

**HOUSE OF ASSEMBLY**

Tuesday 17 September 1985

The **SPEAKER (Hon. T.M. McRae)** took the Chair at 2 p.m. and read prayers.

**CONSTITUTION ACT AMENDMENT BILL (No. 2)**

His Excellency the Governor, by message, informed the House that Royal Assent to the Bill had been proclaimed in the *Government Gazette* dated 12 September 1985.

**PETITION: COORONG BEACH**

A petition signed by 20 residents of South Australia praying that the House urge the Government to ensure that the entire Coorong beach remains open to vehicles and the public and that all tracks are maintained in good order was presented by the Hon. H. Allison.

Petition received.

**PETITION: CRAIGBURN FARM LAND**

A petition signed by nine residents of South Australia praying that the House urge the Government to purchase Craighburn Farm land, north of Sturt River, and retain it as open space was presented by the Hon. D.C. Brown.

Petition received.

**PETITION: MORPHETT VALE TRAFFIC LIGHTS**

A petition signed by 165 residents of South Australia praying that the House support the installation of pedestrian activated traffic lights on Brodie Road, Morphett Vale, was presented by Ms Lenehan.

Petition received.

**PETITION: OPEN SPEED LIMIT**

A petition signed by 66 residents of South Australia praying that the House reject any proposal to reduce the open speed limit from 110 kilometres per hour to 100 kilometres per hour was presented by Mr Lewis.

Petition received.

**PETITION: PRESCHOOL EDUCATION**

A petition signed by 202 residents of South Australia praying that the House urge the State Government to request the Federal Government not to reduce expenditure on preschool education was presented by Mr Lewis.

Petition received.

**PETITION: UNSWORN STATEMENT**

A petition signed by 290 residents of South Australia praying that the House support the abolition of the unsworn statement was presented by Mr Lewis.

Petition received.

**PETITION: PLANNING REGULATIONS**

A petition signed by 645 residents of South Australia praying that the House urge the Government to withdraw regulations relating to the Murray Mallee planning area development plan under the Planning and Development Act was presented by Mr Lewis.

Petition received.

**QUESTIONS**

The **SPEAKER**: I direct that written answers to the following questions on the Notice Paper, as detailed in the schedule that I now table, be distributed and printed in *Hansard*: Nos 30, 31, 33, 82, 116, 150, 158, 159, 174, 182, 184, and 205.

**PAPERS TABLED**

The following papers were laid on the table:

By the Minister for Environment and Planning (Hon. D.J. Hopgood):

*Pursuant to Statute—*

Planning Act, 1982—Crown Development Report by the South Australian Planning Commission on proposed Construction of a Pain Investigation and Management Unit, Flinders Medical Centre.

By the Minister of Emergency Services (Hon. D.J. Hopgood):

*Pursuant to Statute—*

Country Fires Act 1976—Regulations—Spark Arresters.

By the Minister of Education (Hon. Lynn Arnold):

*Pursuant to Statute—*

Fisheries Act, 1982—Regulations—Northern Zone Rock Lobster Fishery—Pots.

By the Minister of Children's Services (Hon. Lynn Arnold):

*Pursuant to Statute—*

Children's Services Act, 1985—Regulations—Baby Sitting Agencies.

By the Minister of Transport (Hon. G.F. Keneally):

*Pursuant to Statute—*

Building Act, 1970—Regulations—Building Indemnity Insurance Scheme.

Food and Drugs Act, 1908—Regulations—Warning Statements.

District Council of Tumby Bay—By-Law No. 27—Tumby Bay Camping Reserve.

By the Minister of Mines and Energy (Hon. R.G. Payne):

*Pursuant to Statute—*

Pipelines Authority of South Australia—Report, 1984-85.

By the Minister of Community Welfare (Hon. G.J. Crafter):

*Pursuant to Statute—*

Trade Standards Act, 1979—Regulations—Bean Bags.

**MINISTERIAL STATEMENT: OPPOSITION LEADER'S STAFF**

The **Hon. D.J. HOPGOOD (Deputy Premier)**: I seek leave to make a statement.

Leave granted.

The **Hon. D.J. HOPGOOD**: Last Tuesday, in this House, I raised a serious matter regarding the actions of the Leader of the Opposition and his Press Secretary, Mr M.D. Symons. Specifically, I tabled a memorandum from the Acting Commissioner of Police. In the memorandum the Acting Commissioner outlined the terms and conditions of Mr Symons'

secondment from the Police Force to work on the Opposition Leader's personal staff. He further outlined two breaches of that agreement. On two occasions Mr Symons approached operational units of the force seeking information. The Acting Commissioner asked that the matter be taken up with the Leader of the Opposition to ensure the agreement was adhered to. I wrote to the Opposition Leader requesting this assurance. In a brief reply, the Opposition Leader said he had nothing further to add to his personal explanation in this House.

*Mr Olsen interjecting:*

**The Hon. D.J. HOPGOOD:** I can, of course, table the letter with the permission of the Leader, if he is happy about that.

*Mr Olsen interjecting:*

**The SPEAKER:** Order!

**The Hon. D.J. HOPGOOD:** In that personal explanation, the Opposition Leader stated that, so far as he was concerned, Mr Symons had been directing inquiries officially to, first, the Commissioner's Office, and he would continue to do so. He further claimed that the Government was attacking Mr Symons on completely unfounded grounds. The Opposition Leader's reply is totally unsatisfactory. I contend that the Opposition Leader (who aspires to be Premier of South Australia) has deliberately misled this House. I contend that Mr Symons did approach operational units of the Police Force for information, and I further contend that the subject matter related to questions asked in this House by a member of the Opposition front bench.

It is inconceivable that these actions took place without the knowledge of the Opposition Leader. It is the Opposition Leader who is culpable in this matter, not Mr Symons. The Opposition Leader appoints his staff, he calls the parliamentary shots, and he therefore stands responsible. The Opposition Leader's reply to the Acting Police Commissioner's memorandum is manifestly inadequate. This is a serious matter. The Opposition Leader employed a seconded police officer—from the Police Media Liaison Office—on his personal staff as a Press Secretary. When the propriety of this decision was questioned, the Opposition Leader covered up. He said it was never intended that Mr Symons would be a Press Secretary—he was to be a media adviser, and then a liaison officer.

The Opposition Leader then gave a series of public assurances about Mr Symons' role. We now find that Mr Symons was seconded as a Press Secretary and that his role in the Opposition Leader's office has extended, on at least two occasions, to ringing operational units of the police seeking information for political purposes. The Opposition Leader is still covering up. He has misled this House and stands condemned.

### DISTINGUISHED VISITORS

**The SPEAKER:** My attention has been drawn to the presence in the gallery of distinguished members of a visiting British parliamentary delegation. I invite the Hon. Sir Kenneth Lewis, as leader of the delegation, to take a seat on the floor of the House. I ask the honourable Premier and the honourable Leader of the Opposition to conduct Sir Kenneth, on behalf of the delegation, to the Chair, and accommodate him with a seat on the floor of the House.

The Hon. Sir Kenneth Lewis was escorted by the Hon. J.C. Bannon and Mr Olsen to a seat on the floor of the House.

### MOTION FOR ADJOURNMENT: TAX PACKAGE

**The SPEAKER:** I have to advise the House that this day I have received the following letter from the Leader of the Opposition:

Dear Mr Speaker,

I desire to inform you that this day it is my intention to move: that this House at its rising do adjourn until 1 p.m. tomorrow for the purpose of discussing a matter of urgency, namely, that this House calls upon the Federal Government not to proceed with its plans to introduce a capital gains tax and a tax on fringe benefits in view of their severe impact on employment in South Australia, particularly in the motor vehicle and hospitality industries and all small business.

Will those honourable members who support the motion please rise in their places?

*Members having risen:*

**Mr OLSEN (Leader of the Opposition):** I move:

That the House at its rising do adjourn until 1 p.m. tomorrow, for the purpose of discussing a matter of urgency, namely,

That this House calls upon the Federal Government not to proceed with its plans to introduce a capital gains tax and a tax on fringe benefits in view of their severe impact on employment in South Australia, particularly in the motor vehicle and hospitality industries and all small business.

South Australian business, especially small business, is within 24 hours of the most savage strike at its future. As the Federal Government deliberates on its tax package, Canberra needs to be told in no uncertain terms what South Australians think of the decisions which have been foreshadowed—in particular in relation to the capital gains tax and the tax on fringe benefits.

Further, South Australians need to know whether the Premier supports a capital gains tax. Does he support a tax on fringe benefits? Does he know that a capital gains tax will penalise savings, investment, and, most importantly, job creation? Does he know that a tax on fringe benefits will cause unemployment in the car-making, restaurant and wine industries—all vital components of the South Australian economy? Does he admit that the nasties of option A, which the Federal Treasurer intends to implement, mean that the key points of the Premier's submission to the tax summit have been rejected and ignored by his Party colleagues in Canberra?

It is time for the Premier to speak out if he really does support small business, and if he really does recognise the need to give more encouragement to small business to take risks—to invest—so that more jobs are created. It is time for the Premier to condemn his federal colleagues in Canberra for the most cynical exercise imaginable in political deception and dishonesty. Just 2½ years ago, the Prime Minister said:

Let me state, in language so simple that even our opponents can understand, there will be no capital gains tax.

That was the Prime Minister's election promise in 1983, and it was repeated at the 1984 federal election. The Federal Treasurer, Mr Keating, has said much the same thing. In March 1984, Mr Keating said that the Federal Government had no program before it for the introducing of a capital gains tax.

During last year's federal election campaign, he denied that a capital gains tax was a moral certainty after the tax summit, saying, 'Fairness and equity mean all sorts of things. It doesn't mean confiscating people's assets.' But what does the Federal Treasurer say now? Today he is quoted as saying that his package is 'a whole heap of assets tests rolled into one'. That is exactly what Labor Governments are about—confiscating the hard-earned assets of ordinary Australians for bigger spending, bigger borrowing, bigger taxing government.

This is Labor's version of fairness—a fair go to cast aside solemn election promises when the moment appears oppor-

tune: to deceive, to dishonour, and to dupe. South Australians have seen this already with the Premier's promise not to increase State taxation, with the Premier's forecasts about home loan interest rates, and with Labor's promise not to introduce a wine tax. It is exactly the same with the tax package now foreshadowed.

This House should remember that the major condition that the Prime Minister put on any tax reform was that it must have widespread community support. That is the excuse that he used for bowing to ACTU pressure and concocting late-night shady hotel room deals at the tax summit, but where is the community support for a capital gains tax or for a tax on fringe benefits?

A survey in New South Wales amongst 5 000 businesses has found 92 per cent against a capital gains tax and 89 per cent opposed to the fringe benefits tax. The Prime Minister is not talking about community support now, because the ACTU has decided, decreed, and delivered its ultimatums to Canberra. As a result, the Premier has been resoundingly rebuffed on the key points of his submission to the tax summit, a submission that he made only three months ago.

This House should recall the condition that the Premier put on the introduction of a capital gains tax. I quote from his submission:

Our support is conditional on all potential problems in application and administration being fully explored and resolved to the community's satisfaction.

But the potential problems in application and administration of a capital gains tax have not even been explored, let alone resolved to the community's satisfaction. The Premier also questioned the benefits of the reductions in marginal tax rates proposed in option A, the option now to be implemented. His submission on this score said:

This approach offers small relief to low income earners and a comparatively modest reduction in marginal rate for above-average income earners.

Instead, the Premier wanted what he called in his submission 'a cut in personal income tax of real significance'. He proposed, in fact, a 25 per cent reduction, but what we will now get is much less.

On business taxation reform, the Premier's submission said that the major priority should be the serious examination of viable options to significantly reduce or phase out payroll tax. Again, he has been ignored. Canberra's answer is simple and brutal; to significantly increase business taxation, as the company tax rate is going up, as well as the introduction of the capital gains and fringe benefit taxes on business. The Premier can hardly complain about this outcome himself because his submission to the tax summit was devoid of any genuine proposal that could significantly reduce personal income tax: it did not consider the other side of the ledger.

Even now, death duties remain an option: it is still alive. It was rolled in Cabinet yesterday by only one vote, but this could change when the left wing gets its hands on the package in Caucus sometime today or tomorrow. I have no doubt that the pressure will continue.

The Prime Minister and the Federal Treasurer inspire no confidence that they will win: they have already caved in on the capital gains tax issue. Where do we go from here: death duties, wealth tax or an extension of the capital gains tax to the family home? This ideological fix about higher levels of capital taxation exposes a complete lack of understanding within the Labor Party of how to encourage savings, investment and employment creation. Small business people and farmers do not get superannuation and other benefits as a reward for the risks that they take during their working lives to generate wealth for Australia and to create jobs.

They rely on the capital gain they can make from building up and running a successful enterprise to look after their needs in later years; in other words, that is their form of superannuation. But now, much of that will be taken from them by the cold hand of the Government taxman, dipping deeper and deeper into their pockets.

This sort of tax is totally alien to the society in which we now live and which increasingly will shape the future, where small business must increasingly become the great job creator. It is happening in the United States and it must be given every possible encouragement in Australia, but that cannot happen with a capital gains tax in its very worst form—not levied at a flat, marginal or base rate; it is now to be levied at the company tax rate, at 49 cents in the dollar.

That will destroy incentive for investment, especially high risk investment, in a wide range of vital job and wealth creating activities. It will have a particularly severe impact on the self-employed small business operator who, over the years, has built up a successful business, creating job opportunities and paying a wide range of State and federal taxes in the process.

The proposed tax on fringe benefits would have a similar widespread and devastating effect. The automotive and hospitality industries in South Australia will be hardest hit. It will have a disproportionate and a worse effect on South Australia. These two areas alone provide jobs for thousands of unskilled people, particularly young people. The Premier might just as well throw his much publicised YES scheme, his Youth Employment Scheme, out the window if these tax reforms come into force, because it has been estimated that in South Australia alone more than 5 000 automotive industry workers could join the ranks of the unemployed, and the South Australian restaurant industry has hinted at extensive closures. It is frightening to consider the number of jobs lost amongst the 22 000 employed in that area. Jobs would simply evaporate.

In July this year, the Premier said that he did not believe the implications of these taxes would be as drastic as business was suggesting. He said (and I quote):

We have the situation under close study, and there is no question of allowing industries to go to the wall.

Let me tell the Premier that there is every question of local industry doing just that. Irrevocable harm would be caused. If the Premier does not think that the situation is as serious as people within the South Australian business community tell him, it is he who has no right to be representing them in government.

This Government made a promise last month, through the Minister of Tourism, to the representatives of the hospitality industry. The Minister said that the State Government would take up this matter with Canberra to ensure that the hospitality and tourism industries in South Australia were not unduly affected. Has the Premier honoured that promise? If so, he was obviously unsuccessful. His federal friends are ploughing on regardless of any damage to South Australia.

The Premier should be aware of the extent to which the South Australian automotive industry is dependent on fleet sales for its very existence. About 50 per cent of all new cars and station wagons retailed in this State are company owned. If the level of demand from business and government drops—as it surely will under these Federal Government proposals—it has been suggested that production of six-cylinder cars would virtually cease. Car manufacturing firms just cannot survive on sales to private motorists alone, and 100 000 passenger vehicle sales will be lost in the first year of tax on company vehicles. That spells disaster for the car industry and its employees, as well as for South Australia and jobs within this State.

Proposals to eliminate tax deductibility of entertainment expenses have equally serious implications for many small businesses. The restaurant industry in South Australia spends \$80 million a year on goods and services and yields more than \$1 million for the State Government in licence revenue, apart from other State charges. It is estimated that 80 per cent of all lunches in restaurants and other venues are business lunches. Business lunches are work, as indeed the Premier and his advisers would admit, so if the business trade walks out on restaurants, many of them will collapse, putting many people out of work. Associated industries would suffer as well.

The Premier should make no mistake about the fragile nature of the restaurant industry. Many are family businesses where owners work up to 80 hours a week for far less in wages than trade unions would demand. The cost to Canberra of this exercise in lost revenue and hugely increased payments of welfare benefits could be much greater than its expected returns.

But, by the time the Labor Party realises this, many small business people, South Australian firms and workers will have lost their livelihood. If the consultative process the Premier established to prepare his submission to the tax summit is to count for anything, he cannot ignore the warning I have given about the impact of this tax package on South Australian business. In their submission to the Premier, only three months ago, the following organisations opposed the introduction of a capital gains tax: the Australian Hotels Association; the Chamber of Commerce and Industry; the Construction Industry Advisory Council; the Master Builders Association; the Printing and Allied Trades Employers Federation; and the Small Business Corporation—appointed by this Government. Together, these organisations speak for the employers of well over half the private sector work force in South Australia.

Canberra has chosen to ignore them. This Parliament must not. Just 2½ years ago, in words of one syllable, the Prime Minister said there would be no capital gains tax. Now, in one stroke, another Labor tax promise is going out the window. The Federal Treasurer says this is tax reform, but all it amounts to is a tax reshuffle, with the cards stacked even more heavily against the risk takers and the job creators.

Overall tax reform is urgent. Rates of personal income tax are far too high. But the key to genuine tax relief which will encourage more saving, more investment and more job creation is not the piecemeal shady deal approach which Labor has adopted. It ignores the hard options, particularly the need to cut Government spending and eliminate Government waste, inefficiency and duplication in the economy.

As I have demonstrated, the package on which the Prime Minister is now deliberating is a severe rebuff for the Premier. It rejects the key proposals he put to the tax summit. It will strike a savage blow for the future of many small businesses in South Australia. Seventy thousand small businesses employing the majority of the work force of this State cannot afford—

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

**The Hon. J.C. BANNON (Premier and Treasurer):** The speech by the Leader of the Opposition was fairly predictable. I do not think much new ground was broken. In responding, I would like to analyse this motion and its components. First, of course, it calls upon the Federal Government not to proceed in a certain direction. Indeed, the Leader of the Opposition said, 'Canberra needs to be told.' That is very important, and a necessary thing to do. The question I raise in this context is this: if Canberra needed to be told, where was the Opposition when these matters

were under debate and under discussion at the national level? For instance—

*Members interjecting:*

**The SPEAKER:** Order! The honourable Leader of the Opposition was heard in silence: indeed, I did not hear one interjection. I ask that the same courtesy be accorded the Premier.

**The Hon. J.C. BANNON:** I was present at a tax summit in Canberra at which all those who were involved in the economic decisions of this country were present. Among the State representatives we had the Premiers of Queensland and Tasmania and the Chief Minister of the Northern Territory, none of whom subscribes to the political philosophy that I support. We had the whole range of representatives from all sectors of business—the trade union movement, welfare, churches and organisations for the disabled. Every organisation that was affected in some way, from small business through to local government and everywhere else, was there, putting its views on the record; telling Canberra what it thought and felt. There was one patent exception—one gap in the whole thing.

**The SPEAKER:** Order! The honourable Premier will resume his seat. I call the Deputy Leader to order. Honourable members now know the usual consequences. The honourable Premier.

**The Hon. J.C. BANNON:** Where was the Opposition? Nowhere to be seen! The federal colleagues of the Leader of the Opposition in this State refused point blank to be present. They wanted to take their ball and go home. The real reason, of course, is that they had nothing to say—nothing useful to contribute. Certainly, the then Leader of the Opposition (Mr Peacock) would have exposed himself completely if he had been at that conference among the decision makers of the nation. Apparently, that was the judgment of his colleagues, too.

Despite all the so-called assistance that the South Australian Leader of the Opposition could provide for that gentleman in his hour of crisis, far from being able to prop him up, we understand from the former Leader of the Opposition's own words that it was the visitations and the harrowing by the State leaders that prevented Mr Peacock from getting on the telephone and getting the numbers together. They were instrumental in his downfall.

However, from the great mates of a couple of months back who were holding hands together and proclaiming each other as the next Premier and the next Prime Minister of Australia (there is one down and the other is to go), there has been a change. I concede that perhaps under Mr Howard as Federal Leader of the Opposition they would have fronted up. At least, Mr Howard has had some things of substance to say about taxation and tax reform. He supports a universal consumption tax, and he probably favours a value added tax just as his State colleagues do. We know all the remarks that he has made, and he may have had something to contribute. However, when the opportunity presented itself, when all the nation's leaders and decision makers were assembled in Canberra to let the Federal Government know, the Opposition did not front, and it is now taking refuge here in whatever forums it can and going to the media. It will have plenty to say after the event.

True, the Leader of the Opposition can quote my attitude on these things. I am on record. We presented a major submission to the summit and made interventions and speeches. I notice a conspicuous silence, for instance, about the fact that we led the charge on payroll tax at the summit and raised it as an issue. In fact, I have letters of commendation from the Metal Trades Industries Association of Australia because of our action. All those things were done. Indeed, we were doing them, but what was the Opposition

doing? At the federal level it did not even have the guts to front.

At the State level, we still do not know what the Opposition's proposals are. Where do Opposition members stand? What do they say about these things? Bit by bit we are beginning to understand what they are opposed to, but they are conspicuously silent on what they support and what they will do. Where is their tax package that was promised weeks ago? It was to be presented in July or August, but it has not appeared. It was to appear soon after this session started, then after the budget, and then before the next election. I hope that it will appear before the next election: it will be useless for consideration after the election and it will be totally irrelevant whether it is presented before or after anyway.

When we are urged in the first part of the motion to tell Canberra something and we are called on to do certain things, I suggest that the Opposition tell us clearly what the positives are and what is the other side of the coin instead of purely taking up the negatives, running with them, getting as much mileage as it can, and leaving the rest of the argument behind.

As to the second part of the motion, the Opposition does not want the Federal Government to proceed with its plans. However, surely at this stage the plans of the Federal Government are not known publicly: they must be announced and must run the gamut of the federal parliamentary process. Therefore, there will be considerable debate on those plans. True, we have been given outlines in the daily press about what is proposed and what might be in the package, but in that context let us recognise that we have not seen the final details spelt out. We do not know the exceptions or the meaning of the fine print. More important, we do not know the pluses along with the negatives. For instance, we do not know the range of personal income tax to be cut. Is that something the Opposition opposes?

At the same time, are Opposition members saying that they do not have plans to introduce a capital gains tax and a tax on fringe benefits but that the present level of personal income tax will remain at those high levels? They have not spelt that out. I imagine that they would want it all ways at once, but the plans of the Federal Government have not been presented clearly and comprehensively, and, until they have been we are working very much along the lines of speculation.

I now move to the two specific references: first, to a capital gains tax; and, secondly, to a tax on fringe benefits. The arguments about the capital gains tax have been well explored and well developed. It is a fact that we are one of the only Western nations, with our economic structure and tax system, that do not have some form of capital gains tax. France, Canada, Japan, the United States and Britain all have some form of capital gains tax, and with good reason.

There are numerous references on this, and I refer members to the report in the *Financial Review* of 15 June 1983—as long ago as that—relating to the inquiry made in connection with the Asprey report, stating why these economies have a capital gains tax—many of them long-term effective performers without the same public revenue problems and inequitable tax structure as we have in this country. The argument is one of equity and effectiveness. First, the lack of a capital gains tax means that investment choices are distorted in favour of investment in assets where returns can be taken out in the form of tax exempt capital gains rather than in taxable interest or dividend payments.

If we are interested in jobs, should we be supporting a system which simply allows assets to grow and investment moneys to be placed in them without looking at their productive potential, at the jobs they create and the economic

impact they will have? Are we also to ignore the fact that, by so doing, we provide the means of tax avoidance in non-productive areas? A very sound and strong argument has been accepted in most countries of the world in favour of some form of limited capital gains tax. Indeed, I am on record, as is my Government, stating at the tax summit:

The South Australian Government recognises that the introduction of limited capital gains tax, applied on a realisation basis on real gains, with exemptions for gains from the principal residence and allowance for offset of losses, would add weight to the Commonwealth Government's fight to smash tax evasion and avoidance. However, we are concerned about the suggested treatment of gains through death and remain to be convinced that serious inequities would be avoided. Our support for the introduction of the proposed tax is conditional on all potential problems in application and administration being fully explored and resolved to the community's satisfaction.

We expanded on that argument later in our submission.

Looking at the latest newspaper report on what the Commonwealth might be proposing, we have heard the worst case put by the Leader of the Opposition about the dire and dreadful things it might do. We have not heard him address the problem of tax avoidance, of misapplication of assets into non-productive non-job creating areas. We have also not heard him talk about the possible exemptions or exceptions. This report states that it could contain major modifications compared with the White Paper proposals, could exclude the family home, minimise the effect on family farms, omit any *de facto* death duties which could emerge with the transfer of assets after death, and would apply to any gains after taking inflation into account. A whole series of things is recognised there. Let us look at it and, if those conditions can be met, it is in the interests of us all to support some form of capital gains tax which will avoid those problems, provided those protections are built in.

Secondly, I turn to the question of the hospitality and motor vehicle industries as impacted by fringe benefits, and I agree that it could have severe consequences. Indeed, we made that quite clear in our submission to the tax summit. In dealing with the question of fringe benefits, I stated:

The South Australian Government accepts that a major weakness in the income tax system is the present law regarding the taxation of fringe benefits and that measures need to be taken to bring fringe benefits within the tax net. However—

this is the crucial point—

we are concerned about the possible impact on key South Australian industries, such as the motor vehicle and wine industries, and would urge some modification to the current proposals should the likely effects be detrimental to the growth prospects of our industry.

Again, later in our submission we expanded fully on that. So, our position is quite clear: one cannot cut a swath through the so-called fringe benefits, wield the axe, without accepting that there can be quite considerable economic consequences deriving from it. My colleague the Minister of Tourism has already put on record and has reiterated the Government's attitude to fringe benefits as they affect the hospitality industry. I do not think that any of us would condone the abuse of such fringe benefits as tax avoidance mechanisms.

*An honourable member interjecting:*

**The Hon. J.C. BANNON:** Well, perhaps our colleagues opposite would: it seems that they would be all things to all people in the community. Anything that supports any little group, perk or privilege they are going to support. I suggest that they ought to get out of that perspective and look at it in the broad sense. Certainly, major adverse impacts could occur if there was a universal fringe benefit abolition. If that was done, we certainly would not support it. There may be some limited areas where it could be appropriate.

As far as the vehicle industry is concerned, let me point out that in fact last month, on 15 August, I telexed my colleague the Minister for Industry, Technology and Commerce, Senator Button (with copies forwarded to the Prime Minister and the Federal Treasurer), in relation to this matter. In that telex I said:

My Government is concerned about the likely impact of the proposed vehicle company tax on the South Australian automotive industry. Approximately 60 per cent of new car registrations in the medium 6 cylinder class are accounted for by fleet sales, and any reduced demand for this type of vehicle would impact heavily on our Commodore operations at Elizabeth. South Australia has already borne a disproportionately large share of the restructuring burden through the Chrysler rationalisation and the Woodville closure. I strongly urge your Government to consider the implications of any new tax measures, and especially a proposed company vehicle tax on the viability of a major sector of this State's manufacturing base.

I have had an acknowledgement to that. I conclude by referring to small business. I will not stand here and be lectured about small business by those members opposite who, when they were in government, saw bankruptcies increase and small businesses go down the drain. We have encouraged small business through lifting payroll tax exemptions and numerous other tax concessions. We have established the Small Business Corporation, and ensured that a number of other things have taken place—most importantly, economic recovery.

**The SPEAKER:** Order! The honourable member for Davenport.

*Members interjecting:*

**The SPEAKER:** Order! I have asked that all speakers be heard in silence.

**The Hon. D.C. BROWN (Davenport):** Thank you, Mr Speaker. This afternoon the Premier has placed himself fairly and squarely behind the Hawke tax package that is being worked out in Canberra. This afternoon he has stood in this Parliament and given his complete support to a capital gains tax, and at the same time he has supported a tax on fringe benefits. At the last moment he threw up some minor qualifications on that, but, as on previous occasions, this afternoon he supported the principle of a capital gains tax and a tax on fringe benefits.

Let the people of South Australia be fully aware of where the Premier and the Labor Government stand on these issues: they stand fairly and squarely together with Mr Hawke, and fairly and squarely against the interests of small business. The Premier boasts of his record in relation to small business. His one and only achievement in this area has been largely to tax them out of existence. No Government in South Australia has done more damage to small business than has this Government. Over a three-year period there has been a real increase in State taxation of three times the increase in the consumer price index. That is the sort of impost that the Premier has placed on us. He is now willing to stand by, to shake hands with Bob Hawke and say, 'I will stand alongside you as you take away the final incentives from small business in this State.'

We know the reaction of small businesses in New South Wales: 92 per cent of them are opposed to a capital gains tax. We know of the impact of that sort of capital gains tax on small business—it will destroy incentives and discourage investment going back into the enterprise. It is very significant that the capital gains tax to be imposed will be at the marginal rate of 49 cents in the dollar.

There will be absolutely no benefit now for small businessmen to invest funds back into new capital equipment within their small businesses. They will take out the money and use it for their own purposes—what little money they have left—and it will be taxed at 49 cents in the dollar. The Labor Government and the Prime Minister—and the

Premier is a party to that—will destroy all credibility of maintaining a viable small business sector in Australia and particularly in South Australia.

The Premier asked where was the Opposition at the tax summit, but where was the Treasurer of Australia when the real decisions were made at the tax summit? We all know that the delegates to the tax summit were not present when the real decisions were made—the midnight decision between the Prime Minister and the ACTU. We know that what should go into the tax package was a deal between the Prime Minister and the ACTU. Australia, and particularly Australian business, will suffer as a consequence. It will have enormous flow-on consequences for the creation, or lack of creation, of new jobs, particularly here in South Australia.

The Premier said that he led the charge on payroll tax, but he was a bit like the Lone Ranger—a charge into oblivion, and no more than childhood memories. What was the result of the Premier's so-called charge on payroll tax? The conclusion of the tax summit was that there would be absolutely no change to payroll tax whatsoever in any of the packages put forward. In other words, the Premier led the charge on payroll tax, but the summit itself, and even the Prime Minister, acknowledged that there would be no change in that area. It was a charge into futility!

The Premier has said that this afternoon we are debating what appears to be largely speculation as to what this package will be. I refer him to page 2 of this afternoon's *News*: most of the story is devoted to what Government sources have said will be in the package—not to speculation. In fact, Mr Keating himself today told the Federal Parliament that the package represented the most important tax reform in Australian history. It certainly is! No other Australian Government will have imposed such a devastating tax burden on the small business sector as this Federal Government has in this tax package.

I refer in particular to two or three areas of the Federal Government's proposal and its effects: the first is the car industry in South Australia. The Federal Government's tax package will severely damage the South Australian car industry. I am disappointed that the Minister of Lands, as a former Vehicle Builders Union member, is not here this afternoon, because I understand that the South Australian VBU has forecast that one of the two major vehicle manufacturers in South Australia will go if there is a tax on company cars. There is silence from Government members. They know that a tax on company cars, which represent something like 60 per cent to 70 per cent of the car market, will cause enormous damage to South Australia's manufacturing industry: it will lead to the loss of approximately 5 000 jobs.

The motor industry is the core of this State's manufacturing industry, its technology and its employment base, yet we have a Premier who is apparently prepared to oppose the motion before the House this afternoon and to stand side by side with and support the Prime Minister on a tax package that will do horrendous damage to that motor industry. The motor industry also leads very closely to improved technology in flow-on areas, particularly component manufacturing. It has been widely predicted that if such a tax package goes through jobs will be lost in a large number of small component manufacturing companies, which are the real base of employment in our motor industry.

It is interesting to hear the sorts of interjections coming with a smile from the former Minister of Tourism, because that Minister was trying, some months ago, to defend the tourism industry of South Australia. I point out to that Minister and to the Premier, who have argued so strongly at times that we need to be developing our wine industry, that no single move from a Federal Government could do

more damage to our wine industry and to our hospitality industry.

For instance, let us look at the facts brought forward by the Restaurateurs Association. It argues that something like 80 per cent of all lunches through restaurants, 40 per cent of all dinners and 60 per cent of all functions are on company accounts. It argues that, by the end of a year in which such a tax on fringe benefits is introduced, 40 per cent of Adelaide's 500 restaurants will be forced to close, leaving many people without jobs. That is a horrendous sort of threat to be hanging over the restaurant industry of this State, and yet the Premier and the Labor Government of South Australia are prepared to go along with the Hawke taxation package apparently for the sake of Party unity and loyalty. That is the part that sticks in my gullet and it is the part that upsets the restaurant industry.

That is why that industry took part in a rally on the steps of Parliament House when the new Minister of Tourism, Hon. Barbara Wiese, gave certain assurances. We now find that there is no substance whatsoever in those assurances. If we can take an analogy, it is interesting to see what happened in the United States of America when the Government there introduced a tax on fringe benefits and in particular on entertainment expenses. It found that it was so unworkable and caused so much damage to the restaurant industry that it had to withdraw the tax. I wonder what will happen in Australia. Are we about to see a State Government stand by and give tacit approval to a Federal Government tax measure that will not only destroy our restaurant industry but also destroy our motor industry, which is the hub of this State's manufacturing industry? At the same time it will put thousands of South Australians out of a job.

It makes an absolute mockery of the Premier's announcement on the weekend: he said that he is out to train young South Australians to give them a chance for employment in this State. Under the Bannon Government in the last three years South Australia has lost 14 000 jobs. We have companies like Mason and Cox, the best high technology company in the foundry business, going into receivership. Why? Because the manufacturing base of this State is under threat and it will be under an even greater threat with a tax package like this.

We have heard statements from the Federal Government and also from this Government, through the Minister for Technology, as to how they would like to encourage investment in new technology and in particular in new equipment. We know that in Australia we have the most outdated manufacturing equipment of any developed country in the world. Only 25 per cent of our machine tools are less than 10 years old, compared to 38 per cent in the United Kingdom, 39 per cent in the United States of America, and 62 per cent in Japan. That is how serious the situation is, but what has this Federal Government done about it? It removed the investment allowance and is now about to tax capital gains. Every time a manufacturing or any other company or small business puts money back into the business, buys new equipment in an attempt to become more competitive and upgrade its technology, it will have to pay for it through an increased level of capitalisation on its business. What rate will it have to pay? It will have to pay 49 cents in the dollar.

That will destroy all the incentive to put money back into the business, to purchase new manufacturing tools and to develop those new technologies. South Australian companies are trying to develop in the venture capital area—high risk and high technology companies which depend almost entirely—

*The Hon. J.C. Bannon interjecting:*

**The Hon. D.C. BROWN:** I see the Premier nodding in agreement. We know that those companies like Austek—  
*The Hon. J.C. Bannon interjecting:*

**The Hon. D.C. BROWN:** I am glad the Premier has raised it. I am about to comment on it. He has encouraged those companies to develop. Their gain will be in the capital value of their company, and he is now about to turn around and tax them at the rate of 49 cents in the dollar on that gain. I can just imagine the reaction of people like Craig Mudge and others who have developed companies in this State to that sort of tax level on capital gains. It will completely destroy the incentive that was originally set up under the tax incentives for venture capital.

Two years ago the Federal Government gave something, but it is now taking it away. Does the Premier realise that the tax on motor vehicles alone, on fringe benefits, will rake in another \$20 million a year for the Federal Government? It is another \$20 million a year impost and a disincentive for companies to purchase motor vehicles for use by their employees. The significant factor is, though, that this State has one of the big vehicle manufacturers which produce six cylinder engine vehicles. This afternoon the Premier himself has acknowledged that it will hit the six cylinder vehicle market more than any other.

Therefore, it is General Motors-Holdens of South Australia that could well face the greatest threat of any motor vehicle manufacturer in Australia. It could be South Australia that feels the greatest impact, in terms of loss of jobs and industry, of that resultant effect on the motor industry.

I support the motion before the House, and I support the points raised by the Leader of the Opposition. I again condemn the Premier for standing side by side, backing the Prime Minister (Mr Hawke) the whole way on this tax package. I know what the people of South Australia will think: I know what the small business people will think, and I know what damage will be done to our manufacturing and restaurant industries in South Australia.

For that reason, I wholeheartedly support the motion and ask this Government, for once in its three-year period, to show some guts and to stand up and be prepared to take on the Hawke Government. It has not done that so far, and this afternoon we have all the indications that it is prepared to go hand in hand with Hawke the whole way to impose a capital gains tax and to impose new taxes on fringe benefits that will hit South Australia worse than any other State of Australia. South Australia will lose more than any other State. Why? Because the Premier of this State is not prepared to stand up against his federal colleagues.

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

**Mr GROOM (Hartley):** Mr Speaker—

*Members interjecting:*

**The SPEAKER:** Order! The honourable member will resume his seat. This is about the third time I have asked for order. I will not tolerate continual interjections after I have given the standard statement. I would ask that the good name of those honourable members who abide by the rules of the House consistently and uniformly be not damaged by others, regrettably often the most senior in the House, who pay no regard at all either to the Chair or to Standing Orders. The honourable member for Hartley.

**Mr GROOM:** Thank you, Mr Speaker. That was a very disappointing contribution by the member for Davenport, as indeed was the contribution by the Leader of the Opposition. The motion is nothing more than a cheap political attempt to gain as much mileage as possible out of a major reform initiative in Australia. Out of it all, we heard not one thing about what policies, or indeed the proposals, of



members opposite. All we heard was a negative, carping attitude.

Not one positive proposal emerged by way of policy implementation from honourable members opposite. It is a reflection of the negative way in which they go about criticising the affairs of South Australia and criticising attempts to bring about the major taxation reform in which honourable members opposite were found lacking when they were in Government—both federally and to the extent that it affects the State. The federal Party of honourable members opposite, except for three years, was in Government from 1949 to 1982. What did it do during that time with regard to tackling taxation reform?

They allowed the taxation system to decay and to develop to the extent where it was an inhibitor to development and to initiative and where it retarded economic growth in Australia. It was allowed to develop to the stage where the Income Tax Commissioner in his annual report show that 61 per cent of all income tax is paid by wage and salary earners, 20 per cent by small business and self-employed persons, and 19 per cent by major companies; in other words, 81 per cent of all income tax is paid by the wage and salary earners and the small business community. That is an oppressive burden.

Members opposite had 32 years in which to tackle tax reform in this country. They failed miserably and therefore they lost office. It is to the credit of the Federal Labor Government that it is prepared to tackle taxation reform, which is a difficult and traumatic area. However, if Australia is to progress economically, taxation reform must be tackled by a Government with the courage to do it, not by one that hits back with carping, negative criticism.

Not even one positive contribution was made by the Leader of the Opposition or by the member for Davenport, most of whose speech dwelt on restaurants. The people of Australia have, because of the oppressive tax system, turned to tax avoidance measures to get around its onerous burden. Consequently, some sections of the community are better off than others and better equipped to gain the benefit of expert advice in order to minimise their tax.

There are major loopholes in our taxation system. Members opposite can carry on all they wish about small business but, if they look at their record while in office regarding small business, they will recall that one of the major concerns of small business in this State has been the oppressive leasehold burden that has been imposed by capricious landlords. What did members opposite do when they had the opportunity to do something? They did nothing. They set up an inquiry which made a report stating that small business should be left to market forces, that it should be left to flounder and be exploited, and that it should be left to be dominated by certain vested interests in the community.

Again, it was this Government at State level that was the first Government in Australia to introduce legislation to look after small business, to see that it was properly protected and not exploited in the market place and to redress the imbalance that had been allowed to develop in the system. Members opposite can talk about Government taxes and charges affecting small business all they wish, but that pales in significance when we consider that small business people are told their rent will rise from \$200 to \$500 a week and that they will have to pay large sums, both above and below the counter, if they want to keep their businesses. When members opposite had the opportunity to protect small business in South Australia, they were found wanting. They simply let small business flounder. They have no platform on which to attack this Government, whose record in relation to small business is impeccable.

In relation to the taxation area, there are major loopholes, especially in the capital gains tax area. The Asprey com-

mittee in 1975 supported the introduction of a capital gains tax to ensure that alterations to the system were made so as to bring about a fair and just system. Despite the utterances of members opposite, considerable sections of the business community support the introduction of a capital gains tax. This is to be seen from various newspaper reports, including a report in the *Advertiser* of 13 March and another report in the *Australian*.

*Members interjecting:*

**Mr GROOM:** It is not a matter of whether they are out of date, although they may be out of date for the purposes of members opposite who seek to gain cheap political mileage whenever they can. Members opposite will seek to maintain the present iniquitous tax system if they can, but how can they justify the Bell Group making \$16 million in a week some years ago merely because of an attempted share takeover? Even more recently, the Coles takeover resulted in an estimated \$60 million in capital gains, none of which was taxed. As I said, significant sections of the business community do, however, support the imposition of a capital gains tax.

There is a capital gains tax in most other Western countries, including Britain, Japan and the United States of America. Such a tax has not destroyed business there and has not resulted in massive downturns in the economy of Japan or the United States, but those economies are doing much better than that of Britain, which has turned to a policy of massive privatisation. The capital gains tax has not destroyed small business. Who are members opposite supporting? One can only speculate that they are supporting large business interests in our community that benefit from the manipulation of the taxation system by the fact that there is a loophole and that there is no capital gains tax.

Concerning fringe benefits, it is conservatively estimated that \$700 million is lost to revenue each year. This is a very large loss of revenue and the burden must fall on some sections of the community. In this regard, it is clear from the Taxation Commissioner's annual report that the burden falls on the small business community and the wage and salary earner, because 81 per cent of all income tax raised is imposed on those sections. Even Eric Risstrom, in the *News* of 1 July, asks how one can justify the payment of a salary of \$50 000 a year to one employee, who must pay taxation on that sum, while another employee is paid a salary of \$30 000, on which tax must be paid, plus \$20 000 in benefits that are untaxed. One employee is clearly better off than the other, because he enjoys an inbuilt advantage in the fringe benefits area. Because some people can exploit fringe benefits, the tax burden falls oppressively on the small business community and the wage and salary earner.

The appendix to the draft White Paper that was issued in June 1985 reflects the trend, for instance, in the matter of the entertainment allowance. The number of employees receiving fringe benefits is about 272 000, or 5.1 per cent of all employees. There was an 18.1 per cent increase from August 1983 to August 1984 in the number of employees receiving fringe benefits. Those figures clearly show that in this area the greatest exploitation takes place. For instance, 16.4 per cent of employees earning over \$525 a week enjoy entertainment allowances, whereas only 1.6 per cent of employees receiving less than \$200 a week enjoy such allowances. Of all employees earning between \$360 and \$520 a week, 9.3 per cent receive an entertainment allowance, whereas in the range \$200 to \$360, only 2.9 per cent receive such an allowance. So, clearly the persons who benefit from these fringe benefits (in this instance the entertainment allowance) are the higher salary earners. I could give other examples regarding other fringe benefits, all of which would show that it is the higher income earner who benefits from the fringe tax area and indeed the capital gains tax area,



because those areas are not available to the large proportion of wage and salary earners and the small business community.

In the United Kingdom there are no deductions at first instance. They have much tighter restrictions on entertainment benefits. The only exemptions are in respect of overseas customers and for staff. In the United States there are tight provisions regarding fringe benefits. For instance, one must show that the expense is ordinary and necessary, and it must be substantiated by vouchers. Those are two examples of countries that have tight restrictions on fringe benefits. However, for the great mass of the Australian community this sort of avoidance measure is not available. To maintain services someone must pay the tax, and that has always been the wage and salary earner and the small business person. One must remember that this is indeed a package. The income tax scales will reportedly come down from the maximum rate of 60 cents to 49 cents in the dollar. That will be a great boost to small business because, hand in hand with income tax—

*The Hon. D.C. Brown interjecting:*

**Mr GROOM:** The member for Davenport can laugh if he thinks that this will not benefit business in this country. If the income tax scales are reduced from 60 cents to 49 cents in the dollar, likewise there must be a reduction in provisional tax, so that the business community will benefit quite handsomely from these reforms. In dealing with the motor vehicle industry, the Premier has already taken up the matter on behalf of South Australians and has already expressed his concern to the Federal Government. The Premier recently sent a telex to the Federal Minister expressing concern and pointing out the likely impact of a proposed company vehicle tax on the South Australian automotive industry. The Premier has already demonstrated great concern in relation to the motor vehicle industry in South Australia.

The reply received from Senator Button stated that he has taken note of the Premier's concern and that he will ensure that the concern expressed by this Government is taken into account in consideration of a fringe benefits tax. The Premier has already addressed this question and has already taken it up with the Federal Government. As the Premier said, the Opposition had the opportunity to contribute to tax reform in Australia and has been found wanting. Members opposite sit back in their seats and negatively criticise.

In the speeches of both the Leader of the Opposition and the member for Davenport there was no positive contribution to tax reform. It is a hollow political motion going nowhere and the Opposition is simply seeking, out of a major reform proposal, to extract as much political mileage as possible with a negative destructive effect on the Australian and South Australian communities. If Australia is to prosper, there has to be tax reform. I am pleased that the Federal Labor Government is the first Government with the courage to tackle tax reform. Honourable members opposite had 32 years to tackle tax reform, but they sat back and did nothing.

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

**The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition):** It is interesting that no other Minister in the Labor Government is prepared to stand up and be counted. They are so ashamed of the Premier that they put up a lame duck speaker from the back bench. The Labor Party has no credibility whatsoever in relation to taxation measures. The Premier made promises at election time claiming no new taxes, no tax increases and no backdoor taxation, but sneaked in through the back door of ETSA and imposed the most savage, sneaky form of taxation one could imagine.

In his enormous contribution to the tax summit, he promised to bring the tax debate to this Parliament. He has not done so.

At what stage did the Premier support his federal colleagues? I draw members' attention to an interesting cartoon on page 2 of the *News*, where Mr Hawke is saying, 'I promise no tax increases.' He then says, 'Let me break an election promise in language so simple even our voters can understand.' I am quite sure that our voters do understand that he has no credibility whatsoever.

**The Hon. Michael Wilson:** And the Premier supports him.

**The Hon. E.R. GOLDSWORTHY:** Yes, the Premier now supports him. I do not know his stand before the election, but now that the Prime Minister has broken his promises the Premier supports him. He supports a capital gains tax which will put a lot of undertakings out of business, stop investment in property and have the effect of putting up rents in due course because people will not put their money into properties. It will also ruin many restaurateurs in South Australia. That is what the Premier stands for. He stands for broken promises and a capital gains tax which was not going to be introduced by the Labor Party. He supports his Federal Leader. When Bannon fights South Australia loses: that is the conclusion of this debate. When Bannon takes on the feds we are done like a dinner. When they break promises he supports them.

**The SPEAKER:** Order! The time for the debate has now elapsed.

Motion withdrawn.

#### SOUTH AUSTRALIAN HERITAGE ACT AMENDMENT BILL (No. 2)

Returned from the Legislative Council without amendment.

#### APPROPRIATION BILL

Adjourned debate on second reading.  
(Continued from 12 September. Page 896.)

**Mr BECKER (Hanson):** This debate is developing into a farcical situation: all the good points of the budget—if there were any—were announced prior to its presentation to Parliament. Likewise, any bad points, such as water rate increases, were announced well before the budget was introduced. The situation is developing to a stage where the Government of the day does not give a damn about the people—it does what it wants to do and, if it is an election year, it will bring down all the goodies it can. This budget is extremely false and a very poor document. Treasury officers must have twisted and turned when asked to present this document as a prediction in this State for the next financial year.

The point that has been missed is that the taxpayers of South Australia were heavily taxed in the financial year 1984-85. In fact, let us go back in history and look at the Consolidated Account which on one side shows cash surplus or deficit from day to day and, on the other side, details of the capital works program. In Consolidated Account, as at 30 June 1984, was a deficit of \$64.7 million. We have been told time and time again and we read statements in the press by ALP officials that this deficit was largely caused by the poor financial handling of the budget in the last year of the Tonkin Government. Nothing is further from the truth.

The Tonkin Government brought down a budget and went to the people within two or three weeks of the budget being passed by this Parliament. The Bannon Government could have amended that budget if it had so desired, but it chose not to do so. It did not take the Public Service long to find out who was running the State—it was, along with Ministers' press secretaries, and they had a field day. That went on for weeks before anyone found out what was going on. By that time the damage was done and the State budget was blown out in several areas.

Unfortunately, we had the tragedy of the Ash Wednesday bushfires, which cost the State in the vicinity of \$80 million. It certainly cost the people concerned a lot more—more than we can measure in dollars and cents. Tragically, a lot of lives were lost, families were ruined and much pain and suffering has followed since that time. We cannot take away from the fact that the Bannon Government was in office at that time. It had control of the purse strings from the time the election was held, but it did nothing. It let the situation roll along. The sleeping, slumbering, bumbling Ministry had no control whatever over State spending. It was not until some 12 months after the Government took office that someone tried to put a brake on the whole financial madness in South Australia, for which we are now starting to pay.

Certainly, as at 30 June 1984 we ended up with a deficit of \$64.7 million. So I do not want to read anywhere that the Tonkin budget was a poor one, responsible for the economic ills of this State: it is the Bannon Government which is responsible for that situation and which could have put the brakes on and done a whole lot of things, but it chose not to do so. The Bannon Ministry made many rash statements and, because of its ill prepared and ill researched policy documents, the taxpayers of this State and their children will be paying the bills for many decades to come. In fact, we are still getting over the impact of the economic stupidity of the Whitlam era.

We have been advised officially (confirmed by the Auditor-General) that as at 30 June 1985 there was a surplus on Consolidated Account of \$13.6 million, and that accounts for a current deficit of \$51.1 million. That will cost the taxpayers of South Australia at least \$6 million before the next financial year commences. What a stupid waste of taxpayers' money: \$6 million will be blown because of the way the Government decided to cook the books.

For years I have protested (and the situation did not change when my Party was in government) about receiving the Auditor-General's Report at the same time as the budget is presented to Parliament. For some unknown reason, during the Dunstan period the Auditor-General's Report was delayed and brought in after the Royal Show adjournment, whereas previously members had had the opportunity during that adjournment to study the report in detail. But that was not satisfactory to the Government, because it gave members time to do any research that was necessary. Very few members would have read through the report at this stage, and there would be very few members who would have the collection of Auditor-General's Reports that I have.

In relation to the whole parliamentary system in general, it is a shame that closer attention has not been given to previous Auditor-Generals' Reports. The Auditor-General has this to say on page 1 of the 1985 report—and I think it is important to get this into *Hansard* so that at least some people will read it:

The budget proposals presented to Parliament in August of last year, forecast a balanced result on the operations of that Account for 1984-85. The forecast was for a deficit of \$25 million on recurrent operations, offset by an equivalent surplus on capital account.

That did not happen. The Auditor-General continues:

In the event, the year's operations resulted in a surplus of \$13.7 million. That surplus was recorded on recurrent operations, with an almost balanced result on capital works. Significant features in that result were—

An improvement in State taxation receipts of \$27 million, after excluding a special stamp duty receipt which had no net budget impact. That improvement largely reflected a better than expected level and value of property transactions.

A shortfall of \$22 million in recoveries of debt services and departmental receipts combined, largely as a result of—

- the retention of moneys in a Deposit Account at 30 June 1985, pending the Treasurer exercising his discretion under the Housing Advances Act with respect to those moneys.
- the absence of the necessary authority at 30 June 1985, to effect the planned transfer of funds from the Highways Fund, to recoup part of the cost of police traffic services.

A borrowing of \$26 million less than planned from statutory authorities.

At 30 June 1985, the accumulated deficit on the Consolidated Account had been reduced to \$51.1 million. Balances in Special Deposit Accounts and Trust Fund Accounts at Treasury at 30 June 1985, amounted to \$276 million, an increase of \$83 million over the corresponding balance date last year. Cash and investments held at Treasury at 30 June 1985, amounted to \$223 million—an improvement of \$97 million over the level of cash and investments held at the end of the previous financial year.

The Auditor-General then refers to the accumulated deficit:

The running of a deficit to meet an urgent and pressing circumstance is an accepted financial management practice, provided its recovery is planned over a relatively short term period. It has a hidden cost and care must be taken to ensure that it does not become part of longer term planning.

That is a fair sort of warning from the Auditor-General, pointing out that such a deficit does not become part of longer term planning. These deficits have been around for quite some years now, and it is about time that Governments of the day were forced to balance their budgets and adhere to the fiscal responsibilities that are given to them by the Parliament. The Auditor-General continues:

The accumulated deficit on the Consolidated Account has stood at a high level since 1 July 1983. It has been reduced now for the first time with the aid of improved economic conditions. It is still high and at a level of \$51 million has a hidden cost to the taxpayer of some \$6 million a year.

That \$6 million could have provided us with a liver transplant unit, an epilepsy clinic, and a diabetic centre of excellence. A whole range of facilities in the health area could have been assisted by that \$6 million. However, because of the Government's poor financial management, that amount will go straight down the drain. It could have been spent in many other areas, and I refer to housing, welfare assistance to those in poverty, and help for the huge number of people who are now dependent upon additional financial assistance from the State because the Federal Government is unable to provide them with assistance any longer. The Auditor-General continues:

Further reductions need to be planned and it would be unwise to rely solely on economic conditions to achieve those reductions. Stringent control over all expenditure is essential. In that context it is relevant to note that the accumulated deficit could have been reduced by a further \$7.7 million at 30 June 1985, if the necessary regulation had been in place to effect the planned transfer from the Highways Fund. Care needs to be taken to ensure that if the equivalent of two annual transfers are taken into the Consolidated Account in 1985-86 from the Highways Fund, that a permanent level of expenditure is not set up which can not be matched in future years by a similar level of funds.

The same principle applies with respect to the housing moneys of \$18.6 million retained in a Deposit Account at 30 June 1985. It is a principle that guards against the creation of an underlying deficit, which would remain dormant in 1985-86, emerge in 1986-87 and each subsequent year—and would only be extinguished by a permanent increase in the revenue base, or a permanent decrease in the expenditure base, or a combination of both measures. The principle takes on added emphasis given:

- the size of existing accumulated deficit;
- that the Commonwealth Special Assistance Grant of \$34 million in 1985-86 is to be phased out and is likely to erode the benefit of the guaranteed real increase in other Commonwealth general revenue agents in the two subsequent years.

So, our financial and economic base is being threatened by the Federal Government, but in the next two financial years we will really experience problems. It is foolhardy for any Government or political Party to promise handouts or reductions in taxes. Clearly, Government expenditure must be reduced. The expenditure of the Government of the day has blown out to such an extent that it is putting a noose around our necks and will, in the next decade, result in real problems in meeting our tax commitments.

The time has arrived when Governments must get out of the way of private enterprise and look closely at their own affairs. We have heard much from the Premier about his war on waste—he was going to do a whole lot of things to cut down on Government costs and waste, but we find that he has done very little. In fact, I do not think he has done anything. I support the Auditor-General's following remarks:

Finally, I am concerned that an auditor's report, which generally focuses on deficiencies, may leave the impression that those deficiencies are indicative of performance in the public sector as a whole. That impression would be quite wrong.

There are many areas of the public sector that are efficient and staffed by competent, hard-working professionals. It needs to be remembered that the public sector, like the private sector, is made up of many separate organisations. Those separate organisations should not be grouped either in the public sector or in the private sector and labelled with the image of a deficient unit.

The Auditor-General is right, as I said before: about 98 per cent of our public servants are hard working, and very honest, sincere and diligent servants of the State. One always gets 1 per cent or 2 per cent, unfortunately, who do not perform to the best of their ability or to the best of the unit in which they are placed. That happens in every field, no matter whether it is private enterprise or a public undertaking. It is unfortunate, but it is therefore up to the management to remove those problems. The Auditor-General also said:

I wish... to pay tribute to the Deputy Auditor-General, Mr G.T. Harrison, who retired on 28 June 1985. Mr Harrison had a long and distinguished career in the department and contributed to the many changes that have occurred during that time.

I place on record my appreciation of Mr Harrison's work and the support that he gave the Auditor-General and also me on the many occasions when I had dealings with him in my role as a member, and in one period as Chairman, of the Public Accounts Committee. We will miss people like Mr Harrison, and we wish him well for his retirement. He certainly served the State and was a very loyal citizen.

When we look at the problems of the State and at that deficit, we find that the deficit on the Consolidated Account is \$51.1 million, bearing in mind what the Auditor-General had to say. He mentioned that \$7.7 million and the \$18.6 million, which come to a total of \$26.3 million: if that had been taken off the deficit, certainly the interest impact would have been much less, but there was a hidden amount that no-one picked up, which was some \$11 million. On or before 30 June 1985 the Government transferred \$11 million to the Electricity Trust of South Australia. No reason was given. It was announced during the Premier's statement that \$41 million tax benefit would go back to the community. I do not deny him that opportunity—it would be tremendous if we could afford the \$41 million—but he also stated that electricity charges would be frozen for the next 12 months, or that they would not go up by any more than 2 per cent. So, everyone is expecting their electricity charges to be virtually held within 2 per cent, and to compensate the loss of income the Electricity Trust will be given \$11 million.

However, when he made that announcement the Premier did not tell the people that the \$11 million had already been given to the Electricity Trust: it was given on or before 30 June. It would be very interesting to find out the exact date of that transaction, because I suspect that it was back-

dated. I suspect that the Premier and the Treasury were aware that they were running a healthy surplus and thus this money was given in advance to ease the situation of the Electricity Trust. The Electricity Trust did not bring that sum into its annual accounts of income and payments: it is held in preparation for this financial year. If that \$11 million had not been transferred to the Electricity Trust, the State would have had a surplus of almost \$51 million on the Revenue Account. That \$51 million should have been taken off the consolidated deficit of \$64.7 million, so we would have ended the financial year with a deficit of \$13.8 million. That was the true financial result of the operations of the State last year.

I condemn the Premier for not carrying out the normal practice. He was frightened to admit that there would be a surplus of some \$51 million on the Revenue Account—the day to day operations of the State. I believe that he and the Treasury officials conspired to hide that surplus, and they got it all down bar \$13.6 million. The taxpayers of South Australia should be furious to see this sort of juggling of their taxes.

**The Hon. P.B. Arnold:** It shows the extent of the tax rip-off.

**Mr BECKER:** The member for Chaffey is right: it shows the extent of the tax rip-off. I would have thought that a system should be created where Treasury officials should advise us of these circumstances. It is to the credit of the Auditor-General that he has pointed out what happened. He could not, of course, comment on the situation in relation to the Electricity Trust, because that money is held in an account called 'Sundry creditors, including accruals'. At page 287, the Auditor-General states:

Rebate received in advance from the State Government relating to the 5 per cent contribution payable on 1985-86 sales of electricity, \$11 million.

It is a very unusual way of reporting it. That is not what the Premier told the people. As far as the rebate was concerned, he just said that the Government was giving ETSA \$11 million to help keep the price rise of electricity within 2 per cent.

The Premier, as Treasurer, should stand condemned by the taxpayers for what he has done and for putting the State to extra cost, but it does not seem to worry this Government, because its philosophy and policy is to increase its revenue base rather than cut programs or reduce the expenditure on programs. It is the philosophy and policy of the Labor Party to increase taxes and to increase its spending programs.

If we go back and look at the size of the State public debt—this is the total liability, although there is some doubt about the final figures now—we see that in 1980 the public debt in South Australia was \$2 663 million, or about \$2 041 per head of population, for every man, woman and child in South Australia. In 1981 the public debt increased to \$2 759 million, and per head it was equivalent to \$2 101; in 1983 the public debt had risen to \$2 898 million, or for every man, woman and child the equivalent of \$2 171; in 1984 it jumped to \$3 489 million, or \$2 589 per person; and in 1985, the last financial year, the public debt jumped another \$300-odd million to \$3 797 million, or \$2 797 for every person in the State. The public debt has increased by \$1 031 million since 30 June 1982, or an extra \$708 per person in this State.

Those sorts of figures in regard to the State and national debts show where the pressure is being applied to the money supply in this country. That is why we are going through this terrible period of extremely high interest rates. Honourable members will see in the media that the State Bank—the welfare bank—is advertising that it will borrow money from the people at 14 per cent and lend it back at 13 per

cent or 12½ per cent, or whatever: it makes it very difficult when our lending institutions have to go out and pay that amount of money to get funds in, and that is the reason why borrowing rates from these institutions are so high today.

There is just no rhyme or reason for this stupid economic situation to continue, but nobody seems to be doing very much about it. Nobody seems to be very worried. A few protests and complaints are made, but Governments go merrily along their way spending as much as they can. That practice has to stop, because, as I said, future generations will be saddled with such a debt that they will certainly remember our generation. We will be seen as the lucky generation, but they will go down in history as the unfortunate generation, because we failed to protect their interests at a time when we could have done something about it. It makes me furious and frustrated to be part of a parliamentary system that really does not seem to give a damn about the people.

The other part of the Auditor-General's Report which I always find extremely interesting is that referring to the Engineering and Water Supply Department. The accounts reveal that the net cost of recurrent operations for 1985 was \$30 million. It is many years since the E&WS Department has broken even financially.

*The Hon. P.B. Arnold interjecting:*

**Mr BECKER:** As shadow Minister of Water Resources and soon to be Minister, the member for Chaffey would know—

*The Hon. P.B. Arnold interjecting:*

**Mr BECKER:** If the deficit is to go over another \$22 million, the member for Chaffey, as the new Minister, will have problems, because he will inherit a terrible situation, particularly in relation to interest. The interest component of the payments by the E&WS Department increased from \$15.8 million to \$103.7 million. The Auditor-General's Report (page 96) indicates that in 1981 the interest rate on borrowings was 8.6 per cent; in 1982, 9.5 per cent; in 1983, 10.1 per cent; in 1984, 10.75 per cent; and in 1985, 12.4 per cent. In other words, there was an increase in interest rates of almost 50 per cent in the last five years. That huge increase is killing departments such as the E&WS Department which have to attempt to balance the books but which cannot do so.

People are now complaining that the price of water at 56 cents a kilolitre is not encouraging them to look after their gardens. As a matter of fact, people in my electorate are establishing native gardens. Lawns are disappearing and Australian native shrubs are being planted. That practice is to the credit of the people who are designing their gardens, but why should people be forced into that situation by a Government that does not care? No incentive is provided in this State by the E&WS Department or the Government to conserve water. There is no encouragement to conserve water.

This department must pay interest on its borrowings. To the best of my recollection it is not the only department that does that. If the Highways Department or a few of the other departments had to also pay interest on their borrowings, that would probably be a different ball game, but the E&WS Department seems to cop it both ways: it has to run a commercial operation as best it can, yet it is subject to so much political interference and pressure that it just cannot maintain the situation as it occurs.

The other area that causes me concern is the operation and expansion of the TAB. I was very surprised to see the other day that the local TAB agency has moved into new premises at Glenelg North. I do not think they are bigger or better premises, but they are almost opposite the St Leonards Inn Hotel. I remember when the TAB first opened

on Anzac Highway at Glenelg North, because after some time I established my office alongside the TAB. It was said, 'Thank goodness you came along, because we were ready to close.' When I publicised and promoted my office, I always said that it was next to the TAB instead of next to the land agent's office on the other side. Suddenly, people located the TAB and it was difficult to get a car park: on some days it is very difficult to get into my office. I have watched that agency develop.

What annoys me is the change in the management, the role and the style of the TAB. We were always told that the TAB offices would not copy the old betting shop style operation, but if we go into a TAB today we might as well walk back 40 years in time, because, whether we like it or not, we are in a betting shop. There are chairs and people are sitting around smoking and listening to the radio. As soon as a race is finished, they get up and collect their dividends and then reinvest them. It is all to increase the turnover, but it will lose. I claim that the TAB is tarnishing its image by going stealthily back to the old betting shop style of operation. Now that the offices are being situated opposite hotels, the fears expressed by people who are opposed to betting and gambling (and I am not) are confirmed. Of course, gambling and drinking go together: it is a tragedy that we have to get people half drunk to go along and have a bet and lose money in order to prop up the State's finances! That is what the opponents of gambling believe.

**The Hon. P.B. ARNOLD (Chaffey):** There is no doubt that the people of South Australia believe that the Premier has been caught out fiddling with the presentation of the budget. This was certainly brought to the forefront by his own Auditor-General in the unprecedented report that was recently tabled in this Parliament. That report indicated that, rather than the Premier's presenting the smooth budget as described by the *Advertiser*, there were in fact some real risks and threats in the budget and the direction in which the Government was going. In fact, in his opening remarks the Auditor-General indicated in his report that in 1986-87 South Australia could be confronted with a deficit of some \$80 million. That was a totally different picture from that which was presented by the Premier when he presented his budget two or three weeks earlier. It is of real concern that the people of South Australia have suddenly become aware that the smooth budget that the Premier presented was not all that he claimed it to be.

Not only is there a threat of an \$80 million deficit in 1986-87, but also the Auditor-General clearly identifies an increase in the State debt of in excess of \$1 billion. When that was highlighted in this House, the Premier chided the Opposition, and said that it was of no real concern and that the Opposition did not understand accounting practices. The Premier readily admits that the State debt has risen by \$1 billion in three years and says, 'Of course, you have to deduct the assets from your liabilities and, when you do that, everything is fine,' but he does not mention that the repayments on that additional \$1 billion debt has dramatically increased the commitment on every South Australian taxpayer.

For the benefit of members opposite, perhaps it is necessary for me to oversimplify the situation, because anyone who has been involved in small business or even running a household would be well aware that, if the debt increases to the extent that it can no longer be serviced, even though there might be assets, then you are in big trouble. That is what the Auditor-General was referring to—that there is big trouble when we head down the track with an increase in the State debt of \$1 billion over three years.

We are really saying that, if the head of a household is paying off a house and a car, he may be able to make ends meet, but he is almost totally committed whilst still looking after his family. However, suddenly for some reason he or the family decide that it would be nice to have a beach house, which they purchase. It is an asset which can be deducted against liabilities, but the head of the household still has to service the debt on that delightful beach house. It is great for the family, but the burden placed on the household to meet that commitment can finish up destroying the family. We have seen that sort of thing happen on numerous occasions.

Families have overcommitted themselves, and the strain has virtually destroyed the family unit. We are seeing exactly the same thing occurring here, yet the Premier passed it off by saying that we are not \$1 billion worse off, we have the assets and the money has gone to resources, facilities, and so on. However, at the same time the document also highlights the increased commitment of every taxpayer in South Australia. Certainly, that cannot be ignored. But, I am greatly concerned when I look across this Chamber at the front-bench and backbench members of the present Government. It is interesting to add up the number of members on the other side who have been involved in small business or any other form of business. Off-hand I cannot think of one, although I recall that the former member for Unley (Gil Langley) was, I think, a self-employed electrician before coming into Parliament.

However, when looking at members on the other side, one asks what experience any of them have had in running a small business, such as a corner delicatessen or a farm. This lack of such experience is borne out clearly by the statement of the Premier in response to the Leader of the Opposition only a few days ago. He said that we on this side do not understand: the \$1 billion does not mean anything. It is there, in assets.

But, unless he understands the problems associated with running a small business, such as a farm, he would not know that if one overstretches oneself and cannot service one's commitments, one is in big trouble. It would not be long before the bank was thumping on the door saying, 'We are very sorry but there is only one alternative—we have to sell you up.' In South Australia, it is not that the State is being sold up, it is just that the commitment on every taxpayer is greater and greater.

In turn, that means an effect on the ability of people—particularly those in small business—to create further employment, about which the Premier is always talking. I do not know if there is any simpler way to explain my point of view. The fundamental problem on the other side of the House is the failure to recognise exactly that. Until members opposite can come to grips with that very basic and fundamental approach, then the commitment on the people of South Australia will continue to go from bad to worse, as highlighted by the Attorney-General.

However, let us look back over the past three years to see where this Government has gone since coming to office in 1982. Looking at the total budget, we have seen a rise of some 55.2 per cent in State taxation collection since the election of the Bannon Government in 1982, and we anticipate that we will see at least another \$58 million in the 1985-86 financial year. We have seen a rise of almost 7 000 in public sector employment since 1982, and a further growth of more than 800 positions is forecast for this financial year.

This means that the State Government will pay out about \$102 million more in salaries and other labour costs in 1985-86 than was the case when it was elected. No wonder that the Government has found it necessary to increase tax collection in South Australia by some \$300 million since

coming to office. That \$300 million represents the 55.2 per cent about which I was speaking. It is a devastating figure when we consider that, at the time of the State election in 1982, the collection from the South Australian taxpayer was some \$549 million. This year, it is estimated to be \$852 million.

One wonders at the Premier's being able to stand up in this House and make the claim that this is a balanced budget and everything is fine. Certainly, that claim was torn to pieces by delivery of the Auditor-General's Report. It is interesting to note how this happened. At page 1 of his report the Auditor-General states:

The accumulated deficit on the Consolidated Account has stood at a high level since 1 July 1983. It has been reduced now for the first time with the aid of improved economic conditions. It is still high and at a level of \$51 million has a hidden cost to the taxpayer of some \$6 million a year.

Further reductions need to be planned and it would be unwise to rely solely on economic conditions to achieve those reductions. Stringent control over all expenditure is essential.

In that context it is relevant to note that the accumulated deficit could have been reduced by a further \$7.7 million at 30 June 1985, if the necessary regulation had been in place to effect the planned transfer from the Highways Fund. Care needs to be taken to ensure that if the equivalent of two annual transfers are taken into the Consolidated Account in 1985-86 from the Highways Fund, that a permanent level of expenditure is not set up which cannot be matched in future years by a similar level of funds . . .

The same principle applies with respect to the housing moneys of \$18.6 million retained in a Deposit Account at 30 June 1985.

The Auditor-General's Report certainly spelt out quite clearly to the people of South Australia that the picture presented by the Premier in delivering his budget was, to say the least, misleading.

We need only turn to page 96 of that report to see the E&WS situation. Talking about annual interest and commitment, we see that the interest on the E&WS Department now stands at \$103.7 million out of total receipts of some \$204.7 million, and one is looking at some 91 per cent of interest payments as a percentage of direct costs of operations and maintenance.

So, the interest bill is almost as high as the sum being spent within that department. This is a deteriorating situation and one needs only to look at the figure in 1981, when it was \$61.8 million, to see that there has been a progressive and dramatic increase over the past two years to the enormous figure of \$103.7 million. How the Government intends to come to grips with that problem, I do not know, because no indication has been given by the Premier, and the problem is of great concern to the Auditor-General.

We have seen much opposition from Government members in relation to our proposals to make greater use of private contractors so as to reduce costs. An example of such saving is highlighted in the matter of school cleaning. The statement in the budget concerning this matter clearly indicates to the people of South Australia the sort of effect that the privatisation proposals of the Liberal Party could have in reducing costs to the benefit of the taxpayer. The Auditor-General's Report states that, since 1979, the Education Department has been progressively phasing out, wherever practicable, petty cleaning contracts as they expire and that competitive tenders have been sought to replace such contracts. The cost effectiveness of this management change is illustrated by a table which shows that, whereas the cost of cleaning on a square metre basis is \$11.01 by departmental day labour, it is only \$6.85 by industrial contract. That massive difference results in the additional cost of millions of dollars to the State each year, and that money must be found from the pocket of the taxpayer.

Members on this side have indicated clearly that the budget presented by the Treasurer is certainly not what it appeared to be in the first instance. The Auditor-General has shown that, if the Government continues down the path

it is following in a number of areas, future generations in this State will have to shoulder a burden that they will find impossible to carry.

I wish to refer to one or two other matters. Earlier, I referred to the fact that no commitment had been made by the State Government or the Federal Government in their budgets to solve the salinity problem in the Murray-Darling system. By that, I meant no commitment to the necessary capital works program that must be undertaken if we are to reduce this ever-increasing problem to a level that is acceptable to the World Health Organisation. Senator Maguire has claimed that my statement in this regard is not true: he says that the Federal Government has provided money for the River Murray Commission to combat salinity. Indeed, he says that it has provided \$230 000 to solve the problems in the Murray-Darling system. We estimate that the initial program that has been identified by the River Murray Commission will cost \$55 million as a start, and that the total program will cost about \$500 million. Yet, Senator Maguire, representing South Australia on behalf of the Labor Party, says that the Federal Government has provided \$230 000 and he asks what more can we expect!

It is sad that a South Australian senator has so little appreciation of the magnitude of the problem confronting us in regard to salinity control in the Murray-Darling system that he is prepared to state publicly that \$230 000 is a significant contribution and that the Federal Government is really playing its part in this matter. Those who have taken an interest in this subject know that millions of dollars must be spent annually in coming to grips with the salinity problem. I only wish that the likes of Senator Maguire would take the trouble to delve into this complex problem and thus get an understanding of its magnitude and the sort of money that is required if we are to come to grips with the problem.

In about 1981, the Liberal Government let a contract to consultants who were to report on a groundwater interception proposal in respect of locks 2 and 3. The consultants made a positive report and further work was required to clearly identify the nature of the work to be undertaken. However, in 1985 the present Government is still talking about further investigations. I cite that proposal because it has the ability to remove from the river system 60 000 tonnes of salt, with the effect of significantly reducing the salinity level at Morgan. That proposal has been identified by the River Murray Commission as part of the \$55 million package that needs to be implemented forthwith. That package will have the effect of reducing the salinity level at Morgan by 20 per cent, a significant reduction that would result in the salinity level there being acceptable to the World Health Organisation.

Most of the time when South Australia is on its statutory allocation of water, the salinity level at Morgan is about 1 000 EC units, which is far in excess of the WHO recommendation. However, most of metropolitan Adelaide's water is taken from the river at Mannum and Murray Bridge and, during periods of restricted flow, the salinity level of that water can be as high as 1 200 or 1 300 EC units.

That is some 500 EC units in excess of the figure recommended by the World Health Organisation. As a result of the drought periods, Adelaide is 80 to 90 per cent dependent on water from the Murray, and the Government is failing to take this problem seriously when the salinity level is some 500 EC units in excess of what is acceptable. We find no provision in the budget whatsoever that effectively comes to grips with the problem. A small amount is provided by both the Federal and State Governments for ongoing investigations. I am referring to a commitment to the capital works program—a capital works program that will initially cost \$55 million. I am not talking about the paltry

sum of \$230 000 which Senator Maguire seems to be quite excited about. He believes that the Labor Party is doing a great job on behalf of South Australia.

**The ACTING SPEAKER (Mr Whitten):** The honourable member for Murray.

**The Hon. D.C. WOTTON (Murray):** There are always disadvantages in being the last speaker in such a debate, because many of the general points I wanted to make have already been made. I reiterate some of those points and want to refer at a later stage to some of the matters pertaining to my own portfolio responsibilities. However, before I go into that, I am concerned about the ramifications of this budget.

It has been interesting talking to members of the public about the budget. When this budget was first brought down, a general feeling existed within the community that perhaps it is not a bad budget, and in that regard some even sang the Government's praises. However, as more details have leaked out and more information has been gained about what is hidden in the budget, I have since found that much more concern is being expressed. That concern is being expressed by the average family person, who recognises what the Bannon Government has done in regard to increasing taxes and charges and how it has affected budgeting arrangements for the average family.

I fall into that category, having four children, and I know what the extra costs have meant. Many families are not as well off as we are, do not have jobs and have particular difficulties and problems, including sickness. Such families are finding it extremely difficult. If I have time I will refer to a couple of letters I have received from constituents in recent times—since the budget came down—which spell out fairly clearly the concerns of a large number of people in the community regarding this budget.

In looking generally at the budget I refer to receipts. The House should note that, despite the land tax relief, total collections this financial year from land tax are estimated to rise in real terms by 14.5 per cent. We have heard much huffing and puffing from the Government in recent times about what it has done to assist the community in such matters as land tax, but we find an estimated rise in real terms of 14.5 per cent for this year. The average land tax bill for 1984-85 was \$365, and for this coming financial year it will be \$1 583—a massive increase.

Stamp duty and the Government's taxes on power and gas will bring in increased revenue in real terms, the tax on electricity amounting to \$28.5 million. I remind the House again that that is almost twice the amount collected in the last year of the former Liberal Government. Only last week, members opposite were critical of the Tonkin Government's handling of electricity charges. We can look at the tax on electricity this year, which will amount to \$28.5 million—almost twice that collected in the last year of the Tonkin Liberal Government, despite this Premier's promises not to use electricity tariffs as backdoor taxation.

Not long ago we remember the present Premier standing up as Leader of the Opposition and castigating the previous Liberal Government for backdoor methods of taxation and, of course, ETSA was one referred to specifically on a number of occasions. We have now had the opportunity to look at just what the present Government and Premier are doing with backdoor taxation, and its use of electricity tariffs is an excellent example of such taxation. There is much in this budget that the Premier has attempted to get in through the back door.

This budget also indicates rising deficits in a number of State Government departments and agencies. Those increases and rising deficits will have significant implications for future years. For example, the cost of operating the State



Transport Authority will rise by a further \$7.7 million this financial year. One of the major reasons confirmed in the budget explanation is this Government's sellout to union officials on the 38-hour week. Many people in my own electorate are pushing for an increase in the provision of transport facilities through the State Transport Authority. Looking at that sort of increase, one cannot help but wonder how much further we can go with the provision of public transport. Only the other day I travelled by public transport. I got on early in the piece and by the time I had reached the destination the bus was almost full. It was of particular interest to me to note that very few people travelling on that bus paid a fare, as I was able to observe that a significant number were on some form of pension. This matter could well be given some consideration.

My own area is concerned with native vegetation compensation. As a Party we have supported providing compensation for those who are disadvantaged, a matter which in itself will have significant ramifications. In fact, during the Estimates Committees I look forward to being able to question the Minister currently on the front bench on a number of these issues.

In relation to the Native Vegetation Management Act, much has been said about the provision of compensation. I cannot see any reference to a specific amount of money set aside for that purpose. I have not had an opportunity to look at the yellow books and, in any case, it is not appropriate to refer to those in this debate. I have seen no specific reference to a sum of money set aside for compensation. I know that the conservation organisations are particularly interested to hear how genuine the present Government is, and how genuine future governments will be, in the provision of finance for compensation. Of course the alternative is that, if compensation cannot be paid, the Act will not be successful. I shall say more about that later.

I refer now to the implications involved in the new Mobilong prison. We were first told that the cost of that facility would be \$12 million, and that it would cater for 160 prisoners. However, after only a few months we now find that the estimate of \$12 million seems to have gone out the window and that the cost will be some \$23 million. That is the figure that was given to the Public Works Standing Committee, on the occasion that I was present at the committee for the purposes of giving evidence. When I have referred to this matter the Minister responsible for it has argued that when the project was first announced it was envisaged that the Mobilong prison would accommodate only 80 prisoners. However, that is bunkum: when the project was announced a number of press releases specifically stated that the new prison would cater for 160 medium security prisoners—the same number as is being floated now, although now we are told that the cost will be some \$20 to \$23 million, instead of the original \$12 million. This will have ramifications on the Department of Correctional Services.

The relocation of the Hackney bus depot is a proposal that I strongly support, and I have said so publicly on a number of occasions. However, that will involve implications for the Department of Transport. I do not know whether the Minister has any idea about from where the necessary funds will come. Again, during the Estimates Committees the Minister will have an opportunity to provide the necessary details. But a considerable amount of money will have to be made available, provided that the Government is as genuine as it says it is in relation to purchasing the necessary property in the very near future. That proposal will have ramifications as well.

I could refer to matters outside the portfolios for which I have shadow responsibility, and refer to the cost of setting up the new Children's Services Office; the infrastructure

requirements for setting up the Roxby Downs project; a series of education initiatives, including second language studies in primary schools, teacher/librarians, maintenance of class sizes, and additional ancillary staff; and so on. All those proposals will have implications that and will result in rising deficits in State Government departments.

It is quite obvious that the Labor Party's financial strategists do not know where to go. They are floundering. As the Leader said, the Government is quite bankrupt in honesty and responsibility. There is no doubt that the Government, under the present Premier, refuses to face up to the need to place firm controls on Government spending. The Opposition has commended that idea to the Government and the Premier as a matter of urgency. The Premier refuses to implement a comprehensive deregulation program, for which the community is screaming out. Such a program has been repeatedly called for. The Government is failing to cut waste, inefficiency and duplication. If time permitted, one could spend the rest of the afternoon just talking about wastage, inefficiency and duplication in Government services under the present Administration.

The Government has failed to put into the private sector services which, over time, experience has shown can be best performed by the private sector, with lower costs to the consumer and a saving to the taxpayer. As the Leader said in his speech, this is fundamental to the sound management of public money. In relation to privatisation, that is, putting into the private sector services which, over time, experience has shown can best be performed by the private sector at lower cost to the consumer and at a saving to the taxpayer, let us consider how people in the community feel about private ownership. On the weekend of 3 and 4 August more than 1 000 electors were asked the following question:

In your opinion, what would be better for Australia: a Federal Government that encourages private ownership of industry or one that wants to increase Government ownership?

The results of this survey were quite staggering. Analysis by voting intention showed that the clear majority of all political Party supporters believed that the better government would be one that encouraged private ownership of industry. The least support for privately owned industry, although still a clear majority, came from ALP supporters. So, what in the world is the present Government bleating about? Electors surveyed were then told that the Federal Government now owns many businesses, such as Australia Post, Telecom, Medibank, the Commonwealth Bank and TAA. They were then asked:

In your opinion should the Federal Government own more, the same or fewer businesses?

Again, the greatest support for reducing the number of businesses owned by the Government came from Liberal-National Party supporters—and that was something like 66 per cent. ALP supporters were least likely to support a reduction in Government owned business. These results came from a Morgan Gallup poll.

I think that that illustrates quite clearly how the majority of people feel. Generally they want to see privatisation. I know that that is certainly the case in South Australia, because if ever a policy that the Liberal Party here has been involved in has won the support of a wide cross-section of people in the community, it is the privatisation policy. I strongly support that policy, as I believe that it is the only direction that we can take in this State. I shall refer to this matter again later if time permits.

Since the budget documents were presented an interesting development has been the receipt of the report from the independent accounting umpire, the Auditor-General. It is an excellent report and I commend the Auditor-General for the way in which it has been presented. The Auditor-General's Report has now confirmed the build up of serious

deficit problems, which can be overcome only by even higher revenue raising policies, a cut in Government spending, or a combination of both. The clear fact about this election year budget is that it is being funded by artificially high levels of receipts and, as well, a massive increase in borrowings.

By manipulating accounts the Premier has brought down in this 1985-86 budget funds of \$26.3 million that will not be available next financial year. That money will have to be used to increase Government spending rather than to reduce the budget deficit. In referring to the Auditor-General's Report, I will relate what he has said in regard to the responsibilities of my shadow portfolios. I refer first to correctional services (and I will have the opportunity to refer only briefly to some of these matters). I was particularly interested to read the figures as they relate to prison staff and the cost of salaries and wages in our correctional institutions in this State and to see that there has been an incredible increase in head office staff and the cost of administration of that department.

In 1982-83, 52 people were on the staff and the cost of salaries and wages was \$1.051 million. Staff increased to 72 in 1983-84, at a cost of \$1.4 million. For 1984-85 there was a massive increase up to 97 staff at a cost of \$2.412 million—an increase from a staffing level of 52 in 1982-83 to 97 in 1984-85, and an administrative cost increase from \$1.051 million to \$2.412 million—a substantial increase! Again, I look forward to the opportunity of being able to question the Minister in detail in the Estimates Committee about the necessity for such an increase.

I refer to the increases for the Adelaide Gaol. In 1982-83 the average daily number of prisoners was 235, there were 133 staff, and the cost of wages was \$3.142 million. In 1983-84 there were 262 prisoners, 166 on the staff and a cost in administration of \$3.939 million. In 1984-85 there were 281 prisoners, which is a substantial increase. I recall that back in 1982-83 there was concern about the number of people in the Adelaide Gaol; there was concern about overcrowding. At that stage the average daily number of prisoners was 235, but there has been an increase of approximately 50 prisoners to 281. There are now 155 people on the staff, and the administrative cost is \$4 million.

The figures for Yatala are even more staggering. The average daily number of prisoners in 1982-83 was 340, the number of staff was 242 and the cost of administration \$5.838 million. In 1983-84, the average daily number of prisoners was 195, a staff of 234, and the cost of salaries, etc., was \$6 million. For 1984-85 the average daily number of prisoners was 152, the number of staff was 242, and the cost was \$5.62 million. We have seen the average daily number of prisoners decrease from 340 to 152, but with the same number of staff for half the number of prisoners, and the cost of administration for half the number of prisoners is \$5.62 million.

I refer to the net cost of operations at the various branches and institutions for the past three years. For Adelaide Gaol the net cost in 1982-83 was \$4.446 million and the average annual net cost per prisoner was \$19 000; in 1983-84 the net cost was \$5.671 million, or an average annual net cost per prisoner of \$22 000; and in 1984-85 the net cost rose to \$5.91 million, with an annual average net cost per prisoner of \$21 000. So we have gone from \$19 000 in 1982-83 to \$21 000 in 1984-85, which is not bad. It is still quite an increase, but it is not bad.

But the situation at Yatala is an absolute disgrace. In 1982-83 the average annual net cost per prisoner was \$28 000; in 1983-84 it went to \$50 000; in 1984-85 it went to \$67 000. That is a staggering increase. I can only repeat that I look forward to the opportunity of being able to question the Minister in detail in the Estimates Committee.

I was interested to see in the Auditor-General's Report reference to the Adelaide Remand Centre. The Parliamentary Standing Committee on Public Works recommended in December 1983 that the remand centre be established at an estimated cost of \$15.6 million. At June 1985 the cost of the project was estimated at \$16.7 million: that is not too bad. I am told that the centre is to house 165 inmates. The interesting thing about that is that we are being told that the new facility will solve all our problems with remandees. Yet, a reply to the question that I asked a couple of weeks ago indicated that from August 1984 to July 1985 the average number of prisoners on remand was 171. We are looking at building a new facility to house 165, and already it is too small.

We have heard grandiose plans about the idea of closing down the Adelaide Gaol and turning it into a magnificent tourist attraction and everything else. I support that, and the Opposition Liberal Party has indicated that that is a track that we would like to go down, but there is no way that that will happen if the present trend in remandees continues. We will have to do something with the extra people who are on remand: obviously, the facility is far too small now. There will be a critical situation in years to come, unless we send some of these people to Yatala, which would be most inappropriate, or to the new gaol at Moblong, which would also be inappropriate. We will have to look at increasing the size of the facility that is not yet built. That is an extremely serious situation, which the Government will have to come to terms with.

I wanted to refer to a number of other matters in other areas, but, unfortunately, I will not have time. I will refer only to the police. There is a considerable amount regarding police in relation to the Auditor-General's Report that I wanted to bring to the attention of the House, but I will not be able to do that. Much has been said about the Government's intention to increase the size of the Police Force by 50 officers. The Auditor-General's Report has indicated that that is farcical.

What the Premier did not say when he talked about increasing the Police Force by 50 officers was that all this would actually achieve would be to bring the number of commissioned officers, non-commissioned officers, constables and trainees back to the 1982 level. Again, this huff and puff by the Premier is quite ridiculous. I recognise the need, as does the Government, but so far it has been an absolute farce, because we are obviously not going to see an increase at all in the size of the Police Force in South Australia. That is far from what the Premier would have us believe in the statements that he made prior to the budget being brought down.

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

**Mr M.J. EVANS (Elizabeth):** I would like to discuss certain financial aspects of an Aboriginal school which it is proposed will be built at Elizabeth. The proposal is not readily apparent from the budget documents when one first looks at them. In fact, I had to look at them very carefully indeed in order to find the provision for that school. It was only by chance that I was eventually able to come across the provision. If any other honourable member is interested in that provision, I draw the attention of the House to page 211 of the Estimates of Payments for the Consolidated Account for the year ending 30 June 1986 and particularly to the line entitled 'Education Department buildings, annual provisions for preliminary investigations and design' and the proposed allocation for 1985-86 is \$2.919 million. That is a very substantial increase on the actual payments for 1984-85. The actual payments last financial year were of

the order of only \$192 000. I remind the House that this year the provision has jumped to \$2.9 million.

The reason for that is quite simple. As part of the Minister of Housing and Construction and the Minister of Public Works lines, some \$700 000 has been allocated for the proposed urban Aboriginal school. That \$700 000 is in fact buried in the \$2.919 million which is allocated for preliminary investigation and design work in the forthcoming year. In my experience in the construction industry and government aspects of construction, it is normal for the design of a project to occupy some 10 per cent to 15 per cent of the ultimate budget allocation for that project. In this case, under the heading 'Preliminary investigation and design' a sum of \$700 000 is shown and it defies credulity when this House is asked to believe that \$700 000 is the allocated estimate for design of this project. That sum is quite clearly very much closer to the actual construction cost of the project than to the design cost.

One can see from the fact that the target date for completion of the school is June 1986 that the preliminary design allocation includes construction funds and that is a matter which I regard very seriously. It would seem that the Minister of Housing and Construction has sought to conceal that budget line under 'Preliminary investigation and design'. He has sought to hide from the House the true nature of that provision, because it is quite clear that the title is very misleading. It is obvious that the Minister intends to fund the construction of the school from the preliminary design funds. No member of this House would accept that \$700 000 is to be spent on design. That obviously also covers construction.

I would not want it to be thought that I was being particularly hard on this Minister alone, because this is a fault that he shares not only with his predecessors in this Government but also with his predecessors in Governments of other political persuasions. In this case it is in fact the system that is wrong rather than in this case the Minister, although I am critical of the Minister for continuing what is obviously a wrong and incorrect practice and one which should be revised by the Government. I refer to section 25 of the Public Works Standing Committee Act. Section 25 (1) states:

... it shall not be lawful for any person to introduce into either House of Parliament any Bill—

- (a) authorising the construction of any public work estimated to cost when complete more than five hundred thousand dollars; or
- (b) appropriating money for expenditure on any public work estimated to cost when complete more than five hundred thousand dollars;

unless such public work has first been inquired into by the committee in manner provided by this section.

It is quite clear (and I know, Mr Acting Speaker, that from your own personal knowledge you would support this) that the Government is attempting to allocate construction funds in this Bill by a device or technicality when, in fact, that project has not yet been referred to the Public Works Standing Committee, as I understand the position. If it has been so referred, it is very recent indeed. Certainly, the committee has yet to report to this House on that project. But despite the provisions of section 25 of the Public Works Standing Committee Act, the Minister is attempting to include construction funds and to have this House appropriate construction funds for the urban Aboriginal school under a line which is headed 'Preliminary investigation and design' and which is intended to refer simply to an annual provision for design funds.

As I say, this practice has been adopted by previous Governments and previous Ministers, so my criticism is not directed to this Minister alone, but it can certainly be said that, in many respects, this appropriation is illegal,

because it is quite contrary to what I interpret to be both the letter and the spirit of section 25 of the Public Works Standing Committee Act, and that is a matter which concerns me greatly. Although I believe it would be proper for me to do so, I do not suggest that the Bill should be withdrawn and redrafted to exclude that provision, because obviously that would be too significant a step and too disruptive to the business of this House and the public affairs of the State. However, this situation clearly points out the need for a dramatic revision of the Public Works Standing Committee Act and the way in which it is interpreted in relation to the Appropriation Bill, because, quite obviously, the letter, intent and spirit of that Act are not being complied with in this case.

To reinforce that point, I draw the attention of the House to pages 421, 422 and 423 of *Hansard* of 1927. The Treasurer of the day said:

It has been the practice in the past to put a small amount on the Loan Estimates for any big public work, and that has been taken as an authorisation for carrying out the work without members being given full opportunity to discuss it. The point I am making is that Parliament should have an opportunity of discussing the advisability of carrying out any public work proposed.

I think that is a very relevant point and cannot have been any more relevant in the case of a contentious work such as this, yet an appropriation is contained in this Bill. I now quote from further sections of the same discussion in *Hansard* of 1927:

The Bill makes it obligatory that the committee shall inquire into all new works or extensions of works costing over £30 000—and that of course now reads \$500 000—

No Bill or line on the Estimates can be submitted to this House for any expenditure over £30 000—

that again reads \$500 000—

which has not been previously investigated by the Public Works Committee.

That is clearly not the case in this example, because although those words were spoken in 1927, they are equally relevant in 1985 and the principle still applies. This House should not be asked to vote on an appropriation for a public work where that public work has not yet been examined in full by the members of the Public Works Standing Committee and where the House has not had the opportunity to examine the report, and yet some \$700 000 is to be allocated under 'Preliminary investigation and design' for this project. In all probability, that money will be appropriated before the work is referred to the committee and definitely before the report is tabled in this House.

This certainly goes to show the haste with which this proposal was cobbled together. I am very concerned at the way in which it has been forced on this House in this way and at the way in which it has been concealed from this House in the budget Estimates.

Considerable debate has taken place over the past month or so on this proposal. I have had the opportunity of speaking with many people about the project—both in my own electorate and outside it. Many people in the community who are concerned about the needs of Aboriginal education have taken the trouble to write to me from all over the State expressing their interest in this project.

Many who have written to me from outside my electorate have expressed considerable support for this concept. Of course, the Minister, since I first raised objection to this matter a few weeks ago, has been kind enough to provide me with very detailed arguments in support of his case for this project. I thank him for the trouble he has gone to in presenting that paper to me. It certainly sets out the case very well indeed. Of course, we have since had the speech in this House of the member for Mawson, who also presented further facts to the Parliament.

During that time I have had the opportunity to fully consider the nature of the proposal. I can certainly see that there is the potential for a case to be made out. Although I personally remain philosophically opposed to the concept of separate education based on race, it is the case that arguments have been put forward in favour of a single school—perhaps an experimental school, if you like, a pilot program on this concept—which are very powerful arguments indeed.

It has certainly been put to me that it would be unfortunate if I were to stand in the way of that opportunity for Aboriginal people: that is a very powerful argument. Although I remain philosophically opposed to the concept and I believe that, in the long term, it will not be of assistance to Aboriginal people, I can see that a case has been made out for the proposal at least to be tried in this State.

However, having conceded that extent of the argument, I again stress very strongly that, with the haste with which this project has proceeded, I believe that the incorrect site has been selected. There is no doubt in my mind that, even if we are to concede, for the sake of argument, that a school should be constructed, Elizabeth High School is the wrong location on which to build that experimental structure.

The school council has opposed the project in the strongest possible terms: the Elizabeth council has opposed the project on that site in the strongest possible terms. There is a wide range of arguments against the Elizabeth High School campus site as the site for that school, even if one were to concede that the project should proceed. That is not an unreasonable position for me to take as the member for Elizabeth.

I put a number of arguments to the Minister about the potential siting of this project. Unfortunately, to date he has not taken those into account. I believe that the Public Works Standing Committee will provide an excellent opportunity for those debates to take place. That is why I am so concerned about the appropriation of funds, in a way by stealth, before that debate has taken place, because one of the central arguments that will be put before the Public Works Standing Committee concerns location.

If this proposal is to proceed and to work in the way the Minister wants (and I believe it is quite reasonable that it should succeed), if we are to go ahead with it, I for one want to see it succeed because it would be a tragedy if we were to proceed on a basis of such cost and risk to the community, and to have the project fail because a site was chosen in great haste and without much forethought.

The Elizabeth High School site has been seized upon by proponents of this project and adopted without proper consideration of all the implications. I am very concerned that, despite a personal assurance from the Minister to me that he would not proceed on that site if the school council were opposed to the project, and despite a vote against the project by the school council, the Minister has decided to proceed on that site regardless. The fact that he would renege on that personal undertaking is of great concern and surprise to me, because I have the highest respect for the Minister of Education, who has always been extremely honest and sincere in his dealings with me previously. That he would now choose to renege on that understanding I find very hard to accept.

However, he has decided to proceed with that site, yet there are any number of arguments against it. If we are to accept the need for it, we should at least now devote a great deal of attention and consideration to proper selection of an appropriate site. I hope that the Minister will give a great deal more thought to that point. I draw the House's attention in this context to the very salient point that Elizabeth is not a particularly good area for siting an urban Aboriginal school. For one thing, there are simply not enough

Aboriginal children of the appropriate age to fill the school from the local community.

It is a very important principle that an urban Aboriginal school, if it is to succeed at all, must not only have the support of the local community, which in this case it does not have, and the support of the local council which it also does not have, but also it must be able to support itself within that community. Unless there are sufficient members of the Aboriginal community to support school enrolment from within that community, that is a very substantial mark against the future success of that project.

The 1981 census of statistics of Aboriginal and Torres Strait Islanders brings out that point clearly: Elizabeth is shown as having 244 citizens of Aboriginal and Torres Strait Islander descent; Salisbury—the electorate of the Minister of Education—has some 360 persons; and, for example, the next adjacent area, the council district of Enfield, has some 560 persons.

Quite clearly, the Enfield community would easily be able to support from within its own boundaries the enrolments of an urban Aboriginal school. I strongly believe that, if the school is to be successful in this context, it should be supported within its own boundaries. By comparison, I remind honourable members that Port Augusta, for example, has 1 140 persons of Aboriginal or Torres Strait Island descent. Clearly, Enfield, Salisbury and Port Augusta have much greater claim to being able to support this kind of project than does Elizabeth.

I earnestly commend the Minister to reconsider his hasty decision to back the establishment of the school at the Elizabeth High School site as one which is not conducive to the proper functioning of the school and one which would be detrimental to it in the long term. I am opposed to it philosophically, but if it is to proceed—and I concede that there is an argument in that direction—I for one want to see it succeed, as I am sure does the Minister. If that is to take place he must consider his decision to locate it there and review the position before it is too late and before we are irrevocably committed.

However, I again invite the House to review the provisions of the Public Works Standing Committee legislation and the way in which budget provisions are designed to work so that this House is not again misled in the way I believe it has been, not simply by this Minister but by all previous Ministers of both political colours, into being forced by law to include projects under such deceptive titles as 'preliminary investigation of design', when clearly that is not the case.

I believe that you, Sir, as Chairman of the Public Works Standing Committee, will want to look very closely at this aspect, because it is quite clear that the provisions of the Public Works Standing Committee legislation are in some way being subverted by the device which any Government is forced to adopt in order to proceed lawfully with its budget. This House should not continue to tolerate a situation of the Government's being forced to proceed in that way in order to provide for its provisions. This is a technicality in the Act which forces the position on the Minister and Government. Those technicalities must be addressed and I earnestly commend those proposals to the House.

**Mr HAMILTON (Albert Park):** In speaking in the budget debate on measures taken by this Bannon Government, it is worth while reiterating the Premier's statement:

This is the first time that recurrent payments have been less than the budget estimate since 1978-79—the last year of the Dunstan-Corcoran Governments. It is a target towards which we have been working during our three years in office and one which the former Liberal Government had never come close to achieving.

The recovery led by the Bannon Government was made possible by the making of hard and sometimes unpopular decisions, but the recovery has seen our State finances put into a healthy position and our State's economy put into better shape than it has been for seven years.

It was interesting to read the following article, under the heading 'No budget blues in SA', in the *Age* of 18 August this year:

But recent surveys by the Government and the SA Chamber of Commerce and Industry have shown the State is leading the national economic recovery and of the three manufacturing States seems best insulated against any short-term downturn. These surveys are backed up by Australian Bureau of Statistics figures released yesterday showing South Australia heading the list of forecast new capital spending by the private sector with an expected increase of 43 per cent to \$1 251 million next financial year.

In fact so good is the economic news from South Australia that Mr Bannon has been able to make his tax cuts, including a drop in electricity charges, without having to be concerned about creating his own deficit blowout.

Housing and construction sectors in the State are enjoying boom conditions, total unemployment is down and employment growth up, and there has been a significant increase in new fixed capital expenditure by private enterprises. As a result revenue from land taxes and stamp duty has markedly increased and despite increases in payroll tax exemption levels the increase in employment has meant no revenue loss in that sector. The net result of this is a State whose finances are healthy and whose economy has not been in a better shape for more than seven years. Mr Bannon must be pleased. He could not have hoped for a better story to sell to the electorate.

This is not the first time that we have seen such articles in the media. Indeed, I refer to the following article, which appeared in the *Sunday Mail* of 2 June this year, written by 'Onlooker', and one which most politicians would read:

The current crop of Liberal Party television commercials, for example, claims SA is stagnating because of the burden of State taxes. The bald statistics indicate nothing could be further from the truth. Twice in as many weeks, a senior Liberal MP has volunteered to me his opinion that SA's economic recovery is remarkably sound. The simple fact is that on most impartial economic indicators, SA is recovering at a faster rate than other States. Production is up and bankruptcies are down; employment is up and unemployment is down. That is not to say things could not be better—much better.

I shall return to that quotation and the statement by a senior Liberal member of Parliament in this State. On being returned to office in November 1982, the Bannon Government inherited a massive Budget deficit, and it is no good those followers of Olsen's fiscal fantasyland saying that this was not so. The facts of the matter are clear: prior to the 1982 State election, the State's finances were in a hopeless position and we faced a financial crisis. This State was almost bankrupt as a result of the actions of the Tonkin Liberal Government, a Government that put up a pre-election budget that was grossly dishonest. It was full of untruths and placed South Australia in a grave financial crisis, despite the clear warning by the Treasury that, in 1982, this State was 'in a state of financial crisis and that, unless the Government addressed itself to that problem, drastically cut services and expenditures, raised revenue, or did both, this State would be bankrupt'. That was clear and unequivocal advice to the former Tonkin Liberal Government, many of the members of which now adorn the Opposition front benches and aspire to be members of the Government next year. Well, I have news for them: they have no show.

The bunch of dries and philosophical descendants of Ghengis Khan opposite would have us believe in this State that they have developed some miraculous economic policies since they were rejected by the people of South Australia in 1982.

**An honourable member:** That's a joke.

**Mr HAMILTON:** I know where the joke is and it is certainly not on this side. Clearly the Liberal's so-called

policies were lacking in intestinal fortitude and reeked of financial quackery at its worst. I know that this sort of talk is unpleasant for members opposite to listen to, but the truth was exposed by Treasury documents after we came into office in November 1982.

Members opposite should be constantly reminded, as indeed should the electors of South Australia, of the previous Government's pathetic and dismal economic performance during its three years on the Treasury benches. Premier Bannon's speech of 18 October 1984 exposed the financial ineptness of the Tonkin Government, and I commend his remarks to the many readers of my speech, which I shall circulate in the community. Turning to the budget, South Australians have benefited from strong and economic management of this State's finances and resources over the past three years: ETSA tariffs have been cut; stamp duties have been cut; payroll tax has been reduced; and a range of State charges, including bus, train and tram fares, has been frozen. Home buyers, too, have enjoyed taxation reductions. For example, first home buyers will now pay no stamp duty on homes valued at less than \$50 000. On homes valued at over \$50 000 they will pay \$300 less in stamp duty. Further, 35 000 other property transactions will be liable to \$100 less in stamp duty.

As many as 6 000 people have been assisted under the State Labor Government's home ownership scheme. *Per capita*, South Australia has the largest public housing program in Australia, resulting in a 100 per cent increase in private building approvals during the past two years, compared to the national rise of 39.3 per cent. Clearly, many South Australians have benefited, especially in the housing and construction industry and in the provision of all those services that are necessary for a person to build and furnish a home.

At least 7 000 householders who rent privately are receiving assistance through the State Government for their rental payments. The Federal Government has assisted 82 000 low and middle income families and individuals by providing \$290 million to fund the first home buyers scheme during the 1985-86 financial year. In the private rental market the Federal Government has committed \$2 million to the funding of assistance for those in this State who are paying mortgages.

This State Government, together with our Federal Labor colleagues, should be applauded for their commitments in the housing arena. Unquestionably, such commitments have contributed to the return to economic and financial benefits for thousands of South Australians. In conjunction with those responsible policies, the Federal Government has provided \$7.9 million toward South Australia's water resources program: \$5.6 million of that sum has been allocated for our water filtration program. South Australia will also share in the \$2.1 million that has been set aside for the River Murray Commission and \$41 million has been allocated for the construction of a Commonwealth office block in Adelaide. They are merely a few of the ways in which South Australia will benefit from Federal and State expenditure.

One must not forget the large amount of commercial building that is daily adding to South Australia's commercial and industrial skyline. In this regard, it is interesting to read the following article, by Tony Baker, under the heading 'Putting a bold face on our city', on page 8 of today's *News*:

On 19 August 1983, I wrote in this column that John Bannon might do more to change the face of Adelaide for the better than any politician since Playford . . . I have previously written about the way the Adelaide skyline is currently being dramatically reshaped with giant commercial developments. Add these beguiling new amenities and it is a pleasure to write on 17 September 1985, as on 19 August 1983, John Bannon may have done more to change the face of Adelaide for the better than any Premier since Playford.

That statement was echoed, as I previously said, in May of this year to me by a senior Liberal MP. It was also reported by the same person in the *Sunday Mail* Onlooker column of 2 June this year in which he stated that John Bannon was the best Premier this State had seen since Tom Playford. That is not a bad rap for someone who has been in the Parliament for only about eight years.

Despite all the carping, knocking and criticism by our parliamentary colleagues opposite, they know damn well, as I do and as those on this side of the House know, that for the next State election we have the runs on the board. That is not to say that we will be complacent, but with our policies there is no question in my mind, in the electorate or in the polls that we will get there.

*Mr Ashenden interjecting:*

**Mr HAMILTON:** The member for Todd can laugh now, but I will laugh last. As stated in the budget papers, the Children's Services Office was a major achievement of the Government during 1985. The appropriate funds have been allocated in this budget to ensure that the CSO can fully carry out its responsibilities.

In the capital program, funding will be provided for further kindergartens and child-care centres so that work can continue on eight major projects with the commencement of 11 new projects. The Government should be commended for this as it has certainly put its money where its mouth is in terms of looking after the preschool education of many thousands of children in South Australia. The announcement yesterday of the South Australian Government's \$23 million three year Youth Employment Scheme is expected to provide 6 300 extra training and employment opportunities for South Australians. Moreover, under its proposal 1 600 traineeships will be provided next year to enhance the long-term employment prospects for our younger generation. Also, there will be prevocational trade training, extra apprenticeships, special trade schemes and a Jubilee youth employment program as well as an expansion of the CITY scheme.

In addition, the Government has set aside \$425 000 to establish the adult unemployed support program aimed at helping mature age unemployed improve their job prospects. The Government has set aside \$90 million over the next three years for the maintenance of Government assets, especially school buildings. In terms of justice and community security, this Government has provided additional funds to enable the Police Department to implement a new program of community policing and crime prevention.

On this matter I have publicly campaigned since November 1983 for a Neighbourhood Watch scheme in South Australia. The first was set up in Flinders Park in May this year and the Government should be commended for that project. It is interesting to reflect on what has happened in Victoria where, I am informed, 108 such schemes are operating involving more than 200 000 residents of that State. I am further informed that not only has it arrested the crime rate, which was increasing annually by 25 per cent, but also effectively it has reduced the crime rate in Victoria by 9 per cent. I would hope that such a program will be implemented within my electorate. I had a public meeting on 6 May to push for this scheme. Already over 1 200 signatures on a petition have come into my office fully supporting the action I have taken to try to get this Neighbourhood Watch scheme in my electorate. Many of my colleagues have also pushed for such a scheme.

Due to the agreement I will wind up my contribution. I would like to have gone on longer on the financial benefits that have accrued to this State under the Bannon Government, but, unfortunately, time does not permit.

**The Hon. J.C. BANNON (Premier and Treasurer):** I appreciate the contribution just made by my colleague the

member for Albert Park. I would have been quite happy to hear him continue for a few more minutes in that vein in putting the facts before the House and demonstrating our economic record. It is very appropriate that the member for Albert Park did speak, because from those on the other side of the House we have had an extraordinary performance during the course of the debate.

Over the past three years we have grown accustomed to a rather puerile mixture of hyperbole and hypocrisy from the Opposition during financial debates in this House. The mock rage, the extravagant abuse, and the organised barracking are the hallmarks of their style. The confusing calls for immediate or larger tax cuts, alongside urgent demands for more and more expenditure, for the most part sums up the content of the debate. This debate has been no exception. Indeed, as the evidence of recovery and growth accumulates, so the Opposition, and its Leader in particular, becomes more desperate.

The Opposition's response to a better than planned result on expenditure for 1984-85, a package of tax relief measures, a substantial cut in the underlying deficit, an end to the Liberal formula of plundering capital funds and a balanced budget in 1985-86 has been to put together a mishmash of misrepresentations, an extremely selective use of statistics, and a collection of unsubstantiated assertions, topped off with blatant untruths. The Leader of the Opposition has certainly led the way.

His 'bankcard budget' gibe betrays a blatant misrepresentation of the budget documents which, if it is not malicious, can only be the result of abiding ignorance. His analysis of the economy rests on a selective use of statistics which is clearly deceitful. His claims concerning taxation are simply not true. Similarly, the argument he attempts to put concerning major expenditure programs are just incorrect. His figuring bears little relation to the real situation or to the published results—they just do not add up and I will demonstrate that in a moment.

I plan to deal with each of the Opposition's arguments in some detail. But, first let us recall the context in which my Government set down its financial objectives on coming to office. The Liberals' tax cuts of 1979 had been financed in 1980, 1981 and 1982 by the plundering of capital works funds—\$100 m over those three years. That meant schools that were not built, hospitals which were not equipped and projects delayed. It also meant increased interest costs with no assets to show as a result.

But even that was not enough. The financial weakness it created was too great. The growing deficit was looming too large. The Liberal Cabinet, in which the Leader sat in 1982, was planning tax increases. That is what the former Premier told Prime Minister Fraser at the Premiers Conference in June 1982. That is what the documents that I have tabled in the past make clear. The former Government was advised in the strongest possible terms that it faced an enormous shortfall in funds which could have been improved only by an increase in taxation or a substantial reduction in funds for Government projects.

The budget it brought down towards the end of 1982 had no such cuts: instead, it contained expenditure targets which just could not be met unless more money was found. Its tax increases were planned and ready to go if it had won that election. The member for Torrens repeats the extraordinary assertion that the former Government was advised on 12 October 1982 that the deficit was only in the order of \$13 million. I dealt with that document 12 months ago.

I refer honourable members to *Hansard* for 19 September 1984, particularly to pages 1015 and 1016, in which I dealt in some detail with that so-called 'evidence'. I will not go through it all again, but I remind the member for Torrens in particular that that document to which he referred simply



gave the amount by which the expenditure had exceeded receipts for the first quarter of the financial year. It did not in any way modify the very stern warnings Treasury officials were giving the former Government concerning the likely results for the full year, and the document itself raised concerns regarding Health Commission receipts and the fact that the round sum allowance for wage increases for that financial year had already been fully spent by the end of September.

The fact remains that the former Liberal Government was advised that it was facing massive problems, and yet it framed a budget which ignored those warnings—a budget which was designed to simply last until the election was over. We picked up the mess. We picked up the responsibility to restore the State's finances. We set the financial objective.

We declared that we would end the plunder of capital works funds. We declared that we would reduce the underlying deficits, that we would turn the cash flows around and strengthen the State's financial base, and that we would work to restore balanced budgeting to South Australia. All those objectives have been met during my Government's term in office. We have succeeded where the former Government failed.

We have brought in a budget which will sustain economic growth and which holds increases in tax revenue to below the expected rate of inflation. It is a budget which freezes major fees and charges and makes significant savings on expenditure by restricting the provision for departmental spending. The budget provides for a major increase in capital works activity to strengthen the State's infrastructure and sustain economic activity. Further, I repeat: this has been done in conjunction with a major reduction in the Consolidated Account deficit of more than 20 per cent and the introduction of a series of significant tax concessions.

The Leader of the Opposition, in speaking to the budget, has hung his whole argument on an increase in loan raisings by SAFA to finance the capital works program. He has blatantly and deliberately tried to confuse the question of funds for capital works with the issue of expenditure on recurrent activities. He has claimed quite wrongly that our tax cuts have been financed by borrowing.

Of course, the Leader would be very familiar with the budgetary tactic of borrowing to prop up recurrent expenditure; that is what his Government did for three years. But that is not what is happening here. Our recurrent expenditure is being paid for by recurrent receipts. Indeed, last year our recurrent expenditure was less than the recurrent receipts, something which the Liberal Party never achieved, and something which the State has not experienced since the late 1970s.

The Leader has misrepresented the very legitimate function of State Government borrowing to finance the capital works program. There may be an argument about the size of the capital works effort. Members opposite may wish to suggest that schools in the program should not be built; hospitals not equipped properly; that the *Troubridge* replacement should be scrapped; that the second container crane is not necessary; that the O-Bahn should be stopped; that the railway signalling project should be abandoned; that new roads in the southern suburbs are not needed; that new equipment for the Police Force should be dispensed with; that we do not need a living arts centre or an entertainment centre; or that we should just let the Festival Centre Plaza crumble around us.

It is on projects of that kind that these capital works funds are being spent. They are not going towards paying the Government's recurrent expenditures, and they are not being transferred into the recurrent budget so that a tax cut can be made. The tax concession package was the result of our success in controlling expenditures and the recovery in

our economy: it has nothing whatsoever to do with borrowings for capital works.

Those members opposite who profess to be great defenders of the private sector might ponder on the proportion of our capital works budget which goes directly to private companies for work done on behalf of the Government. Approximately 84 per cent of those capital funds go directly to the private sector.

Allied to this question of the borrowings within the budget is the wider issue of the State's indebtedness. It is an issue which was taken up by the Deputy Leader and the members for Davenport and Mitcham. Indeed, the typed speech notes were passed down the line for them all to parrot. I dealt with this issue in the course of replying to the Leader's pathetic request last Thursday for an early election but I shall now go through it again.

The Opposition has claimed, on the basis of the Auditor-General's Report, that there has been an increase of 30 per cent in the State's debt. The table in the report is a traditional summary of one aspect of our financial position. But, as the report itself recognises, it does not show the complete picture. I have already given a commitment that a more detailed paper prepared by the Treasury will be tabled setting out the exact nature and extent of the State's indebtedness.

In the meantime, let me stress again that, during the two completed financial years that my Government has been in charge of the State's finances, the State debt has grown by 12.5 per cent, which is less than the rate of inflation over that period.

The facts are that, as well as borrowing money and paying interest on our debt, we also earn interest on our investments. To understand the true picture or the net indebtedness of the State, members must realise that the money we receive by way of interest on investments has to be taken into account. The last budget of the Tonkin Government was for the year 1982-83. At that stage the Auditor-General's Report showed a total liability of \$2 898 million. The Government cash and investment at that stage had fallen to only \$523 million, giving a net liability of \$2 375 million. They are very instructive figures. They provide the evidence of how the former Liberal Government had been running down the State's cash reserves and weakening its financial strength because it refused to face up to the difficult decisions which had to be made.

At the end of the 1984-85 financial year, the Auditor-General's Report shows a total liability of \$3 797 million. But Government cash and investments now total \$1 230 million, to give a net liability of \$2 584 million. That is the real figure—an increase over those two years, much less than inflation, and evidence of how my Government has put strength back into the State's finances.

There is further evidence in the Auditor-General's Report itself of this financial strength. For example, the report notes that balances on deposit accounts and accrual funds at June 1985 were \$83 million higher than the year before. Cash and investments held at the Treasury were \$97 million higher than the year before. On page 362 of the Auditor-General's Report, members can see that SAFA has an accumulated surplus of \$48 million and in 1985-86 will contribute approximately \$76 million to the budget. All this is evidence of financial strength, and evidence that our financial objectives are being met.

But what extraordinary hypocrisy from the Leader of the Opposition, a member of the former Government which ran down the State's cash reserves and borrowed to finance day-to-day expenses. The Leader might care to look at page 65 of the Financial Statement tabled on 29 August, which shows that in the last budget of the Tonkin Government net borrowings by the State amounted to \$456 million. That compares with \$419 million planned for 1985-86.

Never mind about adjusting for inflation—our net borrowings this year are less in absolute terms than in the last year of the Tonkin Government. We know why they were high back in 1982-83: the former Government was using loan moneys to cover the budget deficit—a deficit that was undeclared and hidden!

The net indebtedness of South Australia has been slowly falling since 1950, except for one financial year which dramatically reversed the trend. That financial year was 1982-83—the last Liberal budget. Per head of population, indebtedness had fallen 7 per cent in 1979-1980, 2.9 per cent in 1980-81, and 5.3 per cent in 1981-82. But then in 1982-83 the years of borrowings finally caught up, and it rose 4.6 per cent. In each succeeding financial year the trend downwards has been restored so that in per capita terms indebtedness to the State at 30 June 1985 is 43 per cent lower—

*The Hon. E.R. Goldsworthy interjecting:*

**The Hon. J.C. BANNON:** The Deputy Leader of the Opposition cannot take this, because he and his colleagues opposite have been trying to evoke this picture of a massive and burgeoning State debt, but I am demonstrating that in fact it has been reduced. The debt is 43 per cent lower than it was 35 years ago—

*The Hon. E.R. Goldsworthy interjecting:*

**The DEPUTY SPEAKER:** Order! The Deputy Leader will have 10 minutes in which to speak, if he will be quiet.

**The Hon. J.C. BANNON:** Further, it is 48 per cent lower than 25 years ago, 56 per cent lower than 15 years ago, 7 per cent lower than 5 years ago, and 3 per cent lower than it was at the time of the last Liberal budget. The Leader has also displayed an abysmal ignorance in dealing with the question of the State's annual debt servicing obligation. He claims that, in three budgets, the annual debt servicing obligation has risen by \$115.5 million. However, what the Leader has failed to mention is that \$60 million of additional interest payments has been completely offset by \$60 million of equivalent receipts, maintaining that this is just a book entry which resulted from new debt arrangements which took place towards the end of the 1983-84 financial year.

They had no net impact on the interest commitments in the public sector; they were fully outlined in the annual reports of SAFA, which have been tabled each year with the budget. The Opposition's claims concerning indebtedness are simply rubbish! It concerns me that, with international financiers visiting the State and with our Treasury officials negotiating with bankers and other financial institutions, we have to put up with this hysterical and emotive nonsense! The Opposition can be excused for ignorance, but it cannot be excused for a deliberate attempt to destroy the State's reputation.

*The Hon. E.R. Goldsworthy interjecting:*

**The Hon. J.C. BANNON:** By interjection, seeking to cover just a basic and fundamental error: a mere \$60 million—more than half the figure—simply overlooked! The Leader of the Opposition's cavalier treatment of the truth continued when he addressed himself to the question of State taxation. He disputed the fact that revenue decisions of the Government have increased tax collections over the past two years by only 11.8 per cent and, in attempting to prove his point, he has produced figures that bear absolutely no relationship to any published Treasury document.

For example, he says that the total tax collections since the end of the 1982-83 financial year have increased by \$359.7 million. In fact, the correct figure is \$242.2 million. That is an error of only \$117 million! He then says that our revenue decisions add \$136.3 million, when in fact the real figure is \$64.6 million—that is an error of \$71 million. The figures that I am using have been provided by the Treasury, and I will back them any day against any bizarre

equations that the Leader of the Opposition pulls out of the air.

I am not denying or attempting to hide the fact that my Government had to put up some taxes. I am not denying that I confidently expected before the last election that it would not be necessary. I am saying that the necessity of taking those decisions came as a result of the financial crisis which had been hidden—

*The Hon. E.R. Goldsworthy interjecting:*

**The Hon. J.C. BANNON:** The Chairman of the Budget Review Committee, who was in receipt of those documents and signed those warnings, is a very odd person to interject on this matter. He either did not understand what was being supplied or he knew the truth and kept it hidden.

*The Hon. E.R. Goldsworthy interjecting:*

**The DEPUTY SPEAKER:** Order! The Chair will not allow the Deputy Leader to carry on with cavalier interjections.

**The Hon. J.C. BANNON:** The correctness of the decision that we made had been borne out by the financial strength that is now apparent in our accounts, and the direct effect of those increases over the past two budgets has been 11.8 per cent; the remainder has been as a direct result of the growth in our economy and the dramatic recovery that we experienced after 1982-83.

I give the House just one example of the increase in economic activity. In 1982, the average price of a house in metropolitan Adelaide was \$47 000 and approximately 14 600 sales of houses were recorded. In 1984, the average price of a house in metropolitan Adelaide was \$67 000, and approximately 19 600 sales were recorded—an increase in value of 42 per cent and an increase in sales of 34 per cent. The same dramatic increase in value and activities can be demonstrated for land prices.

Similarly, more new cars were sold, more people were employed and, as a result, the State's revenue increased. They are the comparisons that the Leader of the Opposition should correctly be making. That is the evidence of recovery and growth to which he should be referring instead of sneering at our recovery, denigrating our financial strength, and knocking the new mood of confidence that is apparent in the community. Once these misrepresentations concerning borrowing, the State's debt and the State's tax collections are removed from the Leader's reply, what is left? I will quickly dispose of the points he raised.

*The Hon. Ted Chapman interjecting:*

**The Hon. J.C. BANNON:** I suggest that the honourable member listen to some of these specific points. For instance, the Leader of the Opposition tried to make much of what he called 'record deficits' in the State's operating departments. He chose to highlight the deficit of the Engineering and Water Supply Department, which he claimed was a record \$22 million. This time he at least got the figure right, but he could have also added that the deficits incurred by the last three Liberal budgets for this department were \$23.3 million, \$22.7 million and \$21.6 million respectively. So, not only is the deficit planned for 1985-86 far from being a record, it represents a substantial reduction in real terms compared with the deficits that the Tonkin Government was running. The budget result for 1984-85 shows that the operating costs of the Engineering and Water Supply Department were contained within the planned budget level.

The Leader of the Opposition then listed a number of programs which he claimed would require additional funding in coming years. He plucked a figure of \$100 million out of the air and said that that is what it would cost. What he does not make clear is whether or not the Opposition is now saying that the Jubilee Maintenance Program, the Youth Employment Scheme, funding the shortfall of Commonwealth money for preschools, the Taxi Subsidy Scheme for

the disabled, the replacement for the *Troubridge* and The Second Story drop-in centre for adolescents (and they are just a selection from the list that has been mentioned by members opposite) should be immediately scrapped.

The Leader of the Opposition wants to attack the programs, but he is not prepared to state clearly that they should be stopped. To the ones I have already mentioned he adds, incidentally, compensation for native vegetation, the Mobilong prison, relocation of the Hackney Bus Depot, the Children's Services Office, providing second language study in primary schools and additional teacher librarians, as well as the maintenance of class sizes. They are all initiatives of which my Government is proud. They are initiatives that have been made possible because of the strength that we have put back into the State's finances.

The Leader of the Opposition does not have the guts to attack them; instead, he pulls dramatic overestimates out of the air and invents some figures in relation to costs. He takes no account of the fact that funding for the Youth Employment Scheme is in part being achieved by a reallocation of resources among existing Government programs. Equally, he ignores the fact that, once Mobilong is open, Adelaide Gaol will be closed, with significant savings. He mixes up recurrent expenditure commitments with specific capital works projects, such as the replacement vessel for the *Troubridge* and the infrastructure requirements for Roxby Downs.

The shadow Minister of Education, the member for Torrens, attacks the Government for not employing an additional 82 teachers, while ignoring the fact that those resources had been redirected to the education initiatives to which I have referred. It is ironic, of course, that some members of the front bench opposite have chosen to attack the Government for not employing more people on the public payroll, while the Leader of the Opposition himself has tried to make a great deal out of claims that we are employing too many.

Once again, of course, the Leader of the Opposition gets his sums wrong. The figure of 7 000 is just simply not true. In terms of full-time equivalent positions, the increase for the public sector as a whole since June 1982 is of the order of 2 700. Of that figure, the vast majority have been in the statutory authorities, most coming from the need to employ more nursing staff in the Health Commission, as a result of the 38-hour week and the move to tertiary training.

Other large increases have been in profit-making statutory authorities such as the State Bank. In the Public Service itself, there have been more positions in community welfare. There has been an additional 381 positions in correctional services, as we coped with the problems that were left to us after three years of inept administration of the prison system. An extra 288 positions have been created in education, 400 in secondary and further education, and 73 extra police. Overall, the growth in public sector employment has been significantly less than the growth of employment in the private sector. This has meant that the size of the public sector, as a proportion of total employment in our economy, is declining.

The Leader also went on to make some rash claims about his Government's industrial incentive program. He claimed that the allocation is less than last year. In fact, the allocation for 1985-86 represents an increase over what was spent in 1984-85 of \$2.1 million, which is an extra 23 per cent. It also represents an increase of 46 per cent over what was spent in the last Liberal budget.

The member for Torrens also joined the 'shoddy figures brigade' when he suggested that TAFE funding had been cut. He simply refused to compare like with like. If he looks at this year's allocation and compares it with last year's expenditure, he will see that there is a real increase of 1.7

per cent. This playing with figures and plucking numbers out of the air continued when the Leader referred to the Jubilee Maintenance Program. He claimed that over the past three years the Government had spent \$70.5 million on maintenance, compared to what he said was a figure of \$71.6 million for the former Government.

The Leader of the Opposition is fond of referring to the Auditor-General's Report. If he would like to go back to that document and reports of earlier years, he will see that expenditure on maintenance over the past three years has, in fact, been \$81.7 million after taking account of \$14 million of maintenance in the hospitals area which was transferred to the Health Commission.

That is \$14 million that the Leader left out, because it did not suit his argument. The member for Davenport followed this distorted reasoning with his claim that there would be a shortfall of \$21 million over the three year period. I have had my officials study both comments and they are at a loss to determine how the figures used by members opposite have been arrived at.

On the question of housing, the Leader of the Opposition continued to misrepresent the actual position. Let me make it clear, again using relevant data from the Auditor-General's Report. The Government has committed itself to an increase in the Housing Trust stock of 9 000 units. As at June 1985, the two year total was 5 858—342 below target, but at that date the number of units under construction was 2 482, so to reach our target of 9 000 we need only to complete those units plus the construction or purchase of another 660 units in 1985-86. The budget contains adequate funds for that purpose and also to ensure an ongoing construction program for the building industry.

The Leader also says that between 1982 and 1984 active police staffing levels were reduced. Again, he has distorted the actual position. The decrease came as a result of a change in recruitment procedure from a two-year to a one-year training program. Leaving aside trainees, the active strength of the Police Force increased during the period to which he referred from 3 241 to 3 279, and in this budget we are now providing for an additional 50 police officers. Similarly, his claim that we have reduced resources for the Police Force does not seem to take account of the fact that \$7.3 million for payment of pensions is now being paid for by Treasury, \$167 000 for forensic resources has been transferred to the Department of Services and Supply, and almost \$1 million of the allocation last year was for the Roxby Downs protest. Given the very real fear that exists in the community concerning the security of individuals and their property, the Leader of the Opposition's attempt to create some sort of emotional issue around police funding is a very shabby exercise indeed.

Equally shabby was his comparison between an average land tax bill in 1984-85 and a bill in this financial year. In making the comparison, the Leader of the Opposition simply ignored the tax concessions that we have introduced. He ignored the fact that 76 000 taxpayers will no longer pay any land tax, and that a further 140 000 taxpayers will pay less land tax. The House has already debated the matters raised in the Auditor-General's Report at some length so I will not go over that subject again, except to stress that the transfers to the Consolidated Account to which the Auditor-General refers follow a procedure which was established by the previous Government in 1979. In the case of the transfer from the Highways Fund, the timing of that simply related to the drawing of necessary regulations. The Auditor-General has pointed out that care needs to be taken to ensure that these funds are not built into our expenditure base. That is a very good point, and one of which this Government is acutely aware and strongly supports.

On the question of the recurrent deficit, let me again point out that the State borrowed \$26 million less than budgeted for in 1984-85 because of the strong recovery in our economy and because we exercised tight control on our expenditures; indeed, we could have gone ahead with that borrowing and applied it to reduce the accumulated deficit, but that action in itself would have incurred the same cost as leaving the deficit as it stands.

Finally, the Auditor-General does not suggest in any way that the budget forecast for 1985-86 is inaccurate, and he also notes that the Government achieved a surplus of \$13.7 million in 1984-85, that we reduced the accumulated deficit by that amount, and that we have improved balances in deposit accounts and our holdings of cash. The Opposition has hung its whole reply to this budget on a fiction. It has built all its arguments around invented claims concerning borrowings within the State budget.

Members opposite have tried to misconstrue the figures that have been presented to them, and to imply that money being borrowed to ensure that our capital works program and our economic recovery continue is in fact in some way paying for recurrent expenditure. That is simply not the case. It is not true. The Leader of the Opposition will certainly have to do a lot better than to come into the House with cheap jibes and catchy phrases. He can start by learning to add up: he can start by learning how to read the budget papers: he can start by recognising the damage that his Party and the former Government did to the State between 1979 and 1982, and by giving a bit of credit to the Government which has in fact restored our public sector finance.

*Members interjecting:*

**The SPEAKER:** Order!

Bill read a second time.

**The Hon. D.J. HOPGOOD (Deputy Premier):** I move:  
That the House note grievances.

**The Hon. E.R. GOLDSWORTHY (Deputy Leader):** Members can heave a sigh of relief, because I do not intend to deal with the budget matters that the Premier has laboured in such a boring fashion for some time. As is customary in this grievance debate, members may talk about a range of matters, and I intend to talk about a Government report which the Deputy Premier has commissioned entitled 'Bushfire Prevention and Electricity Distribution'. The report was commissioned by the Government, and the committee was manned by public servants, but those who are most affected by the economic recommendations were not represented at all. Let me say at the outset that the recommendation in relation to the funding of the undergrounding of electricity supplies in the Adelaide Hills is completely unacceptable to me as a member for that area, to all local government authorities in that region of the State, and I believe to the vast majority of taxpayers in South Australia.

There are a number of things in the report with which I agree. I certainly agree with the composition of the CFS board which the Minister outlined in his press statement. I agree with the idea of setting up local bushfire committees, because I believe that, if they are established, we might get a bit of common sense from the grassroots level as to what has to be done to minimise the risk of bushfires in that area. At the moment we are in the hands of people who know precious little, if anything, about it. I want to dwell for a moment or two on the extraordinary recommendation outlined at page 94 of the report about how this unproven but extremely costly undergrounding exercise is to be funded. The report states:

The working party has considered this aspect of the matter in the light of information in the W.D. Scott report and more recent

investigations carried out by ETSA, and has reached the conclusion that a program over a minimum of five years, at the rate of \$6 million per annum—

what is \$30 million between friends?

is justified. The justification for extension and the level of such a program beyond five years will need to be a matter for ongoing review by the South Australian Bushfire Prevention Council. However, the basis upon which the funding proposal has been developed would be valid even if it were determined that, in many areas presently regarded as possible undergrounding localities, alternative measures of bushfire mitigation were found on further examination to represent better value for money.

What an absurd recommendation: even though it is not the best way of spending the money for bushfire mitigation, we ought to go ahead and do it! That defies any logic. That recommendation is completely unacceptable, I believe, to the people it affects directly. This involves 45 per cent of this very expensive option, and I point out that \$30 million will go nowhere: if we are talking about undergrounding the power lines which will have to be undergrounded throughout this State to minimise bushfire risk from that source, it will cost more like \$200 million.

I suggest even that would be very conservative, but for the Hills dwellers—the people to be affected by this extraordinary recommendation—it will have an enormous economic impact. As I have said in this House before, the major bushfire risk to people who live in the hills comes from the Government's holdings of parks and reserves on the hills face zone and Government owned land in district council areas in the hills.

The report talks about Gumeracha council's having 7 per cent of Government owned land. I have always understood that it is somewhat more than that, but you can bet your bottom dollar that if, on a day of extreme bushfire danger, a fire starts and gets into Government land you would have no chance whatsoever of putting it out in that country.

What is this green hills face zone in which the cranky environmentalists—although they are not all cranky—suggest we can take no bushfire preventive measures at all? They say we must leave this country in its pristine state, which means it gathers hundreds of tonnes of combustible material on the ground over time. One must not slow burn that to get rid of it! But why is it there? In the main, it is for the visual enjoyment of city dwellers.

**Mr Ferguson:** Hear, hear!

**The Hon. E.R. GOLDSWORTHY:** 'Hear, hear', says the member for Henley Beach. That is what poses an enormous threat to Hills dwellers. It is like sitting on top of an enormous possible bonfire, ready to be burnt, because if a fire starts there on a day of extreme bushfire risk when it gets out of the top it is uncontrollable. The two major fires which have devastated the area in which I live started in the hills face zone.

The danger has increased over the years due to the depredations of those cranky environmentalists who will not let one do anything—not even cut a bushfire track across this country because someone in the city might see it. I can think of a goat track, and if firefighters had gone down it they would have been incinerated. To suggest that people in the Hills will bear the brunt of this highly questionable Government proposal to underground these powerlines is plainly unacceptable. If the wires are to be put underground, that money would not be well spent. The first priority is to do something about the inflammable material and the enormous fuel load that exists, particularly on Government land.

Who pays for the \$100 million deficit run up by the State Transport Authority each year—the people who use public transport? Of course, they do not; every taxpayer in South Australia subsidises the operations of the State Transport Authority which exists mainly to service the public in metropolitan Adelaide. If it is decided (and I think it is a crazy

recommendation) to go down the track of undergrounding to the extent needed, the community as a whole must pay for it, in my judgment. Why single out these people who went to live in the Hills in good faith under an existing set of conditions? Power lines had been laid according to the Government and ETSA priorities over the years. Why suddenly decide to change tack and say, 'We will put them underground and you will pay'? That is not on.

I agree with the new Director of the CFS: if we are looking for value for money in terms of minimising bushfire danger we should have a good hard look before spending \$30 million on a program that will hardly scratch the surface; it will not go far at all. However, if it is to be spent on programs for minimising bushfire danger—minimising the fuel load and providing equipment for the CFS so that that organisation can really get in and do a job—that \$30 million would go a long way. This Government's priorities are wrong. One good suggestion in the report is to set up bushfire committees.

The bushfire council, which is supposed to advise the Government on policy, will have every man and his dog on it—it is just a PR exercise. There is a page of names of people who will go on it. If one can reconcile the various viewpoints from that group, I will give a garden party. The fact is that we will have an enormous PR council to advise the Government, but all we will have is a talkfest and we will finish up getting nowhere.

When one gets down to recommendations that give local people some say in what should happen locally to minimise bushfire risk, then one is getting somewhere. I am sure the Government will have no problem at all in getting interested people at a local level combining on a bushfire committee to make recommendations about the best way in which they can protect their properties. If they do nothing else, if they have enough clout to talk some sense into some of the gurus who sit behind desks at public expense and who know nothing whatever about the local scene, that will be an enormous service to the State and the local community.

I support that recommendation. I again draw the Government's attention to the article in the *Mount Barker Courier* expressing the views of local councils that were not consulted. They totally oppose this proposal, and I support them.

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

**The Hon. P.B. ARNOLD (Chaffey):** A week or so ago the Premier put in a day in the Riverland when he principally visited the area to open the new Riverland Development Council. I have indicated ever since the proposal was first advanced that it would have my total support, and the council has my total support. The only point I want to make about the council is that the people who are on that council and who have the necessary expertise to know what the problems are and what issues exist in the Riverland that have to be resolved must have total Government support.

The council is comprised of a good cross-section of the community and, if they have proper support from the Government, the council can contribute a great deal. Looking at the history of the Riverland, and the fruitgrowing industry in general, one can see that industry leaders for the past 50 years have been highlighting what the problems are in the industry but, unfortunately, the Government has taken little notice. I only hope that for some reason the Government will take more note of what this council has to say than it has taken of industry leaders in the past. I refer as an example to the dried fruit industry, which has highlighted to the Government repeatedly that, if EEC countries are allowed to dump fruit in Australia, there is no way that Australian growers can compete.

We have had a recent situation where EEC growers have been receiving a subsidy of \$800 a tonne for dried sultanas. That amount exceeds the final return that an Australian grower gets for a tonne of dried sultanas—it is a crazy situation. No matter how efficient a producer is there is no way that he can compete with produce from a country where producers receive a subsidy greater than the end product return in this country.

Instead of the price being around \$1 000 a tonne in Australia, which is necessary to enable growers to make ends meet, dried fruit coming to Australia, particularly from Greece, is being sold for a little over \$400 a tonne, yet the cost of production in Australia is \$800 a tonne. Indeed, the cost structure in most EEC countries is such that without massive subsidy there is no way they can produce at that price.

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

**The Hon. P.B. ARNOLD:** Prior to the adjournment I was referring to the Premier's recent visit to the Riverland and to the opening of the Riverland Development Council. I made a plea to the Premier that, above all else, when the council makes recommendations in the not too distant future for the development of the Riverland, those recommendations do not fall on deaf ears. As I have said, there is a history of past events of industry leaders having highlighted problems with various sections of our industry over a long period. Very little notice has been taken of them. I trust that, in this instance, when the recommendations start coming from the development council, they will be acted upon by the Government.

While in the region the Premier commented on three or four other matters of concern to people in that part of South Australia. An article in the *Murray Pioneer* of 6 September, headed 'Bannon covers other issues during visit' reports that the Premier was questioned on a matter I raised in the House a week or so prior to his visit in relation to shortage of land for housing, industrial and commercial development. It states:

Mr Bannon said that he did not believe there was any critical shortage of land in the Riverland. The Government was keen to promote the development of existing land and property in the towns . . .

Quite obviously, the Premier has not been kept informed by his Ministers. I have raised this matter continually in this place for the past 12 months.

A document provided to me by the Minister of Lands 12 months ago clearly indicated that, in 40 towns across South Australia for which the Government is the developer of last resort and responsible for providing housing and industrial sites, no housing or industrial sites are available. As I have said before, that is an absurd situation in a country the size of Australia, with a population of only 16 million people. Young married people wanting to build a home cannot purchase a block of land in any of those 40 towns. The Premier says that he does not believe that there is any shortage of land, yet he need only look at the *Murray Pioneer* of the week prior to his visit to see that councils and land agents in the area were contacted by the press and indicated clearly that there was a drastic shortage of land: in other words, they were supporting my earlier comments that there is a drastic shortage of land and that, as a result of that artificially created shortage, the price of land is very much higher than it need be.

This situation cannot be allowed to continue. I urge the Premier to confer with his Ministers to find out exactly what is the situation. I have raised this subject time and time again, and the Premier's comment that he believes that there is no shortage of land does not make sense to the people who live in the Riverland.

The other issue on which he was asked to comment related to the proposed Berri bridge. During the period of the previous Liberal Government the then Minister of Transport (Hon. Michael Wilson) reached agreement with the Federal Government that funds would be provided through the Australian Bicentennial Road Development Program to build that project. Immediately upon assuming office the Premier and the Labor Party abandoned that project and diverted the funds provided by the Federal Government through the bicentennial road program into other developments. Just where they have gone we cannot identify, but it is interesting to note the Premier's attitude towards this project.

The article states that the Premier's view is that there are a number of problems, including location and navigation and ecological aspects as well as, most importantly, cost. The cost was being provided totally by the Federal Government. It is a tragedy, as far as I am concerned, that the project did not go ahead. It would have stood as a monument to the bicentenary, and would have been there for the next 200 years. It is the intention of the present Government, I believe, to divert the funds from that project into other general road development throughout South Australia that will have no clear identity as a bicentennial project, whereas this project would have been there for the next 150 to 200 years.

There is no way that one can accurately determine the benefit of such a project. One can have counts of vehicles going over the ferries, but that gives no clear indication of the total use that would be made of a bridge. Due to the inconvenience involved in crossing by ferry, people cannot afford the time to use it, particularly from a commercial and industrial viewpoint.

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

**The Hon. D.C. BROWN (Davenport):** In the time available to me this evening I wish to raise two transport matters. I am delighted, looking across the Chamber, to see both the present and former Ministers of Transport. I wish to raise matters relating to both of them, so both should pay attention to matters which motorists in this State are concerned about. I refer to the synchronisation or coordination of traffic lights in the metropolitan area. All motorists would agree that Adelaide seems to have an enormous number of traffic lights; we seem to spend a great deal of time each morning or evening waiting at traffic lights for them to change, and it can be a frustrating experience. I am disappointed that the Minister of Transport is not going to stay to listen to my comments.

**Mr Hamilton:** I can understand why he is going.

**The Hon. D.C. BROWN:** At least the former Minister would sit and listen, but the current Minister seems to run as soon as something comes up. I wanted to highlight the fact that there is an overwhelming feeling in Adelaide that something needs to be done, and done urgently, about the synchronisation of traffic lights. Under the present system one gets through one intersection and, suddenly, 100 to 200 metres down the road one finds another set of traffic lights at which one has to wait for a few more moments before going on to the next. Max Harris has written on this in the newspapers, and if Max Harris has written about it it must be important.

**The Hon. R.K. Abbott:** Max who?

**The Hon. D.C. BROWN:** Max Harris.

*Members interjecting:*

**The Hon. D.C. BROWN:** He seems to be vocal on matters from a distance! The point I raise is the extent to which this Government made significant promises before the last election, about the synchronisation and coordination of

traffic lights. It has not even lived up to a program laid down in 1981 by the former Liberal Government. In the election promise Mr Bannon, as Leader of the Opposition, stated:

The traffic light synchronisation program will be accelerated.

I presume that that means that the Government will get on with the job, compared to how it had previously been going—speed it up, spend more money on it and get the job done as quickly as possible. Let us now look at what the program is, how much money is being spent and whether, in fact, that promise is being met. The new Minister of Transport—the gentleman who has just left the Chamber—has acknowledged that he is proceeding with the same program of coordination of traffic lights as set out by the Tonkin Government in 1981.

*An honourable member interjecting:*

**The Hon. D.C. BROWN:** I highlight that the Government promised that it was going to speed up the program and now the new Minister, on 23 July 1985, as one of his first public statements in the *News*, said that he was simply continuing with the program laid down by the former Liberal Government. So much for the promise of the sudden jump in effort! To make matters worse, in 1984-85 the Government promised to coordinate 108 sets of traffic lights but completed only 85—23 fewer were coordinated than promised by the former Minister of Transport (Hon. Roy Abbott). So that people can check the facts, the *Advertiser* of 24 September 1984 carried the headline 'Driving should soon be much smoother'. That was only last year. This year the headline is '\$5 million traffic link on schedule'.

When one looks at the facts one finds, first, that it was a program laid down by the former Liberal Government and, secondly, that this Government has not even met the promises laid down under that program and the promise laid down by the former Minister of Transport last year. Last year the Government promised to spend \$1 million on coordination. This year it has allocated only \$500 000. In other words, we have this grand promise to spend \$5 million coordinating traffic lights, but it has allocated only \$500 000 in this year's budget—half the amount the Government promised last year. While 108 sets of traffic lights were promised last year, only 85 were completed. This year the Minister is promising to coordinate only 75 sets of traffic lights. One wonders, on the Government's performance, whether it will even achieve that.

There is nothing more frustrating than having to stop one's motor car at every set of traffic lights when driving along major arterial roads. It wastes both time and fuel. I call on the Minister of Transport—the one who has just left the Chamber—to explain why these delays in coordinating traffic lights have occurred and why he has broken the election promise laid down by the Premier in such a reckless manner. In addition, the Minister should publicly apologise for the delays and inconvenience caused to motorists in the Adelaide metropolitan area.

*The Hon. R.K. Abbott interjecting:*

**The Hon. D.C. BROWN:** The former Minister says that I am grasping at straws. I would have thought that it was a significant point that not only has the Government picked up the former Liberal Government's program but it has not even maintained its effort under that. This year's budget only allocates half the money that was allocated last year and the Government will simply coordinate three-quarters of the traffic lights it promised—in fact, fewer than it promised last year. The fact that the Government did not fulfil its promise last year all adds up to a pretty shabby guarantee.

It is particularly interesting to see the three headlines: the grand announcement across the top of the *Advertiser* under the name of the former Minister (Hon. R.K. Abbott) 'Driv-



ing should soon be much smoother'; the grand announcement on 26 October in the *News* 'Review of traffic lights system'; and the third grand announcement in July this year by the new Minister of Transport '\$5 million traffic link on schedule'. Those headlines mean nothing: this Government's word means nothing.

I am delighted that the member for Newland is presently in the Chamber. Last year on numerous occasions I raised the issue of Quarry Road, which is the major new arterial connector road from Salisbury to Modbury. I am sure that all honourable members will remember the speeches I gave last year where I pointed—

*Members interjecting:*

**The Hon. D.C. BROWN:** I am glad that the honourable member has raised that. I then pointed out that the Highways Department made no effort whatsoever to take this major arterial road, which was scheduled to run right past the residents of Crestview, further away to minimise the environmental impact, particularly noise, on those residents.

*Members interjecting:*

**The Hon. D.C. BROWN:** The member opposite has gone ash— I wonder why! I refer members to the *Hansard* report. On 13 November 1984 the member for Newland stood in this House and asked the then Minister of Transport the following question:

Will the Minister of Transport give the house any new information regarding the proposed Quarry Road connector and, in particular, can he inform the House whether the member for Davenport's proposals for that road have been costed by the Highways Department? My question arises out of letters to the Editor and other publicity engendered by the Crestview Estate Action Group after the Minister of Transport indicated that he could not countenance spending over \$500 000 extra to move the proposed highway further from their homes. The member for Davenport has put a scheme to the Highways Department. Can the Minister indicate what that scheme will cost?

I do not have time to read what amounts to about 10 minutes of abuse from the former Minister of Transport, directed to me, in relation to how the whole scheme and the spending of that extra \$500 000 just could not be justified under any circumstances. He went on and on with that abuse. That was not the only occasion in this House when he went on with such abuse.

*Mr Klunder interjecting:*

**The Hon. D.C. BROWN:** The member for Newland also carried on when making a speech in this House. I simply point out to the House that, about three weeks ago, and very quietly, the new Minister of Transport agreed to everything that the residents had requested; the decision in relation to everything that had been rejected here in November last year has now suddenly been reversed. An election is coming—all is right; we can spend \$500 000. Suddenly, an interest is being taken in the environmental impact of a major new arterial road. Shame on the honourable member, on the previous Minister of Transport, and on the new Minister of Transport for being such hypocrites. It shows the extent to which the Labor Government will buy anything for a vote.

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

**Mr HAMILTON (Albert Park):** The hypocrisy and stupidity of those members opposite who have contributed to the debate will be quite apparent in the things that I have to say. I have a vivid and long memory in relation to the three years that I served in the Opposition when the State was governed by that inept Liberal Tonkin Government. I remember that for years the member for Henley Beach and I tried to get traffic lights installed at the intersection of Trimmer Parade and Frederick Road at Seaton. To our

dismay and that of the local school council, as well as residents and children of the area, nothing was done: because the area was in a Labor seat, we got nothing. The people in the area were treated with contempt by the previous Government.

**Mr Groom:** Who was the Minister of Transport?

**Mr HAMILTON:** I do not know—some nondescript member who sat on the front bench. When the Labor Government came to office, the member for Henley Beach and I made strenuous representations to the Minister responsible for such matters. We were well aware that there were priorities in relation to many other areas, but at least we had succeeded where we had not done so when the previous Government was in office. The former Government did not give a damn for the children in such areas. To the credit of the member for Henley Beach, and to myself, I might add, at least the traffic lights have now been installed at the intersection.

*Mr Ashenden interjecting:*

**Mr HAMILTON:** If the mouth opposite can contain himself, he might have an opportunity later to make a contribution. The seriousness of what was needed by the people in the area was recognised by the present Government, having been ignored for many years by the previous Government. So, let us not have any more drivel from the member for Davenport.

Talking of matters pertaining to transport, I now refer to a matter concerning the railway industry which, for many years, has been ignored. Many members on this side of the House, and indeed, I suggest, opposite, would be well aware of the traumatic experiences associated with railway accidents, particularly those which occur at road crossings or at pedestrian crossings where people cross the railway tracks. I come from a railway family and have been involved in and have represented the railway industry, and for many years it has been my view that the rail crews involved go through a very traumatic time following an accident, perhaps involving death, at a pedestrian or road crossing, or associated with shunting.

It has been my experience that many of those crews are required, under the State Transport Authority and Australian National transportation rules, to do a course in first aid. Naturally enough, when someone is injured, or even in cases where they are not aware whether or not a person has been killed, they try to render first aid to assist the person concerned. In those instances, people may have been chopped up, losing their limbs; children are involved—and it is very traumatic for the crews.

One of the reasons why I raise this matter is that I have seen—and I know that my colleague the Minister of Transport, who comes from the railway industry, is well aware of—the profound effect that this situation has on those railway crews. My concern in talking about railway crews, whether they be a railcar driver, the engine crews, the porter, portress or guard, is that they may be involved in picking up bodies or parts of bodies and in assisting the police.

In the years when I was in the railway industry and when I was a railway union official, I may have been remiss in not addressing the problem of counselling for those train crews where someone has been killed or seriously injured. Recently, at the Adelaide Show—as members here would all know, there was a booth in the Hamilton Hall—a railway employee who lives in my electorate informed me that he was very concerned for the welfare of his workmate (a railway worker) and his family as a result of an accident that had occurred recently at a rail crossing. He explained to me that over the years he had been involved in a number of accidents, as I have described, and no counselling was given to those employees.

It is a shame: it may be an indictment on me, as I said, and perhaps it was a question that had not been thought of. However, because the matter was raised with me, it is necessary for me to raise it in this place. This former railcar driver, and now a locomotive driver, informed me that after this accident occurred he was booked off duty, which is reasonable, but there was no follow up to see how it affected him mentally. He informed me that he had nightmares about it, that he was very teasy with his family and, in short, that in extreme cases people such as he may need some psychiatric treatment to try and help. I regret that successive Governments have not addressed this matter because it is very important.

As a former railwayman who has seen people lose arms and legs, I know that it is not a very pleasant experience to have to go and pick up a workmate and try to help him. We hear a lot of criticism about public servants and, indeed, about the railway industry, but I have not heard anything about addressing the needs of these employees.

I believe it is time that the railway unions, the Australian Transport Officers Federation, the Australian Federated Union of Locomotive Enginemmen, the Australian Railways Union, and any other unions in the railway industry—should make submissions. Indeed, there is a responsibility on my colleague, the Minister of Transport, to bring down a report on the needs of these railway personnel, and assistance should be provided for these employees. Years ago I was instrumental in the appointment of a rehabilitation officer for some of my colleagues in the railway industry. For a multiplicity of reasons some of those colleagues occasionally had a drink when they should not have, that is when they were booked on duty. To not address these needs of the industry would be remiss on the part of this Government, or any Government.

I feel emotional about this, because I have worked in the industry. Over the years these employees dedicate themselves to the industry; they put up with long hours, inconvenience, irregular shifts and lack of social activities; all in all, the effect on railwaymen is one that a lot of people do not really appreciate.

**The SPEAKER:** The honourable member's time has expired. The honourable member for Mitcham.

**Mr BAKER (Mitcham):** Tonight I wish to respond briefly to remarks made on the other side by the President of the 'Flat Earth Society'. If members cannot understand who I am talking about, it is the member for Hartley. If any further clarification is needed, I point out that the membership of this group is made up of those people who have not realised that the world is round.

I believe that the issue of privatisation requires some edification in this House, because it is something that has been spoken of by the member for Hartley on a number of occasions. However, it should be noted that the honourable member is called upon on very few occasions to make a response on behalf of the Government. He has done so on privatisation, and he did so again today.

When the member for Hartley is required to make a contribution, there are two preconditions: one is that the Government has a problem on its hands; the second one is that they need the member for Hartley, not because of his debating skills, but because he makes the most noise. If the Government were true to its own legislation, it would bring a noise monitoring unit into this House, and the honourable member's activities would be illegal. It is the bluster and noise that accompanies his remarks which hide the ineffectiveness and ineptness of his argument.

Tonight I will talk about privatisation in the world context. In the area of privatisation, contracting out or leaving it to the private sector to do the job it was meant to do, many

countries are now taking on board the need to rid government of operations and organisations which are competing with the private sector.

I point out that in recent years our neighbours in the South-East Asian region have been heavily involved in this area. I will list a number of enterprises which have been privatised, or it has been announced will be privatised; for example, telephone services are run by private enterprise in places like Japan, Malaysia, Thailand, Sri Lanka, Bangladesh, and South Korea.

In relation to transport, in Thailand, Bangladesh, South Korea, Singapore, and Malaysia the airlines are all run by private enterprise, are partly funded by private enterprise, or about to be released to private enterprise. In relation to shipping and shipbuilding, in Singapore, Bangladesh, and Sri Lanka it is all private enterprise. As regards container terminals and bulk handling, of course, there is Malaysia. In relation to railways and bus services, there is Japan, Thailand and Sri Lanka.

Anybody who has visited Hong Kong would have used the famous subway under the bay and, as everybody would understand, that is also run by private enterprise. In relation to highways, areas of India and Malaysia are run by private enterprise. In the banking area, the traditional view that there should be a national bank is not accepted in places like South Korea, Singapore, Taiwan, the Philippines, and India. In relation to power generation, there are many instances, but in South-East Asia it is run by private enterprise in Sri Lanka, Bangladesh, the Philippines, India, Pakistan, and Singapore.

I am now listing instances in relation to our neighbours. It is interesting to note that all those areas that we commonly regard as being part of Government are part of the private enterprise system. I am not suggesting that this is the way that Australia should go; I am saying that in our neighbouring countries some very successful systems are run by private organisations and not by Government.

What is happening in the rest of the world? Even members opposite who occasionally read a newspaper and occasionally understand what is written will know that just over two years ago Russia announced a policy to return farms to the workers. The Russians understood the simple fact that the farms were not producing. Russia was a net importer of many millions of tonnes of grain per annum because its farms were not performing. In their wisdom the Russians understood that they could no longer afford to have State operated farms, so they returned the farms to the people who could best manage them and provided them with incentives to produce.

For example, in West Germany (which does not follow the same communist/socialist line as Russia but nevertheless has developed a large number of instrumentalities over a long period of time) during 1984 the Government announced its intention to reduce its holdings in 10 major State owned companies ranging from the state airline Lufthansa to Volkswagen. Indeed, the West German Government has already sold shares in 470 Government owned small companies.

In France, which for a short time became the socialist bowl of the western European group, there has been a selling off of the previously Government controlled banking and insurance sectors. It was found that these enterprises were run more efficiently and effectively in terms of job opportunities, creating wealth and in competing than if they remained in national hands. The State owned bank Societe Generale is one of those that was affected.

In Turkey, the famous Bosphorus bridge is going to be sold to private enterprise. In Italy, State enterprises (which employ over 500 000 people) are to be sold, ranging from the State airline Alitalia to electronics and defence firms

and automobile and aircraft manufacturers. The only enterprises to be retained by the Government are transportation, communication and information services.

In Spain, the national car manufacturer SEAT is to be privatised. A vast number of other enterprises traditionally held by the Government are also being looked at to see whether they can be more efficiently, more effectively and more competitively run by the private sector, including shipbuilding, coal mining, farms, hotels, and vineyards. Even in Cuba some public sector housing is being sold off to members of the public. In China, there is a revolution (not a cultural revolution) in the sense that the Government is embracing some very capitalistic principles. The Chinese know that their future depends on their ability to produce and to compete. Accordingly, they are calling on private enterprise all around the globe to provide expertise and in fact set up agencies within China.

In the Middle East, public hospitals are contracting out ancillary services. We know that in the United States many activities are contracted out to private firms; even in the that difficult area of computing, where it is important that the integrity of the data is retained, they are contracting out to private firms. In Canada there is equity in Government owned projects such as oil and gas fields, coal mining, pipelines, forestry, petrochemical plants, and steel milling. Some of these have been transferred to the private sector. As I said, it is happening all around the world.

Apparently members of the flat earth society opposite do not want to acknowledge that other Governments want to become efficient and effective; they want to be able to provide the best future for their people; and they want their operations to be competitive, not only in the domestic sphere but across the world. They are taking that step—

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

**Mr ASHENDEN (Todd):** Once again I will address my remarks to a problem which residents in the suburb of Surrey Downs are having with the South Australian Government. The Government has been extremely intransigent. Frankly, I cannot understand (and neither can the residents of the area) why it is that the Government is so determined to take action against their interests. I will again run through a brief history of the problem that is being experienced.

In the original development of Surrey Downs land was set aside for a school site. All members would be aware that, at the moment, the number of students attending schools is reducing and, as a result, the planned school is no longer required. The Government, realising that this was the case, sold the land, and this is where the problem starts. The Government has sold the land to the South Australian Housing Trust, which, at the urging of the present Government, is now going to develop in that area an estate which is totally out of keeping with the surrounding area.

Over the past few years residents of Surrey Downs have made representations to the present Government through the present member for Newland, but have received no satisfaction from either that member or the Government. It is well established that the Tea Tree Gully council is totally opposed to the development which the South Australian Housing Trust is proceeding with at the urging of the Government. Despite the wishes of the residents and the council, the Government is proceeding.

I make quite clear that the council has opposed this development from the outset. Originally, it rejected the application of the South Australian Housing Trust to proceed with this development and the trust appealed against that decision to the South Australian Planning Appeal Tribunal, which upheld the council's decision.

Despite that, the South Australian Housing Trust resubmitted an application to the Tea Tree Gully council for a development to go ahead. Unfortunately, the council can now do nothing legally to prevent the Government's proceeding. I stress that originally both the council and the South Australian Planning Appeal Tribunal rejected this application. Local residents have stated quite clearly to the Government that they do not want this development, for reasons which I will explain shortly, yet still this Government is determined to proceed.

Let us consider why the Government should not proceed with this development. The first and main reason is that it was not planned originally. Residents moved into this area, bought land and houses believing that a school would be built adjacent. As a result, in many instances, residents have invested well over \$100 000 and in some cases more than \$150 000 in their homes.

Obviously, the South Australian Housing Trust cannot possibly afford to build homes in that price bracket: it is not within its charter. The trust's charter is to meet a very real need. I stress that I fully support the Housing Trust in its work of meeting the needs of people in this State who are not as fortunate as others. Let us not forget that the South Australian Housing Trust was first established by a Liberal Premier many years ago. So, the Liberal Party fully supports its work.

However, in Surrey Downs it is imposing a development which must have a very serious effect on residents who already live there. That is my point. It is a well-known fact, supported by research in the real estate industry, that housing is affected by the value of other housing in close proximity. These people have taken out very large mortgages and have put a lifetime of savings and investment into their properties.

As they pointed out to me, had they known that this development was to occur they would never have spent that amount of money in that way. Their point is that they believe it is grossly unfair. They do appreciate the rights of people who need welfare housing, but they say they also have rights: they have invested a large slice of their lives in their homes and they can see that investment being affected adversely.

As they say, if the council and they had known that this development was occurring, it would have been different. If they had gone ahead and built their houses in the knowledge that there would be a Housing Trust development they would have no complaint. Their only complaint is that when they built their houses they had no knowledge that this would occur, but the Government will not accept that as a valid argument.

Surrey Downs residents are tremendously frustrated. An additional 80 homes will be built in the area where the school was to have been. The South Australian Housing Trust's own guidelines state that only 40 houses should be built in that area. Also, Housing Trust policy is that there should be integration of Housing Trust homes within the broad community. Of course, that is what is happening in Golden Grove, but it is not happening in Surrey Downs. That will be a total Housing Trust development, twice the size of that stipulated in the trust's own guidelines and with no integration. It is opposed by the council and residents.

Another motion has been passed by the Tea Tree Gully council on this matter. I refer honourable members to an article in a recent edition of the *Leader* (Messenger Press). This follows many letters between council, residents and the Government, every representation having been thrown out, totally ignored and rejected by this Government. The article stated that an angry Tea Tree Gully council has rapped the South Australian Housing Trust on the knuckles about the Surrey Downs development. It further states that

about 80 homes are planned to be built in an area in which even the trust's guidelines provide for only 40 homes. The council passed the following motion:

That council expresses its concern that the trust is to proceed with its Surrey Downs development despite council's opposition to the principle of the development;

- That council questions the trust's rationale of its Surrey Downs development as its own policy guidelines support a maximum of 40 and not 80 dwellings per trust development;
- That council questions the trust's rationale on sociological grounds as its developments in the northern as well as the southern parts of metropolitan Adelaide have shown that larger trust dwelling arrangements have been detrimental to the living environment of its own tenants;
- That council understands that these types of developments are more economical to the trust but also that it will be an extra burden to the community welfare services;
- That council still has the view that Surrey Downs is not an acceptable area for rental trust accommodation; however if rental properties have to be developed in that area a one to five ratio would be more acceptable.

It then states:

Councillor Thomas Milton seconded the motion although he said he did not think the trust were going to take any notice of it.

Truer words have never been spoken. This area is adjacent to the Golden Grove area—a planned development, but the Ombudsman has stated that this development is 'a planned deception' by the South Australian Government's land commission. There will be a lack of services. Let me just talk about kindergartens, for starters. At the moment the Surrey Downs kindergarten has a huge waiting list. The Wynvale kindergarten has been on the drawing board ever since this Government came to power, but has still not been built. Now we are to have another 80 homes with young children, but where will they go for their preschool education?

The area just has not the facilities for this new development to proceed. The Government is imposing its will on the people of Surrey Downs for no valid reason whatsoever. I support the local residents. They have asked the Government to sell the land to private developers. The funds gained by the Government could then be used for welfare housing in the Golden Grove development or in other areas and in this area a development could proceed in keeping with the standard of adjacent homes. It is Liberal policy to fully support local government. I am proud to say that my Party has stated that when it is elected at the coming State election it will support local government. Certainly, it will not oppose council. Tee Tree Gully council fully supports local residents and is opposed to the development. My Party is in support of the local council in its policy. I fully support the people and yet again I urge the Premier and this intransigent Government to reconsider what is a most ill-considered and unwarranted decision that totally ignores the welfare of the constituents of Surrey Downs.

**Mr BLACKER (Flinders):** I would like to use the time allotted to me to talk about a problem that is increasing in country areas, that is, nurse training. Only three or four years ago there appeared to be a surplus of nurses in South Australia and excessive training requirements were placed on nurses by the Nurses Board in that nurses were required to do all their training in Adelaide. Systematically the board cut out various country hospitals as being hospitals eligible to train nurses.

Within a short period of three or four years we have arrived at a situation where we have an acute shortage of nurses, and that is starting to be felt in country areas. An article in this week's *Eyre Peninsula Tribune* although relatively lengthy, should be read into *Hansard* because it accurately portrays the concern of the local community, especially in Cleve and Cowell, where nurses can no longer be trained. The article states:

The Nurses Board of South Australia has banned the training of nurses at both the Cowell District Hospital and the Cleve District Hospital beginning from 1986. These two hospitals are the only ones affected on Eyre Peninsula by the decision but it will mean two jobs in each of the two towns will be lost. The Nurses Board conducts an occasional review of each hospital and its suitability to train nurses. After its last visit to the Cleve and Cowell hospitals, it has written back advising that it will no longer give approval to these hospitals to conduct enrolled nurse training. The reasons given by the Nurses Board were that these hospitals have deficiencies in certain training areas. It specifically cites the lack of acute care nursing experience which it claims is most important in nurse training.

'Our closure as a nurse training centre cannot be justified,' Mr B.J. Smith, chairman of the Cowell District Hospital said. 'A survey carried out by the health commission in 1983 and current to 1986, called the Hospitals Role and Function Study, states and I quote "The range of services available at the Cowell District Hospital provides satisfactory experience in terms of the Nurses Board's current guidelines for enrolled nurse trainees."

'We have requested an explanation on the action taken but are still awaiting a reply,' Mr Smith added.

The chairman of the Cleve District Hospital, Dr I.D. Wittwer, was equally critical. 'This decision is a major disappointment to the board as we are proud of the quality of trainee produced at the hospital and the employment opportunities it created,' Dr Wittwer said.

'This action is being taken because of our low bed average and limited variety in acute care patients, creating a supposed lack of clinical experience.

We believe a vital supply of enrolled nurses for Cleve Hospital and the Eyre Peninsula is being eroded away by ceasing the training of such nurses at small hospitals.' The administrator of the Kimba District Hospital, Mr R. Sharrad, said that it has two trainee nurses this year and hopes to continue as it has been doing.

'At the moment we can continue but we are under investigation. Our nurses are having to do some extra courses at Whyalla,' Mr Sharrad said. Wudinna Hospital is not affected as it has never been a South Australian Nurses Board approved trainee hospital. 'Although we are not directly affected, we share the concern expressed by the other hospitals,' the Wudinna hospital administrator, Mr B. Payne said.

This decision comes when all Eyre Peninsula hospitals are experiencing severe nursing staff shortages. 'The staff shortage continues ... there is no immediate answer to our problem,' Cleve's director of nursing, Mrs R. Willis said. Cowell's chairman, Mr Smith, said that at a recent meeting with representatives of the health commission and the nursing board, his board was repeatedly asked what it, as a board, intended to do about staff shortage.

'The closing down of the country hospitals as nurse training centres can only worsen the situation, as many girls will not go to the city to train as nurses,' Mr Smith said. The administrator of the Cleve hospital, Mr A. Case, was also stunned by the decision. 'In my time as administrator of this hospital, all of the trainee nurses have passed. These nurses get a range of acute care experience but it apparently is not the range the nurses board wants. It has cut an avenue of employment for local girls,' Mr Case said.

Trainee nurses at these hospitals have always done their theory at Whyalla leaving the practice to be done at their district hospital. Eyre Peninsula nurses will now be trained together in all facets at Whyalla under a new scheme to be known as the North West nurse education scheme.

I believe that that article needed to be quoted in full. To verify the accuracy of that statement I rang Dr Wittwer this evening. He was at a Cleve District Hospital board meeting. They are frustrated because they cannot get from anybody the reasoning behind what has happened. This is a problem that people might have expected to arise, but puts country hospitals at a severe disadvantage.

I have only mentioned two hospitals as being directly involved in this matter. However, it is fair to say that many country hospitals throughout the State are facing an identical problem. It could be that two of the hospitals are being picked off and that, when things calm down, another two will be picked off by the Nurses Board. The problem seems to be what standards are being set by the Nurses Board and whether, in fact, it believes that every nurse trained in this State should have qualifications (and I deliberately exagger-

ate) that allow her to be involved in heart-transplant type operations.

I know that this is being over dramatic, but, on the other hand, it does appear that the qualifications being set down are going to the extreme and are overlooking the requirement for an average general-care type nurse. I wonder whether the Nurses Board really understands the problems of country hospitals. Is it intent on closing down all country hospitals? Does it expect all hospital care to be transferred to the major centres in the State?

Apparently, from the actions we are seeing, this is the board's intent. It appears to have no sympathy, cause or concern for the people living in the more remote areas. I have a tremendous amount of feeling on this matter because I know the amount of work that my grandmother put into establishing a hospital at Cummins. She was rewarded for her efforts in being asked to lay the foundation stone. When one goes back and sees the amount of work involved not only by my grandmother but also by the many committees that helped her and finds that, because of a decision such as this, it is just not accepted that country hospitals can train nurses, one wonders where our general health care is going.

I guess we all like to be treated by nurses who have the highest possible qualifications, but in practice we must accept that nurses of adequate training can be used in country hospitals in order to give general patient care. How do we go about getting trained staff? That is the real question. From where will we get staff to go to country areas?

We see all too often that nurses who go to capital cities to train are then reluctant to go back to the country areas. When they do so, they often marry a farmer or country person and look for a job after having a family. In order to get a job they must undertake refresher courses at their own cost. However, if they were registered as unemployed they would get unemployment benefits. In today's *News* a letter to the Editor headed, 'Give some encouragement to our nurses', states in part:

Nurses from overseas are being encouraged by Government subsidies to migrate to Australia to fill positions. I feel, as a refresher course participant, that some financial compensation should be given for its three-month duration.

It is deplorable that unemployed people automatically receive a weekly government salary with no hesitation, yet while South Australia has a severe shortage of registered nurses, they are not given some incentive to return to the workforce.

The letter was written by Miss Katriona O'Higgins, of West Beach. The situation is of grave concern and is a matter with which the Government has not yet come to grips.

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

**Mr OSWALD (Morphett):** This evening I address myself to the serious situation at Yatala Labour Prison, a situation in which tension reins supreme. At the moment, prison officers are seriously considering walking out. The State Opposition spokesman on correctional services, the Hon. Mr Wotton, in the press as early as March of this year warned the public in an article which stated:

The State Opposition yesterday warned that Yatala inmates were threatening to instigate a major disturbance this week.

Those warnings have continued and they continue tonight. In the press of 10 September, only seven days ago, a small press release states:

Prisoners at Yatala Labor Prison returned to their cells peacefully last night after a meeting that prison officers said at one stage had threatened to become violent. It followed an afternoon of tension at the gaol after prisoners had been locked in the workshop area during their lunch break.

It is understood some prisoners had threatened to walk off the job unless guaranteed a continuation of evening privileges and that they were locked up to prevent their carrying out their threat.

The sources said the atmosphere at Yatala was 'tense and ugly' and there was a possibility the prisoners could refuse to work today. The crisis has been brought to a head by the bashing last week of a prison officer in Yatala's B Division.

A union official claimed before the meeting that prison officers at Yatala were close to losing control of the prison and feared for their lives. Mr Peter Neagle, an organiser with the officers' union, the Australian Government Workers' Association, said he was seeking an urgent meeting with the Minister of Correctional Services, Mr Blevins. He said the situation was so serious prison officers were on the verge of walking out. 'The officers have lost all confidence and morale is pretty low,' Mr Neagle said.

My advice from informed sources indicates that the situation has deteriorated somewhat since that time. However, the Government says that there are no problems in our prisons, and has a policy of peace at any cost—peace, brother! This is the attitude of the Minister. He denies that there is a problem at Yatala gaol. However, we all know that the tensions are there and that they are building up. Since the fence was built the number of escapes has obviously decreased, but that has done nothing to stop the tension. The sooner that the Government comes to grips with the problem and faces the fact that the public knows there is tension at the gaol, and the sooner the Minister, in particular, faces the reality of problems in the gaols, the sooner they may go some way along the line to solving them.

The Minister's reaction is typical. In June when the Opposition spokesman (Hon. Mr Wotton) pointed out that drugs were in the prison, the Minister said that it was 'a vile bloody slander'. The article continues:

The Minister of Correctional Services accused the Opposition of trying to destabilise South Australia's prison system with new allegations of drug abuse at Yatala.

The Minister may think that the shadow Minister is trying to destabilise the situation, but when the organiser of the AGWA in the prison says that the situation is now so serious that prisoners are on the verge of walking out, perhaps the Minister might believe some of the things he is hearing from members on this side of the Chamber. The situation is tense and ugly; there is no doubt about that.

There is a crisis at the gaol and the Government just shuts its eyes to it because of the coming election and says that there is no problem at Yatala Labour Prison. We know of the Government's policy of appeasement. Let us consider some of the things happening at the gaol. Some questions need answers. I am told that last week some of the wings of the prison were closed, prisoners were put in their cells and there was a search. Not much was found—some money and, I understand, a small quantity of drugs. Why did they not let the Dog Squad in to help?

Prison officers at the gaol suspect some places where drugs are hidden, but without the dogs to sniff them out one cannot find them. Prison officers have put to me one place they suspect—and I am prepared to tell the Director-General tomorrow morning where it is—but they are not allowed to examine this site because it would require damaging some prisoners' property. Why is the Government preventing the Dog Squad going into Yatala Labour Prison, where it has this 'peace at any cost' policy because of the coming election, but lets the Dog Squad go into Adelaide Gaol? It is an interesting question. There is no political problem in Adelaide Gaol, but the Government has one at Yatala. The dogs are kept out because the Government knows that, if the dogs go in, it will upset the prisoners. The Prisoners rule the gaol, not the Director or the staff, because of the Government's policy of peace at any cost.

**Mr Mathwin:** They are special prisoners. It costs \$57 000 a year to keep them there.

**Mr OSWALD:** That is a fact, and I will debate that another night. In relation to wastage at the gaol, it has been put to me by reliable sources that prisoners draw a tube of toothpaste, use it once and throw it away; they draw a

shaving brush, use it once, then use it to clean their boots or paint with it, throw it away and demand another one; they draw overalls and if a button is missing from the fly they cast the garment away, will not have it repaired and will not use it. Another small matter concerns lights and power left on. No-one seems to worry about it because all these things upset the prisoners if anything is said to them. With appeasement at any cost the Government just washes its hands of it so that the Minister can come back and say to his Premier or Cabinet that there is no problem at Yatala Labour Prison.

There is then the question of cosmetic surgery, which I understand is now allowed. It has been put to me that cosmetic surgery (involving the removal of tattoos, and the like) is now allowed to be undertaken on prisoners, and of course this will be a charge to the taxpayer. If that is the case, that is quite outrageous. It has also been put to me that some control has been exercised by the Riot Squad—a squad within the gaol to keep order. That has now been withdrawn, and the prison will revert back to the previous system, where the lack of control was so evident.

It was also put to me that, on the night when the prison officer was bashed so seriously, ending up in the East Wing of the RAH, only 13 prison officers were on duty, to look after 130 prisoners. The prison officer involved was unfortunate enough to be jumped from behind, and he suffered serious consequences. The Government and the Minister bent over backwards to hide that bashing. I have also been told that that bashing was about the thirteenth to have occurred at Yatala prison. There is an enormous problem out there. An extensive cover-up has been undertaken by the Government to ensure that the public does not find out about the scandalous situation regarding internal security at the prison. It is a powder keg.

When we get to the situation of the AGWA organisers telling us that it is so serious that the prison officers are on the verge of walking out of the prison, I would say that we have a very serious situation on our hands. This is really a matter on which the Minister should be the subject of a no confidence motion. It is very serious. I hear that it has even got to the stage where the prisoners actually spit on the visiting justices as they arrive at the prison to go about their business. If that is the case, I think that the situation is very grave indeed. One wonders what the Government intends to do about it.

As time will not permit me to give any more examples tonight, at this stage I simply ask the Government to take this matter on board. In relation to this problem at Yatala the Government will have to answer some very serious questions, I hope during the Estimates Committees, because we really want to know why the Government is spending so much time in promoting a policy of 'peace at any price' in that gaol, with officers being bashed by inmates, and the Government covering it up.

There is no security inside the gaol, and officers cannot move around and undertake their lawful business without being bashed by prisoners. The Government attempts to cover up such incidents because it does not want the public to know about the tensions at Yatala. However, we must do something about the problems at Yatala.

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

**Mr GUNN (Eyre):** In this grievance debate I want to raise one or two matters which are becoming problems in my electorate. The first relates to an article which appeared in the *Advertiser* this morning, headed 'Major Jubilee plan blocked by department'. For a considerable time the District Council of Burra has been endeavouring to obtain funds for a Burra town heritage project. The council has done a

considerable amount of work. There were some problems with the architect involved, and the council has since made further submissions. To put it very mildly, the council is very disappointed with the attitude of and the assistance received from Mr Mulvaney. Over the past fortnight I have received a number of telephone calls. I have had a great deal of assistance from the Premier's private staff in this matter.

The council is of the view that Mr Mulvaney has not been keeping the council as accurately informed as he should have done. I sincerely hope that in the next couple of days, and before a final decision is made the Premier will direct Mr Mulvaney and those other people responsible to enter into meaningful and frank discussions with the council.

I have been advised today that, contrary to what Mr Mulvaney has been saying, the decision has been made, and that Burra will miss out on funds for the scheme. To put it mildly, the council is most upset and it believes that it has been badly treated. I believe that the manner in which Mr Mulvaney has carried on leaves more than a lot to be desired. I do not want to put it any more strongly than that at this stage.

Unless he and the executive committee are prepared to enter into meaningful, constructive and fruitful negotiations with the District Council of Burra, I will have no alternative but to give extra information to this House, and that will not be complimentary to Mr Mulvaney. I recently gave the Premier and his staff, who have been most helpful in keeping me informed, a document dated 21 August, headed 'Burra Burra Heritage Town Project', which stated:

Approval is sought for a slight variation in use of the major component of the Burra Burra Heritage Town Project allocation of \$470 000. This major component of the total grant is the establishment of a copper museum/interpretation centre for which funds of \$270 000 were initially allocated.

This allocation was subsequently amended to provide the following:

	\$
(a) Copper museum/interpretation centre . . . . .	210 000
(b) Bon Accord Mine . . . . .	30 000
(c) Morphet's Pumpphouse . . . . .	80 000
(d) Paxton Square . . . . .	150 000

Some comments tabulated by Messrs R.J. Noye and R.J. Noble dated 6 December 1983 in relation to the original submission are included herewith for your perusal:

The original submission made by the District Council of Burra Burra to Jubilee 150 (15 October 1982) clearly indicates that a State copper museum was to be the most important and most innovative part of the package of four projects for which funds were requested. Even the title of this document incorporates the name of only one of the four projects submitted, the 'Copper Museum/Interpretation Centre'. The other projects are grouped and described as 'Associated Heritage/Tourism Improvements'.

I have had further correspondence from the Town Clerk and I have personally written to the Premier. I understand that the council now feels inclined to make representation to the federal Minister to make sure that he intervenes. This is a serious matter.

While on this subject, I will quote what Mrs Stockman, who has been involved with the council, said. Today's *Advertiser* states:

Mrs Stockman said the loss of the centre would be catastrophic for Burra. Tourism had grown dramatically in the area and the Department of Tourism had estimated that 130 000 people a year could visit the town within five years. The heritage branch was not making any moves to help in the situation whatsoever, Mrs Stockman said. . . . Mr Mulvaney said the whole matter was under consideration and any decision was up to Mr Bannon and the Cabinet. The board would inform the Cabinet it would not be very happy about starting all over again. Mr Bannon said last night the Jubilee 150 Board had the responsibility in this area 'and a budget to keep.' 'We would be advised by them,' he said.

Mr Mulvaney should have kept the council fully informed. I call on the Premier and the Government not to make any



decision. I understand that the funds that are in dispute are likely to be spent in Port Adelaide—

**An honourable member:** Where they overshot their budget.

**Mr GUNN:** Where they overshot their budget. I want a clear and concise statement by Mr Mulvaney, or whoever else is responsible, as to where these funds will be spent, what will happen to Burra, and why there has been this indecision and wall of silence when the District Council of Burra has only been trying to find out what the facts are. It has done an excellent job up there. Burra is one of the most important and significant tourist centres in this State. It is rich in South Australian heritage. These people have been of the view that the funds are there. Because it is an architectural problem, the money should not be withdrawn. I have said enough on that subject at this stage, but more is to be said.

The other matter of concern to me is the situation with the funds provided by the Minister of Recreation and Sport towards local shows. I received a letter from the Chairman of the Quorn Show Society, Mr Wallace, who said:

Please find enclosed copy of letter from the Minister to me with regards to the fencing project around showground complex. Further to this letter, another grant was received in November 1984 of \$2 808. If we were successful with our 1985 application for \$2 710 it would enable us to complete the project of a 6-foot security fence around the perimeter of the complex. Hoping you can be of some assistance,

Yours faithfully,  
Des Wallace

The Quorn Show Society and the others involved in that recreation ground have done an excellent job. They were led to believe in August 1984 that the Hon. Mr Slater said, 'You may be assured of the continuing support of the officers of the department in order to arrange for the implementation of the project. Would you please contact (so and so).' They took that to mean that they would have no problem. Then, in November 1984 the following letter was sent:

I am pleased to inform you that your application for financial assistance towards the continued fencing of the oval complex to be utilised as a sporting and recreational facility has been successful. A grant amounting to \$2 808 based on estimated project costs of \$8 425, as itemised in your submission, will be made available to your organisation from the Department of Recreation and Sport under the Facility Development Program 1984-85, subject to the attached conditions. You may be assured of the continuing support of the officers in the department in order to arrange for the implementation of the project. Would you please advise Mr Horne.

That was signed by the Hon. Mr Slater. There were those two letters and assurances that these finances would be forthcoming. As I understand it, the current Government has cut off any funds to the show societies and we have a situation where all the money has been spent on this fool of an aquatic centre at North Adelaide. If ever there was a scurrilous waste of taxpayers' money, it is that complex, and the Minister should be dismissed. All the sporting organisations in this State have been told, 'We have had to build the complex at North Adelaide. It has been a bottomless pit. We could not manage it. Everyone else is going to miss out.'

I am very unhappy because my constituents are entitled to a fair go. I have been elected to represent them and I feel that it is my obligation to raise these matters. In my electorate I have many small communities that help themselves; they do not often get handouts from the Government and they want a fair go in relation to this matter.

I am pleased the Minister of Education is here, because I wish to refer again to the Leigh Creek preschool. I received the following answer today to a question on notice:

The Children's Services Office has maintained close contact with the local Leigh Creek community consultative group to ensure that the Leigh Creek community is kept fully informed.

That is good, and I am pleased that the community is being kept fully informed. However, what concerns me is that this particular preschool is absolutely bursting at the seams. I put it to the Minister that the people have been most patient. I realise it is not a bottomless pit but it is a matter of priorities. I appeal to him that the Government has to look very closely at priorities because a project of the nature I am talking about has to be completed. It is an isolated community with a large young population and the particular resource is bursting at the seams.

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

**Mr FERGUSON (Henley Beach):** I wish to talk about the new Children's Services Office. The Children's Services Office was mentioned in the Financial Statement of the Premier on page 10, where he stated that the establishment of the Children's Services Office was a major achievement of the Government in 1985 and funds have been allocated in the budget to ensure the office can fully carry on its responsibility. The Minister of Children's Services, who is also the Minister of Education, issued a statement when that office was declared open. He stated, when he was sworn in as the first Minister of Children's Services on 1 July of this year, that the office came into existence from that date and would provide a range of children's services throughout the State.

This is a very exciting undertaking that has extended from a report prepared for the Government by Ms Marie Colman. I am confident that as the office becomes established it will work to the greatest benefit of our young children. We have a firm foundation of services already operating in this State and, given the commitment of the Government, I expect that these services can be provided and extended. Also in that statement from the Premier on 29 August, the announcement was made—

*Mr Mathwin interjecting:*

**Mr FERGUSON:** I am sorry; this is a short speech and I do not have time to answer stupid and inane interjections. The announcement was made that the South Australian Government had been concerned about the cuts in Commonwealth funding in the preschool area and their concern related to the disadvantages that would occur to South Australian families. The Premier then said that consequently we will act to increase funding to cover the shortfall caused by the Commonwealth Government's decision. Our ability to take this action is a direct result of the increased strength in the State's finances and in particular the improvement in our revenue as a result of the increased economic activity.

This statement gave me great pleasure, because on behalf of my local kindergartens I had undertaken to campaign as vigorously as possible to ensure that the funding that the Commonwealth Government was not going to provide would be made up by the State Government. It was with some satisfaction that I saw on 29 August that this matter had been taken up in the budget. I have been subjected to some criticism by the Opposition—

*Mr Mathwin interjecting:*

**The SPEAKER:** Order! The honourable member for Glenelg must know that he should not interject. More importantly, with the honourable member's seniority, it is not good for him to interject so irrelevantly.

**Mr FERGUSON:** Thank you, Mr Speaker. I have been subjected to some criticism by the Opposition for making this statement, but I feel that I have to make no apologies to anybody, because I was very proud to see that the South Australian Government has taken up the challenge and is prepared to make good the shortfall from the Federal Government. The three kindergartens in my own electorate and

the other kindergartens in other nearby electorates have expressed their delight at the fact that the South Australian Government has been prepared to fund the shortfall, and all the problems that they foresaw—increasing the numbers of students per teacher, increasing fees, or reducing the services—will now no longer be a reality, and that this matter has now been rectified. The other part of the Premier's Financial Statement which I found of great interest was on page 10, as follows:

In addition to the capital program, we will allocate further funding for kindergartens and child care centres so that the work can continue and there can be a commencement of a further new 11 projects.

I view this statement with great pleasure, mainly because of the problems relating to child care in the western suburbs. I have been delighted that my friend and colleague the member for Albert Park will see the opening of a new child care centre in his electorate. However, the opening of this child care centre will not solve the problems of child care in the western suburbs and it is only a drop in the bucket so far as the need is concerned.

I took the opportunity of relating my thoughts to Ms Ann Howell, Regional Manager of the western metropolitan area, who has expressed a sympathetic concern and fully realises the need for the establishment of child care services in and around the electorate of Henley Beach. I have related the problem of the lack of child care facilities in the Henley Beach area or, to be more specific, the Henley Beach electorate, which also includes the suburbs of Henley and Grange, Fulham Gardens, Kidman Park, Findon, and Seaton, relayed to the House the lack of facilities in these areas, and I make no apologies for raising this problem again. This area is absolutely devoid of any child care facilities whatsoever, either subsidised or unsubsidised. There are no private entrepreneurs who have been prepared to take on the child care task in this area, and there certainly have been no subsidised child care facilities as there have been elsewhere in other areas.

**Mr Lewis:** I wonder why.

**The SPEAKER:** I call the honourable member for Mallee to order. Interjections must cease. The honourable member for Henley Beach.

**Mr FERGUSON:** The only formal child care services that have been available in the area are the network family day care provision coordinated by the Department for Community Welfare. At present 11 mothers are caring for other women's children in their own homes under this scheme, and it provides placement for only 35 children. The scheme cannot meet the demand, and additional mothers requiring care for their children are at present refused, as insufficient places are available.

I have mentioned that I met the federal Minister for Social Security in connection with this matter at the time when funding appeared to be made directly from the sort of recommendations coming from the staff of this department. I met the Minister on 7 November 1984, and I took with me a deputation from the Town of Henley and Grange. The Minister was quite polite, and he indicated to us that he was delighted with the fact that local government representatives were taking an interest in child care. He told us that \$30 million would be spent in the child care area, being divided equally between new initiatives for operating services and a State cooperative agreement. It is from out of this Commonwealth/State cooperative agreement that some of the funding for the new proposals for the new centres mentioned in the Premier's speech will be coming.

The problem in the past has been—and this has been recognised by the Minister—that a submission type of basis was used for selecting child care centres. A departure from that procedure and the use of the new needs basis has left

some question marks. I understood that the Federal Government moved in to this field very quickly and selected areas for the establishment of child care centres because it wanted to demonstrate its good faith and honour the promise it had made to the electorate. However, there are still some gaps that need to be looked at.

I am very much concerned about the occasional care area, for which I believe funds should be allocated from Treasury. If this matter is not fully considered, all the child care centres will no doubt be allocated in areas of need but allocated in a way that is totally unfair to those taxpayers who provide the funds, being concentrated in those areas containing a large number of working mothers.

The area of Henley and Grange has been identified as a local government area needing child care centres. Indeed, the local government areas which have no facilities include Henley and Grange, which ranks third on the list of the number of children in local government areas from 0 to 4 years. Munno Para heads the list with 2 937 children, Port Lincoln is next with 781 children, and Henley and Grange follows with 743 children. This is a subject of deep concern within the Henley Beach area.

I have had the opportunity to doorknock the whole of the area since I was elected, and many mothers have mentioned to me their need for the establishment of a child care centre in and around the electorate. Not every family has a motor car; even fewer families have two cars, and within a considerable number of families in my area a car is required by the breadwinner. Therefore, any child-care centre that is established needs to be within Henley Beach geographically.

I am very pleased and proud to see that extensions in child care facilities have been provided in the developing areas, including the southern area. I have a deep concern for this matter within my electorate.

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

**Mr LEWIS (Mallee):** Tonight, I want to draw attention to several matters, the first of which I first raised in this House in the budget debate of 1979: that is, the necessity for this State to have a far greater presence than previously in the Far East. I believed that it ought to be in Japan, and I still do, as far as a base of operations is concerned. I said that the money being spent in the United Kingdom through South Australia House and the agencies associated with it, *vis-a-vis* what we were spending with our emerging trading partners in the Far East, was certainly out of all proportion with reality.

Accordingly, I was heartened to read in the *Advertiser* recently an article relating to the prospects now identified by the Director of State Development, Mr Keith Smith, who said that, while in Hong Kong recently, unbelievable interest had been shown in a seminar promoting South Australia as a trading partner and in a three-day exhibition which started at that time. 'The response has been phenomenal', Mr Smith said, 'and clearly demonstrates the potential for attracting business investors to South Australia'. We have been missing out, and we have been missing out for far too long. There is a necessity for Government to be far more dynamic in identifying opportunities and ensuring that we do not miss those opportunities.

It will ensure also that in due course we steal a march on other places—not just other States in this country—in a world which presently enjoy the benefits that we should be enjoying here. Goodness knows how much better off we would have been had we addressed the need and taken up the opportunities which obviously existed some considerable years ago, rather than continuing with the traditional commitment experienced in the United Kingdom where

they have done nothing more in many instances than provide a trough for people to get their snouts into at public expense.

I turn now to another matter which the member for Hartley holds dear to his heart—the rhetorical nonsense he speaks in this place about privatisation. He has described his Party's approach to public administration and the necessity to ensure that the drain on the public purse is no greater than it would otherwise need to be to achieve good government.

Government has no place in enterprises which can be provided and (as is the case in many instances) already are provided by private means. Government needs to foster individual enterprise and small business wherever possible. Accordingly, one of the basic tenets of privatisation is simply that Government should privatise in a fashion which ensures maximum competition arising from the privatised operations in the way in which they service the economy once they have been privatised. That means: small is beautiful.

I will not worry about or argue the details, but simply state that in the process of privatisation it is important to recognise that there is no fixed model. The reason for that is quite simple: if one sets up a clothing factory or retail shop to sell clothing (a boutique), a nursery or a delicatessen, the constraints within which one does that and the relationships between the kind of capital one has invested in fixed assets and in current assets in the form of inventories will vary from business to business and operation to operation, according to the nature of the business involved.

Before dealing with the world model, I will refer to the Australian experience. To that extent, I refer to the *Australian* of 14 September 1985 and an article written by Mr Peter Terry about a privatisation proposal which is going ahead under a Labor Government.

The Western Australian Minister of Transport (Julian Grill) has stated that privatisation can no longer be considered the exclusive plaything of the Liberal Party. Referring to the Western Australian Minister of Transport the article states:

Whether the dries like it or not, he has even gone past the point of theorising and is actually ready to sell off public sector assets to private enterprise . . . Stateships—Western Australia's government-owned shipping line—has been losing money . . . The basic idea is to make better use of Stateships' Fremantle freight terminal—

there is to be a joint venture agreement—

Patricks will take a half share in all the facilities and run the terminal as a general freight complex for all shipping lines . . . Stateships believe the arrangement will not only cut its overheads but generate new income for the line, which now has accumulated losses approaching \$200 million.

Of course, the taxpayer has been financing this loss, as you, Mr Acting Speaker, and the member for Hartley would know. There is no other way for them to be financed, if they are owned by Government. Taxpayers foot the bill: that is the bottom line. He states that, to his credit, Mr Grill is anxious to point out that the venture has the effect of taking Stateships into new areas of endeavour. Nevertheless, he does not baulk entirely at the privatisation description. The article continues:

'It's a bit of both,' he says, 'Stateships is getting stevedoring which it did not have before, and Patricks is getting a terminal operation which it did not have before'.

All in all, Mr Grill has recognised the necessity to privatise an enterprise which is losing money. Not all State owned enterprises run a set of books which use an accounting system that enables losses to be accurately and properly identified in conventional accounting terms.

So much so that using the 'bead counting' principle of accounting they can get away with showing an actual cash

profit when, in fact, if they used more realistic contemporary accounting procedures, they would clearly show a loss. In which case, and in any case, whatever the enterprise, if it is possible for the enterprise to be conducted in the private sector of the economy, governments have no business to be involved in it.

The responsibility of governments in Parliament is to make laws by which individuals treat with each other and to make laws which describe our rights and responsibilities when we accept and exercise those rights. I define our responsibilities in relation to our fellow citizens. That is what ethics is all about, and surely politics is a subset of ethics overall.

I now turn to the experience throughout the rest of the world. Previously I referred to Spain's experience with privatisation. In Spain there is a socialist Government with socialist Ministers and socialist trade unionists all advocating, lauding and praising the benefits of privatisation—not only to the Government and the trade unions but to the industry involved, because that industry then becomes efficient, profitable, competitive and can expand.

By expanding, it increases the number of people employed, and I guess that means that union membership increases. It is as simple as that. If unions in this country and State, and members opposite could only see the benefits to be derived from privatisation, they would not be so sickly derisive of the proposition and so ostrich like in their attitude.

In May this year Treasurer Keating decided to transfer the administration of the Defence Service Home Loans Scheme to the private sector. There has also been the sale of the huge Belconnan business complex in Canberra to the private sector—again this year. It was advertised for sale four months ago and the sale is going through. Furthermore, the Treasurer has announced that the planned Tuggeranong Town Centre is to be developed and operated by private sector interests, thereby avoiding the need for additional federal borrowings to fund the project.

That removes the Government from the loan market; accordingly, the Government is not competing with the private sector and borrowing money which would otherwise push up interest rates. That hits us all in the final analysis. There are examples off this in West Germany, France and Turkey. For instance, the Turkish Government has announced plans to sell off the famed Bosphorous Bridge, as well as the bulk of its State owned industries that employ well over 500 000 people. So it is in Italy and Spain in relation to shipbuilding and car manufacturing. It is happening in Cuba, where public sector housing has been sold off at a discount. In China, the Middle East, the United States, Canada—

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

**Mr MATHWIN (Glenelg):** I will take a few minutes to consider the childhood services situation and child-care—

**Mr Chapman:** Or lack of it.

**Mr MATHWIN:** Yes. I refer to the chaos that exists within the Childhood Services Council. I understand that a number of advisory appointments have been made in the childcare area. Applications were called and people applied for the advisory positions. This was sorted out to some extent and people were chosen by the Childhood Services Council, headed by Mr Wright. I understand that after this was done there were certain appeals made against the people appointed. Indeed, I understand that the Minister has now reneged on the appointments he made and that these people are now in limbo. Some people went from being kindergarten teachers or directors and were appointed to advisory positions.

I understand that these people were few and far between. A great number of people who were appointed to kindergarten advisory positions were from the Department for Community Welfare. They were people who knew little, if anything, about kindergartens and were never teachers in a kindergarten. No wonder there is skin and hair flying in relation to this matter!

What has happened to the very few people who were appointed, people who had full kindergarten training at their fingertips and who knew the situation from beginning to end? What happened to them? They were told that the whole situation was over for the moment and they went back to their kindergartens. These people are in limbo. They do not know whether they will be kindergarten teachers or whether they will be appointed to the advisory positions that they were given by this Minister—the man who told us in this House that the formation of childhood services was the greatest thing that had ever happened in this State—yet he disassembled it.

It is all right for the member for Brighton to shake her curly head and nod with approval about what has happened: she should know that the Kindergarten Union was the best and most admired organisation of its type in the world—it was admired by the Americans. However, her Government and the Minister have cut the thing to shreds, and the member for Brighton is proud of that. I am not. This whole area is in chaos. People do not know what will happen to them.

I am given to understand that because of the problems that have been caused for the people from the special education section of the kindergartens and the Education Department, the childhood services organisation, headed by Mr Wright, is talking of changing its status and a lot of its working conditions: in other words, it is heading for demotion of these professional people. If this is fair, if this is what happened as a result of the Bill that all Government members, both male and female alike, supported and said was the greatest thing since sliced bread, then members opposite ought to have another look at it now and go into this matter deeply, because a shocking situation is now occurring within this organisation.

No doubt members from the southern areas know (they ought to know, but if they do not I will tell them) that the whole of the kindergarten area in the southern region is without a psychologist—it has not had a psychologist for one year. It is drastic and shocking that that situation has not been remedied. It is drastic and shocking that that should happen. This Government, supported by its members, said that this was the greatest thing to happen in relation to childhood services—it is not. In fact, I believe that it is a shocking situation.

I have asked the Minister by way of questions on notice (which I hope he will answer) what types of people have been appointed to advisory positions in childhood services and where they came from—whether they came from the Kindergarten Union, the Education Department or the Department for Community Welfare. As far as I can glean, the majority of them have come from the Department for Community Welfare. That indicates to me, as a layman, that we are downgrading the situation in relation to kindergartens and that they will no longer provide a learning situation but a caring situation: they will provide child-care situations.

It is all right for the member for Brighton to make a hurried retreat from here—she is hearing something she does not want to listen to. The honourable member knows that she was conned by her Minister—conned in this House and conned to support him. No wonder she runs away when I am talking about the situation. That is what will happen to childhood services and the young children of our

State. A great thing was going to occur under the Bill and marvellous things were to be done. All our problems were to be solved, but instead problems have been created.

If honourable members do not know about it, I suggest with due respect that they had better find out. I would like to know from the Minister, as soon as possible if not sooner, who has been appointed and where did they come from. Who will be these great advisors and what type of input will they have to childhood services within the State of South Australia?

First, not only do we get a breakup from the Education Department, the Department for Community Welfare and the Kindergarten Union but also we need to know their qualifications. It is no use one having a Bachelor of Arts if one is going to look after very young children. It is no use having different areas of leaning that do not really relate to the childhood services that one would expect to be provided by an honest and reasonable Government. I would hope that it will not take too long for the Minister to reply to some of those questions, particularly in regard to what qualifications those people have and what classifications they were given when being appointed, rejected and now in limbo. Whatever happens to them, what qualifications did they have in the first place when they were appointed by the members of the childhood services organisation who conducted the interviews and made a decision that obviously was not the right one as far as some people were concerned and certainly as far as SAIT is concerned. It has already taken some action, or will be doing so, to protect these people with the problem they have with this Government. I question the qualifications of Mr Wright, the big cheese and the muscle man in the area—the man at the head of it.

**Ms Lenehan:** Do you need to attack a public servant like that?

**Mr MATHWIN:** Well—

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

**Mr INGERSON (Bragg):** I rise tonight to take up a couple of matters that we have discussed today, the first being capital gains tax and the scare that the Federal Labor Government has placed on small business. I will quote from a few newspaper articles of the last year or so, the first being from 18 January 1983 which stated that there was a commitment by the Liberal Party in this State to oppose a capital gains tax. There was a clear decision by the Liberal Party in this State to support small business. An interesting headline of 13 June 1983 states, 'No gains tax, says Hawke'. It is interesting to note that the article is from Washington, so there must have been a real concern by the Hawke Government regarding capital gains and its effect on small business. Today we have a total turnaround by the Hawke Government, which wants a capital gains tax: that will dramatically affect the small business sector.

Another article, which is also very interesting, comes from the *Australian* of 14 June 1983—'Keating rejects capital gains tax'. The federal Treasurer said in June 1983 that he rejected a capital gains tax, and that same year the Prime Minister said that there would be no capital gains tax. The article in the *Australian* states:

The Treasurer, Mr Keating, reaffirmed his opposition to a capital gains tax despite the support for the concept by the Special Minister of State, Mr Young.

It looks like South Australia's socialists have won. They have convinced the Prime Minister and Mr Keating that we need a capital gains tax. They were led by that left-wing trendy, Mr Young, the member for Port Adelaide.

**Mr Oswald:** The Premier told us today during Question Time of the support for a capital gains tax.

**Mr INGERSON:** That was interesting. I thank the member for Morphett for encouraging me to bring up today's debate. We had two lawyers, one with no interest or involvement in small business and another with very little practical experience in small business, talking about the capital gains tax area. We had academics deciding about the capital gains area—one area where small business is affected most when it has an opportunity to benefit from the sale of its businesses. Today we had a commitment by a State Labor Government to support this action in one of the most important areas in relation to the small business sector.

Another article dated 30 July 1985 concerns a comment from the rural sector saying that it will be affected by the capital gains tax. The rural sector is predominately made up of small farms and small business people. Again, the Labor Government is saying that it supports the small business sector, but when it gets the opportunity to do something it turns around and kicks it in the neck.

All we have had since I have been in this Parliament is an increase in taxation and FID affecting the small business sector. The three Bannon budgets have increased spending by some 34 per cent—\$1.2 billion extra was spent in the three years by the Bannon Government. How did it obtain that money? First, taxation was increased by 50 per cent—some \$300 million was taken from the business sector to help pay off that massive spending. Borrowings were increased by some 37 per cent—\$1.1 billion extra was borrowed by the Government. Interest paid has increased by 48 per cent—\$115 million more is being paid out now in interest than was the case three years ago.

As the Auditor-General pointed out, of that \$115 million, \$70 million extra was spent in interest last year. It is interesting to note that the interest paid is now equivalent to the cost of the third largest Government department but, unlike the case with Government departments, there is no structure; the money just disappears. Hopefully, the interest will not soon be the equivalent to the second or the biggest department. The Auditor-General noted the transfer of funds in this budget. An article in the *Advertiser* this week—and this was very interesting—said that Mr Bannon had been caught with his fingers in the till. Clearly, the Auditor-General's Report warned against the practice of transferring money into the next year because of the problems two years down the track when there will not be money to balance.

Let us look at some of the direct effects on the small business area. We have had a massive increase in land tax collection of \$14 million—over 60 per cent. Payroll tax collection has increased by 17 per cent. It is interesting that the Premier always says that these measures have been a great advantage to small business. I would like the Premier one day to answer the question that I have asked him several times: how many small businesses employ staff and pay out \$250 000 a year in wages? I have had a fair involvement in the pharmaceutical industry: I know that more than 70 per cent of businesses in the pharmaceutical area do not have a total turnover of \$250 000, let alone a wage bill of \$250 000. It is a good decision to reduce payroll tax, but to maintain that it is directly helping small business is a lot of nonsense. The small businesses that we should be helping are those which employ perhaps two, three or four people—the majority of small business are in that position. In relation to the increase of the limit to \$250 000, as I have said, while it is a good proposal, it cannot be sold as being a small business benefit.

The two major cost hikes that those in the small business sector are always concerned about are those in relation to electricity charges (up some 40 per cent, resulting in an extra \$8 million for the Treasury over the three budgets of the present Government) and E & WS charges (which have increased some 36 per cent—a massive increase, resulting

in some \$55 million extra revenue being collected from water and sewerage rates). So, between the electricity tariffs and E & WS charges, some \$60 million extra has been contributed by the community in the past three years.

It is interesting to note that, over the past three years, the total taxation collect has gone from \$549 million to over \$852 million. Therefore, it can be seen that the taxation increases have partly funded the massive spending increase that has occurred. Although we were promised that there would be no tax increases and no new taxes, some \$300 million extra has been taken from the community to fund the massive increase in spending.

As the Auditor-General clearly said in his warnings to the Government, there is no point in relying purely and simply on the economic conditions to balance the budget: what is also essential is a very direct and deliberate attempt to reduce Government expenditure. The Liberal Party has put forward a very positive policy of privatisation. This policy will clearly enable the next Liberal Government to put into reverse the expansion of the public sector. There is no question that many of the services presently being supplied by the public sector can be supplied, and more efficiently, by the private sector.

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

**The Hon. G.F. KENEALLY (Minister of Transport):** I move:

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

Motion carried.

**Mr S.G. EVANS (Fisher):** In the limited time available to me, I want to speak briefly on two or three topics in which I have expressed an interest since coming to this place many years ago. I came here with the ambition to have a position of Ombudsman instituted. I did not have many supporters, but I was pleased to win that argument after two years. A matter still not completely resolved concerns a person wishing to buy a first home, and the sorts of attitude that one encounters in local and State government departments and, to some degree, Federal Government departments. People become concerned about the many people who are seeking to obtain Housing Trust homes (at subsidised rates, funded by taxpayers) because they cannot afford to buy a home or to pay normal market rents prevailing in the market place for such a commodity.

When I first raised in 1969 the hypocrisy of governments charging people who wish to buy their first home a stamp tax on that acquisition my thoughts were rejected. It was not until well into the 1970s that people decided that there was an injustice in charging people a tax on their savings to buy their shelter for life. Even in the ALP, which said that it believed in every citizen attempting to get their own shelters and, if it was not possible to achieve it by their own resources they would have to revert to a State resource, Frank Walsh in 1962, before he attained the State leadership, said, 'Home ownership is the cornerstone of democracy.'

People still wanted to charge the full tote odds for stamp tax for the transfer of a property for someone, in particular, buying their first home. I argue that maybe it is an injustice to charge a stamp tax at all on a commodity that people are buying to create their own shelter, but it is a very severe injustice to charge them for their first home. This budget that came down recently increased the cut-in point from \$40 000 to \$50 000. That is a step in the right direction, but not many homes can be bought today for \$50 000. We are all saying that it costs a lot for young people to buy their own homes. It is very difficult for a young couple who go on to university and graduate to have much money at 25.

We then say that we will charge them a tax to buy their shelters.

If, for example, they find that they cannot buy a shelter, the State must pay for it. So, the State charges those who set out to buy their own homes a tax to subsidise those who have not perhaps made a sacrifice to attempt to buy their own shelters. So, I find it a severe injustice. As I said in the earlier debate, which I cannot refer to specifically tonight, the Government and my own Party should say clearly that there should be no stamp duty on anybody acquiring their first property for their shelter.

The same thing should apply to a block of land. In buying the block of land they should not pay stamp duty. If it is over \$40 000—in some people's minds that is an expensive block of land, but there are blocks of land of that value—the same thing should apply and there should be no stamp duty, but if they build on it they should have to pay the full tote odds of the cost of construction, as anyone else would.

Those colleagues who were with me in 1973 would know that I argued that, if we were to move to a licensing system, we would have to have one that gave us the opportunity to expel from the industry easily those people who did not build a satisfactory home in relation to the contracts that were prevailing at that time. I argued that we should make it an obligation that, whenever an application went to local government for the construction of a new home, the builder—or the owner if they were subcontracting it all themselves—would have to provide a certificate of insurance against faulty workmanship, which would have covered the subcontractors' work or the general contractor's work where a general contractor was involved, and also the possibility of the general contractor going insolvent.

At that time we would have needed a policy that cost about \$30 premium. Today, I admit that it could be \$120 or \$130 to insure against such an eventuality. On that basis, if we had one builder who continually came before the authorities on claims, because of faulty work, to correct faults in the home, we would say to that person, 'You toe the line, or you are out of the industry.' We have failed to do that. We have allowed it to go on to the point now where the principal contractor is liable to have to remedy the faults. If he happens to say, 'The contract is null and void because the owner has not paid' or for some other difficulty, there is a legal argument for the owner which in many cases it is beyond their financial resources to fight.

We have a problem where the owner has a shoddy house (or part of a house) with their life's savings tied up in it, and the Parliament has not set out to protect them to make sure their home is completed. If there was an insurance policy to cover that, and subsequently it was found that some court action should be taken by the Government, so be it. At least the individual would be protected, because the licensing is brought about by the Parliament, and the licence should be a protection for the individual because Parliament created it. Therefore, Parliament, or the people, should take the responsibility, not the individual home owner.

We have at last moved partly down that track. Eventually the Hon. Mr Hill in the other place took the opportunity to put into the Act the proposal I have been advocating for years, although it was not as broad as I would have liked, but the Government failed to implement it. It is only recently that the Attorney-General has decided to attempt to implement it.

The other problem within the industry is that where there is a principal contractor the contractor tends to get the kicks if there are some faults. In the case of a home at Bridgewater (I will not mention any names) the perpendicular joints in the brickwork were about four centimetres in width, the

horizontal joints were anything up to three centimetres in width, and there were other similar faults. The mortar used for bonding was about 10 to 1 in some cases, which was three times more than it should have been—in weakness, not in strength. Only one person on that site knew for sure that that work was 100 per cent faulty, as far as the mortar was concerned, and that was the bricklayer.

The builder claimed to have delivered the right amount of material to the site to bring about the right standard, but did the bricklayer build a barbecue for somebody on the weekend with the cement be knocked off, or did somebody else steal it while there was nobody on site overnight? Did the bricklayer fail to report to the principal contractor that that was occurring, and did he not ask for more material? Who knows? That restricted builder did not have the difficulty of being challenged, but I say that person was just as responsible as the principal contractor, and his licence also should be in jeopardy. If we are going to have the general contractor liable to be deregistered, so should the subcontractors when it is quite obvious that the subcontractors knew they were not doing the job to standard.

I hope the Government takes note of the comments I make, because that has been one of the failings in the industry in recent times—plus the idea that a lot of us have that you can build a Rolls Royce house at a Holden price. We cannot do that unless we employ architects and pay Rolls Royce prices.

**The Hon. MICHAEL WILSON (Torrens):** When the Minister of Education was in opposition he was in the habit of drawing various comparisons on education expenditure compared to total State expenditure, and it has been my habit while in opposition to continue that trend. It is my intention to do so now. Before coming to those figures, I wish to bring to the notice of the House the actual increase in education expenditure in the Education Department and in technical and further education before coming to the comparison with the total State budget.

In 1984-85 the proposed expenditure for the Education Department was \$577.811 million, and in 1985-86 the proposed expenditure is \$638.065 million, a 9.3 per cent increase in pure terms. However, for the first time in this budget the superannuation provision has been included in the departmental estimates.

Therefore, to gain a correct comparison, it is necessary to remove superannuation provisions from the 1985-86 figures. I might add that in the Premier's line in the statement of receipts an amount of \$95 million is allocated for superannuation and that \$95 million has been allocated through all the various Government departments as a cost, much like the payroll tax cost is allocated to each department. If one adds up all the various superannuation amounts under the Education Department line, one finds that the amount for superannuation comes to some \$35.157 million. Of course, that is quite understandable because of the large proportion of the State budget that the Education Department represents. That gives a figure for the 1985-86 Estimates of \$602.908 million. When compared to the \$577.811 million for last year, one sees that the increase is now down to 4.34 per cent.

When the Premier made his budget speech he estimated the inflation rate to be of the order of 8 per cent—I think they were the words that he used. If that is the case, one finds that there has been a real decrease in education expenditure for the department of something over 3 per cent. In technical and further education one finds—and I am particularly keen to put the record straight, because the Deputy Premier in the no-confidence motion last Thursday mentioned this specifically—that last year there was a proposed expenditure of \$85.118 million. I emphasise again



that it is proposed and not actual expenditure. This coming year one finds that the expenditure is set at \$97.75 million. If one deducts the amount allocated for superannuation in the Department of Technical and Further Education, which is \$6.365 million, there is an amount of \$91.385 million and that represents a 7.37 per cent increase. The reason I mention that is that, in the Deputy Premier's speech during the no-confidence motion when referring to TAFE, he said:

There will be an increase in real terms of 1.7 per cent for funding in 1985-86 and not the 1.5 per cent decrease as suggested.

He was referring there to the Leader of the Opposition's speech. Later, he says:

It would appear that what the Leader of the Opposition is doing is comparing 1984-85 actual expenditures, which include wage and salary increases in that year, with 1985-86 estimates, which do not include provision for wage and salary increases because they are being provided for in the round sum allowances.

My figures are proposed expenditures compared with proposed expenditures. Making the adjustment for superannuation, one finds the 7.37 per cent increase, which in fact represents over .5 per cent decrease in real terms in this very important area of technical and further education. It is important, because in the budget the Premier mentioned that 115 extra positions would be provided in the Department of Labour and the Department of Technical and Further Education because of the Government's youth training scheme and this represents a decrease in real terms, so we are very interested to know where the additional money to pay those additional employees is coming from.

Looking at the comparison of education expenditure to the total State budget, if one looks at the Education Department only as compared to payments authorised by Appropriations Acts, one finds an Education Department expenditure of \$577 million in 1984-85 and \$638.065 million in 1985-86. The appropriation for those two years was \$2 208.949 million and \$2 745.182 million, which represented 26.12 per cent in 1984-85 and 23.24 per cent of the State budget in 1985-86.

If we adjust that figure for superannuation (we must do that to get a correct comparison) we find that the figure in 1984-85 remains at 26.12 per cent and in 1985-86 at 22.7 per cent. Once again we see that the education budget itself (for the Education Department, that is) represents a decrease in comparison with the total State budget, and quite a significant decrease indeed because of the amount of money involved.

In the brief time that I have available to me, I just wish to mention the question of personnel numbers in the Education Department. In the Premier's speech we find that in 1983-84 (in the papers attached to the budget, that is) there was an outcome of 18 230 persons within education itself. In 1984-85, we find there are 18 138, giving a net reduction of 92, which is made up of a decrease of 28 in ancillary staff, a decrease of 87 in teacher numbers and an increase of 22 in public servant numbers (that seems to be the wrong way to be going). The Minister has criticised my figures on this, but I have just taken them straight out of the Premier's speech.

Let us look at another set of figures which are contained in the Auditor-General's Report. Obviously these figures are calculated on a different basis because they do not match the figures in the Premier's speech; nevertheless, let us have a look at what the Auditor-General has to say. He shows that in 1984 there were 18 327 personnel. That includes groundsmen, public servants, school assistants, primary, junior primary, special education, secondary, and others. In 1985 there were 18 294 personnel in the Education Department. I assume these are full-time equivalents. That shows a net reduction of 33, which is far less than shown in the Premier's papers.

The important thing is the figure for primary, junior primary and special, referring to those particular teachers. In 1984 there were 7 397; in 1985, 7 323, showing a net reduction of 74 teachers in primary, junior primary and special. That means that, instead of having more teachers in the primary sector—the Minister's promise was to apportion approximately 80 per cent of retained teachers in the primary—we find that in 1985 there has been a reduction of some 74.

**The Hon. B.C. EASTICK (Light):** I am pleased that the Minister of Transport is with us again this evening because I want to refer to a continuing problem that exists within his department in respect of wide loads. In a previous grievance debate, I drew attention to the problem that the agricultural industry was having with regard to the transportation of grain silos. Indeed, I also wrote to the Minister on behalf of an agricultural engineering business within my electorate that was having difficulties with respect to movement of agricultural equipment, particularly wide wheel tractors, and the problem that they were having at that time with the Port Augusta road traffic office.

Subsequent to the letter and to providing the information for the Minister, that matter has been sorted out. However, only last week a similar situation arose in which a manufacturer in Adelaide wishing to move concrete tanks—a very vital part of the building and housing industries—did as required and applied for permits (as the article in question was not agricultural equipment, it required a permit).

The manufacturer obtained seven different permits for seven different tanks to be shifted on Tuesday (10 September) of last week. Because of the wet weather on that day, the tanks had to be left in the yard; otherwise the trucks, if they had gone to the site to offload the tanks, may have caused considerable damage. This necessitated a trip back to the department to get a further seven permits. That is bureaucracy gone mad.

If a person has a permit to shift a tank—indeed other types of permits for wide loads are issued through the Minister's department—there should be a degree of flexibility which respects commonsense and accommodates unforeseen circumstances. I hope that the vigour the Minister showed previously in relation to agricultural machinery—more specifically tractors and field bins—will apply in this instance of which I will give him details.

I trust that this matter galls the Minister, because it is certainly galling for members on this side. Each individual case has to be drawn to the Minister's attention, rather than a degree of nous being shown in the department, allowing for proper and expedient management in the respective industries.

Earlier this afternoon, we had a motion involving the Commonwealth Government and the impact of Government on small business. However, here the State Government is impacting on small business and creating problems for the manufacturer of these tanks who again has to send an officer to the same department to get another seven new permits. I have not yet been informed whether or not a new fee had to be paid for each of those seven extra permits. However, any additional costs will be built into the next batch of tanks and will increase the cost to young families who are seeking to build their own homes.

Similarly, provision of services by ETSA to housing blocks is getting further and further behind. We recognise that there has been a rather dramatic increase in the number of blocks coming into service and that there has been a building boom but, quite apart from the fact that that boom has lasted now for two years, a number of people are having great difficulties in getting ETSA to provide them with the necessary services. In many cases, new houses are being

completed, but it is 10, 12 or 15 weeks before electricity is connected, and therefore to move in—

**The Hon. P.B. Arnold:** It should have been contracted out.

**The Hon. B.C. EASTICK:** Exactly. However, the powers that be do not allow for contracting out. People have been advised by building contractors when their houses are expected to be completed. They have arranged for the sale of their present house or given notice of vacating their current accommodation, only to find suddenly that they cannot move into a house on which they are paying interest and in which they have put capital.

They no longer have a house in which to live, having sold it to meet their commitments. They do not have a flat or rental accommodation, and they have to move in with their family, or to a house with no electricity, having to use kerosene refrigerators or making other arrangements. Certainly, they are unable to fulfil the requirements of proper hygiene because they cannot warm the water.

Whilst I have sympathy with the problem and circumstances in which ETSA has found itself—it is good for South Australia that additional work is available—it is unacceptable when ETSA turns to these people and says, 'Sorry, we cannot do it, we will give it to you in three or four months', and is unable or unwilling to indicate a day when the service will be given, especially when it says, 'But if you like to make \$700 available we will put on a team for the next two Sundays so that we can catch up and we can give you a service.' That poses the question: is it a racket, who is being ripped off, who is making such decisions at administrative level providing an offer to people who are desperate to get into their homes and who have reached the limits of their financial capacity because of escalation problems associated with building a new home? Such people have commitments to turn their home into a living unit by providing concrete paths, garden, sheds, and so on, and do not have the additional \$700 for a service that should be theirs of right.

More specifically is that the case if information has been given to the department about six months previously that it can expect completion at a certain date. Too many references of time and expected dates have been lost in the system, and only when people are desperate for connection are they suddenly advised, 'The information you gave before was not definitive enough—you should have kept us informed on a fortnightly basis as to when you thought you wanted the service.'

I have not given a specific case. I can offer the Minister a number of cases that fit the general pattern that I have just outlined. Indeed, Government Ministers were able to read cases for themselves on the front page of the *Advertiser* between Christmas and the new year when a couple at Roseworthy in my electorate were held up with their electricity connection. After that newspaper revelation, and after I had spoken to the Minister as a consequence of that revelation, they got a very quick connection and a cheque repaying most of the funds that they had been called upon to meet or make available—

**The Hon. P.B. Arnold:** But that does not help the others.

**The Hon. B.C. EASTICK:** No, and it does not get away from the fact that there is something basically wrong with the management scheme and the Government's administration of these important facilities to the home building industry.

**Mr OLSEN (Leader of the Opposition):** In the past week the Premier has had his officers burning the midnight oil to provide a response to the unprecedented warnings in the Auditor-General's Report. The Premier's initial reply last week was typical—it was to fudge. He suggested that increased royalty returns will save the day. When I showed

that royalty returns would decrease over the next two years—adding to rather than relieving pressure on the underlying deficit—he had to find another explanation.

The House received that this afternoon. Last week the Premier took the House to Birmingham, England, to sidetrack the issue. Today, he took us back 35 years. But nothing the Premier said alters the following facts. The Auditor-General's Report puts the total liability of the State at the end of the last financial year at \$3.8 billion.

That is a rise of just over \$1 billion in three years. This State's total indebtedness is now the equivalent of \$2 797.80 per head for every South Australian. It has increased in real terms by 9.4 per cent since 1982. The former Liberal Government reduced the total State debt by 16.3 per cent in real terms. This year's budget contains provisions to pay interest bills totalling \$373 million—almost three times the budget allocation to the Police Force this financial year. Despite his massive tax increases, the Premier has also significantly increased the State's borrowings to pay his way. That is a fact beyond dispute: nothing the Premier says can change it.

The Premier, for obvious reasons, dealt in a most cursory way with the warnings in the Auditor-General's Report about the underlying deficit. He did not at all address the fact that, as well as shortfalls in revenue in 1986-87 in the two specific areas that the Auditor-General has identified, there are also other shortfalls: they are in Commonwealth receipts in royalty returns, and a deficit of more than \$50 million remains on the books.

In addition, over the past six weeks, as the election approaches, this Government has gone on a spending spree. Since the Premier announced his so-called tax cuts early in August, public announcements by Ministers have committed the Government to spending more than \$151 million on new projects. Some, but by no means all, of these projects have budget allocations for this financial year. The outlook is clear: as well as the shortfall in receipts next financial year, massive pressure is also being built up by this Government on the spending side of the budget. Something has simply got to give.

As the Auditor-General—the independent accounting umpire—reported, the Government does not propose reducing spending in any meaningful way in any area, so revenue must be increased if there is not to be a massive blow-out of the deficit in 1986-87. That is what the Premier is trying to hide. Only one Party in this Parliament is advocating reduced Government spending to provide taxpayers with some genuine taxation relief: it is not the Labor Party. This Government has set itself upon a course through which, if it were to be re-elected, South Australians will face a further round of significant tax increases within the next 18 months.

There can be no other way to fund the high spending programs to which this Government is committing itself. The Liberal Party will not turn this election into an auction. We have already raised the need to reduce government spending in a range of areas. Every time we do this the Premier attacks and abuses: his response today was a classic example of that—abuse by rhetoric, trying to fudge the issue by a range of accounting measures and figures put in to blur the issues. However, there is one basic fact that he cannot deny: the Auditor-General's Report identifies in black and white the true position of the finances of this State.

**The Hon. B.C. Eastick:** A desperate man with his back to the wall.

**Mr OLSEN:** Indeed, he is a desperate man with his back to the wall. The fact that it took Treasury over a week to come up with any response (a response which does not stand up to critical analysis) shows what the Premier will do to retrieve the tarnished image (and rightly so) of this Administration on its financial record. The Premier tried it

on and was caught out, and he does not like it. As a result, Treasury officers have been burning the midnight oil in an attempt to retrieve the position.

However, the Premier knows as well as I, and as well as the swinging voters, that his taxation measures this year are seen as a cynical exercise in the face of an election. They are seen as an attempt to retrieve some of the ground lost—not by rhetoric, but as a result of the Government's track record over some three years.

South Australian electors have suffered a tax hike of some 55.2 per cent whilst they have been abiding by the wages accord and also the prices and incomes accord. They have seen taxes, charges and outgoings outstripping that which they have received in their pay-packets. They know that this has occurred as a result of the Government's financial mismanagement; and well the Premier knows it as do his marginal seat members who have been reporting to him on their doorknocking.

We have already identified and raised the need to reduce Government spending in a range of areas. We will continue to identify where we think expenditure ought to be cut on the basis that there is no credibility in any political Party pre-election identifying a need to reduce expenditure without identifying where and how it will deliver. The difference with the Liberal Party is that it is prepared to nominate those areas where it will deliver.

The Premier tends to attack, abuse and use rhetoric (as was the case today) because he has no answers of his own to rerun the 1982-83 broken promise on taxes. Even now the Premier still refuses to face the truth. He maintained in his speech this afternoon that the revenue raising decisions of his Government had contributed only 11.8 per cent of the growth in taxation revenue since 1982-83. That was a figure linked to one political journalist in this State several weeks ago who duly reported in full form (and I can understand why) the Premier's assertion that only 11.8 per cent could be attributed to this Administration on its taxation revenue.

The Premier said today that total tax collection since 1982-83 had increased by only \$242.2 million. That is patently untrue. In 1982-83 total tax collections were \$549.1 million; in 1983-84 they amounted to \$663.9 million—an increase of \$114.8 million. Last financial year total tax collections were \$794 million—\$244.9 million more than in 1982-83. So, the cumulative impact in money terms of the rise in tax collections over the past two financial years was \$359.7 million. Of that amount, how much was due to this Government's revenue raising decisions?

Let us again consider the eight broken promises, but, first, let us clearly understand that the electorate will accept the Opposition's figures and will accept our assertion of tax increases amounting to 55.2 per cent. Electors will give credibility to our argument because they are feeling the pinch week by week, month by month, in their ETSA and water bills as well as in a whole range of taxes and charges put up by this Government.

**The Hon. B.C. Eastick:** Through the most sensitive nerve in the body—the hip pocket.

**Mr OLSEN:** Indeed, the hip-pocket has been delved into by this Government more than any previous Administration in South Australia's history and to a greater extent than has any other Government in Australia at this time. That is the track record, and all the fudging and rhetoric will not dissipate the affect on the hip pocket of the average South Australian—the people who are currently paying interest rates at their highest level for over 50 years and at a greater real term cost than was the case in 1982.

Taxes and charges are at the highest level that people have ever experienced, and they have increased at a greater rate than have their pay-packets. That is why the electorate

will understand, give credibility to and accept our argument rather than an Administration that made false promises that it had no intention of honouring and in fact has not honoured.

Let us consider some of the eight broken promises. Financial institutions duty, South Australia's first new tax in 10 years, brought in \$40 million for this Administration. That is not bad for an Administration that not only was not going to introduce any new taxes but also not increase any taxes during its term of office!

In addition, the rise in tobacco business franchise fees brought in \$33 million; the rise in petroleum business franchise fees brought in \$27.9 million; the rise in liquor licence fees brought in \$5.8 million; the rise in stamp duties on insurance brought in an extra \$18 million; the reintroduction of the tax on the Gas Company—something which the former Administration abolished but which was re-established by this Administration—brought in \$5.6 million; rises in drivers' licences and motor registration fees brought in some \$6.1 million. That brings to just over \$136 million the extra revenue generated by this Government's tax raising decisions.

It is 37.9 per cent of the growth in taxation revenue during that period, not the fictitious 11.8 per cent to which the Premier referred in his budget speech, the figure he attempted to maintain today. They are the figures—the figures contained in the budget papers tabled in this Parliament. They are the figures incorporated in the Auditor-General's Report. They are not my figures; they are the Government's figures. They clearly establish that the increase in taxation—37.9 per cent—was as a result of this Government's specific measures. To one side with this nonsense that the Premier has increased taxation revenue by only 11.8 per cent. Any political journalist in this State prepared to do one ounce of homework or study could clearly identify that the facts speak for themselves.

When the Premier attempts to misrepresent fundamental elements of his budget strategy it is little wonder that the Parliament and the public become completely cynical about his whole financial strategy. It is little wonder that the Premier has never been in favour of close scrutiny of the budget by this Parliament. Despite all his false allegations about financial cover-ups by the former Liberal Government, it was that Government that introduced program performance budgeting to increase the accountability of the Government to the Parliament. The Labor Party continually sought to frustrate this initiative, particularly between 1979 and 1982, when it had the opportunity to sit on the Estimates Committees. We saw the present Minister of Housing and Construction take his members out—the walkout—to generate—

**The Hon. Michael Wilson:** Staged.

**Mr OLSEN:** There was a staged walkout to generate cheap press publicity. Despite the fact that Government members continuously sought to frustrate those Estimates Committees, a statement made by the Premier (the then Opposition Leader) on 20 October 1980 indicated that he had serious reservations about the worth to the public of the new system of dealing with budget Estimates. In that context it is important to note what the Auditor-General had to say in his report this year about program performance budgeting. At page 11 it is stated:

Program performance budgeting has added a discipline which has assisted in identifying resources for reallocation to areas of need. Much more needs to be done.

They are the Auditor-General's words recognising a basic, important and fundamental accounting principle—that is, the principle of discipline in terms of accounting procedures. I completely agree with what the Auditor-General had to say. Much more does remain to be done to improve

accountability and efficiency in the management of the State's finances. That challenge will be taken up by a Liberal Government after the next election. We have already announced plans to provide much more information to Parliament on the progress of the budget and its longer term implications on the State's finances. Again, dealing with figures in the Auditor-General's Report, I refer to comments made by the Premier about police numbers. Those honourable members in the Chamber today will well remember his comments in that regard.

**The Hon. D.C. Wotton:** Huff and puff!

**Mr OLSEN:** It was huff and puff. It does not stand up to critical analysis. I ask honourable members to refer to the Auditor-General's Report, that independent accounting umpire. It is not my opinion, not the Government's opinion and not Treasury officers' opinion: it is the opinion of the independent accounting umpire, a person who has been involved with the Treasury of this State for many years. The Auditor-General's credentials to undertake his duties and to produce reports for this Parliament to take note of could not be more identified with any person other than the current Auditor-General.

**The Hon. B.C. Eastick:** He is the public safety brake.

**Mr OLSEN:** Indeed. The fact that his credentials are beyond reproach and that he has reported to this Parliament in an unprecedented way demonstrates the need for the Parliament to take on board what the Auditor-General has said.

**The Hon. B.C. Eastick:** Without fear or favour.

**Mr OLSEN:** Yes. The difficulty with the present Administration is that it does not want to acknowledge what the Auditor-General's Report says, because it is damning this Administration for the sleight of hand as it relates to the \$26.3 million being transferred from one financial year to another—to make it look a little better for this financial year on the basis that we are leading into an election campaign.

Honourable members should note comments in the Auditor-General's Report, particularly in relation to police numbers. The report shows that at the end of the last financial year the number of commissioned officers, non-commissioned officers, constables and trainees—in other words the whole Police Force, as that includes everything—was 3 362. That is just one more than the strength of the force as at June 1979. Between 1979 and 1982 the size of the force was increased by 39, whereas over the past three years it has been reduced by 38 officers. These are the Auditor-General's figures.

For the Premier and Treasurer to get up in this House and try to fudge, defer, put to one side, and put down the argument that the Government has not presided over a decrease in the size of the Police Force is arrant nonsense: it is telling plain untruths to this Parliament, and well the Premier knows it. The Government has scrambled together another 50 officers in this budget. Those 50 officers to which the Premier has referred will merely bring the Police Force back to the same strength that the Government inherited in 1982. That is the bottom line, the truth of the matter, and well the Premier knows it.

As to the Premier's argument about the length of training courses at the academy being reduced from two years to one year, what absolute nonsense that is. If one includes the commissioned officers, the non-commissioned officers, constables and trainees, that is the whole lot—it does not matter whether the course is for two years or one year. The trainees are in the system. The plain fact is (and the statistics prove it) that what the Premier is talking about in relation to police numbers is nonsense. He is telling this House untruths, and he ought to do better than that in this Parliament.

**The Hon. B.C. Eastick:** It is a cynical way of buying your way back into government.

**Mr OLSEN:** It is very obvious that the Premier has done a little market research. We know that the Government has been doing that fairly regularly recently. Market research ebbs and flows a bit from time to time. The Premier knows that market research has identified some issues, and he is becoming most sensitive about those matters, one of which is the law and order issue. Let me provide a thumbnail sketch of what has happened over the past few days. Yesterday's *News* carried the unprecedented headline 'Bannon slams judges'. That is tough talk.

**Mr Lewis:** Talk is cheap!

**Mr OLSEN:** That is dead right—rhetoric is cheap.

*Ms Lenehan interjecting:*

**Mr OLSEN:** It was tough talk, cheap talk, for the purposes of the electorate, because members opposite know that they are losing on the law and order issue.

**Ms Lenehan:** What about the 80 appeals we have made?

**Mr OLSEN:** And whose legislation was it? It was the Liberal Party's legislation which gave the Crown the capacity to do that.

**Ms Lenehan:** You made only 17 in the same time.

**Mr OLSEN:** The honourable member has been in this place for only a short time: if she had done any research she would know that the legislation was introduced in 1982, and the previous Government did not have a full year in which to make appeals, whereas the present Government has had three years in which to do so. So, the honourable member's statistics are wrong. The member for Mawson has tried to scramble out of the issue, saying that the present Government has made 80 appeals, whereas the previous Government did that only 17 times. However, I point out that appeals could not have been made had the former Liberal Administration not enacted legislation giving the Crown the right to appeal against lenient court sentences. The legislation was not introduced by the present Government but by the previous Liberal Government. Therefore, the honourable member opposite is standing on quicksand, and if I were the honourable member I would get off it as quickly as I could. There is no substance to the honourable member's argument, and well she knows it.

**The Hon. D.C. Brown:** They put them in gaol and let them straight out again.

**Mr OLSEN:** I want to get on to this Government's track record on law and order.

**An honourable member:** If you can get through the gate.

**Mr OLSEN:** We know that the exodus has been pretty great since the Government's parole system has been in.

*Ms Lenehan interjecting:*

**Mr OLSEN:** The honourable member chippers away on the back bench, and well she would know the feedback that she is getting in her electorate on the law and order issue. I will just recap. Members will recall the headline yesterday, 'Bannon slams judges'. However, today, when the chief law officer of the Crown, the Attorney-General, was asked about the Premier's statement in the Upper House he was unable to point to one case in which the courts have been lenient. He could not identify one today under questioning in the Upper House. That tends to demonstrate—

**An honourable member:** That was a publicity gimmick.

**Mr OLSEN:** Of course it was, because he was asked to stand up and quantify today, and he could not put one up. Indeed, he suggested that the Premier had not even raised the matter with him prior to his press release and that the first time that he became aware of the Premier's views about the judges of the State was when he read yesterday's paper. So, the senior law officer, the Attorney-General, was walking away at about 100 miles an hour from his Premier on his

statement yesterday slamming the judges and the court system in this State.

It is obvious that this Government has decided to grandstand on the law and order issue because it has an opinion poll that has confirmed its failings. The Premier has criticised the judges for being too lenient with people convicted of dealing in hard drugs. In trying to place all the blame on the courts, he was seeking to evade the responsibility that he and the Government must accept. However, this Government rejected legislation introduced by my Party in 1983 that would have allowed the courts to order the confiscation of assets of drug dealers. Members will all recall that we wanted to give the courts the power to confiscate the assets of drug dealers. The Labor Party, being pretty proud about these matters, would not admit that we had a good idea and that it was a good policy and rejected it, but a year or two later it put the legislation together and put it through the Parliament. We supported it because it was a good piece of legislation. Anything to get at the people who are bank-rolling the drug trade is something that I would support totally and in an uninhibited manner.

**The Hon. B.C. Eastick:** As we would phone taps.

**Mr OLSEN:** That is an interesting one. We have the National Crimes Authority saying that the police have to have the power to tap telephones. So they should! If they are fair dinkum about getting on top of this drug trafficking in this country members opposite had better get away from their left wing ideology, get on to the true facts and give power to the Police Department to take all the initiatives that it needs to capture the people involved in the drug trade in this country. That legislation about the confiscation of assets could have been passed two years ago in this Parliament, but this Government's own Controlled Substances Act did not come into effect until May this year, some 15 months after it was passed. No prosecution for drug trafficking under this Act has yet to reach the Supreme Court so that we can see what sort of penalties will be imposed.

At the same time, under the former Narcotic and Psychotropic Drugs Act, a man named Conley—I will get on with a couple of cases and analyse this Government's record on drug traffic—a drug dealer, was sentenced to 16 years gaol and a four-year non-parole period, which meant (and this has been confirmed by the former Chairman of the Parole Board) that he was not likely to be released under the former parole laws for at least 10 years. Yet, this Government let him out early this year after he had served less than three years. That is its drug trafficking record. Conley was out after three years of a 16-year sentence.

The Government is huffing and puffing to the public. What about action? What about the Government's parole legislation? What about implementing some laws in this country as a real deterrent to those involved in the drug trade? I take another case: Kloss, who was convicted of conspiracy to import \$1 million worth of marijuana and sentenced to 14 years, with six years non-parole, is due to be released by this Government after serving only four years, when under the old parole system he could have been expected to serve a much longer period. That is the clear, specific track record of this Administration's real endeavors about drug trafficking. So, while the Premier huffs and puffs about the courts, this is the Government that has been lenient with hard drug dealers like Conley and Kloss.

*An honourable member interjecting:*

**Mr OLSEN:** With no substance. The real track record is action; performance is how credibility is established. There are two case examples—other than the huffing and puffing for the benefit of a news headline—that are the track records of this administration's attitude to drug trafficking. We know the Government will not have a bar of telephone

tapping because the left wing is saying that it is an infringement of civil liberties. What about those young people out there who are getting embroiled in the drug trafficking in this State because this administration ignores the National Crimes Authority and the call of its federal counterparts to give telephone tapping powers to the Police Department so it can get on top of drug trafficking in this country.

This Administration will not take on the drug dealer. We have seen today that it will not take positive action to give the State police the power to get into the field of telephone tapping, as has been recommended by its interstate counterparts.

The Premier appears not to realise that criminals have to be caught before the courts can get tougher with them. That is the first objective. The way the Premier intended his statement yesterday to be interpreted by the media reeks of a double standards and hypocrisy. It is interesting to note that when he put the statement out he then made himself unavailable for a number of hours for any electronic media interviews. I wonder why? I leave members to ponder why he was not available for any electronic media interviews immediately afterwards.

It is just another indication of how desperate this Government is becoming; how it is trying to scramble together with issues in the period leading up to the election. Last week it argued with the Auditor-General, and the member for Hartley was one of those—with his front bench colleague—who contributed to that. He argued with the Auditor-General, the independent accounting umpire. At least I am sure that the Auditor-General has more accounting discipline and principle than the member for Hartley has demonstrated in this House. Now the Premier is confronting the judges; however, the Government will not be able to argue with the verdict of the people at the next election. No matter how much Labor might try to confuse the issues on State taxation, on reducing unemployment, on home loan interest rates and today on the capital gains tax—on these fundamental issues, which must directly affect South Australians, Labor has lost all credibility.

Let me further analyse the question of capital gains tax. At the 1982 federal conference of the Labor Party, the Federal Treasurer said:

The great fallacy of a capital gains tax is that it is a major redistributor of wealth.

That Party conference rejected the incorporation of a capital gains tax as part of ALP policy. As I reminded the House earlier today, the Prime Minister, in his promise to the people of Australia at the 1983 election, said there would be no capital gains tax. It was a promise made without qualification and a promise repeated at the 1984 election, less than a year ago.

As recently as 28 August this year, the Minister for Primary Industry, Mr Kerin, said he was opposed to the introduction of a capital gains tax affecting the rural industry. I wonder how he voted in the ministerial meeting of the past 40 hours?

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

**The Hon. TED CHAPMAN (Alexandra):** I want to talk about another batch of criminals. I am delighted the member for Peake has come in, because the criminals I want to talk about are a few people who are protected by this Government and, indeed, are criminals in the trade union movement. On 20 August I appealed to the Premier to take some positive action in the protection of our community generally and in the protection of the meat industry in particular. I asked him to seek an assurance from the trade union movement in South Australia to back off from the

rolling strikes in which it was involved in sympathy with the Mudginberri dispute in the far north.

We have heard a lot about Mudginberri in the past week or two; for those who do not understand the background of this subject, let me tell you a little about it. Mudginberri is a cattle station in the heart of Arnhem Land, about 230 km south of Darwin, on which there are a lot of feral buffaloes.

An enterprising family within that community, along with some of the locals, set up a business some years ago with a view to developing an export trade and selling overseas that feral buffalo meat. As I understand it, during the reign of the Liberal Country Party coalition, they gained some assistance in the establishment of meatworks in that region. As a result of an enormous amount of hard work, they have established an abattoir and were up and running until the Australasian Meat Industry Employees Union in particular sought to erode that enterprise.

There are only 25 meatworkers in that enterprise and, amongst other things, in the administrative rearrangement of those works negotiations took place between the employees and employers and the tally system was disposed of. A contractual arrangement was entered into which not only produced more output per man employed, but also produced a greater income for those involved. Both the employees and employers in that arrangement were happy with the plan.

**Mr Lewis:** Because they were both better off.

**The Hon. TED CHAPMAN:** Of course they were both better off. They were able to produce more meat for the export trade to Taiwan, Sweden, Germany, and elsewhere. It looked like becoming—

**The Hon. H. Allison:** And the federal Minister agreed.

**The Hon. TED CHAPMAN:** The member for Mount Gambier said that the federal Minister agreed. Everyone with any commonsense agreed—everybody except those wackers in the union movement who were out of the Territory. It was outside interference. It flowed on to the Transport Workers Union, to the Storemen and Packers Union and now throughout the country. Today in the eastern States as a result of rolling strikes they are dumping meat refused transport at the airports. When I asked the Premier on 20 August to ensure that in South Australia we were protected, he said that he would obtain a report from the Minister of Agriculture. We have not heard a squeak from the Minister of Agriculture, and the Premier has not come back, either. He could not care less about the meat industry in South Australia; he could not care less about the meat industry or its associated rural industries in Australia.

*Mr Plunkett interjecting:*

**The Hon. TED CHAPMAN:** The member for Peake could not care less either about those people out there, and yet he has the gall to send out in the last few days to the rural producers in South Australia a colourful brochure saying what his Government has done or what his Government will do for the rural sector. It is absolutely ridiculous. The Labor Party members in this State have become victims of their own propaganda. It now seems that they believe in all this tommyrot that the Premier is canvassing and floating around the countryside. It is absolutely incredible that Labor Party members condone one law for the people and a separate and protective law for the trade union movement. On 11 September Justice Lockhart said, in Canberra:

This case is as plain an example of criminal contempt as there can be.

He said that the union was on a collision course with the law. Of course it is on a collision course with the law. Justice Lockhart later said:

Our society simply cannot function if individuals, corporations or unions take this approach. It will inevitably mean that people

will think that there is one law for a trade union and another law for everyone else.

It is not a matter of thinking that there is one law for the trade union and another for everybody else, because there is one law for the trade union and another for everybody else. It is absolutely criminal. That philosophy is condoned by the Labor Party not only in South Australia, but also in the Territory. Members, including the Premier, stand up in this House and boast about their industrial record since coming to government, claiming there have been fewer strikes under a Labor Government on a per month basis than there were under a previous Liberal Government and all this other tommyrot. Numerically, there may have been fewer, but the strikes never end; they go on week in and week out. This Government that we are stuck with for the moment takes no action whatsoever. The Mudginberri strike has been in progress for 24 weeks. It has absolutely devastated the income of the workers there and has ruined that private enterprise business. What are the Government members in South Australia doing about it? Absolutely nothing!

In fact, they joke about it, with smiles on their faces from ear to ear. They do not care a damn about the impact on the community at large or the criminal activities of this bushranger group amongst the trade union movement. But what is the background of members on the other side? The vast majority of them climbed up the union ladder to get into Parliament. It is an absolute disgrace. Having got into Parliament, what are they doing about it? Absolutely nothing—and they wonder why we on this side of the House get stirred up. Members opposite have forgotten which side of their bread is buttered. They would not have the slightest idea. It is incredible. The Liberal Party has done its best; the rural community has done its best, and our federal colleague, Mr Ian McLachlan, has done his best. The newspapers in this instance have done their best.

Let me cite a few articles that the press have picked up, the first going back to 28 May 1985, in the *Advertiser*, under the heading 'Meat industry dispute breakthrough'. What a hell of a joke that was! On 25 July, again in the *Advertiser*: 'South Australian slaughtermen out over fines'. That was one of the sympathy runs by the local fellows. On 8 August, in the *News*: 'South Australia escapes meat row effects'—for the time being, because the next week they were out on strike again. On 10 August, in the *Advertiser*: '\$2.5 million in frozen meat dispute'. That was the same old story, back on the Mudginberri issue again. On 28 August, in the *News*: 'Abattoir picket may end'. What a joke that was. That was over a month ago, and they are still stuck out on the picket lines preventing the inspectors from going in to do their work.

On 24 August: 'Meat workers plan strike'. It is on again; indeed, it is still on. What are these fellows here doing about it? Nothing! On 4 September, in the *Advertiser*: 'Pickers dig in again as abattoir battle continues'. On 5 September, in the *Advertiser*: 'Meat works row goes to arbitration'. It went to arbitration, but what a disgrace that was. The Arbitration Commission ruled against the union and the union thumbed its nose at the commission. It absolutely ignores the law of the land and gets away with it, but worse than that, the Labor Governments—both State and federally across Australia—are condoning its actions. On 6 September, in the *News*: 'Abattoir pickets to be ended'. That is what they thought at that stage, but it is still on. On 9 September, in the *News*: 'Meat union defiant as picket goes on'. On 10 September, in the *News*: 'Meat union appeal denied'. On 11 September, in the *Advertiser*: 'Damages threat to union'. That was \$3 million damages, and they are thumbing their noses at that. They will not pay it; they will not go back to work; and they will not take notice of the court.



On 12 September, in the *Advertiser*, 'Abattoir workers union refuses to pay fine'. On 16 September, in the *Advertiser* editorial: 'One law for them and one law for us'. That is precisely how it is. They are absolutely divorced from the community. Socially, industrially and politically their actions are being condoned by the Labor Party. It is an absolute disgrace and the Premier of this State, in answering my question a month ago, gave me an undertaking—indeed, gave the people in the meat industry an undertaking—

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

**Mr MEIER (Goyder):** I refer first of all back to the Leader of the Opposition's comments on this tax debate and say that he made salient point after salient point. It was an absolutely pitiful exhibition this afternoon to see the Premier of this State get up and try to hide reality. He tried to attack the Auditor-General—and I could not believe it as I was listening to it. The one thing I would like to take up that has not been mentioned in the Premier's rebuttal was the fact that he said that the Liberal Cabinet back in 1982 apparently was facing tax increases.

Good grief! What has that to do with the budget, because the Liberals at no stage said that there would not be any increases in taxes or charges. However, the then Opposition—the now Government—said quite unequivocally, 'Look, you have two choices: you have the Liberals who may put up taxes and charges, or you have us who will not do so for three years.'

Members opposite went straight away and falsified the figures completely. They put up taxes and charges—the biggest hike in our history. That is damnable. I know that the people of this State will take the Government to task. We will not see too many of the old familiar faces on that side of the House after the next election, thank goodness.

**Mr Groom:** What taxes are you going to put up?

**Mr MEIER:** The member for Hartley interjects and says, 'What taxes are you going to put up?' Members opposite will try anything to get away from the truth. They promised they would not put up any taxes and charges, yet here we hear them chipping in, sounding weaker and weaker as the months go by. The Government is becoming pathetically weak now that we are getting very close to the election.

**Mr Groom:** Tell us how you are going to manage the economy.

**Mr MEIER:** It is a pity that the member for Hartley has not been in the Chamber a little more often, because there have been many positive statements from this side of the House over the past months. It shows that members opposite are not interested in listening. They are suddenly running around talking about law and order and trying to do something about unemployment, because they realise that there are now thousands more on the unemployed list than there were when they came to government, but it is too late.

Let us turn to another matter—a classic example of waste. I refer here to the inspection of Education Department buses, particularly in country areas. In June this year a memo went out to various proprietors who service buses. It began with a few obvious statements such as:

... all buses registered in South Australia are required to undergo a twice yearly safety inspection ... The responsibility for these examinations rests with the Central Inspection Authority—

which we can call the CIA—

... the revised system will allow for a once a year mandatory inspection of buses, random inspections, and will include the maintenance of service and work schedules for all buses. In addition, the responsibility for inspection for all buses will rest entirely with the Central Inspection Authority [the CIA].

*Members interjecting:*

**Mr MEIER:** If members opposite would listen, they would be able to take note of this and save themselves possibly a few million dollars. The memo continued:

The Education Department will continue to employ school bus examiners but in the future they will be inspecting and ordering work on behalf of the Minister of Education and not acting in the dual role on behalf of the Minister of Transport ... In view of these requirements the Education Department has revised the service routine to departmental buses to coincide, where possible, with the inspections.

I cite a classic example of my visiting a school in my electorate several weeks ago and being shown around by a member of the council who took me to the Principal. We were stopped by a bus inspector.

*Members interjecting:*

**Mr MEIER:** He was doing maintenance work on the buses. If members opposite would listen, they would learn something. I said, 'Who was that chap?' He said, 'He is a school bus examiner from the Education Department.' A little later when we were at the school he was called out by a bus inspector. I said, 'What, does the fellow want to see you again?' He said, 'No; this is a different lot of inspectors on the buses. This is the CIA or Central Inspection Authority.'

I said, 'Hang on. You mean the buses are being inspected on the same day by the CIA and Education Department inspectors?' He said, 'That is the new rule; they have to have two lots inspecting them.' I said, 'Hang on. Surely one group of inspectors would be able to do the job all right.' He said, 'That is the irony of the situation. We have two independent groups coming along. They hardly speak with each other. One has the right to take it straight to the Education Department and not tell the proprietor what is wrong: the other has the right to tell the proprietor what is wrong—an absurd situation.' I said to him, 'You must be wrong, because the Government cannot be this mad.' He said, 'I am sorry, but here is the correspondence to go with it.'

So, we have a system in this State where school buses are being checked by two completely independent sets of inspectors. What an absolute waste of money! I just weep for the taxpayers who are being bled to keep two lots of inspectors looking after the buses.

I hope the Government takes note of what the Opposition is saying. The Government believes that Opposition members are knockers, but I suggest that the Government should get rid of one set of inspectors—probably the Education Department inspectors, thus leaving CIA inspectors. Secondly, we have been talking about the budget, and it has grieved me that several business proprietors in my district have said to me recently, 'We have a huge amount, thousands of dollars, not paid on accounts owing by the Government'.

Two separate business proprietors have brought my attention to this matter. One said that \$15 000 at the end of July was waiting for payment and another was owed nearly \$7 000. I asked over what time frame these accounts had been owing. I was told that they had to wait up to 90 days for payment. I asked whether they had contacted the appropriate departments. One proprietor said he had but he was told that small business private enterprises are in group five—the lowest priority. Consequently, if a department does not get around to the account at the end of one month, it goes into the next month. He was told, 'You are group five; you are small business; you can carry on'.

Can they? When the petrol tanker comes in to fill up, the oil companies demand cash on the knocker, yet when the Government is asked to pay up it says, 'We could not care less. We will keep you waiting month after month'. If one can name two businesses in Goyder that were owed about \$25 000, how many other businesses were owed money by

the Government at the end of the financial year? I question whether the books have not been cooked by this Government to fabricate what the true economic picture is.

**Mr Groom:** Are you saying that the Auditor-General—

**Mr MEIER:** I am not saying the Auditor-General—I am saying this Government and this Treasurer are falsifying the position. I guess the only way we can find out would be to approach each business that is owed money by the Government and see just what was owed at the end of the last financial year. It is worrying to me that such huge amounts were owed. Therefore, I suggest to the Government that it should look at its bookkeeping system to see whether or not it can give small business at least a bit of a fair go. It is not giving small business any fair go at present. We have heard so much on the budget, the budget that is showing that this Government is on its last legs. The sooner the election comes the sooner some economic sanity will come back to South Australia.

**Mr BECKER (Hanson):** Much has been said about the state of the economy in South Australia. Some months ago the Premier announced his war on waste: he was going to undertake a tremendous campaign of cutting down the inefficiencies, waste and mismanagement in the public sector. So far we have heard and seen nothing, and we know that little is happening.

Therefore, I draw the attention of members to pages 142-4 of the Auditor-General's Report under the heading 'Dept of Labour' in respect of the job creation scheme. The Commonwealth Government contribution under the wage pause and community employment programs was \$78.4 million; the State Government under its employment program contributed \$8.6 million; and private sponsors contributed \$31 million—a total of \$118 million. That sum has been paid or committed to create employment opportunities and has been used no doubt by many organisations to establish and complete projects within council areas, various Government departments and community organisations.

Nobody would criticise the concept of the scheme, if it created employment and opportunities for those who have not had a chance to gain work experience. However, it is turning out to be a very expensive exercise. I wonder whether in some cases, such as that of the Engineering and Water Supply Department, which had projects costing about \$2 million for various country water supplies, funds were being used by the Government to prop up shortcomings within various departmental budgets, because State departments have been big users of Commonwealth employment schemes; so have some of our statutory authorities.

One thing within my electorate that worries me relates to the West Beach Trust, which built 30 villa units on its land at West Beach at a cost \$1.9 million or \$63 333 each. They were extremely expensive units, if one considers that that price does not include the land cost of some of the most prime real estate in the State.

**Mr Lewis:** It's not for the storemen and packers, is it?

**Mr BECKER:** No, this is for the West Beach Trust. The Auditor-General states:

Thirty fully serviced villas were constructed at a cost of \$1.9 million financed by the Commonwealth job creation scheme (\$934 000) and the balance by the [West Beach] Trust (\$964 000). The Valuer-General was then asked to value these units for the West Beach Trust balance sheet. He came up with a valuation of \$1.2 million. This means that he valued each unit at \$40 000. In effect, each unit cost \$23 333 more than it was worth.

I find that one permanent appointment has been created on the administrative staff of the West Beach Trust and six other jobs were expanded. However, the trust has increased its operations. The chance of any permanent jobs of a

worthwhile nature being created because of this project is slim. There would be many part-time jobs created for cleaners and for people doing laundry, mowing the grass and tending the garden around these villas. It seems a terrible waste of taxpayers' money when a project like this is built and about 30 per cent of the money spent on it is immediately written off because the units do not measure up to their cost.

This has caused the West Beach Trust to suffer an operating loss for the first time of about \$649 000. It had an operating surplus before the extraordinary write-off of the adjustment of valuation of \$14 000, some \$100 000 less than in the previous financial year. We talk so much of the upturn in the economy in South Australia. The area that would show that upturn first is tourism and recreation, yet here we have an organisation that I believe is a yardstick as to what is really happening within the community—the West Beach Trust—and we find that its income from the caravan park this year was \$556 000, a slight increase on the previous year of \$33 000; Patawalonga golf links had an income of \$330 000, an increase of \$45 000; the par 3 golf course was about the same; reserves, fees from lease, rent, hire and other charges increased by \$7 300; fees for attendance at Marineland were \$448 000, some \$63 000 greater than in the previous year; accommodation in the caravan villa was up by \$4 000; and Marineland Park villas, in their first year, brought in \$200 000.

So, there have been reasonable increases in that area, totalling \$2.1 million. Operating expenses were huge. The cost to Marineland of wages, fish food, advertising, interest and depreciation was \$489 000, so there was a loss of \$41 000 on the operation of Marineland. No organisation can continue to sustain losses of that size, and this is the second year that there has been quite a substantial loss on the operation of Marineland. All other facilities within the West Beach Trust show a reasonable profit. It is disappointing to see that a project that was supposed to give an opportunity to those who have not had employment prospects has not measured up to what it is really worth.

The other area in which I have a real grievance is the performance of the Minister of Health. As we move from this debate and go into the Estimates Committees, I make a plea to the Premier, his Government, and his Ministers, particularly the Minister of Health, that, if we are to continue the Estimates Committees as we have come to know them, it is about time the Minister of Health was asked to cooperate with the whole spirit of the operation. The performance of the Minister of Health last year was nothing short of disgraceful. He has held the Parliament in contempt and continues to do so. In so doing he is treating the people with contempt. He thinks he is smart and clever, but he is one of the worst performers in the current Government. He is the best asset the Opposition has and we do not mind that.

I am in possession of a newsletter from the Fleurieu Peninsula Medical Practitioners Association regarding the Noarlunga Health Village, and it states:

The medical drop-in will not open in February 1986 as planned, but in October 1985. This is a directive made by the Minister of Health, contrary to a decision of the board of directors.

We see this great dictator of the health system standing over the board of directors of the Noarlunga Health Village, telling them that, instead of opening the village in February 1986 as planned, it will now be opened in October 1985.

**Mr Lewis:** I wonder why!

**Mr BECKER:** Yes, I wonder why, as the member for Mallee says. The Flinders Medical Staff Society, in minutes of the general meeting of Tuesday 30 July, also recorded:

The board of Noarlunga Health Services (NHS) have advertised with the intention of opening the centre in February 1986. The

recent on-site visit by the Minister of Health, Dr Cornwall, has resulted in an ad-hoc decision to attempt to open the drop-in centre on 1 October 1985. The Health Commission have been instructed to find staff to open the centre on this date, but the NHS board has lodged a major objection and Dean Southgate is to meet with the Minister on 31 July.

I am not aware of the outcome, but that is typical of the attitude of the Minister of Health. If he does not cooperate with the Committee and the Opposition in answering questions, we will have to take action that the Government might regret, namely, to recommend that the Estimates Committees be abolished. No idiot, be it the Minister of Health or whoever, will upset the workings of the Parliament in its obtaining information on what is happening in these areas. If he wants to carry on like that we will accommodate him nicely, but it will be on his head and his hands if he does not practise or believe in open government.

**The Hon. D.C. WOTTON (Murray):** Tonight I refer to a few matters concerning my electorate. If I have time I will get back to a couple more matters to which I was referring in relation to correctional services. Before doing that, let me say that I am absolutely disgusted with the performance of the Minister of Education. I have discussed this issue with him personally, and will do so at a later stage if he finds the time to talk to me about it.

On 23 May I wrote to the Minister regarding a number of concerns that I had about the Stirling East Primary School. It is a very long saga, and it is not my intention to take the House through all of the proceedings. Let me say, however, that under the previous Liberal Government approval was given for an activity hall to be built at that school and for the redevelopment of another part of the school to commence.

If one takes into account climatic conditions, if ever a school needed proper facilities to bring children out of the weather and provide an appropriate activity hall, it would have to be the Stirling East Primary School. The facilities at the school are atrocious. Requests for action have continued, bearing in mind that the previous Minister of Education (Hon. Harold Allison) gave approval for the redevelopment to take place. I wrote to the Minister on 23 May following a series of letters written by the school council and parents from the school. To this date I have not received a reply from the Minister.

No consideration has been given to the requests made in my letter to the Minister. In fact, some seven weeks ago I placed a question on notice asking the Minister when he was likely to reply to that letter, whether there was any specific reason for the delay and, if so, what was the reason. That question has not been answered. It is sitting on the Notice Paper and it is obvious that the Minister intends ignoring the requests from that district for assistance in the matter, just as he is ignoring the requests made by the school council and representatives of the parents' group to meet with the Minister and discuss the matter.

I have previously indicated that it has not been often during my 10 years in this House that deputations have been refused by Ministers. The number of times deputations have been refused by Ministers in this Government I could not count on one hand. That is an indication of the performance of the majority of Ministers in the present Bannan Government. The Minister of Education refused to accept a deputation from these people and gave some feeble excuse why it was not possible or convenient for him to meet with them. We have had this continual fobbing off in relation to any action on the part of the Government with regard to this matter.

I can only suggest that for political reasons—because I do not know of any others—the Minister is not game to give any response prior to the election. We all recognise

that an election is around the corner and, whether or not he has made some commitment to the ALP candidate, I am not sure. The Minister is obviously determined not to make any reference to this matter. He is not prepared, for political reasons, to either approve the project or say that it will not proceed. I believe that that is disgusting on the part of the Minister and suggest that he recognise it as part of his responsibility to at least answer the correspondence and hear what the people associated with the school have to say.

The other matter I refer to is a matter I have brought to the attention of the House and the Minister responsible on a number of occasions, that is, the European wasp. I do not believe that members of the Government recognise the seriousness of the European wasp problem in South Australia. I have now had an opportunity to talk to officers of the Department of Agriculture and the Health Department: they have expressed grave concern about what is likely to happen if the Government does not take further action to eradicate this pest. Recently in my local newspaper we learnt that the Government was going to monitor biological tests. The Hon. Barbara Wiese, the Minister of Local Government, indicated that \$30 000 was to be allocated for the first year of the program to assist local government to cover the cost of treating nests in its areas.

I have never heard of anything so piffling in all my life. I have no idea what use an amount of \$30 000 will be in relation to a problem like this. I have discussed this matter with the Stirling council, which is the council most concerned about the European wasp, as more nests have been found in that area than in any other area in the Hills or, I would suggest, in the State. The Stirling council has been given an absolute pittance to look after the problem in its area. We have been told that the Government intends to accept responsibility over a three-year period, but we have no idea whether the amount allocated in future years will be increased above the \$30 000 that has been allocated this year. However, at the end of the three-year period it will be up to individual landowners to take care of wasp nests and the spread of the European wasp and, as well, any damage that may be caused to people.

When I last raised this matter in the House I said that I hoped that the Government would do something about the European wasp before there were any further deaths. I subsequently read in the ALP paper, the *Herald*, a week or so after I had made that statement, that I had been castigated for my comments. I believe that my comments were appropriate, as people in other countries have died as a result of stings from the European wasp; and there are cases of people being hospitalised for a period of time as a result of being stung by the European wasp.

It is quite obvious that the Government is prepared to sit back and do absolutely nothing, other than perhaps give some lip-service to this matter. The Government has ignored the advice that has been provided to it by Government officers, by people who are working with the councils involved and by local people, who are all attempting to overcome this problem. If the Government does nothing about the matter, the consequences will rest fairly and squarely with the Government. I hope that the Government will recognise the seriousness of the matter.

Finally, I refer to a lack of action by the Highways Department in relation to three areas within the Stirling council. First, I refer to the main street of Stirling, which is an absolute disaster. Meetings have been held on an ongoing basis between the council and the Highways Department in regard to the necessity of treating this as a matter of urgency. Other problems are associated with monument corner at Crafers, and the intersection of the Aldgate main road, the Bridgewater road and the Strathalbyn road, in the Aldgate

area. These three matters need urgent attention by the Highways Department. I urge the Government to ensure that these matters are given the highest priority and the attention that they deserve.

Motion carried.

**The Hon. D.J. HOPGOOD (Deputy Premier):** I move:

That the proposed expenditures for the departments and services contained in the Appropriation Bill be referred to Estimates Committees A and B for examination and report, by Tuesday 8 October, in accordance with the timetable as follows:

#### Estimates Committee A

*Tuesday 24 September, at 11 a.m.*

Premier, Treasurer, Minister of State Development, Minister for the Arts, The Legislature

Legislative Council  
House of Assembly  
Parliamentary Public  
Accounts Committee  
Parliamentary Library  
Joint House Committee  
Parliamentary Standing  
Committee on Public  
Works  
Legislature, Miscellaneous  
State Governor's  
Establishment  
Premier and Cabinet

\*Department of the Premier  
and Cabinet  
Public Service Board  
Premier, Miscellaneous  
Treasury, Miscellaneous  
\*Treasury Department  
State Development  
Minister of State  
Development,  
Miscellaneous  
Arts  
\*Department for the Arts

*Wednesday 25 September, at 11 a.m.*

Minister of Education, Minister for Technology, Minister of Employment, Minister of Children's Services

Education  
\*Education Department  
Technical and Further  
Education  
\*Department of Technical and  
Further Education  
\*South Australian Teacher  
Housing Authority  
\*South Australian College of  
Advanced Education  
Office of the Ministry of  
Technology

Minister of Education,  
Minister for Technology,  
Minister of Employment  
and Minister Assisting the  
Minister of State  
Development,  
Miscellaneous  
Children's Services Office  
\*Children's Services Office

*Thursday 26 September, at 11 a.m.*

Minister of Community Welfare, Minister of Aboriginal Affairs  
Community Welfare

*Tuesday 1 October, at 11 a.m.*

Minister of Tourism, Minister of Local Government, Minister of Youth Affairs

Tourism  
\*Department of Tourism  
Local Government  
\*Department of Local  
Government

*Wednesday 2 October, at 11 a.m.*

Minister of Water Resources, Minister of Recreation and Sport

Engineering and Water Supply  
\*Engineering and Water  
Supply Department  
\*South Eastern Drainage  
Board

Minister of Water Resources,  
Miscellaneous  
Recreation and Sport  
\*Department of Recreation  
and Sport

*Thursday 3 October, at 11 a.m.*

Minister of Lands, Minister of Marine, Minister of Forests, Minister of Repatriation

Lands  
\*Department of Lands  
\*Woods and Forests  
Department  
Minister of Lands, Minister  
of Forests and Minister of  
Repatriation, Miscellaneous

Marine and Harbors  
\*Department of Marine and  
Harbors  
Minister of Marine,  
Miscellaneous

*Friday 4 October, at 9.30 a.m.*

Minister of Transport

Transport  
\*Department of Transport  
\*State Transport Authority  
Highways  
\*Highways Department

Services and Supply  
\*Department of Services and  
Supply  
Minister of Transport,  
Miscellaneous

#### Estimates Committee B

*Tuesday 24 September, at 11 a.m.*

Deputy Premier, Minister for Environment and Planning, Chief Secretary, Minister of Emergency Services

Environment and Planning  
\*Department of Environment  
and Planning  
Deputy Premier and Minister  
for Environment and  
Planning, Miscellaneous

Auditor-General's  
Police  
\*Police Department  
Minister of Emergency  
Services, Miscellaneous

*Wednesday 25 September, at 11 a.m.*

Attorney-General, Minister of Consumer Affairs, Minister of Corporate Affairs, Minister of Ethnic Affairs

Electoral  
Attorney-General's  
Courts  
\*Attorney-General's  
Department

Attorney-General,  
Miscellaneous  
Public and Consumer Affairs  
Corporate Affairs  
Commission

*Thursday 26 September, at 11 a.m.*

Minister of Labour, Minister of Agriculture, Minister of Fisheries, Minister of Correctional Services

Labour  
\*Department of Labour  
Agriculture  
\*Department of Agriculture  
Minister of Agriculture,  
Miscellaneous  
Fisheries  
\*Department of Fisheries

Minister of Fisheries,  
Miscellaneous  
Correctional Services  
Minister of Correctional  
Services, Miscellaneous

*Tuesday 1 October, at 11 a.m.*

Minister of Mines and Energy

Mines and Energy  
\*Department of Mines and  
Energy

*Wednesday 2 October, at 11 a.m.*

Minister of Health

Minister of Health,  
Miscellaneous  
\*South Australian Health  
Commission

*Thursday 3 October, at 11 a.m.*

Minister of Housing and Construction, Minister of Public Works

Housing and Construction  
\*Department of Housing and  
Construction  
Minister of Housing and  
Construction, Minister of  
Public Works,  
Miscellaneous

I commend the motion to the House.

**Mr BECKER (Hanson):** I raise a point of order. Is it appropriate to ask the Deputy Premier a question at this stage? Can I ask a question or seek information?

**The SPEAKER:** If it is a matter of debate I will have to ask the honourable member to put his point by way of debate.

**Mr BECKER:** I do not think that anybody has any objection to the motion, except that I would like to know what instructions are given by the Premier to his Ministers to cooperate with the members of the Committees. The estimates debate has been established with the idea of providing

a greater wealth of knowledge and information to the Parliament and to the people, the taxpayers of South Australia.

*An honourable member interjecting:*

**Mr BECKER:** It is not to be a political grandstanding exercise at all, and it should not have been. The whole idea is that we all believe and contribute to the principle of open government. In the area of health, which is one of the most complex areas of concern to every person in the State, the Opposition has tried on the last two occasions to obtain information by way of questioning the Minister of Health, on occasions only to be met with abuse, insults and long drawn out answers that in many cases are totally irrelevant to the question. In other words, one gets the impression that the Minister of Health tends to treat the Committee with contempt.

If that is the attitude of the Government, it means that the Government is treating the Parliament with contempt: it is treating the taxpayers of this State with contempt. If I am to be a member of the health Committee and if I am to seek information from the Minister, who brings in probably one of the biggest teams of advisers to assist him, I expect that the rights of every politician will be preserved and that the information be given freely: short questions should be asked and short, direct answers given. The time has come when, if a Minister of the Crown treats the Committee with contempt and if he is insulting and continually abusive, something has to be done about it. I want to know what the Government proposes to do, because this could mean the end of the Estimates Committees as such and we may as well forget the whole issue.

It is totally wrong that one Minister of the Government should reflect on the 12 other Ministers of the Government, whom I have found to be cooperative. Each Minister in turn, with the officers, has been exceptionally helpful during the Estimates Committees. On many occasions most of the Ministers have gone to tremendous lengths to make sure that the Committee is provided with the most up-to-date information that can be given. I find that there is no holding back whatsoever except for one Minister, who is holding the whole of the principles of parliamentary democracy at risk. Therefore, I ask and I plead with the Government that on this occasion we get some cooperation and a better deal from that Minister.

**The Hon. D.J. HOPGOOD (Deputy Premier):** Ministers will treat questions on their merits. Where private members choose to treat the Estimates Committee as a bear pit, I have no doubt that the Ministers, as practising politicians, will reply in kind. By the same token, where a Minister chooses to stir things up he can expect that he will be similarly treated. I need not go any further than that. I commend the motion to the House.

Motion carried.

**The Hon. D.J. HOPGOOD:** I move:

That Estimates Committee A be appointed, consisting of the Hon. B.C. Eastick, Messrs Ferguson and Ingerson, Ms Lenehan, Messrs Olsen and Trainer, and the Chairman of Committees (Mr M.J. Brown).

Motion carried.

**The Hon. D.J. HOPGOOD:** I move:

That Estimates Committee B be appointed, consisting of Messrs Baker, Gregory, Groom, Gunn, Plunkett, Whitten, and the Hon. D.C. Wotton.

Motion carried.

## ASSOCIATIONS INCORPORATION ACT AMENDMENT BILL

Received from the Legislative Council and read a first time.

**The Hon. G.J. CRAFTER (Minister of Community Welfare):** I move:

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

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

Leave granted.

### Explanation of Bill

The principal Act passed earlier this year regulates some 7 000 incorporated associations on the register at the Corporate Affairs Commission. In conformity with Government policy to have effective legislation in this area, regulations were prepared as a matter of priority and the Act was brought into force on 28 June 1985.

The Act provides for the lodgment with the Corporate Affairs Commission of annual and triennial returns by incorporated associations. The intent of these provisions is that they should first apply to associations which balance on 30 June, in the financial year ending on 30 June 1986. This provision was seen as giving incorporated associations adequate lead time to become familiar with the new requirements and to arrange their affairs accordingly. It has been put to the Corporate Affairs Commission that the provision relating to triennial returns could be interpreted as requiring the first of such returns to be lodged by 1 September 1985. The purpose of one of the amendments proposed in this Bill is to put beyond doubt that the first of such returns is not required until at the earliest 1 September 1986.

This opportunity is being taken to propose another three minor amendments, which correct minor inconsistencies and make for greater clarity in the principal Act. All four amendments are of an administrative nature. They do not have the effect of imposing any additional obligations, or expense of any kind, on incorporated associations. 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 provides that the measure shall be deemed to have come into operation on 28 June 1985, the date of the commencement of the principal Act. Clause 3 alters the definition of 'special resolution' to cater for the situation where the rules of an association do not provide for its membership.

Clause 4 proposes an amendment to section 24 of the principal Act to provide that an alteration to the name of an association does not come into operation until it is registered by the commission (other alterations will generally come into effect upon their passing). The amendment accords with the powers of the commission under subsection (5) in relation to names.

Clause 5 substitutes 'Commission' for 'Treasurer' in section 46 (3). This subsection allows for commission to be charged by the Commission when it is exercising its powers under the section in relation to the disposal of outstanding property. It is proposed that the commission initially be credited to the Commission instead of the Treasurer.

Clause 6 amends section 51 (6) to ensure that the first return period of an association that was incorporated under the repealed Act is determined from 1 July 1985 (the Act having come into operation on 28 June 1985).

**The Hon. H. ALLISON** secured the adjournment of the debate.

**ANZ EXECUTORS & TRUSTEE COMPANY (SOUTH AUSTRALIA) LIMITED ACT AMENDMENT BILL**

Received from the Legislative Council and read a first time.

**The Hon. G.J. CRAFTER (Minister of Community Welfare):** I move:

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

In May 1985, Parliament passed an Act permitting ANZ Executors & Trustee Company (South Australia) Limited to operate as a corporate trustee and executor in South Australia. This Bill is intended to rectify a minor procedural difficulty with the new Act. It appears that the company does not have authority under the Act to apply for letters of administration of the estate of a deceased person (where the deceased person dies wholly intestate) on behalf of a person who is entitled by law to apply. The company's solicitors have been consulted and are satisfied that this amendment resolves the problem. 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 makes an amendment to section 5 of the principal Act. A new subsection is substituted for existing subsection (2). Under the new subsection, the company may—

- (a) apply for and obtain, in the same circumstances as a natural person could, probate of a will or letters of administration of an estate; or
- (b) with the approval of the court and the consent of a person entitled to probate or administration in respect of an estate, apply for and obtain probate of a will or letters of administration, as the case requires.

**The Hon. H. ALLISON** secured the adjournment of the debate.

**SOUTH AUSTRALIAN HERITAGE ACT  
AMENDMENT BILL (No. 2)**

Returned from the Legislative Council with an amendment.

**FRUIT AND PLANT PROTECTION ACT  
AMENDMENT BILL**

Received from the Legislative Council and read a first time.

**ADJOURNMENT**

At 11.22 p.m. the House adjourned until Wednesday 18 September at 2 p.m.



## HOUSE OF ASSEMBLY

Tuesday 17 1985

## QUESTIONS ON NOTICE

## LEIGH CREEK LAND

30. **Mr BECKER** (on notice) asked the Minister of Mines and Energy:

1. Are there any vacant blocks of land for sale to the public in the Electricity Trust of South Australia's town of Leigh Creek South and, if so, how many and at what price and, if not, why not?

2. Is Leigh Creek South a 'closed' town and, if so, why?

**The Hon. R.G. PAYNE:** I refer the honourable member to the answers contained in my letter to him of 12 June 1985.

## TORRENS ISLAND POWER PLANT

31. **Mr BECKER** (on notice) asked the Minister of Mines and Energy:

1. What was the total cost of damage caused by fire at the Torrens Island power plant?

2. When will all the damage be repaired?

3. Was fire proof cable used from the power station to transmission lines and, if not, why not?

**The Hon. R.G. PAYNE:** I refer the honourable member to the answers contained in my letter to him of 12 June 1985.

## CONSTITUTIONAL MUSEUM

33. **Mr BECKER** (on notice) asked the Minister of Housing and Construction:

1. What were the results of soil tests at the Constitutional Museum?

2. What recommendations have been made to prevent cracking of the building and what is the estimated cost?

3. How much has been spent on preventive and soil investigation to date?

**The Hon. T. H. HEMMINGS:** The replies are as follows:

1. Bore holes have been drilled both inside and outside the building annexe. The soil profile is typical for North Terrace. The near surface soils are fill; topsoil, and a lime rich soil down to 1½ metres. Below 1½ metres there is a very 'reactive' clay (generally called the 'Keswick clay') which is found under practically the whole Adelaide City South.

Laboratory tests showed the lime rich soil and the top of the clay to be very dry outside the building and under the edge of the building annexe. Tree roots from the planted area were found in the topsoil and clay. They have begun penetrating under the building annexe and are considered to have contributed materially to the building annexe settlement by drying the clay. The existing garden irrigation cannot supply enough water to the soil to prevent the clay drying out because of the lie of the land—the water tends to run off too quickly.

2. It is proposed to replace the existing trees to the west of the Constitutional Museum with shallow-rooted shrubs, and to change the irrigation system to trickle irrigation. The aim is to give the desired visual break and shading but to prevent, at the same time, either further drying or wetting of the clay. The Keswick clay is among the more active clays, and hence to prevent further cracking to the building

the soil moisture content must be stabilised. The cost of the required preventive and repair work is currently being determined and an estimate will be available during October.

3. The current expenditure to date on preventive work, soil investigation and repair work is \$2 758.

## PROTECTED FLORA

82. **The Hon. D.C. WOTTON** (on notice) asked the Minister for Environment and Planning:

1. When was the list of protected species of South Australia flora last updated?

2. Is there a need for this list to be updated and, if so, what is being done to ensure that this happens as a matter of urgency?

**The Hon. D.J. HOPGOOD:** The replies are as follows:

1. The list has not been updated since the National Parks and Wildlife Act was introduced in 1972.

2. Yes. The matter is currently under review as part of the amendments to the National Parks and Wildlife Act to be introduced in the near future.

116. **The Hon. D.C. WOTTON** (on notice) asked the Minister for Environment and Planning:

1. What importance does the Heritage Branch of the Department for Environment and Planning place on Barton Vale, Enfield?

2. Is it intended to provide any Government assistance to enable the building to be preserved and, if so, what form will this assistance take?

3. Has financial assistance been provided to any groups given permission to use Barton Vale and, if so, to which groups, how much money has been provided and for what purpose?

**The Hon. D.J. HOPGOOD:** The replies are as follows:

1. Barton Vale House was entered on the register of State heritage items in recognition of its heritage significance to the State. A consequence of this listing is that the Department of Environment and Planning has a responsibility regarding any future development, including restoration.

2. The Government is currently discussing this with interested groups.

3. No money has been provided to date. Any financial assistance proposals emanating from the discussions mentioned in 2, will be considered by the Government.

## HORSE RIDING

150. **Mr S.G. EVANS** (on notice) asked the Minister for Environment and Planning:

1. Has the Minister studied the Belair Recreation Park Draft Management Plan of 1983 and its supplement of June 1985 and, if so, will he give a guarantee that provisions for recreational horseriding will not be reduced from that planned in the 1983 report?

2. Is the Minister aware of the popularity of horse riding as a healthy family recreation, and is it given similar consideration to other forms of recreation by the Minister and his departments?

**The Hon. D.J. HOPGOOD:** The replies are as follows:

1. Yes. However, I cannot give any guarantee at this time that the 1983 proposals for horseriding, as detailed in the original draft management plan, will be retained. The release of the draft management plan for Belair in 1983 provoked considerable response from the public. Much of this com-

ment related to horseriding as a recreational activity in the park, with strong representations being made both in opposition and in favour of its continued existence in the park.

A re-evaluation of the role of horseriding in this park has since been undertaken by the National Parks and Wildlife Service. The results of this re-evaluation, which now appear in the June 1985 supplement to the plan, indicate that some rationalisation of this activity is appropriate, in order to safeguard both the environment and the interests of other park users.

2. Yes.

### TEACHERS AND STUDENTS

158. Mr GUNN (on notice) asked the Minister of Education:

1. How many students are there attending government primary and secondary schools, respectively, this year and how many attended last year?

2. How many teachers does the Education Department currently employ?

**The Hon. LYNN ARNOLD:** The replies are as follows:

1. The number of students enrolled in government schools in South Australia as at February 1984 and February 1985 is as follows:

	1984	1985
Primary .....	117 835	113 628
Secondary .....	83 008	82 401
Total .....	200 843	196 029

Students in special schools and special classes are included in the above figures.

2. There were 15 108 teachers employed at 30 June 1985.

### CHILDREN'S SERVICES OFFICE

159. Mr GUNN (on notice) asked the Minister of Education:

1. Is the Children's Services Office fully functional?

2. Has the Office considered the need to build a new preschool at Leigh Creek?

**The Hon. LYNN ARNOLD:** The replies are as follows:

1. The Children's Services Office was established on 1 July 1985. The appointment of the executive team of the Children's Services Office—Director, three Assistant Directors and six Regional Managers—was finalised in late June 1985. Regional offices staffing complement is still being finalised. The northern country regional office at Port Augusta, and northern metropolitan regional office at Salisbury are operating in their permanent locations. Premises for southern country region, and western metropolitan region will be available shortly. The southern metropolitan office will continue to operate at Morphet Vale pending its relocation to new premises in May-June 1986. Selection and placement of regional advisers and regional special services staff will be completed soon.

In the Children's Services Office Central Office, the three Directorates—Services, Resources, and Planning and Development—are now almost fully staffed, and the general administrative, personnel and accounting units are continuing to service all Children's Services Office centres and their staff. Responses in relation to detailed arrangements for the consultative structure to be set up under the Children's Services Act are being assessed before setting up the permanent central and regional consultative groups. In the meantime, the Director of the Children's Services Office is forming an interim consultative group to advise him on

current issues and priorities and assist in liaison with the various children's services.

2. The Children's Services Office accepts that there is an urgent need for additional preschool places at Leigh Creek. However, decisions on capital works projects for 1985-86 have yet to be resolved. There are a number of carry over capital expenditure commitments from 1984-85 and priorities for new works are being carefully considered in light of available funds. The Children's Services Office has maintained close contact with the local Leigh Creek consultative group to ensure that the Leigh Creek community is kept fully informed.

### SOUTH AUSTRALIAN UNEMPLOYED GROUPS IN ACTION INC.

174. Mr S.G. EVANS (on notice) asked the Deputy Premier, representing the Minister of Labour: Will the Government make a grant available to the South Australian Unemployed Groups in Action Inc. to assist in carrying out its role and, if not, why not?

**The Hon. D.J. HOPGOOD:** The question of making a grant available to the South Australian Unemployed Groups in Action Inc. is currently being considered by the Government.

### YATALA LABOUR PRISON

182. The Hon. D.C. WOTTON (on notice) asked the Minister of Transport: What is the anticipated cost of works currently being carried out at the Yatala Labour Prison and what was the cost of those completed in the past two years?

**The Hon. G.F. KENEALLY:** The anticipated cost of works currently being carried out at Yatala Labour Prison is \$11 648 000. The cost of works completed in the past two years is \$1 744 214.

### RECREATION AND SPORT BUILDING

184. Mr GUNN (on notice) asked the Minister of Recreation and Sport:

1. Does the Department of Recreation and Sport own the building in King William Street which it occupies?

2. Was the Department responsible for the upgrading and modernising of the building and, if so, what was the cost?

**The Hon. J.W. SLATER:** The replies are as follows:

1. No. The Government leases it for use as the Recreation and Sport Administration Centre.

2. Yes. Approx. \$160 000.

### QUEEN ELIZABETH

205. Mr BECKER (on notice) asked the Premier: Has Her Majesty Queen Elizabeth II been invited to officially open a session of Parliament during her visit to South Australia for sesquicentenary celebrations in March 1986 and, if not, why not?

**The Hon. J.C. BANNON:** At this stage the Queen has not been asked to officially undertake any particular functions in March 1986 as the draft program is still being revised. I am unable as yet to forecast whether Parliament will be opening during the Queen's visit in 1986.