that is concerned.

The Hon. G.L. Bruce: I am happy to supply those details.

The Hon. C.J. SUMNER: I will have that matter investigated as a matter of urgency.

ROAD TRAFFIC ACT

The Hon. PETER DUNN: I seek leave to make a brief explanation before asking the Minister representing the Minister of Transport a question concerning the interpretation of the Road Traffic Act.

Leave granted.

The Hon. PETER DUNN: It has come to my notice just recently from several sources that there has been a change in the interpretation of the Road Traffic Act when dealing with agricultural machinery and field bins. I received a letter the other day from Sherwell Holdings explaining just how that has happened. They say that over the past 12 years, and in particular during the past 12 months, they have delivered a large number of field bins and silos by towing them to their destination without the use of an escort pilot. Approximately 400 of those would have been delivered by drivers or towed home by the farmer to such places as Murray Bridge and beyond.

Recent changes in the interpretation of the Act with respect to their units make it now necessary to provide an escort for all units being towed or transported by farmers or by Sherwell towing vehicles or low loader contractors. This will cause the farmer considerable inconvenience if he does the towing himself but, where this is not possible or desirable by the farmer, Sherwell Holdings carry out the towing on his behalf. It will increase the farmer's cost of delivery from \$1.20 per kilometre to \$2.30 with a pilot. This rate will barely cover their costs but it represents a significant increase in the overall purchase price of this much needed equipment. I understand that it also involves the shifting of agricultural equipment from one property to another and it will impinge on that and require a pilot in this case. My questions therefore are:

1. What has caused the review of the interpretation?
2. Will the Minister, in the light of the added costs and severe interruption to farmers' and manufacturer's operations, immediately allow all of these field bins and vehicles exceeding four metres wide to be moved on public roads under similar conditions to those that applied earlier this year?

The Hon. FRANK BLEVINS: I will refer the honourable member's question to my colleague and bring back a reply.

FOREST RESERVE

The Hon. J.C. BURDETT: I move:

That the proclamation under the Forestry Act 1950 concerning resumption of forest reserve, section 665, hundred of Adelaide,

county of Adelaide, made on 16 May 1985 and laid on the table of this Council on 6 August 1985, be disallowed.

The subject land is Blackwood forest reserve, section 665, hundred of Adelaide, in the area of Hawthorndene. The Act prescribes an unusual set of procedures with regard to a forest reserve ceasing to be a forest reserve. It provides that this can be done by way of proclamation. The proclamation must lie on the tables of both Houses of Parliament for 14 sitting days and the proclamation can be disallowed by either House. This of course is unusual. Generally speaking, proclamations as we all know cannot be disallowed by Parliament: if they are made, that is the end of it. It is regulations which can be disallowed.

With regard to the Forestry Act, there is this specific provision that the proclamations must be laid on the table of both Houses of Parliament and may be disallowed within 14 sitting days. It is also provided that, at the time of laying the proclamations on the tables of both Houses of Parliament, a statement of reasons must be tabled showing why it is contended that the land is no longer needed as a forest reserve. The statement of reasons which was tabled in this Council with regard to this proclamation is as follows:

An ongoing review of the land holdings of the Woods and Forests Department has identified the forest growth on this site to be at or below the department's lower level of acceptable productivity. Additionally, there are logistical problems associated with forest protection and maintenance due to its urban location. Accordingly, the land has been deemed to be surplus to departmental requirements and resumption as forest reserve is recommended.

The land in question—the Blackwood Forest Reserve, which has also been called the Blackwood Experimental Orchard—is adjacent to Hawthorndene. It is 40 hectares—a considerable area of land—and abuts several streets, involving somewhere in the vicinity of 100 houses. I have been approached by the residents of the area, who are disturbed about having the peace and quiet of the area broken. At present, it is a quiet, peaceful area. The streets are dead-end streets because they run into the forest reserve. The residents want the land in question to remain in its present state and they want to preserve the peace and quiet of the neighbourhood. The streets in question are quiet because there is no through traffic, and the residents want to keep it that way. They do not want the 40 hectares opened up to development; they do not want the dead end streets opened up and so on.

In the *Hills Messenger* newspaper of 31 July 1985, under the heading 'Government orchard not sold', an article by Sonia Green states:

Claims that the Government orchard at Hawthorndene had been sold to the SA Housing Trust were untrue, according to Davenport MP Dean Brown. Mr Brown said he had contacted the Lands Department and had been told the land had not been sold. 'A number of requests to purchase the land have been received,' he said.

Housing Trust General Manager Paul Edwards said the land had been referred to the trust for consideration but that did not necessarily mean it was interested in the land. 'We haven't bought it, that's for sure,' Mr Edwards said.

Mr Brown gave a commitment that a Liberal Government would 'ensure community discussion and involvement' before the land in Turners Avenue was sold. 'It reflects the view of the Liberal Party that there should be community input into matters that affect a particular community,' he said. A committee should be formed including local residents, Mitcham council and Government representatives. 'This committee should recommend possible uses for the land,' Mr Brown said. 'In the meantime the CFS should be asked to report on the fire danger of pine trees and to take appropriate action to reduce that fire risk.'

On 6 August the Minister of Forests, Mr Abbott, made a ministerial statement in the Lower House that took up in part the suggestions made by the Hon. Dean Brown, and this is the second time today that I have referred to suggestions being made by the Liberal Party Opposition and being taken up by the Government.

The Hon. C.J. Sumner: What is wrong with that?

The Hon. J.C. BURDETT: I suppose that it is a good thing: it just seems that the Government is so bereft of any kind of initiative that the only initiatives that it can take are those that are based on what the Opposition puts forward. Mr Abbott said (on page 35 of *Hansard*):

Considering the interests of adjacent land-holders and community groups and the concerns expressed by the member for Fisher, I intend to ask the cooperation of the city of Mitcham in setting up a small committee to investigate and report on the various options for future use of this land. This committee will have representatives of the Mitcham council, departmental officers and strong representation from community interests. I believe that in a responsibly short time the committee will be able to advise on an acceptable plan that is the result of community participation and consultation.

That was exactly what the Hon. Mr Brown had suggested ought to be done. Previously, the Minister had said:

There are various options for the disposal of this land, which could include outright purchase by the city of Mitcham for open space and recreational purposes, or a variety of multipurpose uses of the site that could accommodate the elements I have just mentioned, including some residential development.

That is exactly what the residents are worried about: the prospect of development, the streets being opened up and their peace and quiet being destroyed. The Minister also referred to another problem—that there are some pine trees on the land—and he suggested that, because of the high fire hazard, they ought to be removed but that a few rows of them be left to preserve the visual attraction.

A meeting was held on Monday night, called by the member for Fisher, Mr S.G. Evans, and attended by about 100 people. A resolution was passed that the pine trees should not be removed but should be cleaned up underneath. Because these pine trees are in the centre of the reserve area, it was considered that the fire risk is not high, but this is a peripheral matter.

The principal matter is the question of consulting the persons concerned. Those who have spoken to me are most concerned about the peace and quiet of the area being disturbed if there is development. The proclamation should be disallowed. That will not prevent the Minister from setting up his consultative committee, as he said he would: he can then set up his consultative committee, including the Mitcham council, the people in the area, the department and so on, and they can discuss the future of the area. If it transpires that the Minister and the department are able to satisfy the people in the area that there are viable options—viable sorts of development for recreational purposes or otherwise that they are happy with—there is nothing to prevent him from making another proclamation, which would then take effect and there would be no problem.

I have been motivated only by the persons in the area who are concerned about what has happened and about the lack of consultation. I suggest that consultation would be much more effective if the proclamation is disallowed so that there is still the ability for the Houses of Parliament to disallow the proclamation and have some control. The consultations would then be real and would be effective if there were some sanction but, if the proclamation is not disallowed by one of the Houses of Parliament, the consultation would be on the basis that it is merely consultation: all of the power would be in the hands of the Minister and the department, and the local residents would not have any real say at all.

If the proclamation is disallowed and the consultative committee is then set up as the Minister outlined, nothing would prevent him from doing that. That is an excellent suggestion, stemming as it did originally from the Hon. Dean Brown's suggestion as reported in the press. Nothing would prevent that from happening against the basis that there is a sanction still—that in order to make the land in

question cease to be a forest reserve the Minister has again to issue the proclamation. That is the basis on which matters ought to proceed and I commend this motion to the Council.

It would be helpful for honourable members if they could have some idea of the area in question. I have before me a map which depicts the area. I understand that it is sometimes a practice for maps, plans and matters of this kind to be displayed on a notice board which is available in the Council. I suppose one option would be for me to seek leave to table the map. However, that would not be of much assistance to members. I ask that the map be placed on a notice board so that members can familiarise themselves with the areas and streets involved, which are mainly north of the area in question. Mr President, I seek your guidance as to whether the map can be displayed on the notice board between now and when the matter is debated again.

The PRESIDENT: It is not unusual for plans being dealt with by regulation or for closures, and so on, introduced by Ministers to be placed on the notice board. I have not seen the map. If the honourable member would like to show it to me so that I can see the manner in which it is depicted, I can see no reason why it should not go on to the notice board until the debate is concluded.

The Hon. J.C. BURDETT: Thank you, Mr President. With those comments, I commend the motion to the Council.

The Hon. G.L. BRUCE secured the adjournment of the debate.

AUSTRALIAN FORMULA ONE GRAND PRIX ACT AMENDMENT BILL

The Hon. C.J. SUMNER (Attorney-General) obtained leave and introduced a Bill for an Act to amend the Australian Formula One Grand Prix Act 1984. Read a first time.

The Hon. C.J. SUMNER: I move:

That this Bill be now read a second time.

The purpose of this Bill is to amend the Australian Formula One Grand Prix Act 1984 to protect the intellectual property rights of the Australian Formula One Grand Prix Board. The Grand Prix Board has entered into various licence agreements whereby the licensees are permitted to use the title and logo of the Grand Prix on a range of products. Revenue from the licence agreements is estimated at \$420 000 for a full year. At present unauthorised products associating themselves with the Grand Prix are being marketed in increasing numbers, thereby threatening the revenue to be gained from licence agreements for the first event and for succeeding events.

Recent events illustrate the need for the amendments proposed. As I have pointed out, an increasing number of unauthorised products are appearing on the market, and there is little doubt that many more products are planned. The most common unauthorised products which are being sold are T-shirts and sweatshirts printed with motifs associated with the Grand Prix. A further matter of concern is the use of business names which in some manner associate themselves with the Grand Prix. This is a matter which is addressed in the Bill.

The importance of protecting the commercial rights of the Grand Prix Board cannot be underestimated in terms of the long-term financial success of the Grand Prix. If intellectual property rights cannot be protected for the first event, it will become increasingly difficult to secure licensees for subsequent events as present agreements relate to the first event only. In addition, the removal from the market place of 'pirate' products will result in increased sales of

authorised goods, and thus increase the royalties paid to the board.

The present situation in respect of the intellectual property rights of the board is far from satisfactory. Applications have been made by the board for registration of the words 'Australian Formula One Grand Prix', 'Grand Prix', and the board's logo, the chequered flag device, as trade marks. There is considerable doubt as to the success of these applications and, even if eventually successful, registration will not be granted for many months—perhaps years. The only means of protecting the intellectual property rights of the board is by way of Federal Court action alleging breaches of the sections of the Trade Practices Act relating to misleading or deceptive conduct and false representations, and the common law tort of 'passing off'.

There is some doubt as to the efficacy of these procedures as many of the unauthorised products come not from major manufacturers but from quite small businesses, and a large number of actions would be required. Also, Federal Court proceedings could be challenged on the grounds that the board does not possess the requisite proprietary rights in the words sought to be protected.

It is highly desirable that there be a legislative vesting of proprietary rights in the board and the provision of a simple remedy against the suppliers of products which claim an unauthorised association with the Grand Prix. The provisions of this Bill are similar in effect to the provisions contained in the South Australia Jubilee 150 Board Act 1982 which protect the intellectual property rights of the Jubilee 150 Board. The experience of the Jubilee 150 Board supports the efficacy of this type of provision.

The proposed amendments vest the proprietary rights in the title and logo of the Grand Prix in the board, and create the offence of selling goods marked with the title or logo or words or symbols which could reasonably be taken to refer to the Grand Prix without the consent of the board. It will also be an offence to assume a name or description which consists of the title or words which could reasonably be taken to refer to the Grand Prix. The offences are to be dealt with summarily. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 inserts in section 3 a definition of 'official Grand Prix insignia', being the name 'Australian Formula One Grand Prix', the official logo and any symbol, emblem or expression declared by regulation to be official Grand Prix insignia. The clause also provides for the marking of goods with official Grand Prix insignia.

Clause 3 inserts new sections in Part IV of the Act. Proposed new section 28a provides that the board has a proprietary interest in all official Grand Prix insignia. It will be an offence to sell goods marked with such insignia or to use such insignia for promoting the sale of goods or services without the consent of the board. It will also be an offence to assume a name or description consisting of official Grand Prix insignia without the consent of the board. An injunction may be obtained to restrain a breach of the new section. The board will be able to seek compensation on the conviction of a person for an offence against the section.

New section 28b empowers a member of the Police Force to seize goods apparently intended for commercial purposes that are marked with official Grand Prix insignia where it is suspected on reasonable grounds that an authorisation of the board has not been obtained. The goods must be returned if proceedings for an offence against the Act are not com-

menced within three months or if the defendant is not convicted of an offence after being charged; compensation will be payable if the goods cannot be returned. If a person is convicted of an offence, the goods to which the offence relates may be forfeited to the Crown.

The Hon. K.T. GRIFFIN secured the adjournment of the debate.

ADDRESS IN REPLY

Adjourned debate on motion for adoption.
(Continued from 13 August. Page 192.)

The Hon. I. GILFILLAN: I refer to road safety—the subject to which I referred yesterday. I believe that there is grossly inadequate research data as a basis for making decisions about improving road safety. In addition, grossly inadequate resources are presently applied to acquiring that data and conducting the necessary research or, if need be, experimental work. A couple of units are involved to a certain degree in this regard. The University of Adelaide National Health and Medical Research Council, Road Accident Research Unit, under the Director, Dr A.J. McLean, is one of those units, and should be highly praised. The work that it is able to do with its limited resources is constructive and helpful.

However, the so-called Accident Investigation and Prevention Unit, a part of the South Australian Police Department, in no way appears to me to be capable of adequate investigation to enable it constructively to prevent accident situations. Really, it merely gathers material and substantial evidence to gain successful prosecutions.

I want to put on record that far more adequate resources should be applied to accumulating appropriate and full research data as a matter of high priority. There should be a regular assessment of all accident situations so that, as much as possible, the cause of each accident is recorded and we can overcome what has unfortunately happened in the road safety area—that is, we are legislating and introducing measures which rely on emotion and which are hit and miss. In many cases guesswork is involved. Consequently, I do not have much confidence that certain measures are likely to prove successful. However, I will not dwell on that further. There are substantial works that question the effectiveness of severe penalties, showing the emotive and dramatic visual impacts.

There is strong criticism of current road design in that the killer features, such as stobie poles and other road furniture, are not placed to the best advantage in relation to road safety: they are placed for convenience. A responsible Government or a responsible Parliament must direct more resources to building up a substantial body of research to improve road safety.

I refer now briefly to Parliamentary salaries and the involvement of the Australian Democrats in that area. I want to place on record that for some time, certainly for as long as the Hon. Lance Milne has been in Parliament, we have encouraged members of Parliament to be leaders in restraint in relation to salary increases, recognising as we do that the community turns to us, that South Australia has struggled for years to keep a precarious competitive edge over the other States and that certain attitudes, such as those relating to the basis for fixing Parliamentary salaries, which imply that we should consider principally our position comparative with other States, result in a very dangerous precedent. We would be chasing the tail of a dog that does not particularly want us to survive as a competitive economic entity.

Before I entered Parliament the Democrats had achieved a quite significant result by keeping pressure on Parliamentarians so that salaries could be kept down: in certain circumstances, we donated extra salary to charities. I appeared before the Parliamentary Salaries Tribunal in November 1983 on behalf of the Democrats to argue that Parliamentary salaries should be kept down and be an example. I made a submission putting forward the Democrats' point of view that we rejected the concept that the main consideration in fixing Parliamentary salaries in comparison with interstate levels. It was essential that, while South Australia is struggling to maintain its competitive position in relation to other States, nothing should be done to jeopardise the situation. We regarded that the fixing of Parliamentary salaries would set an example to the people of South Australia, so we asked for restraint in respect of salary increases so that people in the Public Service and the private sector would be more inclined to follow. In fact, with that in mind I wrote to the Premier on 28 December 1982, very early in my parliamentary career, as follows:

Dear John, I urge you to consider recalling Parliament so as to allow an effective freeze on Parliamentary salaries and allowances to be put into effect for at least six months. It is clear to the Democrats that a significant gesture made by State Parliamentarians would set an example, give confidence and attract respect from the people of South Australia.

I believe that that campaign has borne fruit in that some degree of restraint is being exercised, but still Parliamentarians cannot afford not to show an example of restraint when our salaries are discussed.

To add further information that has come to me in correspondence with a friend in the Philippines I refer now to nuclear energy and the proposed nuclear power plant in the Bataan district of the Philippines. I intend to read a paragraph from my friend's letter. He is a bank officer in the Philippine National Bank, an ordinary Filipino, with no particular axe to grind. He has not been involved in politics and honourable members will note that he does not have a particularly strong antipathy to nuclear energy as such. I will cite this letter, because I believe that it emphasises very clearly the concern of those who are anxious for the establishment of nuclear power plants anywhere in the world, particularly in Third World countries and in the Philippines, where a proposed power station is very close to a fault line. I will read the letter exactly, even though it does not comply with conventional English grammar. The letter states, in part:

As for us now there are lot of changes that happened in our country. But the economic recovery is far from what have been said. Unemployment is very high. Many banks that have become bankrupt have thousands of displaced employees who are now jobless. They cannot enter another bank since banking institutions have stopped hiring but instead reducing its manpower. Big rallies have been made in Bataan. You have been there in Bataan. Now it is a militarised area due to mass protest and demonstrations by the majority of the people of Bataan opposed to the nuclear power plant. I, together with the inhabitants of Bataan, are strongly opposing the nuclear plant. I am not against the plant but the capacity and technology of the Government to run such plant. I do not underestimate my Government, but only being realistic. We do not want those garbage at our backyard. As of now 18 power lines have been blown up by suspected NPA of those opposed to plant. And now more marines and Phil. constabulary have been sent to Bataan to guard remaining 86 power lines. The Government forget one thing: that Bataan is a NPA infested area and even the World War that it became famous that the yearly celebration of the fall of Bataan and Corregidor is being remembered.

I cannot join the rallies because I am working to the government bank that will cause my dismissal. In case of calamities like floods and typhoons and others they were not able to give relief or support or even evacuate the people how much more of nuclear leakage.

I do not intend to dwell on it more than to say that I regard it as a significant and completely unsolicited piece of evi-

dence supporting concern that many of us feel about the proliferation of nuclear power plants everywhere, but especially in countries with concerns such as those they have in the Philippines.

Finally, I would like to bring up the matter raised in a paper, 'Conservation and a Better, Fairer Consumption Tax'. I do that, with the news of last night and today, knowing that the question of a consumption tax is not quite so imminently before us, but the proposal is important in its own right. This paper was written by Dr John Coulter, President of the Conservation Council of South Australia, and I intend to refer to paragraphs from it. The proposal tries to put more emphasis on conservation of non-renewable resources of all types—fuels, metals and any ingredients into our way of life that are non-renewable. The aim of the proposal is to dissuade the profligate use of non-renewable resources to which our western society has become addicted and to put the balance back into a recognition that they have and must have a value of more than just the cost of extraction. The paper states:

This paper argues for a shift from personal income tax to a consumption tax, but a consumption tax based on the non-renewable resource component only of goods and services. The renewable resource and labour content of goods and services would not be taxed. It shows that such a shift would encourage non-renewable resource conservation, move Australia toward a long term 'sustainable economy', influence the internal economies of other countries in a similar desirable direction, encourage employment, decrease inflation, help farmers and the disadvantaged because the 'necessities of life' would not be directly taxed, lead to greater Australian international independence, buffer the future shocks of resource scarcity and associated price rises and provide a more viable economic model for underdeveloped countries to follow.

The Proposal: That in place of an across-the-board consumption tax there be a tax on the non-renewable resource component of goods and services levied on the first use of these resources in the production process. That to the extent that the new tax replaces income tax and income tax is reduced then gross salary, wages and prices all be adjusted downwards.

Characteristics and Consequences: (1) It is a tax which is ethically defensible. There should be wider acceptance of its legitimacy and a more widely shared condemnation of those who would seek to avoid or undermine it.

(2) It would be a difficult tax to avoid.

(3) It would be an easy and cheap tax to collect. The number of points of collection would be relatively small. It is proposed that the tax be on first use. For example if BHP sold 10 000 tonnes of zinc into Australian use this would be taxed at the point of this first sale. This tax would then become a component of the price of every final good or service which consumes some of this zinc. Resources are not only used directly, but also in the process of making other goods and services available. Thus, while wheat would not be taxed, the petroleum used in its production would be, as would the iron and other metals used to make tractors and the machinery to turn wheat into bread. In contrast to an across-the-board consumption tax neither the labour component nor the renewable resource component in goods and services would be taxed.

(4) In general it would not involve any direct taxes on the 'necessities of life'. Food is always renewable and clothing and shelter may easily and exclusively be made so. Tax on items used to make these essentials available, however, would be indirectly reflected in their price. What is predicted here is that there would be a relativity shift with items such as food becoming cheaper relative to wages and the price of more resource consuming luxury goods. In general, luxury goods and services have a much higher non-renewable resource component.

(5) In contrast to an across the board consumption tax it encourages a conservative use of non-renewable resources (desirable) and decreases the relative cost of the labour component, thus encouraging employment (also desirable). The comprehensive consumption tax as proposed by the Government, on the other hand, by taxing the labour component of goods and services extends the adverse effects on employment of the present high income tax with its resultant demand for high wages and reduced employment. This proposal makes a direct contribution to solving unemployment. The absence of a tax on the labour and renewable resource component of goods and services moves society toward a sustainable economy in the long run.

(6) Small business, with a relatively higher labour content in its activities would be advantaged compared with the situation under the proposed broad based consumption tax.

(7) As the proposed tax is on 'first use' recycled resources would be cheaper. Recycling of non-renewable resources would therefore be encouraged.

(8) Ideally the tax would be on a sliding scale the rate rising as the size of the known reserves decreased.

(9) The proposed tax would encourage substitution of non-renewable by renewable resources at an earlier stage, conserving the former and moving Australia toward greater international independence. This is particularly important in the area of energy substitution where, notably, Australia faces a mid-term run down in self-sufficiency in petroleum and heavy dependence on imports.

(10) The progression from a renewable resource to a non-renewable resource base which has accompanied the development of Western industrialisation is itself, evidently, a blind alley. It is not physically possible for it to continue indefinitely. It is not physically or economically possible for underdeveloped countries to adopt this pattern now, nor is it wise for them to attempt to do so. A wise long-term strategy for Australia to follow is to edge itself out of this blind alley and in the process provide, both for itself and underdeveloped countries, a viable and, in the long term, sustainable alternative.

In conclusion, I would like to reinforce what I consider to be the sensible housekeeping thrust of this paper. For too long the cliché of greenies, environmentalists or conservationists has been automatically inferred as being unrealistic, non-pragmatic and not related to the real world and, therefore, naive and to be discounted.

It seems to me, and I think that this paper reflects that in fact the reverse is true, there must be sooner or later—and the sooner the better—a very realistic appraisal of the cost of using non-renewable resources without proper auditing. This measure would not only be effective but it would highlight the very thrust of what I am saying. Society must recognise the cost of not tending to the various contaminations and the ultimate expenses of depleted resources. Pollution has an ultimate cash, not just cosmetic, cost.

Therefore, with those remarks I have pleasure in supporting the adoption of the motion.

The Hon. G.L. BRUCE: I rise to support the Address in Reply. In doing so, I extend my sympathies to the families of those former members who passed away during the past session of Parliament. Recognition of their service and the time they spent in government is something that is appreciated, I am sure, by their families and friends and, in an increasingly material world, it is a very nice touch.

I would like to congratulate the Hon. Miss Wiese on obtaining the posts of Minister of Tourism, Minister of Local Government and Minister of Youth Affairs. I am sure that she will be an example to Parliament and to her colleagues in those Ministries. In August 1983 in the Address in Reply debate I stated:

For the past three years I have been very critical of the role that this Council has played in the Parliamentary system of this State, and while other members of this Council have expressed somewhat similar views, it appeared that the *status quo* would remain and that the hope of changes was slim. However, I must congratulate this Government on the steps it has taken to make the role of Parliament more relevant by setting up a joint select committee to consider and report upon proposals to reform the law, practices and procedures of Parliament. While I realise that decisions for change may be a long way down the track, I feel that we are on the right track and, given goodwill and cooperation by all political Parties that are represented on the Select Committee, I believe that useful and worthwhile recommendations will be forthcoming. I must commend the Government for this initiative, which I believe was long overdue.

That was said in August 1983. Unfortunately, I must agree with the Hon. Mr Lucas when he said that this committee has been a complete disaster. Out of it all, the big losers are the members themselves and possibly the credibility of Parliament.

Not even to be able to reach agreement that early mornings of Parliament are unnecessary and constitute a health hazard to members and resolve that simple issue shows the abject failure of this committee. Possibly reform should

start within one House instead of trying to get consensus from both Houses. I believe that this Council operates in a different role and atmosphere from the other House, and to try to introduce a common rule for both Houses could be a futile exercise. Possibly we should set our own place in order first. The Hon. John Cornwall would no doubt lend his weight to reform on late night or early morning sittings as I see he laid the blame squarely on Parliament for his recent illness. However, that is only one of the issues that need addressing in improving the role of Parliament.

It is still my belief that this Council has an important role to play in politics. I have always maintained that the Committee system of looking at issues and tabling a report to Parliament has served the people of South Australia well. Over the last two years this Council has had some 16 Select Committees. Those 16 Committees have necessitated some 212 meetings and dealt with possibly hundreds of witnesses and thousands of pages of evidence. Some of the Committees are still sitting. Usually in Committees from this Council there are six members made up of three Government members and three Opposition members. That means that consensus has to be reached and both sides of the political arena have to reach a compromise. As most of the Committee work is done away from the public arena, grandstanding and politicking are of no real advantage, and the meetings are usually fruitful and fulfilling.

I will briefly refer to the Select Committee on Random Breath Testing, of which I was a member. I believe that that Committee did its job in a most conscientious manner. While there were plenty of issues raised that were contentious and could have been made political, the Committee tackled the job in a manner that in the end achieved a report that, from all the evidence received, should be of benefit to the people as a whole. I commend the Government for picking up the issues raised in the report and would support the Hon. Mr Cameron in his call for adequate publicity for the measures now being adopted in relation to random breath testing in endeavouring to reduce the road toll in South Australia. It is something of which we should be aware and be using all our endeavours and initiatives to bring down. Every road statistic is a son or daughter, mother or father, brother or sister of someone in our community, and it a shattering loss to the people involved.

I refer to the report that we brought down. Backing up Mr Cameron's evidence, recommendation 21 of the report said that sufficient funding should be made available to ensure adequate publicity about random breath testing and the dangers of drinking and driving. I sincerely hope that this recommendation is picked up by the Government.

I have some concern and sympathy with the Hon. Mr Gilfillan. I noted his comments on road safety and his concern, which I share. I believe that serious consideration should be given to having a permanent road safety committee set up within the Parliament to review and recommend to Parliament appropriate measures in light of the evidence taken by that Committee. I believe that many issues related to road safety are crying out for attention and that possibly there should be publicity of safety measures, such as car inspections for at least the proper working of lights and wipers. I see that a recent survey showed that most of the cars on the roads today have ineffective wipers because they have not been replaced over a period of years. I think we need licences that identify the driver, and we need adequate training for new drivers. Possibly a basic first aid training course for drivers should be part of the process of getting a licence. These are just a few of the items that spring readily to mind.

We cannot afford to live with the cost to the community in lost lives and injuries, as well as the monetary costs. A conscientious effort must be made to reduce the road toll.

In fact, we have some information that I just picked up from the *Australian* dated Monday 12 August 1985 headed 'Taking the "high" from road danger':

When a hire car and a bus collided on Hobart's outskirts last May, the car split in two and one section, wedged under the bus, burst into flames.

The car driver was killed and the 15 bus passengers and its driver smashed emergency exits and escaped, though the bus was gutted.

A coroner heard that less than an hour before the crash, the dead driver had used marijuana. Evidence was given that the 34-year-old man was on a 'high' with tetrahydrocannabinol (THO) in his blood equal to a 0.2 blood alcohol reading.

People on such highs were said to feel relaxed, have slower reflexes, experience tunnel vision, and be unable to judge distances or time easily.

The coroner found that the man died of his injuries when he lost control of his car.

Evidence of marijuana use was given by a chemist who is developing a process to detect drivers under the influence of drugs.

The process is a response to what Dr Ron Parsons of the University of Tasmania sees as a frightening accident rate associated with marijuana use.

In his research, Dr Parsons and his team tested the blood of 200 traffic offenders and accident victims. They found 12 positive reactions to THO, ten of which were taken from dead people.

The Drugs and Driving Research Group that he heads is investigating a suggestion for roadside cannabis swabs, in the same way as breathalyser tests are conducted.

The suggestion has come from police who report finding motorists apparently under the influence of alcohol, but with a zero reading.

Under the new process, Dr Parsons said a motorist could give a swab, or might spit into a small vial.

A small part of this saliva would then be put on a filter disc with a chemically treated cannabis indicator that would change colour if positive.

There are areas there that need looking at and should be kept under constant review. I believe that just a flash in the pan of having a Committee every year or two years trying to rectify a problem when it becomes that obvious and that should have been picked up along the way is not acceptable.

Another article from *Government in Focus*, Volume 2, No. 8, of July 1985, headed, 'Crash statistics show pedestrian risk from alcohol', states:

The pedestrian who drinks too much may be just as much at risk on the road as the drinking driver, said the Minister for Transport, Mr Morris.

He was commenting on the national road crash statistics for June which showed that when blood alcohol concentration measurements were taken, 4 out of 10 pedestrians killed had been drinking.

Indeed 72 per cent of male pedestrians over 17 years who were killed and who had alcohol in their blood had a reading in excess of 0.15.

Mr Morris pointed out that alcohol was not the only factor in pedestrian road deaths.

The most vulnerable groups were children and the elderly, he said.

Children under about 10 were unable to judge traffic with the same skills as adults. Elderly pedestrians may move slowly and their sight and hearing may not be as acute as they once were.

Mr Morris said pedestrians accounted for one in five road deaths.

But for the two most vulnerable groups, the rate was even worse.

One in three children who died on the road was a pedestrian, and people over 50 accounted for more than half of pedestrian road deaths.

There is any amount of statistics and evidence to show that the road safety program is an ongoing thing, and I fully support the calls of the Hon. Mr Gilfillan and the Hon. Mr Cameron in doing something about road safety.

I believe the Hon. Mr Lucas was rather harsh in his criticism of the Hon. Mr Creedon. While Mr Creedon criticised the workings of this Chamber in its sittings, he is a staunch supporter of the Committee system and has served

for his 12 years in Parliament on the Public Works Committee with diligence and dedication. He has also served on many Select Committees and has never been found wanting when it comes to making decisions. In fact, when we saw some of the grandstanding and electioneering of the Hon. Mr Cameron in his Address in Reply speech, I felt some sympathy for Mr Creedon's viewpoint on this Chamber. However, I believe that, rather than seek its abolition, we should seek to give it a useful role in the governing of South Australia and endeavour to give credibility to the Parliamentary system of Government. We are elected to govern. I believe we should do just that and rely on the electorate to be the judges of our stewardship of looking after South Australia, and the ballot box should remain the ultimate approval of good or bad Governments.

The Hon. M.B. Cameron: It will be.

The Hon. G.L. BRUCE: That is right, and that is the way it should be. I do not disagree. If the Government is found wanting by the public of South Australia and the ballot box indicates that, then I support that.

I believe that during its time in government, the Bannon Government has performed well, notwithstanding the financial straits in which it found itself when it gained office in 1982. By good financial management, the Bannon Government is in the position of being able to bring in tax cuts worth \$41 million to the people of South Australia. Whatever way it is looked at or played around with by the Opposition, it still amounts to \$41 million worth of tax cuts. Nothing can alter that fact. I am rather dismayed at the hypocritical attitude that people have in relation to taxation.

On the one hand, I hear as I move around South Australia, and Australia for that matter, that taxes are too high and people ask why Governments cannot keep out of the way and let the farming and business communities get on with the job of creating employment and money. In the next breath, they are calling for Government intervention to protect or financially support them to stop them from going to the wall.

More and more people seem to be saying, 'We want less taxation,' yet more and more people are looking to the Government for financial handouts or for financial protection to maintain a standard and a way of life. I, for one, have no objection to taxation, but I have an objection to what appears to be the unfair distribution of the taxation burden; to the vast majority of people on the pay-as-you-earn system, it is unavoidable, but to some groups it is almost a matter of conscience as to whether they pay taxation or not, and almost every day we can pick up the papers and see where people have been avoiding their responsibilities in the paying of taxation.

The Costigan Report showed that the tax avoidance industry was an industry in its own right, and a growth industry at that. In fact, I notice that in the book which was put out prior to the taxation summit 'tax evasion' is defined as follows:

Tax evasion is cheating the tax system by breaking the tax law. Tax revenue of at least \$3 000 million is believed to be lost each year through this straight-out law breaking.

It also states:

Tax avoidance is minimising tax in a legal way (sometimes using a loophole in the law and sometimes a feature of the law which was put in for a different purpose). The minimisation of tax in this way is very hard to estimate, but certainly runs to some billions of dollars.

So, it behoves all politicians and Parties to work and legislate for an equitable and fair taxation system. Just how difficult a task this is was shown by the summit conference. However, that should not stop us from seeking taxation reform.

I notice that in today's paper there is a great cry that taxation reform is not on. That same paper had the cry that we should not have taxation reform as suggested. Now, it is suggesting that we should have it. There should be more pulling together to try to get the right formula rather than everybody looking after their own corners.

An honourable member interjecting:

The Hon. G.L. BRUCE: No, I do not believe that there should be another summit. Governments are put in to govern and, if they cannot do that, the people should eventually decide the issue. So, I do not support the prospect of summits as willingly as some of my colleagues appear to.

It appears that the potential for tourism in this State is at long last being realised. The *News* last night and the *Advertiser* this morning announced that a hotel/convention centre to the value of \$30 million is to be built in two stages at Victor Harbor over the next three years. The casino/convention centre, the Grand Prix and the awareness of just what the international airport means to the tourist industry in South Australia, have created an awareness in the public at large that they eventually are the recipients of the tourist dollar in terms of circulation of money and jobs.

However, while this awareness is to be welcomed, all projects should be undertaken in a manner that adds to the uniqueness of South Australia and seeks to retain the character of the best State in Australia. We should hasten slowly so that proper research and appraisal are given to projects that impinge on the tourist industry. A shoddy product and a fast dollar mentality are not in the best long-range plans of a properly developing tourist industry. I am sure that the Hon. Ms Wiese will make her mark in South Australia in her role as Minister of Tourism and, with the added portfolio of Minister of Local Government, she is in a unique position to promote a strong and flourishing tourist industry. The support and understanding of local government is a vital commodity for achieving and maintaining tourist attractions. I trust that the bulk of what the Governor foreshadowed that his Government would do during this session of Parliament will be fulfilled. I support the motion.

The Hon. PETER DUNN secured the adjournment of the debate.

SUPPLY BILL (No. 2)

Adjourned debate on second reading.

(Continued from 8 August. Page 154.)

The Hon. M.B. CAMERON (Leader of the Opposition): The Opposition supports this Bill. The introduction of the Supply Bill is a regular feature of the Parliamentary session. Its aim is to provide sufficient moneys to the Government to enable the continued operation of the Public Service until full debate on the Appropriation Bill and associated measures has been completed by the Parliament.

In speaking to the Supply Bill this afternoon, I will concentrate on the economic performance of this Government and, obviously, if we are to talk about the amounts that the Government requires to continue its operation, we need to look at where and how these funds are being raised. It is time that this Government gave the public some financial facts rather than just fiscal fantasy.

Last week, the Premier described his taxation cuts as historic. The tax cuts of the former Liberal Government represented 7.5 per cent of the total tax calculations for the 1979-80 financial year. Contrast that with the so-called historic cuts announced by the Premier, which, as a proportion of likely tax revenue this year, will amount to only 4.5 per cent—nearly half.

One of those so-called cuts is merely a stalling operation—that is, the ETSA cuts—until next year, when they will come back on again. That in itself is deceitful. When this Government talks of tax it never looks at the other side of the coin: that is, it never addresses the question of Government spending to ensure that it is efficient and effective. It is all very well for the Hon. Mr Bruce to say that the public expect more money to be spent and less taxation, but, again, as he would say, that is the responsibility of the Government to decide what shall be spent, to tell the people why it cannot spend more and where expenditure has to be cut. It is not a question of what the Government has in demands from the community: it is what the Government decides should be appropriate for the expenditure and then for the community to be told that. I am certain that the community in that situation will accept reasoned argument.

The Hon. Frank Blevins interjecting:

The Hon. M.B. CAMERON: The Minister knows that that is not correct. That is over a long period. That is a totally facetious remark by the Minister because he knows that that question is addressed over a longer term. We are prepared to tell the people over the long term what we will do on the roads, but not in the short term. That is unlike the ETSA cuts that have been already announced, where they are only for three months.

It is a fact confirmed by the Australian Bureau of Statistics figures that by June 1982, under the former Liberal Government, State taxes per head of population in South Australia were the lowest of any State. Since that time, State taxation per head of population has risen by 50.2 per cent, again according to the official ABS figures.

It is also a fact that this increase has been the highest of any State. The Government can do all it wants in an effort to cast responsibility for this onto the Opposition, but the reality is that the spending policies adopted by the Labor Party in Government, coupled with the Labor Party's reluctance to control waste and inefficiency in Government departments, have given rise to this position.

Over the past two years, the Government's outlays have increased in real terms by 20 per cent. Over the past two financial years, to meet this extra level of expenditure, an extra \$375 million in State taxes has been collected. This is from a Government that promised before the last election that there were to be no increases in taxes, and that State charges were not to be used as a backdoor method of taxation. We have all been through that time and time again, and we will continue to go through it to make certain that people, when they face the election next time, will know exactly what the situation was prior to the last election and will know that they have to take with a big grain of salt anything that is said by the Premier and by the present Government.

How can the Government with integrity talk of having to put up taxes to cover a \$60 million deficit when in its last two budgets more than six times that amount has been collected in extra taxation? Taking the \$41 million tax cuts announced last week from the \$375 million extra collected in the past two years still makes the Government \$331 million better off. It is time that tax cuts were given out of concern for the public interest rather than for this Government's short-term political interests.

We need a tax cut strategy consistent with long-term economic objectives, not responsive to short-term opinion polls, and that is clearly what happened just recently. A good example of that is, I repeat, the question of ETSA charges. Power bills are a problem for this Government because it caused the problem. It has put in a short-term answer which only applies for the next three months and, as I said the other day, in real terms it only amounts to

four Mars bars per family over the next three months—a big step for the Government, but not a very big step in the minds of members of the community.

There is no long-term plan for public sector management. The Government's much vaunted 'war on waste', announced as the Premier's face was still red from the embarrassment of the State Aquatic Centre, was and is a phoney war. We all know about the Aquatic Centre and the questions it has raised and will continue to raise. There is no use in the Government trying to blame some other person over that issue. It is the Government that decided on the site and decided on the way it should be built; it was in charge of the letting of tenders and the building of that centre.

The Labor Party is not philosophically opposed to higher taxation. That is one of the problems—the Liberal Party is. The Liberal Party's philosophical notion of freedom has at its roots economic freedom. This is a recognition that the individual is the best judge of his own economic well-being and not the Government. The Labor Party is not philosophically opposed to the expansion of the public sector. The Liberal Party is—and for good reason. But the Liberal Party's attitude goes beyond philosophical bounds. We recognise that constantly increasing deficits incurred by some Government departments and agencies will ultimately prove to be a burden on all South Australians—a burden not only in the short-term but also in the long-term.

Consider the deficits in the following: E&WS, over \$20 million; STA, over \$80 million; Housing Trust, \$10 million; ETSA, \$5 million, with an expectation that it will grow. The consolidated deficit exceeds \$50 million. This fundamental economic problem is not being tackled by this Government. If the Government was dinkum, it would tackle costs. Instead of doing this, however, we see it increase costs through its policy of expanding the public sector. The annual increase of this growth in the past two years amounts to \$46 million. That alone is more than its supposedly historic tax cuts.

There is no doubt that even more Government spending is on the way. On one day alone last week three separate items amounting to \$9 million were announced. The Premier is prepared at this time to announce tax cuts but is not prepared to provide the community, or the Parliament, with the full picture. We do not know, for example, what estimates he places on total State taxation for the next 12 months. Surely this information is a fundamental requirement if the Parliament is to responsibly consider the Bills brought before it in relation to land tax, stamp duty, and so on, which we will be considering shortly.

The Hon. L.H. DAVIS: The Supply Bill is not the occasion for a full-blown debate on the financial state of the South Australian economy. That is more properly reserved for the Appropriation Bill which will be introduced into another place later this month. However, it is interesting to note from the second reading explanation of the Supply Bill that \$65 million of the increase in the Bill, which provides for \$485 million for the Public Service to carry on until November 1985, is explained by the effect of three accounting changes.

One of those changes relates to superannuation. The Government has decided to ensure that departments more properly account to the Treasury for superannuation payments. I am pleased to see this accounting change. It is in line with the moves that I have made on more than one occasion in this Council relating to proper accountability in the public sector in relation to superannuation. Honourable members will remember that, resulting from a private motion which I moved last year, the Government decided to establish an inquiry into public sector superannuation. In fact, it was publicly announced in November 1984.

I was somewhat appalled to find that it was not until July 1985—some eight months later—that the Government finally invited submissions from interested parties to that inquiry. The fact that it took eight months before the committee (established under the chairmanship of Mr Peter Agars) invited submissions from the public is an appalling state of affairs. That is, of course, no reflection on Mr Agars, whose competence as a well-known accountant in Adelaide is beyond dispute. However, I was disappointed that the Government took so long to establish an inquiry into such a vital area.

The other matters which have been noted in the second reading explanation relate to certain adjustments in Commonwealth Government health grants, which were previously handled outside the Consolidated Account. In fact, they are now being passed through the Consolidated Account to the South Australian Health Commission. That is a mechanical adjustment. The other arrangement relates to additional interest payments resulting from debt rearrangements with Government financial institutions. That took place at the end of the 1984 fiscal year. I support the Bill but indicate that I await with considerable interest the Appropriation Bill which will come before us in the next few weeks.

The Hon. R.I. LUCAS secured the adjournment of the debate.

STAMP DUTIES ACT AMENDMENT BILL

Adjourned debate on second reading.
(Continued from 13 August. Page 194.)

The Hon. K.T. GRIFFIN: This is one of four Bills in a package to implement some announcements made by the Premier last week. He claimed that they would provide tax concessions amounting to something like \$41 million to the citizens of South Australia. The Opposition will support this Bill and the other three. Some of my colleagues will speak to this and the other Bills. Because we do not regard the benefits as being particularly significant, we will not spend a lot of time on the debates.

The Liberal Party has called for taxation relief since the Government started on its tax hike in 1983. We called for that tax relief in conjunction with a concerted program by the Government to cut waste and keep a tight rein on Government expenditure—two items which it has not been undertaking. Last week we saw the Premier trot out this package to try to regain some lost electoral ground some two to three months out from a State election. It comes with a great fanfare as being the greatest level of tax cuts in the history of South Australia. If one looks at the record, that is not, in fact, correct. The tax cuts made by the Liberal Government in 1980 in money terms were worth as much as the tax cuts we are considering today. As has been indicated in another place, the former Liberal Government's tax cuts were far more significant because they represented 7.5 per cent of the total State taxation collected in the year in which they were implemented. The present cuts amount to much less a proportion of total taxation—about 4.5 per cent of likely tax revenue in this financial year.

The Hon. Frank Blevins: People still have to pay that back, don't they?

The ACTING PRESIDENT (Hon. R.J. Ritson): Order!

The Hon. K.T. GRIFFIN: The grand gesture by the Premier is, therefore, not a particularly significant package and cannot be described accurately as the greatest package since taxes were levied in this State. One must look at the other side of the picture. The total tax collection by the Labor

Government over the past two financial years increased by \$375 million. The per capita State taxation in South Australia in that period increased by 50.2 per cent, the highest increase of any State and the highest increase in South Australia's history. There have been no tight spending constraints by the Government: it has not kept rein on public sector work force costs, which in fact cost the State a minimum of \$46 million annually. We have seen that total Government outlays have increased by 20 per cent in the past two years.

So, one must consider the \$41 million that the package represents in the context of a quite significant increase in tax collections, no constraint on public expenditure, and no concerted campaign against Government waste. As I have said, I put that in the context that the Liberal Government's tax cuts in 1980 were worth as much as, if not more than, this package represents. We abolished succession duty, gift duty, stamp duty on the first principal place of residence up to a value of \$30 000 and land tax on the first principal place of residence. They were quite significant taxation concessions.

However, the ordinary citizen must be grateful for small mercies. I suppose that one could say that we must be grateful for the crumbs from the master's table, but the package does not recognise or reflect any real advantage. There is something in it for a few first home buyers and something in terms of land tax concessions for some small business people, but it does not contain an across the board benefit for small businesses. Ordinary home owners will benefit for only one year from Electricity Trust concessions, and I remind honourable members that that will be to the extent of about \$2 per quarter on electricity bills. Really, that would hardly be noticeable (if it was noticeable at all), considering the amounts that people pay these days for their domestic electricity requirements.

In that context, I refer briefly to the stamp duty concessions proposed under this legislation. The first relates to the rebate of stamp duty on the first principal place of residence, an initiative that the Liberal Government introduced in 1980 to provide relief and incentive to first home buyers. The \$30 000 limit was increased at the last election in 1982 to \$40 000, and after nearly 2½ years it is now to be increased again to \$50 000. However, that increase really does not reflect the quite dramatic increase in the average price for residences in the metropolitan area.

Figures indicate that the average price for a single unit residence in the metropolitan area and Gawler in the December quarter of 1982 was \$46 927, but in the June quarter it had increased by 75 per cent to \$81 894. In the December 1982 quarter the total costs for first home buyers (that is, stamp duty and Lands Titles Office registration fees) amounted to \$365, but in the June quarter of 1985 there had been an increase in that 2½ year period of 257 per cent to \$1 304. For those who were other than first home buyers, the cost of stamp duty and Lands Titles Office registration fees in the December 1982 quarter, based on the average price, amounted to \$1 145, and in the June 1985 quarter it increased to \$2 384, or an increase of 108 per cent.

One can see that the concessions that the Government is making to first home buyers in stamp duty only are really not at all keeping pace with the remarkable increase in both home purchase costs and stamp duty and Lands Titles Office fees over the past 2½ years. It is also important to note that the Lands Titles Office fee has been increased by the Government to \$100, which offsets exactly the \$100 reduction in stamp duty provided for other than first home buyers. So what has been given with one hand has been taken with the other.

Further, the costs of borrowing for home purchase have increased quite significantly since 1982. In fact, in June

1984 the average home loan approved by building societies was \$39 000 and that, when borrowed over 30 years (the average period for such loans), resulted in a monthly repayment of \$424. In another place it was said that the amount repayable over the full term of a loan of \$39 000 was \$152 640, but now the average home loan being approved by building societies has increased to \$47 000 over a 30 year period. Considering the higher interest rates (which at present show no sign of diminishing), the monthly repayment for the average loan is \$566. That is \$142 more than the monthly commitment of the home buyer who took out an average loan just 12 months ago. Further, over the full term of the loan the amount required to repay the principal and interest has increased by \$51 120.

That is a quite dramatic increase. As I have indicated, interest rates have been increasing quite significantly. The Premier himself has approved two increases for building societies in the past year, and that is really a reflection of the competitive situation in the market. Building societies must maintain their competitive position.

Nevertheless, it is also a reflection on the economic policies of the Federal Labor Government, which is so closely aligned with this State Labor Government. There is no indication that the pressure on interest rates is going to decrease. In fact, there is every indication that they will increase rather than decrease. At present under Federal and State Labor Governments, real interest rates are now at the highest level in more than 30 years, and that relates directly to their respective economic policies.

The Bill deals with a number of other matters. It reduces the stamp duty on workers compensation premiums. That stamp duty was first imposed by this Government in 1983 and, having taken stamp duty on workers compensation premiums, it is now prepared to reduce the take by one-third.

There is a provision to abolish the stamp duty on residential tenancy agreements, and that is supported. However, it must be noted that that alone will not encourage more development of private rental accommodation.

The combined effect of the pressures by the Residential Tenancies Tribunal and the Federal and State Government economic policies certainly provide no incentive for private developers to go into the private rental accommodation market. The abolition of negative gearing and the introduction of a capital gains tax will have an adverse impact on that development market.

The increase in the threshold to \$15 000 on receipts from rental business is long overdue. When the Government introduced its financial institutions duty in 1983, it should have taken initiatives to remove other taxes and charges. However, it declined to do so, and that did in some respects put us out of line with other States, especially with regard to the rate of FID and the stamp duty on cheques.

There is relief from stamp duty in respect of the secondary mortgage market. I remind the Council that that stamp duty has not been paid on transfers of mortgages for several years, and the Government is extending that concession to the debenture and bond market, and that is supported.

All in all, we support the Bill, because it provides some crumbs of tax relief, albeit in the context of a \$375 million additional tax take by this Government in the past two financial years, and notwithstanding its electoral promise when it came up for election prior to November 1982 not to increase taxes. Contrary to that quite positive election promise, the Government increased the rate of seven taxes and introduced our first new tax—financial institutions duty—in 10 years. Indeed, the Government has increased 188 separate charges in that time in which it has been in office, and many of them were in excess of the rate of inflation.

The Government's record is therefore to be condemned. It is a high taxing Government and it cannot keep its electoral promises. I hope that at the next State election—whenever it will be—the people of South Australia will remember the commitments of this Government prior to its coming to office and its abominable performance in office and not give it the benefit of any doubt a second time. I support the second reading.

The Hon. R.I. LUCAS: I wish to refer to only one aspect of the Bill, that is, the proposal with respect to workers compensation. In his short reference to this matter in the second reading speech, the Minister stated:

Stamp duty on workers compensation premiums is presently levied at the rate of 8 per cent. There is, in addition, a levy of 1 per cent which is paid to the Statutory Reserve Fund to finance payments to employers whose insurance company defaults. In order to reward and encourage the employment of young workers, the Government proposes to abolish the requirement to pay stamp duty on premiums paid for the insurance of people under 25 years of age. This is expected to cost about \$3 million and will apply in respect of all premiums paid on or after 1 January 1985.

Clearly, there would be tripartisan support for any relief in the stamp duties area concerning workers compensation premiums. I am sure that all members in this Chamber will be supporting not only the Bill but also this particular provision.

However, the explanation does not outline (and I want to take a few brief minutes to put this on the record) some of the difficulties involved. While it sounds very simple to abolish the requirement to pay stamp duty on premiums paid for the insurance of people under the age of 25 years it in effect creates significant problems for employers and insurance companies. In the first instance most employers would not, I am advised, keep a record of their employees as broken down between those who are under 25 years and those who are over 25 years.

There is no logical reason for them to do so. True, employees might keep records of persons under 18 years or 21 years, whatever the age of majority may be for that award. However, they certainly do not keep records of staff broken down between those under or over 25 years.

As I said, I am sure that employers will welcome the relief, but this provision will create some significant administrative problems for them. Many middle and larger sized employers now have their payrolls on computer program and, I am advised, they will now have to reprogram their payrolls. I refer to the necessary expense that this involves. Many middle size companies buy software packages from other companies or have to employ consultants, and of course they will be required to have a new package for the new payroll because of the need to distinguish between those under and over 25 years. That is just one of the administrative problems that has been pointed out to me concerning that age distinction.

Another problem that has been raised by some insurance companies is that they pay in advance, on 1 January each year, an annual licence fee to the Stamp Duties Office. They pay a lump sum to the office based on their calculation of the total stamp duty on workers compensation policies that they might write for the following year. That does not apply to all insurance companies, I am advised. Some do it bit by bit. However, those companies that have been operating for a while have a reasonable idea of what business they will write during the year and, for administrative convenience, rather than having to draw cheques or make cash payments throughout the year, they make an up-front cash payment to the Stamp Duties Office.

At the start of the calendar year 1985, a number of insurance companies did in fact do that. They made an

upfront payment to the Stamp Duties Office. I am advised—although I am no expert in this area—by people in insurance that, having done their calculations, they fully expect to get back from the policies they write the equivalent amount of stamp duty that they have paid out to the Stamp Duties Office. They expect to get that equivalent amount back from employers through the year. They made an estimate at the start of 1985 that, having paid out \$X, they will get back those \$X through the premiums and policies that they write through this year.

Because of this particular change that has been introduced and applied retrospectively to 1 January, I am advised once again that, as a result of this equalisation process that the insurance companies go through, the sums may not add up. In fact, some of them may well experience a shortfall in the amount of stamp duty that they would recover from employers to offset the amount of money they paid to the Stamp Duties Office. Once again that is a particular problem for those insurance companies which have operated in this particular way in this field.

The only reason for raising these particular matters in the Chamber is to point out that whilst a laudable concept is incorporated in the second reading speech, the problems that that causes for employers and for insurance companies certainly have not been outlined. They may well have been appreciated by the Government—I do not know. I am not suggesting they did not appreciate it, but certainly they have given no indication in the second reading that they are aware of the possible problems, but felt that the advantages to employers and insurance companies outweighed the particular problems.

The last matter that I want to refer to with respect to this workers compensation matter is addressed to—I am not sure. Perhaps I might inquire whether the Minister Assisting the Treasurer is handling this Bill?

The Hon. Frank Blevins: The Attorney-General represents the Treasurer. He has delegated it to me for the moment.

The Hon. R.I. LUCAS: I am still a bit confused. I wanted to direct a question—

The Hon. Frank Blevins: That is only because you are not very bright.

The Hon. R.I. LUCAS: I am always happy to admit that I am not very bright to the Minister of Labour. We are not always as bright as the Minister of Labour. I wanted to direct a question to whoever is the Minister responsible for this Bill. The Hon. Mr Hill raised an important question earlier about who would handle the tax Bills.

The Hon. Frank Blevins: Do you want to—

The Hon. R.I. LUCAS: All I am saying is that we would like an answer. Quite clearly we have raised the hackles of the Minister Assisting the Treasurer, the Hon. Mr Blevins.

The Hon. Frank Blevins interjecting:

The Hon. R.I. LUCAS: He is very, very sensitive with respect to who is representing the Treasurer in this Chamber.

Members interjecting:

The PRESIDENT: Order! The honourable Minister!

The Hon. R.I. LUCAS: Thank you for your protection against the ceaseless interjections from the Minister of Labour. As I indicated earlier, or tried to indicate earlier over the ceaseless interjections of the Minister Assisting the Treasurer, I was trying to ascertain who is responsible for this Bill. We have the Minister Assisting the Treasurer—

The Hon. Frank Blevins: I told you.

The Hon. R.I. LUCAS: No, the Minister did not tell me.

The Hon. Frank Blevins: I told you who was responsible for the Bill.

The Hon. R.I. LUCAS: Who is?

The Hon. Frank Blevins: The Minister who represents the Treasurer in this Chamber is responsible for this Bill.

The Hon. R.I. LUCAS: Where is he?

The Hon. Frank Blevins: I have no idea. At the moment I am the Minister in charge of the Council and all your questions will be answered. All you have to do is express them clearly and succinctly, and preferably before 6 o'clock.

The Hon. R.I. LUCAS: There has obviously been a *coup d'état* in the Ministry across the way, because one would have thought that the Hon. Mr Blevins, as the Minister Assisting the Treasurer, and sworn in as such, would handle a significant tax Bill like that, but he has just told us that the Attorney-General has taken over this Bill.

The Hon. C.M. Hill: He is packing his bags—

The Hon. R.I. LUCAS: Yes, but obviously the Attorney-General, in trying to come to some sort of an arrangement with the Minister Assisting the Treasurer, has decided that what he will do—

The Hon. Frank Blevins interjecting:

The Hon. R.I. LUCAS: —is leave the Chamber and try and let the Minister Assisting the Treasurer have some sort of kudos and let him in effect *de facto* handle the Bill in this Chamber.

Members interjecting:

The PRESIDENT: Order!

The Hon. L.H. DAVIS: I rise on a point of order. The Minister of Labour is just persistently interjecting and interrupting the Hon. Mr Lucas in his speech.

The PRESIDENT: I really thought they were practising vaudeville. I will ask the honourable Minister to let the Hon. Mr Lucas continue.

The Hon. Frank Blevins: There has to be some point at which you can correct the member, who is quite wrong, because, as he concedes, he is very dull.

The PRESIDENT: Unfortunately, I cannot do that. If you are going to ask a question of the Minister, then you should ask it directly of the Minister.

Members interjecting:

The PRESIDENT: Order! The Hon. Mr Lucas has suggested that he wants to ask a question. The honourable Minister has said that he is capable of supplying an answer. I do not see why you do not ask that question and then continue with the rest of your debate.

The Hon. R.I. LUCAS: Thank you, Mr President, for your protection.

The Hon. Frank Blevins interjecting:

The Hon. R.I. LUCAS: Mr President, I would welcome the opportunity to continue my speech if the Minister Assisting the Treasurer will desist from his ceaseless interjections. The question that I wanted to put to whoever is responsible—and we are having some difficulty establishing that—

The Hon. Frank Blevins: There is no difficulty in establishing that whatsoever. The Minister—

The Hon. R.I. LUCAS: Have you finished? If you want to speak, get up in the Chamber later on. It is quite simple.

Members interjecting:

The PRESIDENT: Order! The Hon. Mr Lucas and the honourable Minister will have to stop. You are not really contributing to the debate by repeating ceaselessly that you want to ask a question. When the Minister says that he can reply to it, you take no advantage of that, but go on—

The Hon. R.I. LUCAS: I cannot get in. He keeps talking.

The PRESIDENT: I will settle the argument, if that is what you want, Mr Lucas. I am just advising you that perhaps the best way to go about it would be to ask your question and then if the Minister who says he can reply cannot, it will give you further ammunition for your debate. Most certainly ceaseless repetition must cease.

The Hon. R.I. LUCAS: I welcome your protection from the Minister, and I certainly welcome your settling the particular matter between the Minister and myself. I cer-

tainly have no problems with that. I am trying to ask, if I am allowed, whether the Minister is aware of the particular problems that these matters will cause for employers and certain insurance companies which, as I say, pay up front to 1 January with respect to the propositions included in the Stamp Duties Act Amendment Bill? As the Minister has indicated that he is competent to answer it, in the Committee stages or the reply to the second reading, I will welcome or look forward to the particular reply to the questions that I have just put to the Minister in whatever guise he is in this Chamber.

The final matter that I want to refer to relates to the whole concept of Government policy with respect to the 8 per cent levy of stamp duty on workers compensation premiums. This matter removes it with respect to payrolls on people under the age of 25. As I indicated in part in a question to the Minister of Labour last week, a copy of the first draft of the Government's South Australian workers rehabilitation and compensation proposals, which is doing the rounds at the moment, shows on page 39 a summary of potential savings from the Government's workers compensation proposals. The Governor's Speech indicated that the Government would proceed with some form of these workers compensation proposals. Page 39 of that document, under the heading 'Preliminary costing,' lists, in summary, that the potential net savings are the adoption of the single insurer, 25 per cent; reduction of adversarial processes, 4 per cent; and abolition of stamp duty, 8 per cent.

This previously confidential first draft of the Government's workers compensation proposition includes in a summary of the potential net savings the full abolition of stamp duty—the complete 8 per cent that is referred to in the second reading explanation.

The further question that I have to whichever Minister is responsible, in whatever guise that Minister is responsible for this Bill, is: does the Government still intend to remove the complete 8 per cent, as would be indicated by the confidential first draft of its workers compensation proposals? If that were to be the case, the expense that would be incurred by employers in reprogramming their payrolls and delineating those under 25 and over 25 would, in effect, be an unnecessary expense. This proposal having been introduced, employers would have to go away and incur the expense of reprogramming their payrolls. If the Government were then to come along in a month or two and say, 'We will now remove the whole 8 per cent,' that expense incurred by employers as a result of this Stamp Duties Act Amendment Bill would be unnecessary. If the Government is finally to remove the whole 8 per cent, as the first draft would suggest, it would perhaps be better left for discussion and debate when we get into the whole workers compensation debate later in this session. So my final question to the Minister in charge is simply—

The Hon. J.C. Burdett interjecting:

The Hon. R.I. LUCAS: The Hon. Mr Burdett asks which Minister. As I said, I am not really sure after the recent interjections of the Minister in the Chamber, Mr Blevins.

The Hon. Frank Blevins interjecting:

The Hon. R.I. LUCAS: I take exception to that statement from the Minister. He indicated that I was stupid. I take grave personal exception to that insult, and I ask the Minister to withdraw and apologise.

The Hon. FRANK BLEVINS: I understand that some explanation is first of all required. There is no doubt that I heard the—

The Hon. R.I. LUCAS: I rise on a point of order, Mr President. There is nothing in Standing Orders that provides for him to make an explanation. He did not seek leave or anything.

The Hon. FRANK BLEVINS: The Hon. Mr Lucas has not read Standing Orders; I have.

The PRESIDENT: The request to the Minister is that he apologise. If he were to be named, he would have an opportunity to explain.

The Hon. FRANK BLEVINS: We can do this. I distinctly heard the Hon. Mr Lucas say that he was thick or very dull.

The Hon. R.I. LUCAS: On a point of order, Mr President—

The PRESIDENT: Order!

The Hon. FRANK BLEVINS: If he said that he was dull, I would only agree.

The PRESIDENT: Order! Will the Minister apologise?

The Hon. FRANK BLEVINS: He is dull. Certainly if he takes offence to being stupid as well as dull, I will withdraw the word 'stupid' and leave 'dull'.

The Hon. R.I. LUCAS: I thank the Minister for his withdrawal and apology, and I accept it in the good spirit in which most members would accept that in the Council. I leave those questions with the Minister in charge and look forward to an answer during his second reading response, if he is giving it. I am not sure whether he or the Hon. Mr Sumner is giving it.

The Hon. I. GILFILLAN: I direct my remarks to one aspect only of the Bill—stamp duty on the conveyance of property. I quote from the second reading explanation:

Stamp duty on the conveyance of property is one of the main sources of revenue for all State Governments. Even quite small adjustments to the rate of duty can have a significant impact on revenue collections. However, the Government considers that the impact of this duty must be reduced.

It is somewhat startling to find, having read in the second reading explanation, that, comparatively, South Australia has substantially the highest revenue from this form of taxation, and, even with the reduction, remains significantly above all other States in Australia in the stamp duty on the conveyance of property revenue.

I will put into *Hansard* some comparative figures from other States because it will be useful for members and others to see exactly what has happened to stamp duty on the conveyance of property in South Australia and how it compares with other States, so that we can know exactly what has been and is expected to be received by the Government, and what has been reduced by this gesture—it is a welcome gesture; I am not denying that—to reduce the stamp duty. These are stamp duties on conveyances in the various States. The sources are the Stamp Duties Offices of the various States, all of which were far more forthcoming with information than this State's Stamp Duties Office, from which I found it rather difficult to get specific details. The figures are:

Western Australia: Up to \$80 000	1.75% of consideration
\$80 000-\$100 000	\$1 400 + \$2.50 per \$100 in excess of \$80 000
\$100 000-\$250 000	\$1 900 + \$3.25 per \$100 in excess of \$100 000
\$250 000-\$500 000	\$6 775 + \$4.00 per \$100 in excess of \$250 000
More than \$500 000	\$16 775 + \$4.25 per \$100 in excess of \$500 000
Victoria: all flat rates, depending on where the sale price falls	%
Up to \$7 000	1.45
\$7 000-\$15 000	1.70
\$15 000-\$40 000	1.95
\$40 000-\$100 000	2.20
\$100 000-\$125 000	3.00
\$125 000-\$150 000	3.50
\$150 000-\$200 000	3.75
\$200 000-\$300 000	4.25
\$300 000-\$600 000	4.75

There are figures above that that I will not read. However, there is a significant point in Victoria. For first home buyers the purchase price up to \$65 000 is completely exempt from stamp duty. The figures go on:

New South Wales: all flat rates, depending on where sale price falls

		%
	Up to \$14 000	1.25
	\$14 000-\$30 000	1.50
	\$30 000-\$50 000	1.75
	\$50 000-\$100 000	2
	\$100 000-\$250 000	2.25
	over \$250 000	2.50
Queensland:	Up to \$20 000	1.50
	\$20 000-\$50 000	\$300 + \$2.25 per \$100 excess over \$20 000
	\$50 000-\$100 000	\$975 + \$2.75 per \$100 excess over \$50 000
	\$100 000-\$250 000	\$2 350 + \$3.25 per 100 excess over \$100 000
	\$250 000-\$500 000	\$7 225 + \$3.50 per \$100 excess over \$250 000
	over \$500 000	\$15 975 + \$3.75 per \$100

In looking at these figures and taking a comparative analysis it is important to find the unit which is most useful. I will comment on what can be known as the median price for established houses and units, or it could be described as the middle price. It is the figure obtained by placing all the prices in order and determining the middle price, so that there are just as many houses below it as there are above it. It is a recognised unit for comparison. Once again, the figures that I am giving come from the Real Estate Institute of Australia.

The moving annual median is the average of the medians for the past 12 months. The figures are taken monthly and are divided by 12 so that it is a fairly stable measure of what people have been paying for houses over the past year. The moving annual median price for established houses in Sydney in June 1983 was \$80 400, in June 1984 it was \$84 300, and in June 1985 it was \$89 700; in Melbourne in June 1983 it was \$52 600, in June 1984 it was \$61 600, and in June 1985 it was \$74 600; in Brisbane in June 1983 it was \$55 400, in June 1984 it was \$57 000, and in June 1985 it was \$60 200; in Perth in June 1983 it was \$49 900, in June 1984 it was \$47 100, and in June 1985 it was \$50 000; and for Adelaide I will start in August 1978 when it was \$32 800, in June 1979 it was \$33 300, in June 1980 it was \$35 500, in June 1981 it was \$38 200, in June 1982 it was \$42 800, in June 1983 it was \$48 200, in June 1984 it was \$60 200, and in June 1985 it was \$73 900.

I have given extra figures for South Australia and Adelaide in particular because there had not been a move in these marginal rates since 1976. Therefore, it is very significant to look at the value of an average priced or medium priced house at the time the legislation was introduced compared to its position now. It is worth noting in the Adelaide figures that there is a massive increase in the median price from June 1983 (when it was \$48 000 approximately) to June 1985 (when it was \$74 000 approximately). For each \$100 increase in South Australia over the \$50 000 limit now, the State Government will help itself to \$3.50. With housing prices jumping by about \$25 000 over the past two years the Government has been bringing in between \$750 and \$875 extra on the sale of each house.

The same story applies to units, where it is interesting to compare the figures State by State. In Sydney in June 1983 a unit cost \$62 200, in June 1984 \$65 100, and in June 1985 \$67 000; in Melbourne in June 1983 \$42 300, in June 1984 \$46 900, and in June 1985 \$58 000; in Brisbane in June 1983 \$52 300, in June 1984 \$58 100, and in June 1985 \$56 900; in Perth in June 1983 \$41 500, in June 1984 \$38 500 (an interesting comparison with Perth is that there was a

drop in both house and unit prices between June 1983 and June 1984), and in June 1985 \$37 600; and in Adelaide in June 1980 \$28 100, in June 1981 \$30 100, in June 1982 \$33 000, in June 1983 \$38 400, in June 1984 \$47 000, and in June 1985 \$59 500.

Over the past two years the middle price for units has jumped \$20 000 and the Government has raked in an extra \$650 per unit. In 1982-83 there were 45 965 transfers of real estate, while in 1983-84 it jumped to 58 836. Various questions could be asked about the statistics, and it may be worthwhile attempting to elicit extra information as to how this is broken up when we go into Committee. As I have said before, I have had difficulty in obtaining adequate information from the Stamp Duties Office. I suspect that there have been some quite dramatic increase in stamp duties revenue in the past financial year, but it is very difficult to extract that information at this stage. It is obviously a very lucrative source of revenue for the State Government.

I refer to the median established house and unit price for the various capital cities in June 1985 and, again, the figures come from the Real Estate Institute of Australia. In Sydney the house price is \$96 200, while the unit price is \$64 000; in Melbourne the house price is \$78 600, while the unit price is \$54 200; in Brisbane the house price is \$59 400, while the unit price is \$59 200; in Adelaide the house price is \$75 400, while the unit price is \$61 500; and in Perth the house price is \$51 600, while the unit price is \$38 800.

The current stamp duties on middle price houses and units, State by State (using the reduced figures for South Australia that will apply when this Bill comes into effect), are very significant in illustrating how high the income and the rate of income to the State Government is from this source of revenue. The stamp duty on a middle priced house in Sydney is \$1 924, while it is \$1 280 for a unit; in Melbourne it is \$1 729.20 for a house and \$1 192.40 for a unit; in Brisbane it is \$1 233.50 for a house and \$1 228 for a unit; in Adelaide it is \$1 969 for a house and \$1 482.50 for a unit; and in Perth it is \$903 for a house and \$679 for a unit. Therefore, people in Adelaide are paying more than the amount paid in any other capital city. It is more than double what people in Perth are paying, and \$200 or \$300 more than is paid in Melbourne.

Another interesting comparison (to make this point abundantly clear to any readers of *Hansard*) is the marginal rate which would apply to a house valued at \$75 000 State by State. In New South Wales it is \$2 per \$100; in Victoria it is \$2.20 per \$100; in Queensland it is \$2.75 per \$100; and in Western Australia it is \$1.75 per \$100, compared with South Australia at \$3.50 per \$100. At the \$75 000 mark South Australians are paying double what Western Australians pay and more than the amount paid anywhere else by a substantial amount.

A person buying a house for \$75 000 would be up for the following stamp duty, State by State: in New South Wales, \$1 500; in Victoria, \$1 650; in Queensland, \$1 662.50; in South Australia, \$1 955 (which compares with the current hit of \$2 055); and in Western Australia, \$1 312.50. South Australia is much more demanding than is any other State. In fact, quite obviously in other States the stamp duty is the same as the amount we pay on \$75 000 houses when the purchase price in New South Wales is \$98 000 or nearly \$100 000; in Victoria it is \$89 000 approximately; in Queensland it is \$85 500; and in Western Australia it is \$101 692.

Therefore, it is obvious that the benefits of this measure for house purchasers in South Australia are relatively insignificant when one considers the enormous stamp duties that South Australians are paying, in particular in comparison with the duties in other States. For a house of less than

\$40 000 there was no stamp duty previously, and there is none now. Those who buy houses of between \$40 000 and \$50 000 make a saving because they no longer have to pay stamp duty, but the benefit is graduated according to the price of the house to a maximum of \$300 at \$50 000.

Those who are not first home buyers are subject to the same marginal rates for houses over \$30 000, but the up front cost has been reduced by \$100, as the Hon. Trevor Griffin stated. The benefit is \$100. However, the rates were last adjusted in 1976, and this is one of the significant aspects in comparing the figures I cited previously. In 1976 the middle price for an established house was about \$30 000 and the middle price for a unit was about \$25 000. On average, under this measure the Government will give back \$100 but at the same time it will receive about \$1 500 more in stamp duty collection for a middle range house and about \$1 100 more for each median unit. By not adjusting the marginal rates, the Government will continue to rake in money very quickly as the price of houses and units increases.

The \$4 in \$100 to be paid on houses of more than \$100 000 is applied only at the \$250 000 level in Western Australia and at the \$200 000 level in Victoria, but that sum is not levied at all under any circumstances in New South Wales or Queensland. It is obvious that, although the measure is welcome, one can only say that it is better than nothing. It is a very small token in an area where Government revenue is increasing in leaps and bounds and, obviously, the marginal rate will exaggerate that situation as the trend continues.

I hope that this matter is considered more specifically in Committee in relation to the statistics for last year. Land transfer revenue from stamp duties, according to the *South Australian Year Book*, has increased since 1977, when it was \$76 million. It has increased in incremental stages: to \$83 million in 1978-79; \$86.7 million in 1979-80; \$96.5 million in 1980-81; and \$106 million in 1981-82. That sum increased more significantly to \$118.3 million in 1982-83 but, because of the alarming trend of a \$50 million leap between 1982-83 and 1983-84, I am concerned that in 1984-85 the estimated revenue was only \$187 million. That is a rather extraordinarily modest estimate if one compares it to the achieved \$50 million increase in the previous year.

I have not been able to obtain the exact statistics to show how far out that estimate has been, but I hope that this information is forthcoming at some stage, either in the Minister's response or in Committee. I would like to know on what basis the estimate was made and whether the Government predicted a dramatic decrease in the number of transfers. This measure has been much trumpeted, but it has very little significance. Its significant feature is that there will be a substantial gain in revenue for the Government from stamp duties on conveyances, regardless of the reduction. Although this measure is welcome, I believe that it must be considered in perspective. It really does not do much, if anything, of significance to relieve the pressure on home buyers in South Australia. Therefore, it is important that those who are interested in the facts have a look at the comparative figures; they will see that South Australia has what I consider to be the spurious privilege of being the highest stamp duty charging State in the Commonwealth. I hope that in the reasonably near future there is a greater adjustment than the minor adjustment provided in this Bill.

The Hon. L.H. DAVIS: I support the Bill. However, it is quite extraordinary that we are being asked to approve tax measures that will give relief of \$41 million to the taxpayers of South Australia without knowing the full taxation take for 1984-85 and the estimated taxation take for 1985-86. The Opposition in another place and in the Council has supported the move, because in fact we argued for such

relief several months ago. It is pleasing to note that the Labor Government, at least in part, has accepted the sound financial advice offered by the Liberal Party in Opposition, albeit temporarily.

The taxation provisions covered in this clutch of four Bills are quite wide-ranging. At present we are debating amendments to the Stamp Duties Act, and stamp duties play a significant part in State taxation. Before I address my remarks specifically to that Bill, it is not inappropriate that I refer to the relief afforded to electricity consumers. As the Hon. Mr Griffin has already indicated, this relief in electricity tariffs is for a short period only; it is not of indefinite duration. Of course, it comes after some very heavy double digit increases in electricity tariffs in recent years.

I make the point (which has not yet been made) that this benefit is directed to the 600 000 electricity consumers in South Australia. However, South Australian Gas Company customers have been offered no such relief, and there are almost 250 000 consumers of gas in this State. The company, a public utility and a publicly listed company, has long had a reputation for sound management and dedication to providing gas to its 250 000 consumers at the minimum possible price. I urge the Government to give consideration to reducing the licence fee for the South Australian Gas Company as it has done in regard to ETSA. It is quite clear that the South Australian Gas Company and its consumers have been disadvantaged by the fact that the Government has addressed itself only to the Electricity Trust of South Australia when reducing licence fees. Even so, the extent of the benefit to ETSA consumers will not be of long duration. Effectively, it will save ETSA from increasing its tariffs by 4 per cent to 5 per cent. Because of the Government's measure, ETSA tariffs will be reduced temporarily by 2 per cent.

But, to the extent that the Electricity Trust and its consumers have received that benefit, the South Australian Gas Company and its consumers have been disadvantaged. I hope that the Government in the near future will seek to correct that anomaly.

The Hon. Mr Gilfillan referred to the impact of the adjustments to the stamp duty tables in relation to the transfer of property in South Australia. The stamp duty on the transfer of property is, of course, one of the main sources of revenue for the South Australian Government. The second reading explanation refers to the fact that when the Government came to office it raised from \$30 000 to \$40 000 the value of a first home which was exempt from stamp duty. The Bill now before us proposes to lift that exemption from \$40 000 to \$50 000.

As the Hon. Mr Gilfillan has already indicated, over the past two years there has been an enormous increase in the cost of housing in South Australia. In fact, two years ago, when the exemption level was last increased from \$30 000 to \$40 000, it was possible to buy a house for \$40 000. Many first home owners could buy a house—admittedly in the outer areas of Adelaide, generally speaking—for less than \$40 000 and thus get total exemption from stamp duty on the purchase of that first house.

However, a quick perusal of Saturday's *Advertiser* and the real estate pages shows that very few houses sell for less than \$50 000. I discovered just a handful, and more often than not they were generally in the category of being 'an investor's dream' or 'a handyman's delight'. In other words, these houses were not of top order: they were very marginal propositions. So, the Government's generosity is more apparent than real. The Government has sought to lift that exemption level from \$40 000 two years ago to \$50 000, yet in the same period the average movement in house prices in South Australia has been greater than 50 per cent.

From June 1983 to June 1984 house prices in metropolitan Adelaide increased in value by more than 30 per cent, and in the last 12-month period from June 1984 to June 1985 the increase in house prices in metropolitan Adelaide was 23 per cent. In total, that is an increase of more than 50 per cent. To use the median price in Adelaide as measured by the Real Estate Institute, in June 1983 the median price for a residential dwelling in metropolitan Adelaide was \$50 900, but that had moved to \$75 400 by June 1985—in other words, a movement of 50 per cent.

Those figures are slightly at variance with those provided by the Hon. Mr Gilfillan, but only marginally so, and they tell the same story, namely, that house prices in Adelaide have moved further and faster than they have in any other capital city in Australia, with the possible exception of Canberra, in the last two years. Of course, that is a mixed blessing, depending on whether one is talking about it from the Government's point of view or from the point of view of seeking to attract industry to South Australia, because no longer can we boast of having low cost housing.

True, it is an advantage if you are a home owner or an investor in real estate, but the fact remains that Adelaide's metropolitan area now has the second highest median price for residential dwellings of all capital cities in Australia with the exception of Sydney. In fact, it rates higher than Melbourne. That would have been unthinkable several years ago, but that is the fact.

So, this benefit, which has been trumpeted as a great blessing to first home owners and to other people seeking to purchase a house, is not as great a benefit as it may appear, because there has been such a dramatic movement in Adelaide house prices. As John Maynard Keynes—one of the most eminent economists of the 20th century—once said—

The Hon. Frank Blevins: Are you a Keynesian?

The Hon. L.H. DAVIS: Yes, in a modest sort of way.

The Hon. Frank Blevins: Obviously a wet.

The Hon. L.H. DAVIS: Not really. Keynes was right for his time. We can talk about that afterwards. As John Maynard Keynes once said, 'Inflation is a mighty tax gatherer.' Whilst price inflation has abated, as measured in terms of the consumer price index, prices in terms of domestic dwellings certainly have not, and this Government has benefited enormously by the very dramatic movement in house prices in metropolitan Adelaide and country areas.

Other measures that are addressed in this Bill include a very belated decision to abolish stamp duty on the transfer of corporate debt securities, including corporate debentures. I raised this matter in 1983 and pointed out that other States were actively considering it. In fact, New South Wales and Victoria introduced this measure about 12 months ago. I raised this matter more than once—I think, at least twice—in this Council and pointed out that, if the Government was serious about promoting Adelaide as a financial centre of some substance, it should initiate moves like this rather than trail other States.

Finally, we find in August 1985—almost two years since I first raised this matter and certainly 12 months after the New South Wales and Victorian Governments acted—the Bannon Government finally says, 'Yes, we should do it, too.' The Government admits this in the explanation, where it states:

It is apparent that the existence of stamp duty has stifled the development of this market and the Government proposes now to remove it.

Of course, that is a sad admission of a fact that the Government was told two years ago. It disappoints me to see the Government being so tardy in matters which do not raise much money for the Government but which could raise the standing for Adelaide as a financial centre in Australia.

The other matter that is a partner to the measure that I have just mentioned is a decision to abolish stamp duty on the transfer of mortgage backed securities. Again, I have mentioned this matter more than once over the past 12 or 18 months. There has been the development of a secondary mortgage market around Australia, and South Australia has linked into that, with the Government quite clearly showing little understanding of the importance of this market.

For many years, as the second reading acknowledges, this has been a popular device in America: financial institutions can free up their mortgage securities and raise finance by issuing paper against the security of the mortgages they may have over real property. Obviously, this measure would be readily adopted by the building societies of South Australia.

The building societies have already moved into this market. In fact, some South Australian companies have an interest in secondary mortgage market companies. It would have been pleasing to see the Government act with more alacrity in this matter instead of again trailing the other States, which have a natural, geographical and commercial advantage, anyway, as large financial centres. I refer, of course, to Sydney and Melbourne. Little old Adelaide limps in, probably running last in this field again.

The Hon. Frank Blevins: Why didn't you do it in 1982?

The Hon. L.H. DAVIS: It was a bit before the development of the secondary mortgage market in Australia. That is why the Tonkin Government did not act: it was just a bit premature to do it at that time. It was a development that occurred shortly after the Labor Government came into office. I think that if the Minister cared to read the record he would find that I am right in that observation. I am delighted to see that the Government has finally accepted the advice that has no doubt been given to it by financial leaders in the community over the past two years and the advice that I have given to it on more than one occasion in this Chamber. I support those two measures and, indeed, I support the proposals that are contained in this Bill.

The Hon. FRANK BLEVINS (Minister of Labour): I thank honourable members who have contributed to the debate. The questions that a number of them have raised will take some time to get detailed responses to. They are complex matters, and I think they will be more appropriately answered in Committee.

Bill read a second time.

In Committee.

Clause 1 passed.

Progress reported; Committee to sit again.

ADDRESS IN REPLY

Adjourned debate on motion for adoption (resumed on motion).

(Continued from page 254.)

The Hon. PETER DUNN: I thank the Governor for his speech and support the motion for the adoption thereof. I offer my sympathy to the families of Mr L.C. Hunkin and Mr J.S. Clark. I knew neither of those people. However, I am sure that they served the Parliament in a manner that befits this place and in a manner that served very well the people whom they represented. I also congratulate the new Minister Wiese on her elevation to the Ministry. Indeed, it was something that I suppose came out of the blue, but was not unexpected in this present Government's life. They have a few problems, and I see that this is one that they are endeavouring to correct. I wish Minister Wiese well in all her endeavours in the future. I am sure she will add a

different face to the front bench, and we appreciate that very much on this side of the Chamber.

I note that the Government is jumping at shadows, most of which shadows have been created by the bright lights on this side of the Chamber. They have jumped in every direction, and some of the things at which they have jumped and to which they have responded very quickly and rather irrationally at times include, for instance, the Hon. Trevor Griffin's endeavour to have the unsworn statement struck out. The Government responded in an unusual fashion to that. Right through the tax debate, it has responded in a very ungainly fashion to those concessions and methods which have been proposed by the Liberal Party. For instance, regarding the ETSA tariffs, they have decided that, having taken an enormous amount of tax from the general public, it would be fine just prior to the election to give them back a certain amount of that tax. It is nowhere near enough when one considers those on Eyre Peninsula are still paying 10 per cent more than the rest of the State is paying. They cannot see the reason for that and nor can I. Indeed, very little of the rest of the community can see any reason at all for having one section of the community pay such a bizarre amount over and above what the rest of the community pays for an essential item such as electricity.

The E&WS Department is to get some remission on its tariffs, or at least they are to be held for a while—and not before time. I suppose there are a number of things in this life that we consider are fairly essential. Some of those are a roof over one's head and adequate water and power. From there on, I would presume that all the rest is luxury. In today's circumstances, water is most important just for normal hygienic living, especially where we have a density of population. It is very important for deep drainage and all those other things. However, water is becoming very expensive in this very dry State, I admit that, but, when I go around the country and look at some of the projects that have been built in the past and think of what is being done at the moment, I sometimes wonder where our money is being spent.

When one looks at what has happened, one realises what a good job was done in the past, particularly by those of the Playford era and those beyond, when water mains were laid all over this State. I believe that we probably have the most extensive reticulated water system per head of population in the world. It is quite remarkable and acts as a very important part of the production and the productivity of this State. Also, it helps swell the Government coffers. It is therefore only right and proper that the Government should perhaps give a little of that back to the people who use that water.

The Hon. Frank Blevins: Bert Kelly said that water is too cheap in this State.

The Hon. PETER DUNN: The Minister interjects and says that Mr Kelly says that water is too cheap. I suppose that that is all relative. Many other things are perhaps too

cheap in this State, but I do not believe that water can ever be too cheap. If we can supply it for nothing, so much the better; but that is not a fact of life, as we know. The Government should have held these water prices to a level some time ago; and some efficiency within the department would not go amiss, when I see the methods by which it maintains some of the lines at the moment.

One of the other areas that is being looked at is workers compensation. The Liberal Party has been talking about workers compensation. We have released part of our policy on this, and it appears that the Government is jumping at this one at a great rate.

Then there is the Native Vegetation Bill. In the next few days we will see the report from the Select Committee on Native Vegetation. That Select Committee would never have come into existence had it not been for people on this side of the House—in particular, the Hon. Mr Cameron and the President himself, who was lobbied in this regard. The problems that we have in the rural community were demonstrated to those people. It was not obvious from the other side of the House because so few of its members come from an area that has any native vegetation in it. The little bit of native vegetation that is left in the Adelaide Plains has been covered with concrete in this city of Adelaide.

It took this Select Committee to see the problems that were occurring in the bush. I am pleased that it will report tomorrow. I am also pleased to have indicated to me that the Government is to introduce a Bill that it says will rectify that problem. I commend it at this stage on its rapid progress in doing that, but it has taken it a damn long time to see the problem that was foretold to it on 13 May—one day after the regulations were introduced in 1983. It has taken it a long time to learn that lesson. It has just learnt it, and learnt it the hard way. Of course, it may have been helped by the fact that an election is coming up and it wishes to be seen as a compassionate Party, which would definitely influence the manner in which it has handled this Bill.

The final thing to which the Government has reacted, which I wish to comment on at some length, is agricultural education in South Australia, which involves Sims farm. I do not wish to speak at any length about Sims farm, because the Minister today has announced his plan for it. I thank him for curing the problem in the way that he has. Once again, it has been a very long and protracted argument between the city and the country. We have come to an agreement, at last, that I think will suit most people. I will extend it further, but at this stage I seek leave to conclude my remarks.

Leave granted; debate adjourned.

ADJOURNMENT

At 5.57 p.m. the Council adjourned until Thursday 15 August at 2.15 p.m.