

## HOUSE OF ASSEMBLY

Tuesday, 8 September 1987

The **SPEAKER (Hon. J.P. Trainer)** took the Chair at 2 p.m. and read prayers.

### PETITION: GOODWOOD HIGH SCHOOL

A petition signed by 14 residents of South Australia praying that the House urge the Government to reject any proposal to close Goodwood High School was presented by Mr Crafter.

Petition received.

### PETITION: ARMED HOLD-UPS

A petition signed by 21 676 residents of South Australia praying that the House urge the Government to increase penalties for armed hold-ups and similar violent offences was presented by Mr Crafter.

Petition received.

### PETITION: CHILDREN'S EVIDENCE

A petition signed by 2 333 residents of South Australia praying that the House urge the Government to allow evidence from children, regardless of age, by video tape in a court of law was presented by Mr Blevins.

Petition received.

### PETITION: MILK PRICES

A petition signed by 61 232 residents of South Australia praying that the House urge the Government to continue the fixed pricing arrangement for the sale of milk in the metropolitan area was presented by Mr Olsen.

Petition received.

### PETITION: TRANMERE MOTOR REGISTRATION OFFICE

A petition signed by 150 residents of South Australia praying that the House urge the Minister of Transport to reject any proposal to close the Motor Registration Division office at Tranmere was presented by Ms Cashmore.

Petition received.

### PETITION: NURIOOTPA MOTOR REGISTRATION OFFICE

A petition signed by 49 residents of South Australia praying that the House urge the Minister of Transport to reject any proposal to close the Motor Registration Division office at Nuriootpa was presented by Dr Eastick.

Petition received.

### PETITION: MAGILL CAE SWIMMING POOL

A petition signed by 113 residents of South Australia praying that the House urge the Government to ensure that

the South Australian College of Advanced Education Magill site swimming pool remain open was presented by Mr Klunder.

Petition received.

### PETITION: PAYROLL TAX

A petition signed by 1 889 residents of South Australia praying that the House reject any measures to abolish the rebate on payroll tax in country areas 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 2, 4, 6, 8, 9, 11 to 14, 21, 23, 24, 28, 29, 31, 32, 35, 36, 40 to 42, 45, 49, 65, 80, 103, 115, 117, 136 to 139, 142, 146, 148, 149, 152, 154, 157, 163, 164, 167, 168, 172, 175, 176, 178, 180, 184, 190, 191, 193 to 195, 203, 204, and 206; and I direct that the following answers to questions without notice be distributed and printed in *Hansard*.

### PORT ADELAIDE REDEVELOPMENT SCHEME

In reply to **Mr S.J. BAKER** (18 August).

The **Hon. J.C. BANNON**: I refer the member to my letter to him, dated 20 August 1987.

### TROUBRIDGE

In reply to **Hon. TED CHAPMAN** (27 August).

The **Hon. J.C. BANNON**: The replies are as follows:

1. Construction to the Ro Ro ferry *Island Seaway* is substantially completed with the vessel currently going through its commissioning trials.

2. Costs fell within the sum set aside in the 1985-86-1986-87 capital budgets with the range of \$16 to \$17 million.

3. Arrangements were entered into on the 28 June, 1985, for the Minister of Marine to construct the *Troubridge* replacement vessel and supply her to a private owner.

The purchaser of the vessel is a company called Pomace Limited which is a nominee company and agent for National Australia Bank Limited and National Australia Savings Bank Limited.

The two National Bank Companies will have a 100 per cent interest in the vessel.

Pomace Limited as owner of the vessel will lease it to another company to be owned by the operators—the Howard Smith Group.

4. and 5. The Government is committed to maintaining an adequate vehicular ferry service to Kangaroo Island and anticipates that considerable subsidy will be required for that purpose.

When the Minister for Transport released the 'Report on the Operations of the M.V. *Troubridge* and Future Sea Services to Kangaroo Island' in 1984 he indicated that:

- a new pricing policy would be implemented when the new ship came into operation;
- the Government intended to move towards the recovery of operating costs; and

- the service would be substantially subsidised by the provision and servicing of the capital necessary for the replacement and associated harbour facilities.

Since March 1985 the rates have been increased six monthly by the C.P.I.

In June 1987 the Minister of Transport announced the rates to apply to the operation of the *Island Seaway*. They are:

Vehicle Rates—Standard rates based on rate for Cargo space occupied.

'Vehicles' include passenger cars and derivatives, caravans, trailers, boats, etc. for private use and passenger buses. Cargo carrying vehicles are excluded from these rates.

	Current Rates \$	Proposed Rates as from \$
Adelaide-Kingscote, and Kingscote-Port Lincoln		
Cars and Derivatives	63.40	70.00
Caravans, boats, trailers up to 12 ft (small)	42.70	47.00
Over 12 ft (medium)	61.30	68.00
Passenger buses (e.g. 36 or 42 seats)	150.10	166.00
Adelaide-Port Lincoln		
Cars and Derivatives	83.00	126.00
Caravans, boats, trailers up to 12 ft (small)	55.00	90.00
Over 12 ft (medium)	84.40	126.00
Concessions of free travel with vehicle to continue for truck drivers and Kangaroo Island resident car drivers.		

#### ISLAND SEAWAY RATES—SINGLE VOYAGE

##### Cargo Rates (per linear foot)

	Current Rates \$	Rates as from Commencement of Service \$
Adelaide-Kingscote all cargo	5.80	6.40
Kingscote-Port Lincoln all cargo	5.80	6.40
Adelaide-Port Lincoln all cargo	8.10	12.00
Adelaide-Kingscote and Kingscote-Port Lincoln		
Adults	25.50	25.50
Children and Pensioners	12.70	12.70
Students	19.70	19.70
Adelaide-Port Lincoln		
Adults	36.80	36.80
Children and Pensioners	18.50	18.50

Concessions applying to passengers are:		
Pensioners and Children	50% reduction on full adult fare all year round	
Students	25% reduction on full adult fare all year round	
K.I. Residents	15% reduction on full adult fare only, excluding peak periods	
Group bookings (20 or more)	20% reduction on full adult fare only, excluding peak periods	
School parties	\$5.30 per person (Adelaide-Kingscote and Kingscote-Port Lincoln)	

Peak periods are deemed as the months of December, January and February, Easter and the school holidays.

#### AUDITOR-GENERAL'S REPORT

The **SPEAKER** laid on the table the Auditor-General's Report for the financial year ended 30 June 1987.

Ordered that report by printed.

#### PAPERS TABLED

The following papers were laid on the table:

By the Treasurer (Hon. J.C. Bannon)—

Pay-roll Tax Act 1971—Regulations—  
Appeal Tribunal Decisions.  
Employer deductions.

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

Environmental Protection Council—Report, 1985-86.  
Native Vegetation Authority—Report, 1985-86.  
National Parks and Wildlife Act 1972—Regulations—  
Guided Tour Fees.

By the Minister of Marine (Hon. R.K. Abbott)—

Harbors Act 1936 and Marine Act 1936—Regulations—  
Survey Fees.

Harbors Act 1936—Regulations—

Tonnage and Fees.

North-Arm Fishing Haven—Mooring Fees.

Robe Boat Haven—Mooring Fees.

Port MacDonnell Boat Haven—Mooring Fees.

Port Pirie Boat Haven—Mooring Fees.

Marine Act 1936—Regulations—Survey Fees.

By the Minister of Forests (Hon. R.K. Abbott)—

Proclamation—Hundred of Howe.

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

Health Act 1935—Regulations—Examination of Plans  
and Septic Tank Fees.

Motor Vehicles Act 1959—Regulation—Registration and  
Insurance Exemption.

Road Traffic Act 1961—Regulations—Inspection Fees.

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

Electricity Trust of South Australia—Report, 1986-87.

Pipelines Authority of South Australia—Report, 1986-87.

By the Minister of Education (Hon. G.J. Crafter)—

Supreme Court Act 1935—Supreme Court Rules—  
Admission Rules.

Liquor Licensing Act 1985—Regulations—Liquor Con-  
sumption at Port Pirie.

Trustee Act 1936—Regulations—Australian Mortgage  
Insurance Corporation Ltd.

By the Minister of Public Works (Hon. T.H. Hemmings)—

Parliamentary Standing Committee on Public Works—  
Sixtieth General Report.

By the Minister of Labour (Hon. Frank Blevins)—

Disciplinary Appeals Tribunal—Report, 1986-87.

Promotion and Grievance Appeals Tribunal—Report,  
1986-87.

By the Minister of Agriculture (Hon. M.K. Mayes)—

Stock Diseases Act 1934—Regulations—Cattle Tail Tags.

#### QUESTION TIME

##### ASER PROJECT

**Mr OLSEN:** I address my question to the Premier. What now is the estimated completion cost of the whole ASER project and what is the Government's latest estimate of its maximum financial obligation to the developers for leasing the Convention Centre, car park and associated outdoor areas?

**The Hon. J.C. BANNON:** Let me answer that question in a number of parts. First, in terms of the overall cost of the entire development—that is, the development including those elements that are not part of the Government's financial responsibility—I cannot give the honourable member a figure. I can, however, give him a figure on those areas that he has specifically questioned, as I promised to do on

all occasions when these questions were asked in the House. The Leader of the Opposition may recall that I said that, until we had a final figure and a firm and definite idea of the cost, there was no point in speculating about it.

In July 1985 we were talking about a figure of \$46.3 million. The figure as at July 1987 is around \$72 million and, if one treats that as a final, overall, rolled up cost, it may be as high as \$77 million, depending on lease payments, interest, and so on. The important element, as I have constantly said in this House, is not what those actual costs are but the impact on Government finances.

In other words—and I have found this very hard to get through to the Opposition, although I think other people understand—the bigger the project, the more money that is spent on it, the better it is in terms of jobs and activity in South Australia and, therefore, the better the value of the economic returns. It stands to reason that, for instance—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.C. BANNON:** I will go through it. I will not detain the House unduly, because I have set out these facts time and time again. Let us take the car park. In the original proposal car parking space was being made available for 800 places. To provide for 800 one expends a certain amount of money. In the end we provided for 1 200, for two reasons: first, in light of some concern about the adequacy of parking in the new complex and, secondly, because assessments were made that suggested that if we increased the size of the car parking space, because it was a revenue earning area, the Government exposure would be decreased.

Now, if we can see that 1 200 car spaces cost more than 800, in the Opposition's view that is a cost blow-out. That is nonsense. Of course, it is a cost increase, but if that then adds to the economic return from the facility obviously that increase is justified. I am not saying that every single element of cost increase in relation to the Convention Centre car park areas is justified like that—and I never have—but I have simply said that, in looking at those figures, let us not get obsessed with making crude comparisons and saying that that means that there has been some blow-out in cost and that someone has to pick up the tab.

What it has meant, in relation to the design of the Convention Centre as well, is that there have been certain improvements, improvements that have meant that the commercial viability, the return from the Convention Centre, has also improved. If members opposite do not understand that, heaven knows how they handle their own personal finances, where these decisions often have to be made.

*Members interjecting:*

**The Hon. J.C. BANNON:** Right. In terms of the Government's exposure in relation to the leasing of those facilities, obviously the figure depends on what sort of success we have in leasing the Convention Centre—in other words, in staging conventions. While the Opposition may resent it, I have to advise the House that we have been enormously successful: about \$9 million has been generated in that Convention Centre facility. In fact, the growth of convention business in South Australia—I was told today, and I am verifying these facts in detail—on an international check list is the second largest in the world. That is very interesting. And, with a facility like this, it will be even better. It means that the revenue raising potential, the revenue that we can generate through those things, has increased. When we referred originally to the exposure of the Government, I talked of a figure of about \$1 million. In fact, we are providing \$2.75 million in the budget this year, as the honourable member can see by checking his figures. So, the difference in subsidy or the real so-called blow-out, if that

is the pejorative term that the Leader wants to use, is \$1.5 million. That is quite insignificant against the economic benefits that are coming to South Australia.

*Members interjecting:*

**The SPEAKER:** Order!

## ROYAL SHOW WAGES

**Ms GAYLER:** Will the Minister of Labour take urgent action to ensure that young people working at the Royal Show are not exploited by shady operators and that they are in fact paid for the long hours of work that they do? I have been approached this morning by an angry grandfather who is also a retired policeman. He reported to me that on Friday his 16 year old granddaughter and other students from St Aloysius and other schools worked at a stand selling show bags. After working from 10 a.m. to 6 p.m., the girls were asked to work through until 10 p.m. The stand operator would not tell the granddaughter how much she would be paid and she declined to work further days and was then told to meet the man at the Hamilton Building on Monday after the show finishes to receive her pay. I have been told that the man is going to Queensland on Monday.

Another young woman was told that she would be paid \$5 an hour less tax, but says that the man is not keeping timebooks but rather scraps of paper. I am informed that the same man operates four or five other stands of show paraphernalia and that the suspect operation may be more widespread. I understand that, not content with marketing horror Rambo show bags to young children, this man is exploiting young girls by this shady employment practice. It has been suggested to me that, if the boycott against Rambo type show bags succeeds, the man may decide that he cannot afford to pay his casual employees and shoot through.

**The Hon. FRANK BLEVINS:** I thank the honourable member for her question. I assume that she has the name of the employer but, quite responsibly, she has not disclosed that name publicly at this stage.

*Mr Lewis interjecting:*

**The SPEAKER:** Order!

**The Hon. FRANK BLEVINS:** I will certainly have a Department of Labour inspector visit the Royal Adelaide Show within the hour to interview the employer. I assure the honourable member that, if the proprietor of this stall and proprietors of any other stalls are not paying the appropriate award rates, prosecutions will occur but, first, a Department of Labour inspector will obtain the facts and take whatever action is required to ensure that young people are not exploited by employers, whether they come from or are going to Queensland.

I point out to the honourable member and to the House that it is not unusual for this type of practice to occur. However, a complaint must be forthcoming when these people are still within this State: it is very difficult to chase people interstate for breaches of a State award. It is an annual show and quite often, as has happened in the past, a complaint comes to us too late and by the time the individual returns to Adelaide in the following year the matter of non-payment of wages, failure to keep timebooks or any other breach of our law is out of time and cannot be followed up. Certainly, I thank the honourable member for this information; it is very timely indeed. As I have said, I will have an inspector down there within the hour to investigate.

## ASER PROJECT

**Mr S.J. BAKER:** My question is to the Minister of Labour. In view of the likely impact on labour costs throughout the South Australian building industry and on investors looking to put their money into South Australia, will the Minister immediately investigate demands by building unions that workers engaged on the office block in the ASER development, first, should be paid incentive money amounting to more than \$700 per employee per floor for the 11 storey building and, secondly, that if this money is not forthcoming the unions will ensure that the office block, already a year behind schedule, will not be completed within a further two years?

**The Hon. FRANK BLEVINS:** I will examine the honourable member's question to see whether this matter should be followed up.

*Mr S.J. Baker interjecting:*

**The Hon. FRANK BLEVINS:** I am not quite sure what the honourable member means by that. If the practice complained about occurs on this site, it appears to me that it could be described as free enterprise at its best. What the honourable member is complaining about apparently is Liberal Party policy, that is, that workers and employers negotiate the appropriate rate for a job between themselves without Government or Arbitration Commission intervention. That is the policy of members opposite. If members opposite are complaining about their own policy, I suggest they look at it and change it. Certainly, I would not condone any practices on that site or any other site if they smack of extortion or standover tactics, and I would condemn such practices out of hand.

I will certainly talk to the builders and to the unions to see whether they feel that the Government can do anything to assist industrial relations on that site. The Government will certainly do anything that is practical. I point out again that we would have seen this type of thing right throughout industry had the Liberal Party won the recent Federal election.

It is something that our side of politics has been complaining about, pointing out to the Liberals and to the people of Australia the dangers inherent in a naive industrial policy. Apparently, even the member for Mitcham has seen the error of the Liberal Party policy, and he is asking a question the sentiment of which is in total conflict with his Party's policy. Certainly, the Government will do whatever it can to keep the industrial relations level in this State as it is at the moment, which again is the lowest in Australia. I urge the Liberals to take note of their own policy and amend it to something much more practical and sensible.

## ADELAIDE'S FUTURE DEVELOPMENT

**Mr ROBERTSON:** Will the Minister for Environment and Planning outline to the House the decisions taken by the Government on the future development options for metropolitan Adelaide? Further, how will those decisions be put into practice, and what role will be played by local government authorities in the implementation of those decisions?

**The Hon. D.J. HOPGOOD:** As all members would know, last year the Government received a report which identified five areas on the fringe of metropolitan Adelaide which may be suitable for urban development beyond the year 2000, when those current areas zoned for urban or potential urban use north and south of Adelaide have been used up at present levels of density. The Government placed a freeze

on development in each of those areas and has spent the last year considering the implications of that report and the way in which we should go.

Basically, the Government's decision is that it does not like any of those options and it believes that it should place the major stress on a further option recommended in the report—that is, the more effective use of the existing urban space or that space that will come into urban use between now and the year 2000. Today we have released a set of documents (and if the shadow Minister has not yet received them she shortly will, as will the Leader of the Opposition) which outline the strategy and the beginning of changes to the regulations and to the planning laws that will enable what I believe will be a very fruitful partnership with local government enabling urban consolidation (as it is sometimes called) or urban redevelopment—the better use of existing urban space—to take place.

The plain fact is that many of the older urban areas around Adelaide are losing and have been losing population for quite some time and that leaves the services that have been provided in those areas underutilised. It also means that in time it is necessary to duplicate those services in the fringe areas at enormous cost to us all. Therefore, we believe that, by the better use of existing urban space, we can not only have a more vital living community but we can save considerable costs in terms of the provision of future infrastructure. Clearly, local government will have a considerable role to play in this matter because for most purposes it is the decision-maker.

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

**The Hon. D.J. HOPGOOD:** I am sure that I will get to this in due time if the Opposition allows me. Where there are propositions for redevelopment of areas, usually they have to go to local government for approval anyway and therefore we will be looking for local government to play a very positive role in this matter and we will be working with it.

As to the five development areas that were identified, the freeze in respect of two of them—Virginia and Mount Barker—will be removed immediately, as soon as the necessary work can be done, although in the case of Virginia it is believed that some tighter controls (tighter than might otherwise have been the case) are required to protect the horticultural activity that occurs there.

The freeze in respect of the three remaining areas will be kept in place, at least for a time, out of an abundance of caution, because nobody can altogether guarantee that the better use of existing urban space policy that we have announced will work to the extent that we believe that it can. We will be doing all we possibly can to ensure the success of the policy. We have about 15 years in which to monitor how that policy is going and, if necessary, start to consider bringing some of those areas into use.

However, I make the point that the freeze (or something like it) is probably necessary in some of these areas to prevent fragmentation so that the existing rural activities which occur there can continue to occur to save those areas from hobby farming and those other sorts of things that might happen. That may require a sort of control different from that which currently obtains, but that is one that we will be working towards in the near future.

## TIMBER COMPANY

**The Hon. E.R. GOLDSWORTHY:** In view of the fact that the Auditor-General in his report just tabled has revealed that he has issued a qualified report with respect to the

accounts of the South Australian Timber Corporation, will the Minister of Forests immediately table all three consultants' reports that the Government has commissioned on the corporation's investment in IPL, New Zealand? Last Wednesday the Minister stated that the Government believed that the performance of this company, in which the corporation has a 70 per cent shareholding, would improve following certain changes made to management and administration. However, in the report today on page ix of the Auditor-General's Report, he reveals his view that the security of the corporation's investment seems to rest on whether detailed budget targets set by IPLH management—the over-riding holding company—are realistic and achievable. The Auditor-General also quotes from these consultants' reports. To enable Parliament to be fully informed and to make a realistic assessment, I ask the Minister to arrange to have these reports tabled immediately.

**The Hon. R.K. ABBOTT:** The reference in the Auditor-General's Report to the chartered accountant's qualifications referred to deals substantially with technical issues including recovery rates, veneer from log input, quality of plywood produced and size of market services. Those are, of course, areas in which we did not seek expert opinion, as corporation staff were able to assess these aspects of the proposal. However, the chartered accountant visited the New Zealand operations and checked the balance sheet information provided by representatives of the New Zealand company which enabled him to prepare the basis upon which the amalgamation ultimately proceeded. Final values and structure of the agreement were settled with the advice and involvement of that chartered accountant.

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

**The Hon. R.K. ABBOTT:** Mr Speaker, I found it necessary to go public last week to refute the extremely misleading information bandied about by the Opposition and also to counter the wild allegations that taxpayer's money had been wasted on the New Zealand IPL operation. When questioned in the House, my information was that matters relating to money were *sub judice* and subsequently I was informed that the two amounts mentioned in my press release did not jeopardise the actions being taken in the Australian court. I make no apology for my action—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. R.K. ABBOTT:** —which was forced upon me by the irresponsible attitude of the Opposition.

*Mr Olsen interjecting:*

**The SPEAKER:** Order!

**Mrs APPLEBY:** I rise on a point of order, Sir—

**The Hon. R.K. ABBOTT:** I am unable—

**The SPEAKER:** Order! The honourable Minister will resume his seat for a moment. The honourable member for Hayward.

**Mrs APPLEBY:** Mr Speaker, I know that you try to control this House, but it is very difficult to hear with the Leader of the Opposition continually speaking across the Chamber.

*Members interjecting:*

**The SPEAKER:** Order! The Leader of the Opposition is being particularly disorderly at the moment, bearing in mind that a point of order has just been brought to my attention that directly impinges upon his conduct in the House. The situation at the moment—

*Mr Olsen interjecting:*

**The SPEAKER:** Order! If the Leader of the Opposition persists in interjecting at the very time the Chair is attempting to bring the House to order, the Chair will view that as highly disorderly and name him forthwith. A member of

this House has directed a question to a member of the Government front bench who is trying to provide the House with information. That information will be the property of all members, and any member unable to hear because of the action of another member is being deprived of the right to hear the reply. The honourable Minister.

**The Hon. R.K. ABBOTT:** Every page in the consultants' report is marked 'Commercial, In Confidence' and, if the Opposition thinks that we are so stupid as to table that report and to feed information to our competitors, it has another think coming.

## AMDEL POLLUTION

**Mr PLUNKETT:** Can the Minister of Mines and Energy say whether the concerns about radioactivity at Amdel's Thebarton plant that are expressed in an article in the August 29 edition of the magazine *New Idea* are justified? The article centres on the concerns of residents living in homes near the plant. The concerns and the people raising them are the same as those that received publicity earlier this year. When the legislation restructuring Amdel passed this House, assurances on safety were given. Up-to-date advice on this matter from the Minister would be appreciated, given that it has again been raised in *New Idea*.

**The Hon. R.G. PAYNE:** I thank the honourable member for his question and also because he drew to my attention the article, which I have been able to read. Essentially, the concern is the same as that raised when Amdel was restructured. In fact, the two names mentioned in the article were familiar to members of the select committee on the legislation: James Gray and John Judd both appeared before the committee and expressed their concerns at that time. Those concerns are understandable but not necessarily valid. In discussing the Thebarton plant and the matter of radioactivity, two issues are to be considered. The first concerns the extent to which radioactive minerals are currently handled at Thebarton. No pilot plant processing of uranium-bearing materials has occurred at Thebarton for several years. Such work has been restricted to small scale testing in a laboratory leased under contract by Roxby Management Services, and this was shown to the select committee at the time.

Even this activity has wound down markedly in recent months and will end completely in November, when the laboratory lease is expected to terminate. From then on, Amdel has given a commitment that no uranium work will be undertaken at Thebarton. That commitment has been required by the Government. However, it should be noted that in any event since April 1983 Amdel has had a licence from the Health Commission to undertake the milling of radioactive ores at Thebarton. Of course, it must meet the requisite standards or it would not be licensed.

The second matter concerning the Thebarton plant involves the use of a pughole on the property for the disposal of various wastes. There is no doubt (and the select committee knew this) that some low level radioactive mineral wastes were disposed of in that pit before 1960, when State Government laboratories used the site and before Amdel was created. No doubt, such disposal methods would not be permitted today; in fact, during Amdel's tenure such wastes have been directed into tanks and, after evaporation, the solids have been removed for safe storage at Radium Hill.

As to the material that went into the pughole before 1960, we know little about it or about the quantities involved. However, we do know that in the early 1980s an observation

well was sunk on the Thebarton property by the Department of Mines and Energy to monitor whether any pollution was entering local water tables from materials in the pughole. The well intercepts aquifers at depths of 14 m, 21 m and 119 m. The first water samples were taken and analysed in April 1981 and similar samples have been taken by my department every six months since then.

At no stage has any analysis of such samples ever disclosed in any of the aquifers a uranium or radon level which exceeds the Commonwealth safe level for drinking water. We all accept that radioactive material is potentially dangerous, but I can tell the House that we had no evidence of any health risk to people inside or outside the Thebarton plant. The Health Commission, as I mentioned earlier, closely monitors all activities at the site, and I am sure that it would not hesitate to act if the necessity arose. The testing of the aquifer is continuing. The last test was carried out in April and, of course, the next test will be in October.

Finally, in relation to some of the concerns, apart from those expressed in the article about whether houses might ultimately be built on the area, I can only remind the honourable member and all members of the House that at the time of the Amdel restructuring the Government retained ownership of the Amdel site at Thebarton, and the property is only leased to Amdel as part of the restructuring. I believe that that will give the necessary reassurance to people, because the Government will decide what will happen to the land at any given time.

#### TIMBER COMPANY

**Mr GUNN:** My question is directed to the Minister of Forests. Following the Minister's announcement last Wednesday that the Government had set, to use his words, 'strict performance targets' for the operations of International Panel and Lumber, will he say what deadline has been specified for the company to begin to make a return on the South Australian Government's investment in the company and, if this deadline is not met, whether it is the Government's intention to withdraw its investment?

**The Hon. R.K. ABBOTT:** No specific deadline is placed on this question. I have demanded regular reports on the performance operation. There will be target performances on production, management, sales, and so on. I have asked for very regular reports and, if the situation does not improve, we will reconsider our investment in this company.

**An honourable member:** When will you do that?

**The Hon. R.K. ABBOTT:** We will do it when it is necessary, but I am confident that this company will be turned around and that it will be a viable, profitable organisation.

#### CHLORINE

**Ms LENEHAN:** Will the Minister of Water Resources, in consultation with the Minister of Health in another place, investigate, first, the status of research reported in the *Sunday Mail* linking chlorine and heart disease and, secondly, whether any research is currently being undertaken on this matter in South Australia? In answering the question, 'What causes heart attacks?' posed in the article, reference is made to the theories put forward as long as 20 years ago by an American doctor, Joseph Price. In a recent interview, Dr Price stated:

The experiments which prove conclusively chlorine is the culprit would cost only a few hundred dollars to perform, but still there is incredible resistance to performing them or at any rate to making the findings public.

The article goes on to state:

The Myponga system serving the southern beach suburbs and the Fleurieu Peninsula recently has been chlorinated and in September the Morgan-Whyalla system will be similarly treated.

I therefore ask the Minister whether there is any doubt about the safety of such chlorinated drinking water and whether there are any practices which could minimise the amount of chlorine ingested by human beings.

**The SPEAKER:** Order! The honourable member for Davonport has a point of order.

**Mr S.G. EVANS:** Mr Speaker, I note that sometimes if members on this side repeat a question it is suggested that we should not do that. My point of order is that the member for Mawson repeated her question at the end of the explanation.

**The SPEAKER:** There is no point of order. I call on the honourable Minister.

**The Hon. D.J. HOPGOOD:** The first thing I should do is to correct an incorrect statement in the *Mail*. The article read as if the Myponga water supply has only just commenced to be chlorinated. Of course, that is not true. Water from the Myponga system has been chlorinated for a long time. What has happened recently—

*Members interjecting:*

**The SPEAKER:** Order! The honourable Deputy Premier.

**The Hon. D.J. HOPGOOD:** The honourable member may or may not be embarrassed by some additional information that I am about to give about the time for which the Adelaide water supply has been chlorinated, in the light of that interjection. I will leave that to him. What has happened is that in recent times chloramination of the water supply has been undertaken, which involves the addition of ammonia as well as chlorine. The ammonia acts as a stabiliser in a swimming pool, that is, it enables the chlorine to be active for a longer period of time than would otherwise be the case.

It does change the colour and the taste of the water, and that has led to some predictable complaints from people in those areas. We also took the opportunity of circularising everyone living in the areas serviced by that reservoir to indicate to them that these changes would take place. In fact, chlorination has been going on in the Myponga supply for a long time, I assume for as long as there has been a Myponga dam because, in fact, chlorination of the water supply generally in this State has been going on since 1953. I will certainly refer the matter to my colleague the Minister of Health, who knows far more about the health aspects of these things than I do.

However, can I briefly rehearse what my colleague might say. First, he might well point out that the epidemiological evidence, if anything, runs counter to what Dr Price is saying because, of course, the concentration of chlorine in the Adelaide metropolitan water supply has been built up during that period. We are dosing the water with far more chlorine than we did in the year of grace of 1953 and certainly, since at least 1968, the incidence of heart disease has declined. That would suggest on that simple test that either, as it were, chlorine is good for cardiovascular conditions or simply that there is no causal nexus between the two things as well—

*The Hon. Jennifer Cashmore interjecting:*

**The Hon. D.J. HOPGOOD:** I am sure it does. The second point I would make is that Dr Price seems to be assuming that in fact no experiments, as I think he calls them, have been carried out. In fact, experiments have been carried out. Work has been done on pigeons, donkeys, monkeys and humans, and such work as has been done on humans would suggest that in fact there is no link between cardiovascular disease and the amount of chlorine in the water

supply. Certainly, the chlorination of the Adelaide water supply is something that has been developed in very close cooperation with the public health authorities over many years, as has the more recent chloramination trial which we have put into practice at Myponga. In any event, I thank the honourable member for her interest and I will refer the question to the Minister of Health.

### TIMBER COMPANY

**Mr D.S. BAKER:** Following the Minister of Forests' announcement last Wednesday that a new Managing Director had been appointed to International Panel and Lumber, New Zealand, which is owned 70 per cent by the South Australian Government, can the Minister say who was the former Managing Director and whether the Government approved his original appointment? Will the Minister provide the specific reasons for deciding to replace him?

**The Hon. R.K. ABBOTT:** The former Managing Director of IPL, New Zealand, was Mr Brian Stanley-Jackson, who was one of the IPL directors. The new director whom I announced last week will be appointed by the IPL board. That appointment will not be confirmed until the board has met late in October. I am not able to appoint a new managing director—that is the function of the board.

*An honourable member interjecting:*

**The Hon. R.K. ABBOTT:** We indicated that he would shortly move to Greymouth to take up residence and familiarise himself with the operation. Mr Bloomfield is an engineer who is competent in marketing. The department has assured me that he is an excellent people's person who will do the job that we are asking of him in this joint venture.

### BRISBANE EXPO

**Mr RANN:** My question is to the Premier. Is the State Government reviewing its decision not to invest in a South Australian pavilion at next year's Brisbane Expo? In April, when visiting Vancouver, the site of the 1986 World Expo, I was surprised at reports that Vancouver and the Province of British Columbia are now suffering from a costly Expo economic hangover. Newspapers quoted economists in British Columbia saying that the Expo had not delivered anywhere near the long-term economic benefits predicted.

An economic study released in April says that, despite the enormous boost in tourism in 1986, the Expo may actually have cost British Columbia jobs in the long run because investment funds were diverted and because of the ongoing burden of bank repayments and interest charges. Economists also argued that the Expo sucked visitors away from other tourist destinations in British Columbia and certainly from the other Canadian Provinces which invested millions of dollars in pavilions, hoping to generate tourism to other parts of that country. In May, the Vice-President of the Bureau of International Expositions admitted that the Expo was not worth the money the 53 nations sank into it for pavilions because they did not get a return on their investment.

**The Hon. J.C. BANNON:** The Government has always kept an open mind in relation to participation in the Expo, so the honourable member has really asked whether the Government is reviewing its decision not to invest. I qualify that by saying that, on the present evidence and the present propositions before us, we will not be present at the Expo, because it simply does not represent value for money for

the State. We are certainly monitoring the situation and, if the financial outlay required by the State could be changed (and I suggest that it would need to be changed quite drastically), it could be that some form of presence would be warranted. Incidentally, I am at one with all the States on this at the moment—apart from Queensland—because none of them has finally committed.

I know that a lot of work has been done, particularly on New South Wales and Victoria, to encourage them to participate. Their reluctance to participate is also based on the high cost required to have a presence at Expo. Our State promotions adviser has been constantly involved in meeting with the organisers and officials, so we are up to date with all the latest facts and figures; and I read the letters from the Chairman of the authority and from others who would like to see us participate. However, at the moment the value is not there. The early estimate of costs for a display by South Australia at Expo amounted to more than \$5 million. Even after a lot of haggling and negotiation, and after we signalled that we were not interested in participating at that sort of price, we estimate that the cost would still be about \$2 million. Again, that is simply too much money. We can spend dollars more effectively by targeting specific markets rather than having some sort of presence at the Expo.

I make two points about that. First, all the early estimates show that the vast majority of people attending the Expo will come from within Queensland, and that confirms some of the information put forward by the honourable member. Secondly, our display would not necessarily expose us to new international markets.

*The Hon. Jennifer Cashmore interjecting:*

**The Hon. J.C. BANNON:** I think that there would be a far more effective way of attracting Queensland investment than by having a stand at the Expo, quite frankly. That is not how we will pick up investment, and the honourable member should be able to see that from a cursory glance; and the points made by the member for Briggs in his question would underline that. That has been the experience, apparently, of the Canadian Provinces which did take part in the Expo in British Columbia. If the prices come down further and if there is some other way of having a presence, then we will be prepared to look at it. At the moment it certainly is not justifiable.

### ARMSTRONG'S TAVERN

**The Hon. JENNIFER CASHMORE:** Will the Premier say whether he was satisfied with the quality of advice provided to the Government when it decided to purchase Armstrong's Tavern to incorporate it in the School of Tourism and Hospitality? In view of the criticism by the Auditor-General in his report today, does the Premier stand by the statement of the Minister of Technical and Further Education made in the House on 24 February that this tavern will return a profit that will not only fund its recurrent costs but also contribute to the cost of the education program it will provide?

In his report tabled today the Auditor-General has suggested that the Government's assumption of this property generating a profit may not be fulfilled, and that in fact the venture may result in a 'relatively substantial loss'. This is because the assumed return on the investment accepted by the Government did not include consideration of the expected capital investment. The Auditor-General makes the point that, as well as the cost of \$700 000 for buying the property, \$11 000 has already been spent on minor works and a further \$500 000 is proposed to be spent on renovations.



*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.C. BANNON:** I do not know whether the predictions that the Minister made will be fulfilled, that is, that it will return a substantial profit covering capital and recurrent expenditure; nor indeed whether the more pessimistic scenario will be achieved. However, one point made in the Auditor-General's Report, to which I draw the honourable member's attention, states:

The policy of providing this form of training to students undertaking courses at the Adelaide college is clearly a matter for the Government to decide. However, while it is recognised that non-commercial factors as well as commercial factors can properly influence the final decision, it nevertheless is important for the decision-maker to have the benefit of the best information available.

*The Hon. Jennifer Cashmore interjecting:*

**The Hon. J.C. BANNON:** Yes, and then the Auditor-General went on to express concern. The point that I wanted to draw to the attention of the House was the non-commercial factors that were involved; in other words, this was not conceived as a project for a Government to buy and operate a hotel. That would clearly be nonsense. It was conceived primarily as a means of providing a training facility for our food and hospitality industry. In that context the participants involved not just TAFE and the Government but the industry itself. The Australian Hotels Association and the Liquor Trades Union both are committed financially and in all sorts of other ways to this project. They saw this as appropriate. Therefore, one must set off the direct economic cost against the training facility component. Let me try to put it in simple terms.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. J.C. BANNON:** We could just as easily have a room with a mock bar in the corner and a few of the accoutrements, the students can dress up and we will put in some straw dummies, and it will be a lot cheaper and they will get some minimal training. However, I believe that we should have the best trained and the most effective persons in the school of food and hospitality. This hotel provides, as the industry by its contribution supports, the best and most practical way of doing it.

I say again that I do not know if it will make a profit. I believe that it can. I see no reason why it cannot make a profit, and indeed that is the aim to which we will be working. However, in assessing the success or failure of the purchase it must be set in its context of a training facility. It is not meant to be a commercial hotel operation. We are not into that business.

*Members interjecting:*

**The SPEAKER:** Order!

### STA TICKETING SYSTEM

**Mr DUIGAN:** My question is directed to the Minister of Transport.

*Members interjecting:*

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

**Mr DUIGAN:** What, if any, arrangements are being made by the STA to ensure that people with disabilities, particularly intellectual disabilities, are able to use the new Crouzet bus ticketing system? I have been approached recently by an organisation called the Tenancy Support Scheme, which operates in the Adelaide electorate and which is a Commonwealth Government funded program designed to assist people with an intellectual disability to live independently

in the community. That organisation has expressed to me concern that the new bus ticketing system might unnecessarily disadvantage their clients. The organisation is concerned also that it will need to initiate training schemes to enable people with intellectual disabilities to use the new ticketing system. They believe it will be difficult to retrain these people, with the possible result that they may lose their mobility and their access to the community, may become isolated, lose confidence and become a burden on society.

The organisation argues that the new ticketing system assumes that people will have manipulative skills to remove the ticket from their folder or pocket, turn the ticket the correct way, enter the ticket into the validating machine, and return it to their folder or pocket before moving on. They are further assumed to be able to reliably reckon how many bus trips they will use, to budget accordingly and have appropriate tickets available when required. The organisation concludes that the majority of its clients do not have a number of these characteristics and may be seriously disadvantaged by the proposed new system.

**The Hon. G.F. KENEALLY:** I thank the honourable member for his question. It is a very good question, of which both the Government and the STA have been conscious for some months, if not years, in the development of the Crouzet ticketing system. Frequent meetings have occurred between the STA and a number of bodies which represent both the intellectually and physically handicapped members of our community, but it seems that the group to which the honourable member has referred, the Tenancy Support Scheme, may not have been involved in those discussions, so I will make certain that the STA is in contact with that organisation at the earliest possible time. I know that the next meeting the STA is having with the Intellectually Disabled Services Council is on 14 September this year.

It is absolutely critical that those people who have become accustomed to using the public transport system to have access to those facilities within the city, whether it be work, recreational or cultural that the rest of us take for granted, should not be disadvantaged by the introduction of new technology in the ticketing system. So, the STA has taken account of that.

Those who are physically or intellectually disabled, but nevertheless can be judged by the appropriate processes to be able to use the system, will be expected to do so, but those standards will be determined only in discussion or cooperation with the appropriate groups within the community. As the honourable member has pointed out, a significant number of people, because of their disabilities, will not be able to use the new system. For those people special provisions will be made very similar to those that currently exist. A ticket will be provided but its duration—whether it be weekly, fortnightly, or monthly—is yet to be determined, but it will be a ticket that can be shown to the STA employee in charge of the vehicle, so that commuters will have access to the public transport system as they do now. The STA will make every effort to ensure that no-one will be disadvantaged but that the community at large will be advantaged, and I am certain that in achieving that aim, every consideration will be given to those in the community with special needs.

### TEACHER HOUSING RENTALS

**Mr BLACKER:** Will the Minister of Housing and Construction and the Government reassess Government policy



on rental values of Teacher Housing Authority homes in country areas to ensure that country teachers are not required to pay more than in accordance with the local rental value applying from town to town or district to district? I have been contacted by many school councils and country teachers who have expressed concern at the excessive increases in Teacher Housing Authority rentals in country towns. In most cases, the net result is that the rent required from the teachers is far above local rental values. Many teachers have left the authority's rental accommodation and taken cheaper local rental accommodation. This has meant that many of the authority's homes are now vacant with little or no opportunity for the authority to relet or dispose of them. Further, this increase is seen as a disincentive to teachers undertaking country service.

**The Hon. T.H. HEMMINGS:** I thank the honourable member for his question. Like him, I, as Minister responsible, have received many letters from teachers, parent bodies and individual parents complaining about an increase and, in fact, implying that the Government has moved from its existing policy. However, I make clear that the Government's present policy in setting rents for those people living in Teacher Housing Authority or other Government homes is the same, and it has been the same for many years under both this Government and Liberal Governments: the rental is 80 per cent of the trust vacancy rent. Because the Government announced in November last year a hefty rent increase as a result of negotiations under the Commonwealth-State Housing Agreement, these rents have increased significantly, and I find it strange that I have received rather vitriolic letters, especially from teachers, saying that they could not give a damn what we charge trust tenants: they want to pay not 80 per cent of the Housing Trust rent but something like 50 per cent.

In the District of Whyalla, which is very well represented by my colleague the Minister of Labour, some people who work at BHP as boilermakers, for example, have had to suffer the Housing Trust rental increase, and they have not done so gladly: in fact, they have made representations to the Government and to their local member, but they have never said that they would refuse to pay the rent or withdraw their labour. Indeed, they know that they cannot, because they are working in the private sector. However, because the Government insists that as the Government it has the right to manage and set rents without going through the Industrial Court, teachers have held stopwork meetings and threatened to leave the area where they are teaching.

True, as the member for Flinders has said, some of them have moved out of the authority's homes and into private sector homes, and good luck to them if that is the way they wish to go. However, let them remember that, when they have finished their time in the country and the Office of Government Employee Housing has disposed of the houses in question, as it is entitled to do because they are a cost to the taxpayer, those teachers should not come running to me or to their local member saying that they want a Government house. It is pleasing that a few members opposite have gone out and fought the battle for me. I congratulate most members who have not taken up the battle on behalf of those teachers but who, in fact, have tended to respond in line with what the Government is doing. Until Government policy on this matter is changed, all we are asking is that teachers and other public servants pay 80 per cent of trust vacancy rent.

I have set up a consultative committee chaired by Jim Crichton, who recently retired from the South Australian Housing Trust, to look at anomalies, standards, and rent setting procedures, and that committee will advise me. I

have also engaged a consultancy to pick up other areas of concern to the Public Service Association and the South Australian Institute of Teachers. When that consultancy brings its report to me I may have to go to Cabinet and say that we must break the nexus of 80 per cent of the trust vacancy rent. However, I do not know: I must wait until the report is completed and I receive the recommendations. In the meantime, I merely ask teachers to pay 80 per cent of the rent that Housing Trust tenants are forced to pay.

### SMALL CLAIMS TRIBUNAL

**Mr De LAINE:** Will the Minister of Education ask his colleague the Attorney-General to consider establishing a small tribunal or panel to service and hear small claims disputes and cases? Such a panel would help to alleviate the pressure on our courts and Judiciary caused by the heavy load that is creating a backlog of cases.

**The Hon. G.J. CRAFTER:** I thank the honourable member for his question. I have received notes from the Attorney-General on this matter, indicating that this question is, at least to some extent, based on some popular misconceptions. Separate tribunals do in fact exist in other States. However, their experiences have not always been particularly pleasing. Indeed, Western Australia established a parliamentary committee to examine the whole issue of small claims resolution in that State. The report of that committee was complimentary of the South Australian system and, in particular, the contents of the report produced by the Court Services Department. Western Australia is now set to dismantle its separate small claims system and adopt an approach similar to that which exists in this State. I am informed that similar moves are afoot in Victoria.

I think that we must heed the unfortunate experiences of other States in order to avoid making the same mistakes. The myth that there is a severe backlog of cases, particularly in the small claims jurisdiction of the Magistrates Court in South Australia, needs to be exploded once and for all. The largest court, the Adelaide Local Court, has a waiting time for small claims of only eight weeks. This is a most acceptable situation, given that the element of delay, as opposed to the time required by the parties to attend to their preparations, etc., is quite negligible. That is not to say, however, that simpler procedures will not prove to be even more efficient and effective in due course. A report was prepared for the Attorney-General some time ago, and that matter is currently the subject of consideration and implementation.

In conclusion I am pleased to say that the approach to small claims in South Australia has been largely successful. With the correct modifications and improvements to the system, the objectives of quick settlement and minimal stress alluded to by the honourable member will be achieved in an even more satisfactory manner than is presently the case.

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### SUPPLY BILL (No. 2)

Returned from the Legislative Council without amendment.

### REAL PROPERTY ACT AMENDMENT BILL (No. 2)

Received from the Legislative Council and read a first time.

**SUMMARY OFFENCES ACT AMENDMENT BILL**

Received from the Legislative Council and read a first time.

**FISHERIES (SOUTHERN ZONE ROCK LOBSTER FISHERY RATIONALISATION) BILL**

**The Hon. M.K. MAYES (Minister of Fisheries):** I move: That the select committee on the Bill have leave to sit during the sitting of the House today.

Motion carried.

**APPROPRIATION BILL**

Adjourned debate on second reading.  
(Continued from 27 August. Page 683.)

**Mr OLSEN (Leader of the Opposition):** This is the fifth budget of this Government. South Australians have had almost half a decade to examine this Government's financial and economic performance. They can give it only one mark—a failure. This budget is a failure; it exposes Government financial failure; it will lead to economic failure. It is a budget which confirms a failure of Government promises. It proves a failure of Government performance.

Last year, the Premier gambled. He massively increased the State's borrowings, hoping they would maintain jobs until economic activity picked up. But during the last 12 months, South Australia's economic performance did not improve. Rather, it got very much worse, as I will demonstrate in detail during this speech. The cost of last year's gamble must now be picked up by South Australian taxpayers in much higher interest costs to go on funding the extra borrowings. More than half the Government's tax revenue must now go not to employing more teachers, police or nurses but to paying interest. And with this budget, the Premier is gambling again. He is gambling that the private sector will be able to pick up the slack left by the cut in Government capital works spending. But the Premier gives business no encouragement and no incentive to do this.

He does not put the burden of his budget difficulties on his own Government departments. Government departmental spending is to rise in real terms. Instead, the burden is put on taxpayers and job seekers. Tax collections are expected to rise by 11.3 per cent—by more than 4 per cent in real terms. This will bring the rise in tax revenues collected by this Government since 1982 to more than 106 per cent—almost twice the rate of inflation. The Premier has become South Australia's first billion dollar taxpayer—his taxing policies are the equivalent of \$740 per year per man, woman and child in South Australia. When he came to office the figure was \$371.45. It has doubled in just five years. Despite this massive increase in the tax burden, the Premier also holds South Australia's first half a billion dollar budget interest bill. In this budget, the per capita interest bill is \$416.27 for every man, woman and child in South Australia: 56 per cent of the tax they pay goes to meet the interest on past borrowings rather than to improve services for the future.

In the last two budgets, the true budget deficit has risen by 29 per cent and 25 per cent respectively. The interest on borrowings necessary to cover the gap between the Government's earnings and spending has now exceeded half a billion dollars. It is almost four times as much as the

Government intends to spend on police services this financial year. But this Government's borrow and tax strategy has not been applied with any consistency or caution. As a result, the dramatic reduction in capital spending this financial year must cost at least 4 000 jobs in the private sector—according to assumptions the Government has previously used to assess the employment impact of its financial policies. I will elaborate on that point a little later. It is hardly surprising that the budget papers provided this year do not include a commentary on the 'Employment Aspects' of the budget. Such a paper was provided for the two budgets leading up to the last State election.

But the Premier knows that such a paper on this occasion could point to only one conclusion—that South Australia has an economic crisis which this budget strategy is only going to make worse. And if interest rates do not fall significantly this financial year, if the Government is unable to fully offset with productivity savings the 4 per cent second tier rise in the public sector, and if private sector investment does not show a considerable lift in 1987-88, South Australia will face an even more serious Government financial crisis. These are the huge gambles in this budget.

I also refer to the increasing extent to which SAFA is the balancing item in the budget. In 1985-86, SAFA was asked to contribute 44 per cent of its surplus to the Consolidated Account. Page 58 of the Premier's Financial Statement reveals that SAFA's estimated surplus this financial year will be \$250 million: \$240 million of this—96 per cent—has been earmarked to pay for departmental spending this financial year.

Last year, the Auditor-General warned against such a high dependence on SAFA to support Government spending. The House should also consider how SAFA's surplus is being established. For example, I can reveal that the authority has ordered tertiary institutions such as colleges of advanced education to forward to SAFA all cash they have no immediate use for. This cash, much of it from the Commonwealth forwarded at set periods for use later, has been used by these institutions on the short-term money market to increase their availability of funds.

However, because SAFA is commandeering it and creaming off the margin between SAFA's common rate and the amount it earns from investing money, some of these opportunities will now be lost to those institutions. One college has informed us that this reduction in availability of funds will prevent it employing another lecturer this financial year. While SAFA puts this extra money into the Consolidated Account to fund departmental spending, it must also be recognised that there is this offset.

Last financial year, SAFA's surplus was \$220 million. Our examination of its expenditure and income statement and the authority's 1986-87 balance sheet reveals that two contributions from the Commonwealth found their way into that surplus. The first was a balance sheet item from last year which, it was decided, was really income in 1986-87. This was \$6 million. The second was another grant from the Commonwealth—this time \$5.5 million—which went straight into the 'other income' column. Without these windfalls, the surplus would have been \$208.5 million. This is not much of an improvement on the result for the previous year, despite higher market rates of interest and the Government allocating SAFA more funds to invest.

In fact, any private sector operation with the sort of assets which SAFA has employed would and could regard that result as poor. SAFA's rate of return on average funds invested last financial year was only 10 per cent in a year of record high interest rates. Last year, banks were paying 16 per cent on funds invested with them for 12 months.

Other managed funds were paying higher rates. SAFA is not getting the return it should on its \$7 billion worth of investments.

The benign presentation of the budget hides a complete failure by the Premier to adjust to the new economic challenges that face South Australia and the nation. The budget paper on the economy admits the need for 'a considerable reduction in total public sector real expenditure growth rates in 1987-88'. This budget fails that test—and I point out that it is the Premier's own test. Indeed, South Australia has delivered a slap in the face to the Federal Government. Despite Canberra's call for borrowing restraint, page 58 of the Premier's Financial Statement shows South Australian public sector net borrowings are expected to rise to \$385 million this financial year—a 29.5 per cent rise.

In this budget, recurrent spending is up by more than 1 per cent in real terms, after adjusting for accounting changes. The Premier is deliberately understating this, because he knows he should have done much more to reduce Government spending. He told a business economists luncheon last Thursday that recurrent spending was being cut in real terms. That is just not true. The Premier has pretended he has made some hard decisions. He has claimed that the Commonwealth has been tough on South Australia.

In fact, even with the cuts, the funding of this budget from all Commonwealth sources shows an increase of almost 11 per cent in real terms on Commonwealth funding of the last Liberal Government in 1981-82. In that time, the average wage in South Australia has declined in real terms by almost 8 per cent, using the Government's latest inflation forecasts. I seek leave to have incorporated in *Hansard* a table which is purely statistical and which proves the point to which I referred.

Leave granted.

#### Nominal Value of Funds Available to South Australian Government

	1981-82 \$M	1987-88 \$M
Commonwealth payments to S.A. ....	1 330	2 309
New money borrowings .....	231	380
<b>TOTAL .....</b>	<b>1 561</b>	<b>2 689</b>

#### Change in Value of Funds Available to South Australian Government in Real † Terms

	1981-82 \$M	1987-88 \$M	% Change
Commonwealth payments to S.A. ....	1 915	2 142	+12
New money borrowings .....	333	352	+ 5.7
<b>TOTAL .....</b>	<b>2 248</b>	<b>2 494</b>	<b>+10.9</b>

Sources: Notes from Premiers' Conference 1987, and State budget papers, and ABS 5501.0

† Implicit price deflator derived from national accounts, ABS 5204.0, and inflation of 7.25 per cent assumed for 1987-88.

#### South Australian Average Weekly Earnings

1981-82 \$	1987-88 \$
254	366

#### South Australian Real Average Weekly Earnings (in 1986-87 dollar prices)

1981-82 \$	1987-88 \$	% Change
368	339	-7.9

Source of A.W.E. is ABS 6302.0

Note (1) 1987-88 average weekly earnings estimated by assuming the same level of growth in the year to February 1987 applies for the period February 1987 to June 1988 i.e. 3.4 per cent. (February 1987 is the most recent date for which average weekly earnings are published.)

(2) CPI increase for 1987-88 for Adelaide assumed to be 7.25 per cent.

**Mr OLSEN:** In pleading poverty, the Premier's earnings from the Commonwealth are in fact almost 19 per cent better than the pay packet of the family having to exist on the average wage. That family has had to make some tough decisions. It has had to go without. But the Premier has not applied the same stringency to his own Government departments. He has very significantly increased Government departmental spending since he came to office. This year, faced with the challenge of making considerable real reductions, he has failed.

Recurrent spending this financial year—the money used to run the day-to-day operations of Government departments—is budgeted to rise by 8.9 per cent on a comparable basis—excluding interest payments. Taking recurrent and capital spending together, the expected cut is only \$51.5 million in a budget of \$4 000 million. Put another way, almost three-quarters of the burden of reduced Commonwealth funding is being placed on the shoulders of taxpayers and job seekers rather than Government departments.

Whether he is talking about Government spending, or movements in tax collections and scales of charges, the Premier seems to think that he can get away with rises which are at the level of the consumer price index. It suits him to assume in this budget a higher inflation rate than anyone else for 1987-88. The Treasury in Canberra has put the expected inflation at 6.8 per cent; independent commentators are talking about 6.5 per cent; but this budget is based on 7.25 per cent—

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

**Mr OLSEN:** If that is the case, the Premier's forecast is even more out of kilter with reality in the marketplace. I would not have thought that that was a good interjection. This budget is based on 7.25 per cent inflation. The Premier seems to forget that he is in charge of the biggest single enterprise in this State. It imposes on him a moral as well as a leadership obligation to do as much as he can to reduce inflation, particularly when Governments continue to urge the work force to accept wage rises below inflation levels.

The Premier can only play his part in reducing inflation and, therefore, lifting living standards, if he keeps his taxing and spending considerably below the CPI. While spending and borrowing restraint is essential at all levels of government if we are to reduce the current account deficit, support the dollar and reduce inflation and interest rates, the Premier refuses to help this process, because he has locked himself into a budget strategy which has already and which will continue to put South Australia further behind the other States. In making excuses in his budget speech for transferring much of this sacrifice to taxpayers, the Premier noted that he had not increased the rate of FID this financial year. I am sure that all South Australians will breathe a huge sigh of relief at that statement seeing this was our first new tax in more than a decade and is already applied in this State at a higher rate than anywhere else in Australia.

The Premier also observed that total tax receipts had increased by only 6.2 per cent over the past two years. Let the House measure the full record of this Premier, who came to office promising no tax increases and who repeated that pledge at the last election. Since his coming to office, the revenue from State taxation will have increased by 100 per cent by June 1988 if the estimates in this budget are met. With one exception, every budget he has introduced has contained a very significant real rise in taxation. That

exception was, of course, the election year budget. At the election, the Premier promised tax cuts of \$41 million. But the revenue forgone in the election year has now been more than made up. Since the election, he has increased the tax base by \$185 million, or by 22 per cent. To excuse this, the Premier makes comparisons about tax rates interstate. But let me provide some further comparisons that he has ignored.

Since the Premier came to office, per capita State taxation has risen in South Australia by just over 79 per cent—by

more than in any other State. Land tax collections have risen by almost 130 per cent—by more than in any other State. Stamp duties have increased by almost 100 per cent and, here, only Western Australia is ahead of us. I seek leave to have incorporated in *Hansard* a table which is purely statistical and which compares tax movements between the mainland States.

Leave granted.

**Taxation Collections on the Mainland States  
1981-82 to 1986-87**

	Total Taxation	Land Tax	Stamp Duty	Payroll Tax	Taxation Per Capita
<b>New South Wales</b>					
January 1982 .....	2 282 330 617	143 818 353	588 743 974	1 140 028 391	428.03
June 1987* .....	4 173 933 000	324 000 000	1 075 000 000	1 690 000 000	747.84
	82.9%	125.3%	82.6%	48.2%	74.7%
<b>Victoria</b>					
January 1982 .....	1 945 900 000	115 900 000	454 300 000	795 100 000	484.87
June 1987* .....	3 295 700 000	192 500 000	860 900 000	1 284 900 000	786.88
	69.4%	66.1%	89.5%	61.6%	62.3%
<b>Western Australia</b>					
January 1982 .....	431 732 812	29 544 705	116 238 490	230 010 115	319.47
June 1987 .....	832 823 302	59 020 939	272 899 025	325 169 097	570.93
	92.9%	99.8%	134.8%	41.4%	78.7%
<b>Queensland</b>					
January 1982 .....	730 262 961	25 249 639	271 240 555	349 703 609	298.08
June 1987* .....	1 085 540 000	42 000 000	368 840 000	515 225 000	414.91
	48.6%	66.3%	36%	47.3%	39.2%
<b>South Australia</b>					
January 1982 .....	495 551 085	19 314 736	108 536 539	205 923 817	371.44
June 1987 .....	917 069 178	44 208 649	215 297 656	279 695 474	665.07
	85.1%	128.9%	98.4%	35.8%	79.05%

\* Budget estimate

Per capita taxation based on estimated residential population as at December 1982 and December 1986.

**Sources—**

South Australian budget papers 1982-83, 1987-88.

**Queensland—**

Consolidated revenue fund—comparative statement of receipts and expenditure at 30 June 1982.

Consolidated revenue fund—comparative statement of receipts and expenditure as at 31 May 1987.

**Western Australia—**

Statement of cash transactions on the consolidated revenue fund for 12 months ended 30 June 1982.

Statement of cash transactions on the consolidated account fund for 12 months ended 30 June 1987.

**Victoria—**

Statement of financial transactions on the current account sector 1981-82 to 3 September 1987.

Statement of financial transactions on consolidated fund for May 1987 to 9 July 1987.

**New South Wales—**

Budget estimates 1982-83.

Consolidated fund estimates 1986-87.

**Mr OLSEN:** The table also shows that when he came to office, South Australia's per capita taxation, as a proportion of the Victorian figure, was 76.6 per cent and, of New South Wales, 86.8 per cent. The gap is narrowing. The figures now are 84.5 per cent and 89 per cent respectively. The Premier in his budget gives a new meaning to tax increases. He calls them 'protecting the revenue base'. Call them what you like, South Australians are entitled to compare his record with his promises: this Premier has eroded living standards in this State. He said on the ABC *National* program on 4 December 1985, just three days before the last election, 'We should be able to hold taxes'. Since then, there have been two rises in motor registration and driver's licence fees—which are taxes. The rate of the petrol tax almost doubles in this budget. Indeed, the impact of the rises in licence, registration and petrol taxes and the projected rise in compulsory third party insurance premiums will lift the cost of running the average car by almost 15 per cent this year. I seek leave to have incorporated in *Hansard* a table which is purely statistical and which proves this figure.

Leave granted.

**Motoring Costs  
Holden Commodore (city owner)—15 000 km per annum**

	1986-87	1987-88
	\$	\$
Petrol tax .....	43.29	77.79
Registration .....	79.00	87.00
Licence .....	12.00	14.00
Compulsory third party .....	202.00	207.00
<b>Total .....</b>	<b>336.29</b>	<b>385.79</b>

Increase: \$49.50—14.6 per cent

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

**Mr OLSEN:** I have absolutely no doubt that it proves the point. It proves the point clearly that you are the highest taxing Premier in this State's history.

**The SPEAKER:** Order! The honourable Leader must address his remarks through the Chair and not address another member in the second person.

**Mr OLSEN:** I trust that you will rule interjections out of order even if they do come from your right, Mr Speaker. Another broken tax promise this year relates to payroll tax. I remind the Premier of the following commitment in his election policy speech:

We now make a commitment to ensure that the exemption level for payroll tax is constantly reviewed and keeps pace with inflation.

Despite that broken promise it is estimated that revenue from payroll tax will fall in real terms this financial year. This indicates a Government assumption of a continuing decline in employment activity, as has been the case over the last year. It is of concern, therefore, that the budget also assumes a rise of 1 per cent in real terms in receipts from stamp duties, which also depend very much on economic activity and consumer confidence. Last financial year actual receipts from payroll tax and stamp duties came in below original budget forecasts. If the same happens this year, the pressure on the budget deficit and taxpayers will be even greater. The expectation of continuing economic problems and, therefore, of static if not falling State Government income should have encouraged the Premier to seek much greater stringency in departmental recurrent spending. The budget papers highlight the failure to do so last financial year and, as a result, more and more election promises are being broken.

I again remind the Premier of his words in the *News* of 5 November 1985, just a month before the election:

I have promised a total freeze on State Transport Authority fares until next July and inflation only rises after that—and it's a promise I intend to keep.

That was the promise. Let us look at the record.

*Members interjecting:*

**Mr OLSEN:** And the Minister's arithmetic, yes. Rounding down instead of rounding up. By the end of this month all public transport commuters will be paying increases of at least twice the rate of inflation since the election. They are being forced to bear the burden of the Government's failure to manage the State Transport Authority. The budget papers reveal that the budget contribution to the STA deficit last financial year blew out by \$8.3 million, at least a quarter of this because of the Government's failure to confront unreasonable union demands and to make planned savings.

The situation would have been even worse if the Government had not been able to recoup \$500 000 from the sale of Roadliner buses, a proposal first made by me four years ago which the Government criticised until after the election, again because it was afraid of union reaction to that proposal, that well thought out policy document that we put down prior to the last election. The Premier might well laugh, but in 1985 we were the only ones to put forward a considered, reasonable and practical approach in terms of privatisation. It is interesting that in 1987 not only do Bob Hawke and Gorbachev support it but also John Bannon supports it.

This example of a benefit of privatisation only underscores Labor's hopeless hypocrisy on the whole question of selling unnecessary assets to reduce the cost of Government to taxpayers. The Government's failure to respond realistically to the mounting financial problems of the Housing Trust has also meant a major breach of faith with trust tenants. Rents were frozen just before the election with the promise that the revenue forgone would not be made up by unreasonable increases after the election. But this is exactly what has already occurred and will go on occurring until at least mid-1988.

By the middle of next year, trust tenants will have been hit by rent rises of more than 50 per cent. Where is the social justice in this? This Government cannot be interested in social justice when all it does is fiddle the charges and balance sheets of providers of vital services like the STA, the Housing Trust and the Electricity Trust—to suit its purposes at election time. That is the Government's track record.

One result of the election year 'freezes' and 'cuts', so-called, has been serious financial disruption to some of the State's major public trading enterprises. Hidden away at page 61 of this Financial Statement is this admission by the Premier:

The net operating deficits of public trading enterprise increased significantly in 1986-87 mainly reflecting deterioration in the operating results for the South Australian Housing Trust, the Electricity Trust of South Australia and the State Transport Authority.

The budget papers reveal, in fact, that the State's public trading enterprises incurred a net operating deficit of \$247 million last financial year—a 29.7 per cent rise on the previous year, and up almost 120 per cent since this Government came to office. This is little wonder when we have the Government failing to control the unions who run the STA and when we have investments in projects like the New Zealand timber company.

It is of little consolation to the South Australian public that the Premier's Financial Statement also forecasts 'a much smaller increase in the overall operating deficits of trading enterprises' this financial year. If the Premier were prepared to be frank, he would admit that this will be achieved because enterprises like the STA and the Housing Trust are putting up charges by much more than the rate of inflation to recoup the revenue forgone during the election year 'freezes'.

**The Hon. B.C. Eastick:** A catch-up process.

**Mr OLSEN:** Definitely a catch-up process. This artificial financial management, or creative accounting if you like, causes severe disruption right through the economy—from the family budget to the large construction company trying to forecast the Government's financial priorities from year to year. This Government's financial management shows no consistency or concern for the taxpaying public—no determination to put its own house in order so that those who can least afford it are not forced to pick up most of the burden.

The budget papers demonstrate that well over \$20 million could have been saved last financial year by items like failing to fill approved job positions and buying approved equipment; lower than anticipated costs of pumping water; and a delay in the application of the national wage case. However, this significant potential saving was not applied to reducing the deficit or avoiding the need for increasing taxes this financial year. It has simply been offset by higher spending in other areas. The blow-out in the STA deficit was one example. The police and Highways Department budgets blew out by almost three-quarters of a million dollars because of the fringe benefits tax.

The Premier's Department spent more than a quarter of a million dollars which was not budgeted for on the implementation of office automation. There was even an unbudgeted payment last financial year of \$50 000 in the Ministry of Tourism for costs associated with the ministerial reshuffle in December 1985! Total departmental spending last financial year came out not \$20 million below the budget—the potential achievement with more stringent financial management—but by only \$300 000. This comes on top of other examples of wasteful or extravagant expenditure such as the \$6 million blow-out in reorganising the Education Department; \$2 million for rental and office space not being used; the \$2.9 million loss on the Three Day Event and the \$700 000 blow-out in staging the Youth Music Festival; and the \$1.8 million cost of the America's Cup challenge. This is not the performance of a Government practising responsible restraint in tough times. Rather, it is the result of a philosophy based on expanding Government.

South Australia now has 278 statutory authorities—23 more than when this Government came to office. This House needs to ask itself: why does South Australia need a Cinematography Projectionists Board of Examiners, a Co-operatives Advisory Council, an Institutes Standing Committee, a State Manning Committee, a Stock Medicines Board, a Wheat Quota Advisory Committee, a Wheat Quota Contingency Reserve Committee, and a Wheat Quota Review Committee?

**The Hon. Jennifer Cashmore:** When did we stop having wheat quotas?

**Mr OLSEN:** It was almost a decade ago when we had to worry about wheat quotas in this State. I do not think that we will have to go through that process again, given the problems that occurred during the period when wheat quotas were applied. Many of our statutory authorities may be performing vital tasks, but I doubt that this Parliament, let alone the public who ultimately pay for them, are in a position to make that assessment. Indeed, it is possible that the latest official list of authorities does not even include all those which do exist, so difficult is it to obtain information about our network of quangos.

When, during the last session, I asked the Deputy Premier, in a question on notice, to provide me with information about the statutory authorities under his control, he refused to do so, claiming the administrative effort could not be justified. But if Ministers themselves do not have information at their fingertips about the activities of the agencies they are supposed to control, what hope does this Parliament have of bringing them to account on behalf of the public? I can only conclude from the Deputy Premier's reply that big government has gone mad. The time is long overdue for a thorough assessment of the role, relevance and cost of all our statutory authorities.

Specifically, I believe that there should be an all-Party committee of Upper House members formed for this purpose along similar lines to the Public Accounts Committee. That committee should review the performance of statutory authorities and be required to comment on any proposals for the creation of new authorities. In implementing its review function, such a committee would act to review existing authorities where they are referred to it by resolution of either House of Parliament; by proclamation by the Governor; at the committee's own instigation. In such reviews, the committee would comment on, and where necessary criticise, the specific operations of statutory authorities when it was felt that their efficiency and effectiveness could be improved.

Where the committee recommended the abolition of an existing authority, it should report this advice to Parliament and, if no action was taken after 12 months, the authority would automatically cease to exist. Such a committee would have a number of advantages, including an increased accountability to Parliament, thereby reversing the trend towards government by executive decree unfettered by parliamentary accountability; more likelihood of parliamentary acceptance of recommendations of the committee because it would be bipartisan; public recognition of the need for more efficient, less costly government. The need for such a committee must be accepted when it is considered that the Government does not even appear able to control the growth of the bureaucracy in its own departments. In presenting the 1984 budget, the Premier promised a reduction of overheads in departments, and he said:

The review of Public Service management drew attention in its initial report to an imbalance across the range of Public Service levels which has developed in recent years. It stated that, 'resources freed by reductions in staffing at the lower levels of the Public Service have not always been available to introduce new initia-

tives because of an unplanned investment in the more senior and more expensive employees'. This is a real problem and one which this Government is tackling very firmly. We have set in train action designed to achieve a substantial saving, in salary terms, over the next two to three years in the overall number of persons in the executive and administrative officer classifications and equivalent positions, including statutory appointees.

This commitment had the desired effect at the time. 'Government plan to prune top PS jobs'—the *Advertiser* main front page headline blazoned on 28 August 1984. The story began:

SA's Public Service 'fat cats' will have to cut their total salary bill by 15 per cent as part of a savings strategy to be outlined in the 1984-85 State budget on Thursday.

The story also reported:

Mr Bannon revealed the targets in a 'no soft options' briefing of about 40 senior public servants, including departmental heads, on Thursday.

But what has been the outcome—what has been the result of the Premier's perceived firm 'no soft options' approach? The latest published statistics show that since this Government came to office the number of employees in Government departments in the administrative officer range has not reduced, as the Premier promised it would, but has in fact increased from 545 to 833—an increase of 288, or 53 per cent—not a reduction of 15 per cent. The number of executive officer level employees has also increased from 230 to 237.

The additional cost measured in salary and on-cost items is approximately \$16 million a year. These figures are from the 1985-86 annual report of the Department of the Public Service Board tabled at the beginning of this session. I seek leave to have inserted in *Hansard* a table which is purely statistical and which gives the comparisons.

Leave granted.

#### Administrative Officer and Executive Officer Personnel in the South Australian Public Service

	June 1982 <sup>(a)</sup>	June 1986 <sup>(b)</sup>
A.O. Grade 1 .....	258	396
A.O. Grade 2 .....	77	116
A.O. Grade 3 .....	150	152
A.O. Grade 4 .....	52	129
A.O. Grade 5 .....	8	40
	<u>545</u>	<u>833</u>
E.O. Grade 1 .....	78	73
E.O. Grade 2 .....	49	59
E.O. Grade 3 .....	48	54
E.O. Grade 4 .....	19	17
E.O. Grade 4Z .....	1	2
E.O. Grade 5 .....	20	17
E.O. Grade 6 .....	15	15
	<u>230</u>	<u>237</u>

Sources—

(a) Annual report of the Department of the Public Service Board, 1981-82—page 58.

(b) Annual report of the Department of the Public Service Board, 1985-86—page 45.

**Mr OLSEN:** I have had a question on notice for a month seeking the latest figures. Could the Government's reluctance to provide that mean that the situation now is even more out of kilter with that promised by the Premier in 1984?

The Premier claims in this budget that the Government has been pursuing restraint in public sector growth when all but seven of the 33 Government departments have increased staffing levels since this Government came to office. The expansion of the public sector is a fact with which the Premier simply cannot come to terms. He consistently attempts to fudge the true picture. The budget papers continue this charade. The paper on the economy at page 15

makes the following observation about employment trends in the 12 months to March 1987:

Growth in the private sector continued to exceed public sector employment growth both nationally and in this State.

However, the Premier has used reductions in Commonwealth and local government employment in South Australia during the period to reach this conclusion. It is almost cooking the books. What he deliberately ignores is that public sector growth in South Australia in the 12 months to March 1987 was 2 per cent compared with private sector growth over the same period of only 1.4 per cent. Indeed, South Australia accounted for just over half of the total State public sector growth in Australia—2 100 of the 4 100 national growth in the total number of State public sector employees in the 12 months to March occurred in South Australia.

Since this Government came to office total departmental employment is up by more than 3 000—and total public sector employment is up by almost 13 000. More and more, the private sector finds itself having to pay higher taxes to fund Government growth. Often, all this achieves is more competition with the private sector in areas in which the Government has no business to be operating in the first place.

Privatisation, commercialisation, rationalisation—the name is as irrelevant as the principle is important. I do not resile one inch from the view that there is much which can be done to reduce the cost of Government without jeopardising vital services. The failure of the Premier to contain public sector growth in the State budget sector alone means that South Australia faces significant deficit and interest repayment problems.

The result on the consolidated account—either a surplus or deficit—is expressed as the difference between receipts and payments, with borrowings included in the receipts. This means that the forecast for 1987-88 is for a deficit of \$14.3 million following a surplus of \$9.9 million last financial year. This method of expressing the budget result is, however, misleading, and even dangerous when it is intended to create the perception that we have a balanced budget.

The true result should show the difference between income and expenditure, which is the deficit, and how that difference is to be financed. The Commonwealth has used this latter method for many years. The Premier's own Financial Statement, at page 55, admits that a more meaningful way of expressing the budget deficit is to do so before financing it rather than after.

The deficit must be financed either by borrowing money, running down cash or other liquid reserves, or by a combination of both. The borrowing commits the Government to future debt servicing charges which draw money from other areas of expenditure in future budgets. Running down liquid assets has a cost in interest forgone.

At present, the South Australian Government has liquid reserves that can be used to finance the deficit. The cost of using these reserves would not only increase the overall debt but, in addition, interest earned would be lost to the revenue side of the budget. Drawing down the reserves, therefore, will reduce the Government's income. This financial year the budget deficit, as measured by the difference between spending and earning, is estimated to be \$355 million. This is expected to be met by further borrowings of \$340 million and a run-down in assets of more than \$14 million.

This financing requirement is the equivalent of 8.7 per cent of total consolidated outlays and will require servicing payments for many years to come. In other words, these increased borrowings are transferring the burden of today's

spending to tomorrow's taxpayers—contrary to the perception the Premier has tried to establish that his policies are not running up bills for future generations. In fact, this is a practice that this Government has adopted with growing implications for the budget interest bill. The projected interest bill to be met by this budget for past borrowings is \$574 million—a rise of 37 per cent in real terms since this Government came to office. This financial year the Government proposes to spend more than 16 per cent of its recurrent budget on interest compared with 12 per cent only four years ago—a trend which cannot be allowed to continue. This large and growing interest bill has two consequences for taxpayers. It adds to pressure for further tax rises and limits the Government's ability to allocate sufficient resources to areas like health, education and community welfare, because funds are needed to meet past debts and interest payments.

Consistent warnings for the Opposition about the ultimate cost of this Government's big spending and big borrowing policies have gone unheeded—at the ultimate cost to the taxpayer and the South Australian economy. In my budget speech last financial year, referring to the Government's approach to capital works spending, I said:

It is clear from a close analysis of the budget papers that there are already more than enough commitments in the capital works pipeline to prevent the sort of program the Premier promised during the election. Works already under way will require at least a further \$400 million to complete. This is how heavily capital works spending is already committed, without projects such as the entertainment centre.

In his budget speech last year the Premier even admitted the dangers of not adopting a managed, consistent approach to capital works spending. He conceded that 'any sudden changes to the program . . . have considerable effects on the economy and employment levels in the building and construction industry' and that 'it is simply not possible to quickly wind it back'. Yet that is what will happen with this budget. The Premier cannot claim that he was not warned.

**The Hon. J.C. Bannon:** We should have spent more this time?

**Mr OLSEN:** No, you should have stopped the growth of big government in South Australia, and you should have started 4½ years ago.

**The SPEAKER:** Order! The honourable Premier will cease interjecting.

**Mr OLSEN:** For the past four years, there have been reductions in Loan Council and new money borrowings. In May 1985, the Loan Council approved a borrowing program the same in money terms as the previous term—in other words, it was a significant cut in real terms. This was seven months before the last South Australian election, but it did not stop the Premier promising projects like the entertainment centre, the third arterial road to the south, the relocation of the Hackney bus depot, a Marion health village, the construction of a cycling velodrome, an indoor sports centre, an international baseball complex, and a headquarters for rowing and swimming. All these election promises were pitched at marginal seats or special interest groups. The fact that this budget contains no funding to build any of them does not surprise the Opposition. We knew that lavish promises like this could not be afforded, and our commitments at the last election were tailored accordingly. Their failure to materialise is the strongest possible indictment of this Government's approach to financial management—of its standards of basic honesty and credibility.

This Government stands guilty of mismanaging the capital works program in a way which will severely disrupt the State economy, and of promising major capital works proj-



ects which it knew the State could not afford. On the Government's own estimate that every million dollars spent on housing creates 60 jobs, the reduced capital allocation for housing this financial year will cost 2 820 jobs. On assumptions the Government has previously used for assessing the total employment impact of its capital spending, a further 1 635 private sector jobs will be lost because of the reduction in the overall program this financial year. That is a loss of at least 4 455 jobs at a time when the State economy can least afford such a sudden disruption.

In addition to its failure to ensure a consistent capital works program, the Government has also failed to control costs in some areas. For example, the Adelaide railway and metropolitan area resignalling project was originally costed at \$16.35 million when it was first funded in the 1981-82 budget. This budget estimates the completion cost at \$42.6 million. Even allowing for inflation, this appears to be a massive blow-out, and requires explanation. However, no explanation is needed for the blow-out in the cost of the STA ticketing machines, confirmed in the capital works papers. The completion cost is now estimated at \$10.709 million. The original budget allocation only three years ago was well under half this amount—\$4.8 million.

**An honourable member:** They love spending money.

**Mr OLSEN:** Just lack of managerial control would be a more adequate description and not taking adequate provision to hedge against fluctuations internationally. The House is already aware that the Government's abject failure to confront unreasonable union demands is the major reason for this increase. Union pressure may also be the reason for the blow-out in the cost of the Government's commitment to the new Convention Centre, which the budget papers also point to with the allocation from the tourism budget of \$3.676 million. Again, this item requires further elaboration from the Government.

**Mr Speaker,** in my Address in Reply speech last month I presented a detailed analysis to demonstrate that, during the past 2½ decades, South Australia has slipped behind the other States in economic development and diversification. This budget debate is an opportunity to concentrate more on the past five years—since this Government came to office. The trends now apparent—and they are confirmed by figures presented in the budget papers, so they are the Government's figures, not mine—show that South Australia's slide, which began under the Walsh Government in 1965, has accelerated under this Government. Let me prove this proposition.

Between December 1982 and December 1986, South Australia's population growth of 3.3 per cent was the lowest of any State. In 1982, Western Australia's population exceeded South Australia's by 17 300. We well remember the advertisement that the Premier put out in 1982 about that shift to Western Australia. Since this Government came to office, the gap has increased almost four times, to 79 800. I seek leave to have inserted in *Hansard* a table which is purely statistical, and which shows demographic trends since 1982.

Leave granted.

#### Population Movements—1982 to 1987 Estimated Resident Populations

	December 1982 <sup>(A)</sup>	December 1986 <sup>(B)</sup>	Percentage Increase
New South Wales	5 332 200	5 581 300	4.7%
Victoria	4 013 200	4 188 300	4.4%
Queensland	2 449 900	2 616 300	6.8%
Western Australia	1 351 400	1 458 700	7.9%
South Australia	1 334 100	1 378 900	3.3%

	December 1982 <sup>(A)</sup>	December 1986 <sup>(B)</sup>	Percentage Increase
Tasmania	430 600	448 600	4.2%
Australia (including A.C.T. and N.T.)	15 276 100	16 089 900	5.3%

Note: In December 1982, the population of Western Australia exceeded South Australia's by 17 300. At December 1986 the difference was 79 800.

Sources—

<sup>(A)</sup> 'The South Australian Economy'—presented with the 1983-84 budget—page 13.

<sup>(B)</sup> 'The South Australian Economy'—presented with the 1987-88 budget—page 21.

**Mr OLSEN:** For three successive years South Australia has experienced net interstate migration, and we are not attracting even our per capita share of overseas migration. In 1986, South Australia's share of net overseas migration was only 5.4 per cent. Between 1982 and 1987, the growth in total employed persons in South Australia lagged almost 3 per cent below the national average. In the past 12 months, our growth was only a fifth of the national figure.

Of particular concern is the very subdued nature of growth in full-time employment. Since this Government came to office, full-time employment amongst men in South Australia has grown by only 0.1 per cent. This reflects a real crisis for the traditional family breadwinner, who more and more finds himself in the dole queue or forced to move interstate to find work. When this Government came to office, South Australia's male unemployment rate was 6.9 per cent. It is now 8.5 per cent.

This crisis is particularly acute amongst teenagers looking for their first job. In 1982, the unemployment rate amongst male teenagers aged between 15 and 19 was 15.8 per cent. It is now 21.3 per cent. The availability of jobs for them is declining. Job vacancies in South Australia are down 9 per cent on last year.

Since this Government came to office, the reduction in manufacturing employment has been alarming. To measure this, I use statistics compiled by the Economics Unit of the Premier's own department. The unit undertakes an annual survey of employment by major South Australian manufacturers. It shows that, between June 1982 and June 1987, employment by the companies surveyed has fallen by 9 678. I seek leave to incorporate in *Hansard* two tables of relevant figures that are purely statistical.

Leave granted.

#### Employment by Major South Australian Manufacturers

June 1982 <sup>(A)</sup>	62 897
June 1987 <sup>(B)</sup>	53 219
Reduction	9 678

Sources—

<sup>(A)</sup> 'The South Australian Economy'—presented with the 1983-84 budget—page 11.

<sup>(B)</sup> 'The South Australian Economy'—presented with the 1987-88 budget—page 30.

**Mr OLSEN:** Employment projections for the submarine project suggest it will pick up only one-third of the jobs lost in manufacturing over the past five years.

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

**The SPEAKER:** Order!

**Mr OLSEN:** While this project is vital, the Government should avoid the temptation to suggest that it will cure our economic problems, because this will lead only to public complacency about the problems and challenges which confront us. In particular, the Premier should not get carried away with rhetoric such as the claim in his highly misleading direct mail letter to electors in Hawker that 'the submarine project is the biggest industrial development in our State's history'. In fact, Roxby Downs must have this mantle. It is bringing new wealth into this State. It is not funded by the

taxpayer to any marked degree, as the submarine project is totally. Already, more than 1 200 people are working at the mine site, where many more people will work for much longer than will be the case with the submarine project. That is the biggest project in South Australia's history—and let us get out facts right. This mirage in the desert that the Premier referred to has turned out in reality to be the biggest single project in this State's history, and it was started by a Liberal Government. Let us well recognise that fact.

Turning to other indicators of economic activity, the latest motor vehicle registration figures show that South Australia's share of national registrations is at its lowest for at least 10 years. Over the past two years, there has been a 37 per cent decline in registrations in South Australia compared with 31 per cent nationally. In the June quarter of 1987, the number of registrations in South Australia was 4 566 fewer than in the June quarter of 1982. I seek leave to incorporate in *Hansard* the relevant details which are of a purely statistical nature.

Leave granted.

#### New Motor Vehicle Registrations— South Australia

June quarter 1982 <sup>(A)</sup> .....	12 556
June quarter 1987 <sup>(B)</sup> .....	7 990
Reduction .....	4 566

Sources—

<sup>(A)</sup> 'The South Australian Economy'—presented with the 1982-83 budget—page 19.

<sup>(B)</sup> 'The South Australian Economy'—presented with the 1987-88 budget—page 23.

**Mr OLSEN:** In building activity, the number of new dwelling approvals in South Australia last financial year fell by more than 1 800. Our share of national home building was at least 1 per cent below what it should have been on a per capita basis. In non-dwelling approvals, our share slipped from 7.3 per cent to 6.9 per cent. In engineering construction activity, on the latest figures our private sector has only 4.4 per cent of national activity when we ought to have at least double that figure.

In retail sales, the figures for the three months to the end of May show a decline in South Australia of 6 per cent in real terms, compared with 2 per cent nationally. With consumer confidence at such a low ebb, measured by some of the indicators I have given, it is inevitable that our bankruptcy figures will continue to portray a black picture. The number of bankruptcies in South Australia last financial year was an all-time record: 847.

In looking closely at the State economy, I invite the House to consider in particular levels of private investment, as they are crucial in determining employment opportunities and standards of living of South Australians in future years. My office has undertaken a detailed analysis of private investment since this Government came to office. It shows that, since 1982-83, the real level of private investment per head of population in South Australia has fallen by 20 per cent. This contrasts to the national trend, which has shown a real increase over the same period. Another guide to investment is to express it as a percentage of gross State product. If this is done, falling levels are again evident in South Australia. I seek leave to incorporate in *Hansard* some tables which are purely statistical.

Leave granted.

#### Capital Investment as a Proportion of Gross State Product

	1980-81	1981-82	1982-83	1983-84	1984-85	1985-86
G.S.P. (\$M) .....	9 256	9 984	10 938	13 096	14 666†	15 774†
Investment (\$M) (private) .....	1 670	2 054	2 486	2 381	2 498	2 621
	18	21	23	18	17	17

† Gross State Product for 1984-85 and 1985-86 estimated by Leader's office.

#### Real Private Investment South Australia in New Plant and Equipment

	Real 1986 \$m	% Change Annual	% Change Year 1982-83 to 1986-87
1986-87 .....	872	-11.4	-33.8
1985-86 .....	984	-11.0	
1984-85 .....	1 105	-3.1	
1983-84 .....	1 140	-13.5	
1982-83 .....	1 318	12.6	
1981-82 .....	1 170	16.7	
1980-81 .....	1 003	18.7	
1979-80 .....	845		

Note: 1986-87 figure based on first nine months actual investment.

Source: ABS 5646.0; 6401.0

#### Real Private Investment South Australia and Australia Per Head of Population

	Real Per Head Investment (1986 \$) South Australia	% Change Annual	% Change Year 82-83 to 86-87	Real Per Head Investment (1986 \$) Australia	% Change
1986-87 .....	941	-1.47	-20.1	1 268	4.8
1985-86 .....	955	-6.9		1 210	5.9
1984-85 .....	1 026	-2.7		1 143	2.7
1983-84 .....	1 055	-10.4		1 113	-14.7

	Real Per Head Investment (1986 \$) South Australia	% Change Annual	% Change Year 82-83 to 86-87	Real Per Head Investment (1986 \$) Australia	% Change
1982-83	1 177	9.5		1 305	-11.2
1981-82	1 074	10.7		1 470	12.6
1980-81	970	7.3		1 306	21.3
1979-80	904			1 077	

Note: 1986-87 investment for both South Australia and Australia is based on actual figures for the first nine months of the year.  
Source: ABS 5646.0; 6401.0; 3101.0.

**Mr OLSEN:** In calculating these trends in real terms, I ask the House to note two assumptions which have been made. First, in estimating the last quarter investment figures for 1986-87 to obtain a figure for the full year, an assumption was made that the June quarter levels would be the same as the average for the previous three quarters. Estimates so derived are expected to be close to the actual figures when released by the ABS later this month. The second assumption is in the size of the investment deflator used to obtain constant 1986-87 prices. An assumption was made that an 8 per cent change in price levels would have taken place in 1986-87. This assumption is likely to produce a result very similar to actual levels. My figures show that the private sector's contribution to investment in South Australia has fallen by \$200 million in three years. On a per capita basis, this is a real reduction of 20 per cent.

By contrast, the overall national per capita figure has risen in each of the past three years. In South Australia, the area with the steepest decline has been new plant and equipment, which recorded a fall in investment of 33 per cent compared with 1982-83. Because of reductions in Commonwealth funds, the amounts the State and local government can contribute must fall in real terms. The real value of Government investment, other than by the Commonwealth, has in fact already fallen by 14 per cent in South Australia since 1982-83 and is currently at the same level as in 1981-82. However, as a proportion of gross State product, private capital investment has also declined—from 23 per cent in 1982-83 to 17 per cent in 1985-86.

Of particular concern is the trend in new plant and equipment. As a manufacturing State, South Australia requires a high level of investment of this type to maintain our base and to expand it into new areas. However, from my analysis, the picture which emerges is alarming. It shows that, while between 1979-80 and 1982-83 new plant and equipment investment increased in South Australia, there has been a major decline since then. Over the past four years, the decline has been a third.

This analysis destroys any claim this Government had to economic credibility. Put simply, this Government has failed to attract levels of investment which can sustain improvements in employment and living standards for the future. It has set no targets—no objectives. Its economic and financial policies lack any semblance of consistency.

I have demonstrated in my analysis of the budget that this is a Government of stunts and symbols, reliant on racing cars and submarines to hide the real economic consequences of its failures. I have little doubt that the stunts for the next election are already being put in the pipeline. The Premier has expanded his tax base. In the election year, he will have an extra \$28 million from the petrol tax. Are we to have a repeat of the 1985 election gimmick? Is the extra petrol tax to be collected this year and next to be paid back in part in lower electricity tariffs in the election year?

This sort of financial trickery does nothing to address the serious economic and financial problems I have exposed this afternoon. This is a budget which gambles on lower interest rates and increased economic activity, yet does nothing itself to help achieve these outcomes. The *Advertiser* editorial the day after the 1986 budget was headlined 'A Calculated Gamble'. The paper's editorial on this budget was headlined 'A Gambler's Budget'.

I ask the House—for how much longer can South Australia risk putting up with a State Government so bankrupt in economic direction and credibility, as exposed by this budget? I suggest that it will not do so beyond the next election.

**The Hon. E.R. GOLDSWORTHY (Deputy Leader of the Opposition):** One can only describe the South Australian economy from the Premier's own document laid before Parliament as being in a parlous state. That document indicates that this Government has a miserable record in relation to all those indicators that point to the possible health or ill health of the State's economy. Let me briefly quote from that document, along with other material in the Premier's own document to show those indicators. On page 11, under 'Labour market trends' the following appears:

However, over the four years as a whole, South Australian employment has grown at a slower pace than the rest of the country—rising by 11.4 per cent as against a 13.4 per cent national increase.

That is a poor record. The following appears at the bottom of the same page:

The number of persons employed full time increased by 6.8 per cent in South Australia between mid-1983 and mid-1987, compared with 10.1 per cent Australia-wide. Full-time employment in this State fell in the latest 12 months period—by 0.8 per cent—although nationally there was still moderate growth of 1.5 per cent.

So, in the employment stakes we are doing poorly indeed compared to the rest of Australia. On page 15, concerning what is happening in terms of public and private sector growth, the Premier's own document states:

The number of employed wage and salary earners in the private sector rose by 1.5 per cent in South Australia, compared with public sector growth of 1.1 per cent. Nationally, the private sector growth rate was higher than in South Australia, at 2.3 per cent, but employment in the public sector grew more slowly than locally, rising by just 0.7 per cent between the March quarters.

That gives the complete lie to any claim of the Premier about public sector restraint and private sector growth compared to the rest of Australia. On page 17, under the heading 'Unemployment', the document states:

Slower employment growth led to rising unemployment in South Australia in 1986-87. Despite the fall in labour force participation, the reduced rate of employment growth failed to keep pace with growth in the labour force resulting from a higher State population aged 15 and over. Nationally, unemployment also increased, but at a slower rate than locally.

So, every indicator bar none in this document points to the fact that we, in South Australia, are comparatively worse off than the rest of the nation—and let us remember that

the rest of the nation has an appalling record in the international scene. All the economic indicators quoted in this statement on the South Australian economy show that, under the Bannon Government, we are doing worse than anyone else in Australia. On page 18, the document states:

The unemployment rate in South Australia rose from 8.1 per cent in mid-1986 to 8.7 per cent in mid-1987. Nationally, the unemployment rate increased from 7.7 per cent to 8 per cent. The unemployment rates of males and females were the same in South Australia in mid-1986 but the female unemployment rate had again risen above the male rate a year later.

So, our unemployment rate has risen from 8.1 per cent to 8.7 per cent, although nationally it has risen from 7.7 per cent to only 8 per cent. Not only are we worse off than the national average: we are getting worse faster than the national average. To show further that the Government is condemned out of its own mouth, I refer members to the following statement on page 21 of the document:

State Government is one of the largest employers in South Australia. The level of employment in the Government departments and statutory authorities is heavily dependent on the Government's capacity to raise revenue and on the level of Commonwealth funds it receives.

We go on to other indicators. I simply take these in the sequence in which they are mentioned in the economic statement. I am not leaving anything out: I am going through all the indicators which the Government cites and which indicate how we are doing compared to other States. On page 22, under the heading 'Other indicators of economic activity' it is stated:

The three months to May 1987 produced retail sales in South Australia only 2.6 per cent in current dollar terms above the corresponding period a year earlier. This translates into a decline in real terms of around 6 per cent.

So, retail sales in South Australia in real terms have declined 6 per cent. Nationally sales rose by 6.8 per cent in current dollars, indicating a real decline of approximately 2 per cent. This indicator shows just how poorly we are doing compared with the rest of Australia. This is unmitigated gloom. There is not one factor mentioned in 'The South Australian Economy' which allows the Premier to talk us up, as he seeks to do. It is an absolute litany of appalling statistics indicating how poorly we are doing compared to the rest of Australia. On page 23 we read the figures relating to new vehicle sales—and they do not take much picking out. There is a lot of other material here, but when we get to the bottom line I am reciting the basic facts. It states:

There was a decline of 37 per cent in the local new vehicle market in South Australia in the two years to 1986-87 compared with the 31 per cent national fall.

Our sales of new vehicles have fallen at well above the national average. At page 25 new dwellings are dealt with—and I am leaving nothing out. I am simply taking all of these economic indicators in the sequence in which they appear in this economic statement. And I congratulate the compilers of this statement—I suspect it came from the Treasury—for being forthright. When I say that I assume it comes from the Treasury, let me qualify that: usually the political gurus have a chop at it and dress it up for public consumption. Usually the ministerial assistants, or whatever their titles are—the political gurus—get hold of the documents and well and truly dress them up and hide the sorts of facts I am reciting with a lot of camouflage and many words. But at least they are not hard to discover in this document. Perhaps they ran out of time or something. There are plenty of them. But here they are as plain as the nose on one's face. In relation to new dwellings we read the following:

The total fall in new dwelling approvals during 1986-87 was almost entirely due to a 20 per cent decline in private sector approvals, as public sector approvals declined only marginally.

Of course, that is the subsidised housing—the public sector. In the area where it counts, where there is genuine private activity and genuine growth, there is a 20 per cent decline. It is further stated:

South Australia's share of total Australian new dwelling approvals fell from 7.8 per cent in 1985-86 to 7.6 per cent in 1986-87.

So, our share of the national average in terms of housing fell—and fell alarmingly—in the private sector. If it was not for the fact that the Government put a lot of money into subsidised housing, the figures would have been even more disastrous. What do we read at page 26 in relation to non-dwellings? This is unmitigated gloom. It states:

South Australia's share of the total value of Australian non-dwelling building approvals fell from 7.3 per cent in 1985-86 to 6.9 per cent in 1986-87.

So, our record in relation to non-dwelling building approvals has been worse than that in the rest of Australia. What about engineering construction? At page 26 it is stated:

South Australia's private sector had a particularly low share—only 4.4 per cent—of engineering work done by the private sector around Australia in the nine months to March... Despite the relatively greater predominance of the public sector in South Australia, its share of work done Australia-wide by the public sector was below our population share.

*An honourable member interjecting:*

**The Hon. E.R. GOLDSWORTHY:** That mirage in the desert, Roxby; members opposite tried to scuttle it, but it is about all they have on the horizon, mirage or no mirage, as the Premier called it. I can make the whole of my speech with reference to these documents and if anyone takes the care to have a look at them—and I hope some of the journalists have taken the time to have a look at this—they will see that we have an appalling record in South Australia compared with the rest of Australia. At page 27 we read about the spending power of the hard-pressed, highly taxed South Australian. I have finished with the economic indicators. We have done worse in all of those than the Australian average.

What about the poor old wage earner who has to put up with this? This is what it states about his standard of living under 'Incomes and Prices' on page 27:

In South Australia, average ordinary time earnings for full-time adults rose by 4.7 per cent between February 1986 and 1987 (the latest data available) versus 6.3 per cent nationally and the 2.4 per cent award rate rise over that period.

On page 29 there is the heading 'Manufacturing Industry', and the Leader adverted to this. We built up a great, flash Department of Economic Development over the years. The Government's answer to a problem is to put more people on the public payroll, to try to drum up a bit of activity. Of course, what we have is a continuing salaries bill which we cannot escape—which the public cannot escape—all in the interests of drumming up some sort of activity in the private sector. Members should ask the private sector what it thinks about this philosophy—solving its problems by putting more people on the public payroll. It does not fancy the increased level of taxes it has had to pay, and I have heard people expand more than once on the so-called help the Government is giving them.

There has been a dramatic decline in the past decade in manufacturing industry in South Australia, and in the last year that decline has continued. In terms of employment numbers in major South Australian manufacturing enterprises, at the end of June 1986 there were 54 368 employed, and now there are 53 219 employed, so employment in manufacturing industry is declining. All I have done in 15 or so minutes is to recite from the Premier's own documents the indicators of economic health and economic trends during the past 12 months or the past few years compared

to the situation in the rest of Australia—and on every count we have failed. The Government has failed on every count.

The indicators show that we are doing poorly. The Premier, as the Leader mentioned, can talk up the submarine project; he can talk up the Grand Prix—and the submarine project is an interesting way of recirculating taxpayers' funds, and I acknowledge that. We get about 20 per cent of it with about 8 per cent or 9 per cent of the population, so we have done reasonably well. But it is an interesting recirculation of taxpayers' funds. The only wealth it will generate is if we get people interested in new technology setting up here on a permanent basis, otherwise it is a recirculation of hard-earned taxpayers' funds.

The other area to which I wish to refer is the level of indebtedness, to which the Leader referred. I know that there is a table in this document which tends to indicate that the Premier is not terribly worried about it. Nonetheless, I think there are a couple of significant quotes in the Financial Statement which we should heed, and there are certainly some statements in the Auditor-General's Report I have read today which the Government should heed. I read from page 14:

The other major area of expenditure under recurrent payments concerns gross interest. Debt servicing payments from Consolidated Account, including those to SAFA and other statutory authorities, will increase in 1987-88 by 11.2 per cent. This reflects to a large degree the very high interest rates affecting new borrowing and re-borrowing, together with the full year effect of the increased borrowing we undertook last year to support the capital program.

I refer now to page 62. The Premier was out on a wing and a prayer last year: he was going to support a capital program with increased borrowing, but of course most of the thinking of Labor Governments is, 'Let's borrow money now and hope that we turn the corner and something will turn up.' What about the much vaunted RED and CEP schemes to generate phoney jobs? They said, 'Let's spend some taxpayers' funds hoping that something will turn up.'

*Members interjecting:*

**The Hon. E.R. GOLDSWORTHY:** Yes. Labor Governments said, 'Let's get people off the street. Let's spend \$1 billion or so of taxpayers' funds in make-work schemes in the hope that something will turn up.' Many of them were conducted in a most inefficient manner. How is that for long-term economic planning that was supported strongly by this Government in South Australia? Even the Federal Government has had to acknowledge the error of those earlier years in government when there was an enormous opening of the floodgates and excessive expenditure reminiscent of the Whitlam years. Of course, the sorts of cuts that it managed to institute this year in the mini-budget just about make up—but do not make up—for the extra money it pushed out into the economy in the first couple of budgets. Once one loses ground it is enormously difficult to make it up. Let me refer to page 62 of this Financial Statement, which states:

Reflecting the stronger growth forecast for public sector spending relative to receipts, the net public sector financing requirement is expected to increase from \$495 million in 1986-87 to \$588 million in 1987-88.

It then goes on to state:

... most of the increase, however, is attributable to a higher level of net borrowings (that is, gross borrowings net of movements in financial assets).

To me, that is a worrying statement. It further states:

The growth in net borrowings has implications for the overall net indebtedness for the State. The increase in the flow of net borrowings that has been estimated for 1987-88 is expected to result in some increase in the overall stock of net indebtedness in real terms.

The rest of the document tends to play that down. That is a worrying trend. If one looks at the table at the bottom of the page, one sees that it indicates that during the life of the Liberal Government there was a reduction in net indebtedness in real terms. There has been overall, with one exception, an increase in net indebtedness in real terms since the Labor Government was elected to office in South Australia, so much so that I understand that, of the \$1 billion plus revenue generated by State taxes and charges, 56 per cent goes to service debt.

I could not run my small business affairs in that manner, nor would I seek to. I believe that this trend is damaging and dangerous, and I cannot see how the Government is going to reverse it. Certainly, it has not the will or the wit to make the sort of decisions that the Liberal Government took in office. Indeed, if those policies had been steadily continued, the problems facing South Australia at the present time would be nothing like as difficult as those that the Government currently faces with the policies that it now claims to espouse.

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

**The Hon. P.B. ARNOLD (Chaffey):** Any suggestion by the Premier that this is a stringent and tough budget being imposed because of tough times needs a great deal of explaining by him as to how he arrives at that conclusion. It is obvious that total spending is up from \$3 778 million to \$4 018 million. When we consider that that is a significant increase and that at the same time there is a real downturn in the capital works program, obviously one has to look to see just where that money is going. One does not need to look far.

We find that the number of employees in the Public Service and in statutory authorities in South Australia has increased dramatically since the Labor Party came to government in late 1982. In fact, the total figure is up by about 13 000 employees, which is an enormous increase at a time when we are led to believe that the Government is doing everything it can to contain costs. Obviously, it is not. The tragedy of this whole business is that the real capital development area is significantly down, and that is where we have the real potential for increasing employment in the longer term.

Wages paid out at any one time are here today and gone tomorrow, and such expenditure does not lead to ongoing employment unless activity is in a development or capital area that will provide permanent jobs in the long term. Until then, there is little chance of an improvement in the employment situation in South Australia. I believe that that is a real tragedy for the State, and to suggest that the Government has a tight rein on the situation is absolutely absurd. We can compare the three-year period of the Tonkin Government when there was a significant reduction in the number of Government employees in the Public Service, but that is not the case today. It has blown out, and that is very much a reason why we see an ever expanding budget but a reducing capital works program.

This concerns me greatly, and I am yet to understand clearly exactly how it will work and whether any real provision is being made in the long term to overcome this problem. This problem was highlighted by the Public Accounts Committee some time ago in regard to depreciation as it affects the E&WS Department in particular in regard to water mains and sewers. The replacement of the capital assets that we have in the ground is of real importance to this State, because we are talking about an enormous sum of money invested in that capital in the ground

which must be replaced sooner or later. In his statement to the House, the Premier stated:

In the case of the State Transport Authority, it is appropriate that Parliament consider the real cost of the deficit including depreciation. The Government believes that the State Transport Authority should be reimbursed for its total deficit so that it does not build up accumulated losses on which it would have to pay interest. This ensures that future generations will not have to deal with accumulated deficits.

He went on to say:

Similarly, in the case of the Engineering and Water Supply Department, it is appropriate that Parliament should consider the real cost of providing water and sewerage services, including depreciation of the department's assets. This is particularly important in light of the Public Accounts Committee's investigations into assets replacement generally.

The Auditor-General also makes reference to that at page 80 of his report, where he states:

*Changes in Accounting Methods.*

Depreciation: In previous years the department's financial statement recognised only the repayment of debt under the financial agreement, as an expense. As this responsibility has been taken over by the South Australian Government Financing Authority, this accounting practice has been discontinued and depreciation of fixed assets (excluding plant and machinery) introduced and recorded in the financial statement.

Depreciation of \$16.9 million:—

and this relates to the E&WS Department—

- represents the calculation for 1986-87 and is based upon the historical cost of fixed assets (\$1 064 million) which are being depreciated over their estimated economic lives, on a straight line basis. Economic lives of assets vary from 25 to 99 years, with the major component, mains (\$634 million), being depreciated over 80 years;
- does not include depreciation of mobile plant and machinery and minor plant.

Provision is made in the Estimates of Payments, and depreciations are identified in relation to the various lines, whether it be for country sewers, water treatment, and so on. But it is still only a paper entry, because there is no real funding for the replacement of those essential mains and sewers. One day in the future the Government and the people of South Australia will have to face up to their responsibility for this asset which is rapidly depreciating and coming to the end of its effective life. It will cost the Government of the day and the people of this State an enormous sum of money to correct and update this system. The budget identifies the problem on paper but says absolutely nothing about providing the necessary funds to enable the E&WS Department to come to grips with this very real problem.

We see also in the papers presented provision in the next 12 months for rapid escalation in taxes and charges, fares, registration fees and water and sewerage rates. Not only do we have the escalation identified in the papers and in Government announcements from time to time, but we have a situation which has increased particularly the rates set by way of valuation because of the enormous escalation in valuations. As we all know, water rates are based on property valuations, and it is interesting to look at the rate at which those valuations have escalated. I believe that the Government works very much on the notion that only a small percentage of people will appeal against their valuation, but that figure has an enormous impact on the rates that they pay.

That fact is clearly identified in a letter which I received and which clearly sets out the position of a person and the enormous escalation in the valuation of her property. The letter states:

I would like also to draw your attention to the dictatorship which now exists in relation to the cost and allocation of water.

The letter then goes on to state that in less than 10 years her property valuation has gone from \$20 000 to \$150 000. On the next page she states that in 1979 her property was

valued at \$20 000, and she received a water allocation of 537 kilolitres. In 1985 her property was valued at \$74 000 and she received 415 kilolitres of water. In 1986 her property valuation jumped from \$74 000 to \$126 000, and in 1987 it was valued at \$150 000, and her water consumption was only 269 kilolitres. She makes the point that not only is she required to pay for water that she does not use, but the valuation is such that she pays far more than she should be paying. That is not only a form of backdoor taxation, but it is blatantly dishonest and irresponsible of the Government knowing that most people will not appeal against their valuation. The Government works on that basis so not only does it get an increase of 10 per cent or 12 per cent in the cost of water, but there may be a 30 per cent, 40 per cent or 50 per cent increase in the water rate through this massive escalation in property valuations.

Unless the Government wants every person in South Australia to appeal against their property valuation, I believe that it should look at this area more responsibly. The Government is taking advantage of many people who believe that the valuation placed on their property by the department is accurate. However, unfortunately, when they come to sell their property in many instances the market price is nothing like the valuation on which they have been paying their water rates. That problem needs to be looked at otherwise, sooner or later, there will be a campaign involving people automatically appealing against their property valuation as a matter of principle. I was in this position a year or so ago and my appeal resulted in a significant reduction.

The Government also indicates a fall in the collection of payroll tax—a clear indication that the Government is falling behind, that employment in South Australia is falling behind and that big business is not increasing but declining. That is another tragedy for this State. The Government has seen fit to do away with the decentralised payroll tax rebates, which have been in existence in South Australia for the past nine years or so after being introduced in the early stages of the Tonkin Government and were of immense value to country based manufacturing industries and enabled them to compete. The rebates were introduced when Victoria had decentralised industries payroll tax rebates legislation and it was essential that South Australia adopted a similar approach so that we were not at a cost disadvantage. That rebate system is now being phased out by this Government and, in the case of the Riverland, it is worth something like \$1.5 million annually. There will be a direct reduction in the money available in that community.

The money lost will have to come out of the pockets of every person living in the Riverland. There is no way that industries based in the Riverland can further contract their work force. They have been through that exercise and have reduced their work force to the absolute minimum. So there is only one place to go, that is, to reduce the amount paid for the raw materials processed in the various industries in that area. That applies right across South Australia. Once again, it will be an enormous disadvantage and certainly a disincentive for country industries to employ, and it will make it much more difficult for country industries to operate in the future.

I will now look briefly at the capital works program, particularly as it relates to the E&WS Department. I note that a massive \$263 000 has been provided in the capital works program for salinity interception works. I take it that that money will go largely towards further ongoing investigations in relation to the Woolpunda groundwater interception scheme. Consultants reported back in about 1982 that the project was feasible and that it would intercept

something like 60 000 tonnes annually of salinity ground-water re-entering the Murray River at that point.

Since that time we have had ongoing investigations, year after year. We have seen the South Australian Government support the establishment of a Ministerial Council, and no-one has any objection to that. We have seen the Government support the concept of a Murray-Darling Commission, and no-one has any objection to that. We fully support it. However, until this Government and the Federal Government get down to taintacks and funds are made available—whether to the River Murray Commission or the Murray-Darling Commission—to get on with the job and come to grips with some of the problems relating to Australia's greatest natural resource, then the situation is absolutely scandalous.

We in South Australia should do something about pushing it along. Very little has happened in the last five years. The consultants reported in about 1982, and we are still looking at the project. I highlight the Woolpunda ground-water interception scheme only because it is one of the most cost effective schemes that has been identified by the River Murray Commission in the whole length and breadth of the river system. Unless we see some action, the commitment of the South Australian Government is little more than window dressing.

Concern has been expressed by the Opposition about the sewage sludge that is discharged into Gulf St Vincent. The Minister acknowledges (and we have departmental dockets to this effect) that this matter has been considered at length. The Minister does not deny that it is a proposal.

*The Hon. D.J. Hopgood interjecting:*

**The Hon. P.B. ARNOLD:** According to the *News* today—

*The Hon. D.J. Hopgood interjecting:*

**The Hon. P.B. ARNOLD:** But we have ample documents which clearly identify that the matter has been considered at length by the E&WS Department. If the Minister does not know what is going on in his department, then I suggest that he takes it up very urgently with the Director-General.

**Mr MEIER (Goyder):** I am pleased to speak in this debate and follow the shadow Minister of Water Resources, my colleague the member for Chaffey, who referred in his speech to several items but touched on one area that interests me particularly, namely, the replacement of water and sewerage piping. I agree with my colleague that the Government must give greater attention to replacing water pipes, in particular. It is a pity that not more attention has been given to this in the budget.

In referring to one section that has just been completed in the Dublin area, I give credit to the Minister for having acted in a relatively short time to replace a most unsatisfactory water pipe in that area. This was the scene of much attention last year because of health aspects associated with the quality of water. The pipe was replaced during the past month or two and I think that most of the connections have been completed. In fact, it took a very short time to put in a relatively long section of pipe which is at least double the size of the previous one. If we took all the gunk out of the previous pipe it would probably be triple or four times the size of the previous one.

I would love to see the figures in a year or so of money saved by the E&WS Department in not having to go to the Dublin-Windsor area every week to clear blockages, add chemicals, clear blocked meters (a common occurrence), and carry out other maintenance work that has gone on for many years. If one looks at the capital expenditure cost of new pipes versus the expenditure on salaries and wages and overtime over the past two or three years one will probably

find that the pipe will pay for itself within a year or two. Unless this Government looks realistically at the water reticulation system in this State and its replacement and update, let alone its extension, then it will be only one more area where the State will be at a serious disadvantage—and using the word 'disadvantage' brings me to the budget.

Unfortunately the people of South Australia are once again going to be disadvantaged by this budget, just as they have been disadvantaged for most of the time that a Labor Government has held office in the past 20 plus years. In fact, we could say that we are mortgaging our children's future in this budget. It is very disturbing to see that, although the Premier openly says that we cutting back on various areas here and there, if one analyses it in detail one finds that the cuts have been very insignificant, if any; that the increases are there—in fact, some major increases; and that in real terms the expenditure is budgeted to increase by 6.5 per cent in 1987-88. Some cut!

Looking at some specific statistics, one sees that the total interest bill for this financial year is expected to reach \$575 million. That is a rather frightening figure, because it means that we have to raise that amount this year just to meet the interest; we are not even talking about paying back any of the capital. In fact, that will constitute 16.5 per cent of recurrent expenses, and that is up from about 12 per cent of recurrent expenses in 1983-84—a very significant increase. The interest bill—and this is more relevant—will take 56c out of every \$1 collected by the State Government.

Our tax collection receipts are in the order of \$1 200 million—in other words, \$1.2 billion. Of that, 56 per cent is going straight towards paying off the interest bill. A family or a company operating in these circumstances would go bankrupt. One would have to close up shop. It would be regarded in some circles as a tragedy. Yet our State continues to operate this year in this fashion. Indeed, it is a worrying thing for the future.

It is really bad news for the future. Not only that, but as I mentioned earlier there will be a 6 per cent increase in expenditure. The least we could have expected to see was a real cut, a cut of some significant terms. It was interesting to see in today's *News* that the Queensland budget has been brought down and has really hit areas hard, including flexitime and the abolition of the 17.5 per cent leave loading for public servants. Also, there will be no extra staff, and other measures are being taken in different departments. We are not seeing that happen in South Australia. We seem to be delaying the day of real judgment. Unfortunately, it will get progressively worse the longer we wait.

South Australian taxes have increased phenomenally, as we heard from our Leader earlier today, during the period that the Bannon Labor Government has been in office. In fact, there has been a 106 per cent increase in taxes since 1982 compared to a 64 per cent CPI increase during the same period. That shows how South Australians are being ripped off by this Government, and it is high time that the people of South Australia were made aware of the way this Government is mismanaging their money—and let us not forget it is the people of South Australia's money that is literally being thrown away. The tragedy is that 56c of every \$1 being taken from the people is going towards paying interest only.

**Mr Tyler:** You don't want the State Government to spend money in your electorate?

**Mr MEIER:** I believe that money is being poured in left, right and centre to the member for Fisher's electorate, and he is trying everything to—shall I use the word?—'deceive' the people that things are going all right, but I will try to ignore that sort of comment. The Leader also mentioned



that there has been an increase in the Public Service of this State of some 13 000 persons since this Government came to office. It is frightening to find such a significant percentage increase in the number of people employed in the public sector. Where is the wealth coming from to pay for the public servants? Where will it come from in the long run? There has to be a judgment day. Maybe they expect that mirage in the desert that they call Roxby Downs to provide the money. Maybe they expect the submarine project to provide the money.

**Mrs Appleby:** You're unreal.

**Mr MEIER:** The honourable member says I am unreal. How unreal is the Government! Members opposite should see the Public Service figures in overseas countries. Do they have nearly 30 per cent? No; we find that a country like Japan has something in the order of 6 per cent of the people employed in the Public Service. Why is Japan such a strong country? Why does it have such a strong economy? Because it has a large Public Service? No, because it has a very small public service. The sooner we wake up to that fact, the sooner we as a State can start to advance and our dollar can have some relevancy on the international money markets. I feel very sorry for Government Ministers not being able to recognise such obvious facts that they will have to face in the very near future. It worries me more for the sake of my children and future generations. Having reached more than the halfway mark of my life, I suppose it will not worry me unduly as much as it will the next generation.

**Mr Klunder:** Don't be such a pessimist!

**Mr MEIER:** I am not a pessimist; I am a realist. I wish the Government were realistic but it has been a trait of this Government year after year that it is quite happy to buy votes. I must admit I thought that time would run out after a while when they could not afford to buy votes. Now we see people paying 56c in each \$1 paying off the interest, but they are still quite happy to continue in that way. It does not augur well for South Australia, and unfortunately it is being reflected the same way on the Federal scene where the Hawke Government is doing exactly the same thing.

*Mr Tyler interjecting:*

**The ACTING SPEAKER (Mr Duigan):** Order! The member for Fisher is out of order.

**Mr MEIER:** It is interesting that the member for Fisher should interject. He should have seen an article in the weekend press where the accusations against the Liberal Party were found to be completely false. Its election advertising was completely within its rights and was not misleading at all. Certainly, it was very different from that stupid advertisement of the Labor Party, with the housewife saying, 'Where's the money coming from?' Of course, that was a complete fabrication, but I will hand it to the Labor Party: it did put doubt in people's minds. That sort of advertisement should have been banned.

*Mr S.G. Evans interjecting:*

**Mr MEIER:** With the rat pack, yes. You could be right there.

**The ACTING SPEAKER:** I remind the honourable member that he should not reply to interjections.

**Mr MEIER:** Thank you, Mr Acting Speaker. I will endeavour to adhere to that. Thank you also for your protection. I want to look at a few statistics as they relate to South Australia and the budget to emphasise that South Australia unfortunately is in a very precarious position. If the Government does not take hold of things, perhaps with a mini budget, the situation will only get worse. Consider, for example, employment growth for the year to 31 July 1987.

**Mrs Appleby:** You're speaking on the budget.

**Mr MEIER:** Yes, I know. I hope that the Premier will change aspects of the budget and recognise many problems that he does not seem to have recognised to date. As I mentioned, it might be necessary to introduce a mini budget, because it seems that things have not been recognised to date.

*Mrs Appleby interjecting:*

**Mr MEIER:** The honourable member seems to be criticising the concept of a mini budget. Her Federal colleagues delighted themselves in presenting a mini budget last May, even though it was a pretty weak budget.

**The ACTING SPEAKER:** Order! The member for Goyder will direct his attention to the budget, as I have previously asked him to do, and not respond to interjections.

**Mr MEIER:** I am looking for your protection, Sir, and it is a pity that members do not allow me the floor more than they do. I was about to mention the statistics for employment growth in the year ended 31 July 1987. South Australia showed an increase in employment growth of 0.9 per cent, and that was the second worst in Australia. In fact, it contrasts with the best—4.6 per cent employment growth in Victoria. As to the number of building approvals, specifically the number of dwelling units, for the year to 30 June 1987, compared with 1985-86, I am afraid we were the worst State with a negative 16.6 per cent building approval rate. We could consider the retail sales growth where for the six months to 30 June 1987, compared to the same period in 1985-86, we showed a growth of 3.4 per cent. Australia-wide, it was the worst increase. The best was Western Australia with a 9.3 per cent increase; Tasmania had an 8.5 per cent increase, while New South Wales had a 9 per cent increase.

Looking at new motor vehicle registrations, we were second to bottom for the six-month period to 30 June 1987, compared with the same period in 1985-86, with a minus 24.6 per cent new motor vehicle registration growth. We know that the fringe benefits tax has had a large influence on motor vehicle registration growth, and it perhaps highlights again how socialist policies will simply lead to a greater third world status for Australia unless the socialist Governments wake up to themselves.

We have heard these figure before, but I point out that, compared to the financial year 1985-86, bankruptcies in South Australia increased by 46.6 per cent in the financial year 1986-87. Unfortunately, that increase took us to the top position in Australia, as no other State had a higher percentage.

From time to time the Premier says how the Government is encouraging the private sector, but it is a pity that it does not give the private system a better go. However, I guess that the Government has learnt something about privatisation from the Liberal Party. Here again South Australia is second to worst in respect of the increase in new capital expenditure for the year ended 31 March 1987 compared to the year ended 31 March 1986. The figure for the year ended 31 March 1987 was 6.4 per cent. Therefore, all in all, the situation is gloomy for South Australia and I should have thought, as I believe the press and certainly the general public would have thought, that this budget would try to highlight some of the real problems and, most importantly, to overcome them. However, that does not seem to have been the case. An increase of 6.5 per cent in real expenditure is estimated for the coming year.

Does the budget contain anything positive? I was tentatively happy to see that the proposed increase in petrol tax would not affect Yorke Peninsula or any other region over 100 kilometres from the General Post Office. However, that increase is only 2c a litre. How will the Government imple-

ment the variation between zero and 2c a litre tax throughout the countryside? I wish that I had more time to advance a few scenarios in this regard, but I suppose that the Government has considered this matter. In real terms the 2c a litre differential is little more than a drop in the ocean. Indeed, only last week a price differential of 20c a litre existed between city and country petrol prices, and all country people are disturbed that such a huge differential regularly exists.

The differential is disturbing, because one day a serious accident will occur as the result of people carting petrol in large quantities from the city, or from a near city area, to the country in a vehicle or in containers that do not meet the safety specifications. Such an accident will certainly happen, because many people are carting petrol from near city areas to the further country areas as a consequence of a petrol price differential of up to 20c a litre. It is more than time that the Government was committed to dealing with this price differential between city and country so as to ensure that the differential is never more than a bare minimum.

**Mr S.G. EVANS (Davenport):** Speaking in this debate, I am conscious that a member may refer to any area of South Australia where expenditure is involved and that we often express views about our own electorates that in the end have little bearing on what happens in Parliament or in Government, because the Bill will pass. After all, it provides for the funds to run the State and, even if members on this side make sensible suggestions, the present Government, because of its arrogance, will ignore such suggestions. Such arrogance has been displayed recently.

There was a recent little comment in the newspaper that the Premier is known as the 'good news Premier'. In other words, he is there to collect the bouquets but does not like to front up for the brickbats. Of course, many of his ministerial colleagues fall into the same category. They are using money to run the State quite improperly at times, in my view—to promote a political philosophy and not to promote the State. The Government is using backbenchers to throw up the dorothy dixers to get it off the hook.

So, Parliament—an area in which we spend a lot of money—has become a joke. Question Time is abused to the degree where it is a waste of money. If Ministers so wished, they could give ministerial statements in the time provided, but they do not. The promises we were given by people of that particular political philosophy, the socialist philosophy, who claimed at the time that they believed in fair play, have been broken to the extreme. I do not believe there is any way of achieving any modification which is likely to bring about any sense of fairness or justice in this place.

A point I raised today—and I cannot refer to any more than that—was a typical example of the sort of winner-take-all approach that has been taken to a place where fairness should at least appear to prevail, even though we know that over the years there has been some bending of the rules by the political Party which has been elected to govern the State at a particular time. But the individuals were also elected: they were elected to represent their people and have an opportunity to put that point of view in Question Time or through questions on notice.

Even if one puts on notice a moderate request, such as I have done in recent days in regard to the Registrar of Motor Vehicles, seeking details as to why second notices for renewal of licences were sent out when people had already paid, it takes weeks to get an answer. The previous practice in this place was that a member could expect that answer the next

Tuesday, and that was a guarantee that was given at the time. I know that some of the questions are long and the research required is longer, and any honourable member would accept that there needs to be more time for answers to that type of question.

So, Parliament is now a joke. And I refer to the proposal that Goodwood High School be closed, and to TAFE conditions for tutors in a most important area—and we are told by the Federal Government, the State Government, the trade union movement and by the business community, that they are trying to develop people's technical and trade skills, an area in which Australia has fallen behind. If the Minister responsible can avoid fronting up, he will do that, although I give credit to that particular Minister—he has a little more courage than some of the others.

When it comes to any project in the State, if something is to be closed down or if a course is to be changed which adversely affects someone's livelihood, a public servant is sent along to take the brickbats. One may read that a spokesman from the Minister's office said something, a minder said something or a political appointment said something. One does not read that the Minister so selected by the Premier to represent the Government, a person elected by the people to put a point of view has said something, it is a minder, a political appointment. That is a total abuse of the system—not having the intestinal fortitude to front up and give reasons why action is taken.

An example of that approach is the Kalyra Hospital issue. The news media picked up the matter and ran a false front headline, getting it over to the people as the first perception (the one that sticks longest), saying that the Government would save \$12 million. That is a complete furphy. About two years ago the hospital was asked to give a report and indicate all the things which could perhaps be claimed if we lived in a country where there was plenty of money available at the time and, by the time the Government made the announcement about Kalyra, many of those things had already been done by that hospital.

I admit that that hospital is partly within the private sector; it is looked after by an excellent trust and is well managed, having facilities throughout the metropolitan area of Adelaide. It has done a lot of that itself. It has made no substantial request for public funding, because it knew of the constraints, but the Minister hung his hat on that old report. That is a disgrace in itself, but there will be no shame shown by the Government—the backbenchers, the frontbenchers, the Minister in the other place, or the Premier. There will be no shame, because conscience does not prevail any more in relation to honesty in public statements. A half-truth told with bad intent is worse than all the lies one can invent. That is something we should all be conscious about: half-truths are the most damaging, and that was a half-truth, to try to get the message over that the hospital was not suitable.

I have received many letters, and there have been many letters to the paper and people on talkback radio programs supporting that establishment. Many people praise it and have even placed relatives of those who are in there now, knowing that the partner or the relative may not be with them much longer. They have to face that traumatic situation where a Minister says that this hospital is not suitable. The quality of service and the dedication of staff and volunteers who support that hospital are unquestionably as good as in any organisation in metropolitan Adelaide.

What does the Government do? Because it runs into problems in other areas, it says, 'Let's get rid of this one.' It is callous, cold and heartless, and is hanging it on an untruth. It is a deliberate untruth—as deliberate and as cold

as it can be. The Government then made the claim that the annual operating costs would mean \$1 million extra cost to the Government. That is also an untruth, when the hospital quite clearly showed the Government and the Health Commission that it could reduce that figure to less than \$200 000. Peanuts! That is less than half of the cost of overtime in relation to chauffeur driven motor cars for Ministers. That is the amount of money we are talking about: less than half of that amount—\$340 000 in 1985-86. I have not checked what it is this year, but wages in relation to chauffeur driven motor cars in 1985-86 totalled \$815 000. Some of those people who are operating those vehicles have given me the cold shoulder. This is not an attack on them: I am saying that those people can be used more effectively in the public interest and still have a reasonable income.

When we start talking about closing Kalyra Hospital while those sorts of injustices exist within the system, we can understand why people are now starting to say that this is an arrogant Government. It is a cold, heartless Government; it is not a caring Government, except if a matter relates to a multitude of organisations, mickey mouse clubs, set up around metropolitan Adelaide and in some country areas as a hotbed of socialist ideas to promote their own cause.

*Members interjecting:*

**Mr S.G. EVANS:** Do not worry, Mr Speaker, when they bite we know that the bait is right and that one is on the right track. That is the truth. We know where it is coming from and we know that it hurts, because it is planned, it is well organised and it is publicly funded. However, when it comes to a hospital like Kalyra the support is not there. Many people give their time voluntarily to raise money, to offer care and to provide the opportunity for a friend to be by the side of people who may not be long with us because ill health is taking them, through no fault of their own but because of the unfortunate path of human life where some of us are lucky enough to be healthy and have reasonably long lives while others are not so fortunate. So, when it comes to that, we are told a half-truth in an attempt to close the hospital. Let the Government deny that it is a half-truth, because that is all it is. There was no demand by the hospital board for the Government or any former Government to spend \$12 million to upgrade the hospital facilities.

Even though the press has picked up the point in a minor way, not one of the frontbenchers—neither the Premier nor the Minister in another place—has had the decency to stand up and say, 'Yes, we did bend the facts a bit; we were just trying to achieve a goal to serve our own ends.' That is what it was, because that hospital has many volunteers. There seems to be an attitude that if there are too many people volunteering or if there is too much private enterprise, it should be cut out unless there is something one can sell or commercialise—and they say 'commercialise' now instead of 'privatise'. The Government believes that if it can sell an organisation or if it can save big dollars, it will avoid major problems in the future.

I now want to pick up one or two points that have been referred to by other members. I first raised a problem in relation to sewers and water mains in a letter to the Minister about 18 months before the Public Accounts Committee reported on that matter. I could not get an answer, and I give credit to the PAC because, regardless of the philosophy of its members, the committee set out to get at the truth. We are millions of dollars behind in replacing water pipes and sewer mains that have outlived their usefulness; indeed, they are at the end of their expected life.

We have not realised that when pipes corrode—and water pipes corrode more than sewer pipes—there is a great increase

in the cost of power to pump water through. Indeed, I am told by an engineer that there is about a 20 per cent to 35 per cent increase in energy required if pipes are badly corroded. Even if there is only a 10 per cent increase, we are spending tens of thousands or hundreds of thousands of dollars a year on extra energy.

Similarly, our suburban roads are under council control, I know, but that is still a debt within the State. Some of our major roads are in a very poor state, but we are told we do not have the money to repair them. We are told that the southern route—the third road—cannot be started until 1992. What a disgrace! The member for Fisher has come up with an idea that all cars going one way should use one road and those going the other way use another road.

*Members interjecting:*

**Mr S.G. EVANS:** When they get to the end, where will they come out? They will reach a dead end down on the South Road and Sturt Road junction.

*Members interjecting:*

**Mr S.G. EVANS:** If they want to go to Melbourne or Sydney, I will help pay their fare by \$1. That suggestion was just a sham because the Government had to sell something to the south to get candidates in doubtful seats off the hook. We know that. The Government finished Reservoir Drive, the Flagstaff Hill extension, or whatever we want to call it. It is in close proximity to Taylors Hill Road. But then it stopped; the Government would not go any further until money became available. In other words, it is waiting to see if the Federal Government will help.

I refer now to Federal grants. I note that the Liberal Party has adopted the policy and I believe that the National Party has the same policy in Victoria, perhaps Australia-wide; the sooner we get out of the system of tied grants, the better. South Australian taxpayers are entitled to a certain percentage of the cake. The Federal Government was created by the States to govern in areas where the States could not govern. That was the intention. The States gave the Federal Government tax collecting powers. South Australia was the last to participate. It was a wartime measure but the States never got those powers back. They did not want them back, because political Parties in the State arena did not want the stigma or the smell of tax collection: they just wanted the thrill of spending money.

However, the sooner we go back to saying, 'Give us our money; we do not want a tied grant for the South-Eastern freeway or any other road,' the better. It is not the Federal Government's decision to say which national road should be fixed or developed. The Federal Government can tell us the route it likes, but it should give us the money and let us decide how we spend it in this State, regardless of what Government is in power. In that way, we would end up with better use of taxpayers' funds for the benefit of a greater number of people than under the present system. We would cut out one lot of bureaucrats, and that is not a bad idea. That is my view, and I am sure many of the public would support it. Tied grants have had their day and, if each and every one of us were to back their abolition, when we get our turn in Government we will enjoy it, because the State will have the opportunity, in its view, to make the most effective use of money for its people, and the Government will be elected or otherwise on the way it uses money. We should be fighting hard for that.

I would like to finish this contribution by saying that I am disappointed about the direction in which the public transport system is going. I am disappointed that the Hills area has been neglected. I realise that down south there has been some improvement, but in the Hills there has been a deterioration. I find that annoying, because it shows that

the philosophy of the Government of the day determines whether or not people benefit from improved Government services. If people live in a socialist, Labor supported area, especially if it is a marginal seat, people get better facilities or more money being provided for new facilities than in areas where people representing other views are elected.

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

**Mr D.S. BAKER (Victoria):** In reading the documents presented to the House by the Premier for the 1987-88 budget, it is extremely difficult to make comparisons with previous budgets because of the changes made through the amendments to the Public Finance and Audit Act 1987. However, the documents contain figures presenting a comparison with the 1986-87 budget. To me, it is difficult to work out how those figures are finally achieved. However, one finds that the total expenditure for 1987-88 will be increased by about 9.7 per cent over 1986-87 expenditure. Similarly, one must exclude from the receipts side of the budget sums provided by the Commonwealth for expenditure in South Australia. When excluded, this shows an increase in receipts of over 9.2 per cent in the 1986-87 figures.

There are two divisions on the receipts side: the first is 'State taxation, charges and fees' and the second is 'Commonwealth General Purpose Grants'. Again, on the receipts side the revenue from State sources is divided into several areas. Under 'Taxation', the proposed amount is an increase of some 11.3 per cent. This increase in State taxation compares with an overall increase in total receipts of some 9.2 per cent, thus showing that more of the burden of financing the State will fall on State sources this year than on the Commonwealth general purpose commitment.

In examining the 11.3 per cent increase, the figures in certain areas are very interesting. Land tax shows an increase of some 30 per cent over last year; gambling shows an increase of some 16.5 per cent; motor vehicles show an increase of some 11.2 per cent; business franchise shows an increase of 24.1 per cent; and fees for regulatory services, an increase of some 44.3 per cent. Of course, there are many other increases, but those I have cited are the main ones in providing a general increase in taxation of some 11.3 per cent. The business franchise tax, as members would realise, is entirely dependent on the new petroleum tax, which will recoup to this State some \$20 million in extra revenue. It will provide members of the Opposition with some very intriguing moments when working out how the Government will collect that revenue and enforce the regulations.

Increases other than direct taxation come under the heading of 'Recoveries', with the most important contributor being SAFA. This year it is estimated that SAFA will put \$220 million into South Australian receipts, compared with some \$164 million last financial year. That is a staggering increase of some 46.3 per cent, and it continues to amaze me that such a great amount of money could go into the budget of this State from that organisation without the Government being able—or forced—to tell the taxpayers of this State where that money comes from and how certain it is that it will go into the State budget each year.

Other increased recoveries that I think should be mentioned include the Local Government Finance Authority, which sees an increase of 34.6 per cent, and the Woods and Forests Department interest payment, which is up some 33.3 per cent. Fees, fines and charges will also contribute well to the Treasury, with an increase of over 20.2 per cent. But this heading has a new line which covers Government employee housing, and that will contribute some 65 per cent

of the total increase. As I pointed out, these increases in total will lift State taxation levels by some 11.3 per cent over last year's levels. The increase to South Australia from the Commonwealth reimbursement of taxation is only 6 per cent. So it can be clearly seen that the State is not playing its part in reducing its taxation burden, as is the general direction from Canberra.

Turning to State receipts, the payment by SAFA to the State Treasurer is absolutely vital to the financial position and the financial well-being of this State. Not only is SAFA providing \$240 million of revenue next year, but it can also be said to be the hedging area for a balanced budget. It depends on how much SAFA pays in each year whether the outcome of the financial management of this State returns a surplus or a deficit.

In looking at the monthly figures that are presented to members, the amount paid by SAFA at the end of the financial year could depend entirely on the financial success of that year's operation. I must admit that it is difficult for members on this side to work out exactly what SAFA is doing, even after examining the documents presented to us. Will the full effect of SAFA always be as profitable as it has been? If it is not, it will be a financial disaster to South Australia. As well as the importance of SAFA to the financial success of the South Australian Treasury, other changes in the presentation of the 1987-88 figures should be pointed out.

For the first time, on the E&WS lines there is a payment for depreciation. While depreciation is a necessary deduction to a business where there is a payment of income tax, it is not necessary where no tax is payable. Therefore, the only reason for a line of depreciation, amounting to close to \$20 million, to appear on the E&WS lines for the first time I believe is to fudge the budget. Is this depreciation paid into a fund for the replacement of capital items when they are worn out? I can find no evidence whether this money is ever paid or to whom it is paid. Is the final lodging place for these funds in a depreciation reserve account, is it in Treasury, or, as we suspect, does it end up in SAFA? Perhaps once again it will remain as an investment with SAFA to be recalled when capital is required. The same thing applies to many other new lines and departments, such as Government offices and accommodation and return on capital invested, all of which seem to be large sums of money which are directed away from departmental spending to Treasury. Do these funds end up in SAFA?

One often hears of the 'hollow logs' created by State Governments. I do not think that any Treasurer would deny that hollow logs exist, nor would I be critical of the hollow log philosophy. But in this budget there seems to be an inordinately large number of hollow logs. The money involved appears to be between \$50 million and \$100 million, which is being salted away in these so-called hollow logs while State taxes keep rising. I would worry what these hollow logs would be used for in an election year. In his reply, I would like the Treasurer to explain exactly where the funds that I have mentioned—depreciation, Government offices, accommodation and services, Government employee housing and return on capital—will be finally lodged. Will they be held in reserve for future capital works?

Reference has been made to STA losses. Will the STA have the same depreciation applications to its operations, and in the loss funding of STA will payments be made for depreciation? The STA loses some \$120 million per annum. Will the Government now take depreciation from STA? Surely there must be some more consistency in dealing with depreciation.

I refer to SAFA overseas borrowings. Clause 21 of the SAFA document under the heading 'South Australian Government Financing Authority, notes to and forming part of the financial statements' lists the domestic currency equivalents of long term currency items included in the accounts as at 30 June 1987. It worries me that SAFA borrowings are now at some \$550 million on overseas markets. Surely there should be a commitment for the taxpayers of this State to be told whether those overseas borrowings are properly protected against the ravages of currency devaluations or appreciations on the open market. It is less than good business practice for that amount of money to be borrowed by this Government or a Government instrumentality without the taxpayers being told exactly how those funds are covered.

Let us now look at some of the expenditure items. Over many years the expenditure in the State has seen a smaller and smaller percentage directed to the productive areas and a larger percentage directed to the non-productive areas. The increase in percentage of expenditure on non-productive areas in this budget is as follows: the South Australian superannuation scheme has an increase of some 20 per cent; the Police Pension Fund has an increase of some 26 per cent; the Attorney-General (courts and justice, etc) has an increase of nearly 36 per cent; community welfare has an increase of some 35 per cent; and the STA losses show an increase of nearly 25 per cent.

Compare this with land, forests and repatriation, which has an increase of only 5.4 per cent; marine, which has an increase of only 3.6 per cent; mines and energy, which has an increase of some 14 per cent; agriculture—our greatest money earner—which has a decrease of some 2 per cent in expenditure by the Government—

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

**Mr D.S. BAKER:** That would be quite right. I included those.

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

**The DEPUTY SPEAKER:** Order!

**Mr D.S. BAKER:** Also, fisheries have had an increase of 0.1 per cent. The areas that produce most wealth for this State have less and less Government money spent on them. Until we realise that we have to protect these areas of the State there is little hope for us to fight our way out of our present financial difficulties.

A smaller issue, but nevertheless an intriguing one to me, is the saving of some \$1.15 million in the first step of the cut in rural manufacturing industries payroll tax and the increase of \$1.1 million provided for regional development. This fulfils that exciting new program that we were told about when the Minister announced the cut in payroll tax. What is happening? Is the \$3.5 million promised going to be \$1.1 million over three or four years, or is it going to be the \$3.5 million per annum which was cited with great glee when the policy was first announced? I believe that this shows the hypocrisy of the announcement.

The Government is beginning to bite the bullet on a few financial issues. This is interesting, particularly as the Minister Assisting the Treasurer is that devout socialist whose maiden speech set out his political goals for the total destruction of capitalism. It is amazing how once a person is given the responsibility, that person changes his views quite dramatically.

**Mr Becker:** Was that Frank?

**Mr D.S. BAKER:** Yes, it was the honourable Frank. Even at the State ALP conference the Hon. Frank Blevins took a view not in line with his beloved left wing. However, on this issue of privatisation the budget shows that the Government is still not facing economic reality. Still we are

funding losses on a number of operations that should be moved out of Government operations. The Prime Minister clearly has seen the advantages of taking the taxpayers' money out of the Government sector and putting it into the private sector. According to the figures given in this budget the loss on Government trading operations is now the highest ever, and is \$247 million. That equates with the hollow log funds that come in from SAFA of some \$240 million.

**Mr Becker:** It is only taxpayers' money!

**Mr D.S. BAKER:** It is only taxpayers' money, as my colleague said. In the publicity from the Government one would suspect that this budget was supposed to be a tough budget, that the Government is facing hard times, and that big cuts had to be made because of the severe financial restrictions that the Federal Government had placed on this State. However, I do not believe that the Government is facing reality in this budget. To illustrate the point, on page 13 (first paragraph) the Premier and Treasurer said:

Consequently, no allowance has been made for the payment of the so-called 'second tier' wage increase. We believe that this increase must be completely offset by productive gains and that any increases granted must be paid for from savings achieved above those already incorporated as budget measures.

In the past 12 months the Government has increased (as already stated by the Deputy Leader of the Opposition) Public Service numbers by some 2 100—the largest percentage increase in Australia. The Government is now faced with second tier wage increases for which it has not even budgeted. If the second tier wage increase occurs, how many public servants will the Government put off if the productivity increase is so dramatic? The more one examines this statement the more ridiculous it becomes.

In today's mail it was interesting to receive the monthly PSA document with an insert on the 4 per cent wage negotiations update. The Premier says that there is going to be no 4 per cent wage increase and that it is all going to be taken up with productivity. However, the PSA states:

The PSA has emphasised in negotiation that changes which have already occurred justify a 4 per cent salary increase under the restructuring and efficiency principle. Nevertheless, discussions on offsets are also under way and the PSA has now indicated that it would be prepared to consider the following areas for possible cooperation.

The PSA believes that it is going to get the 4 per cent wage rise. It believes that it does not have to show any productivity areas. Of course, the three areas it is prepared to talk about are the voluntary retraining scheme, the employee suggestion scheme (that will be interesting), and telecommunications. The PSA states that future telecommunications systems on several levels are outdated and should be upgraded immediately with better systems, and that that will increase productivity.

It seems that the Premier is in a no-win situation. He tells us that there will be no 4 per cent wage rise because that will be taken up with increased productivity; but the PSA says that it has already given the productivity and now wants the money. It will be interesting to follow this. I do not believe that the Government is facing economic reality.

In the *Advertiser* of last Thursday under the heading 'English in the Public Service is not plain', the head of the South Australian Government Printing Division Editorial Bureau, Mrs Jenny Walker, said that most public servants are dreadful writers. She went on to say:

Public Service documents are riddled with jargon and are usually padded with redundant words and convoluted sentences...

The Treasurer's Financial Statement, page 27, states:

It has been necessary to accelerate the changes foreshadowed in last year's budget and to act to protect the State's revenue base.

Mrs Jenny Walker will dine out on this for weeks! No longer do we have increases in taxes and charges but now we 'act to protect the State's revenue base'. Page 47 contains another statement that has a similar effect. It states:

The allocation for the arts of \$32.9 million in 1987-88 reflects a new and more flexible approach to the funding of many arts organisations and individuals.

What that really means is that we are going to reduce the allocation of funding to many arts organisations and individuals, but that we do not intend saying to which organisations or individuals we will reduce them.

**Mr BLACKER (Flinders):** The budget that was presented to us 10 days or so ago shows a considerable improvement on that which was budgeted in the previous 12 months, and that needs to be recognised. My understanding is that at the time of the last budget speech the Government was proposing a \$7.3 million deficit, and it has come up now with effectively a \$10 million surplus.

To me, that is a \$17 million net gain on what was originally forecast. Of course, the question might well be asked: how was that achieved? I think it is imperative that the cumulative deficit be reduced. It has been put to me that any Government that continually operates on a cumulative deficit is, first, committing members of the next generation to debts for which they were not responsible; and, secondly, it totally restricts their ability to carry on a Government administration of any kind, irrespective of political persuasion, in a fair and businesslike manner.

It has also been put to me that any Government that saddles the next generation with a deficit of the kind we have been talking about, both at a State and Federal level, is effectively committing one of the worst kinds of child abuse possible. Whilst I agree that the term 'child abuse' has all sorts of other connotations, I do not believe it is right that Governments of the day should be able to saddle future generations with commitments they are unable to meet. I think every endeavour should be made to ensure that that is not allowed to occur.

However, having said that (which might seem to be a bit of a bouquet to the Government), I am indeed concerned that we are now looking down the barrel of a \$14 million deficit for the coming year. All the good that might have been achieved last year could dissipate in the coming year, and in that regard I think we should again be taking a long hard look. One would like to think that if the Government last year budgeted for a \$7.3 million deficit and came out with a \$10 million surplus, maybe by going for a \$14 million deficit this year it could come out with \$20 million surplus next year. That may not be practical, but the thought did cross my mind.

With some 500 pages of budget papers and a further 540 pages of the Auditor-General's Report tabled this afternoon, it is rather difficult to gauge an overall picture, although I am the first to admit that the complexities of the budget papers are probably well and truly above the reach of the average person. Be that as it may, each of us no doubt looks to see how the budget will affect our electorates and, to that end, I am pleased with some aspects, while somewhat disappointed with others. The part that does concern me is the Government's attitude (or perceived attitude) to the funding of roads and the improvement of the road program throughout the State. I am pleased to note, however, that in proposing the increase in the business franchise on petroleum products taxation the Government has in fact hit the metropolitan motorist the most, with a graduated scale to a lesser figure in the 100 kilometre radius and a nil increase for the areas beyond that limit.

Really, that is a soft soap approach, from the point of view that the Government has been collecting ABRD road program funds from the Commonwealth Government which were specifically targeted in the first instance for the construction of ABRD roads throughout the nation. When the ABRD program was set up by the Hon. Ralph Hunt, the then Federal Minister for Transport, it set a fuel levy initially at 1c per litre on every gallon of petroleum product used on roads throughout the nation. That money was tied quite specifically to ABRD roads, so that roads constructed from such funds had a sign placed on them accordingly, and everyone of us has probably drive on those roads, some larger highways and others arterial and local roads. There has been a significant input into the general community through that road funding program.

When the present Federal Labor Government came into power, it was cheeky enough to increase that figure to 2c a litre, but what it did not do was specifically tie the second cent into the ABRD road program. So, we have the Federal Government effectively collecting 2c a litre ostensibly for the ABRD road program, but only 1c of it is tied to roads. The other cent goes back into general revenue. But what happens when we get to the South Australian side, and where do we go from that?

I was concerned to note a reference in the supplementary budget papers: on page 56 of the capital works program details, under 'Transport—Works in Progress—ABRD Buses,' we find that the Government has been and is continuing to fund the purchase of MAN buses for the O-Bahn busway, quite openly and blatantly, from ABRD funds. How one can tie that up and say that the ABRD funding is used for legitimate purposes, I do not know. Whether the argument can be—and a very weak argument it would be—that by putting people on buses effectively saves the roads out in the country, I do not know; but somewhere along the line there must be an excuse, as feeble as it may be, that this should be allowed to occur. Yet, this Government—and more particularly the metropolitan area—is benefiting from the purchase of buses for the O-Bahn busway at the expense of ABRD funding and, therefore, at the expense of my constituents and no doubt constituents throughout the State, and this involves funds initially designated specifically for country areas. That is a matter of legitimate concern to my constituents and me.

I raised this issue last week with the clerk of one of my country district councils—and believe me, every country district council has a tremendous problem in the funding of its roads. Many country district councils have 3 000 or more kilometres of roads which they are obliged to maintain from what amounts to only a few hundred thousand dollars in rates and whatever grants they can pick up from time to time. So, country councils were quite specifically relying on funds from the ABRD program. One can imagine their concern when they found that ABRD funds were going to purchase MAN buses for the O-Bahn development.

I would like to make quite clear that I am not against the O-Bahn development, but I am against funds being diverted from the rural areas, from areas quite specifically designated ABRD areas, into the O-Bahn. We have the Federal Government collecting a fuel tax ostensibly for that purpose but siphoning 50 per cent of it straight back into general revenue. A large percentage of the money coming to South Australia is going toward the purchase of these buses. I cannot accept that that is fair or reasonable in anyone's language.

In talking of fuel taxes, I mention briefly the Government's proposal to increase the business franchise tax on petroleum products used in the metropolitan area. There is



a graduated scale for the area within a 100 km radius—excluding Yorke Peninsula—2 cents a litre being the major part of the increase, graduating to a 1 cent a litre increase, then to a nil increase, and this will net the Government \$21 million. The Federal Government is raising a massive amount of money by way of fuel excise, and I am told that that amount is a similar figure to the entire South Australian State budget.

That shows the magnitude of the Federal Government's reliance on the motorist—taxing the motorist by way of an excise on this commodity. Furthermore, the fuel price wars that seem to be going on in the metropolitan area, almost exclusively at the expense of the country person, are unrealistic. Within only the past two weeks fuel prices have been as low as 38c per litre. I am told that 30c per litre goes to the Federal Government by way of Federal excise; 2.6c goes to the State by way of State excise, and the remainder, certainly less than 7c, covers the cost of production, distribution, retailing and so on. We all know that it is not humanly possible to produce, distribute and retail any petroleum product for less than 7c a litre, yet that is what our system is doing. I believe that that in itself is worth an inquiry, which this Government is not prepared to undertake. However, I believe it should do so if it believes in fairness.

I guess I have been criticising road funding all the way along the line, but we have been waiting for a long time for significant road funding on Eyre Peninsula. I am pleased that the Highways gang is continuing its work on the Poonindie to Tumby Bay run. Hopefully, the gang will then move across to the Edillilie-Karkoo or the centre highway for upgrading. More particularly, there are two designated highways which need to be mentioned, and I have mentioned them in this place on numerous occasions. They are the Lock-Elliston road and the Cleve-Kimba road, both of which are main arterial roads. I do not mean arterial in terms of the classification, but they are main connecting links between one farming and business community centre and other parts of the State. It is imperative that these lifelines—as they are considered by many—should be improved and upgraded.

Two years ago I mentioned in this Chamber that at the then rate of funding it would be 22 years before the first of those roads was completed and obviously a similar period after that before the second was completed if, in fact, the Government put all the funds available into those two roads. That is an untenable situation. We are facing a position where one generation is effectively fighting for a road not only for the next generation but for the next generation after that. That is a quite ludicrous situation, yet many of the metropolitan councils have 93 per cent, 97 per cent or 98 per cent of their roads fully sealed and, in most cases, kerbed. Many country councils have only 6 per cent of their roads sealed and are facing ongoing maintenance costs which the average ratepayer cannot absorb within his resources.

I am pleased to note funds for the completion of the TAFE college at Port Lincoln. I believe that that college was the last of the complete redevelopments of TAFE colleges, and the finished product will be an asset, certainly to the Eyre Peninsula community, as it operates with campuses in Ceduna, Wudinna, Cleve and towns in between, where regular and frequent courses are conducted. There are other issues of concern to me, some of which I raised today by way of a question to the Minister of Housing and Construction.

Whilst I note the Minister's comments, I think that to a degree he missed the point of my question about what is

happening with Teacher Housing Authority accommodation in country areas. In smaller, remote areas there are only two or three-teacher schools and sometimes even fewer, and for Teacher Housing Authority accommodation those people are being obliged to pay in some cases double the going rate for other similar accommodation in that locality.

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

#### MARKETING OF EGGS ACT AMENDMENT BILL

Returned from the Legislative Council with amendments.

#### EGG INDUSTRY STABILISATION ACT AMENDMENT BILL

Returned from the Legislative Council without amendment.

#### APPROPRIATION BILL

Second reading debate resumed.

**Mr BLACKER (Flinders):** Earlier I referred to a question that I asked this afternoon about the Teacher Housing Authority's policy in relation to the rental that country teachers are obliged to pay. The Minister said that it was a policy that applied State wide and on the basis that Teacher Housing Authority occupants should pay 80 per cent of the Housing Trust rents applicable at the time. While I can understand the sentiments behind that policy, I think that those people responsible for this matter, whether in the Government, the authority or wherever, are not in touch with reality.

I refer to a home in one of the rural towns in my electorate that has been vacated by a teacher. There is no way in the world that the Teacher Housing Authority will be able to relet that home as it is in a small township where there are some four or five other vacant homes. This means that the authority now has an absolute and complete loss situation confronting it. It will not be able to rent the home. It is of a semi-permanent nature and the authority will be unable to relocate it. It would be unrealistic to suggest that it could be sold off to capitalise on losses incurred, because it would not be possible to achieve true value for such a home situated in a remote area. That is why I say that the Government has not accepted the reality of the situation when it asks country teachers to pay rents far in excess of rents which identical accommodation in the same areas can command on the free and open market.

I refer briefly to the availability of teachers in the coming year. There is now a considerable number of young fully trained teachers out of work. In some cases the people holding teaching positions lack the desire to maintain a control of quality. But the point I wish to make in the last minute or so of the time available to me is that at a conference that I attended recently a 16-year-old lass responded, when asked what she expected of government, by saying that she had very grave concern that in the very near future Governments would face the problem of gaps in the work force when the middle aged people with experience who have been retained by employers drop out of the work force, with there being no trained personnel to fill their positions. Young people are not being given the opportunity to work and, consequently, there will be a void in



just about every Government department, in areas where large numbers of people are employed. That warning was given to this conference by a 16-year-old. Such a warning should be heeded by Governments and employers alike. I believe that that is a very real problem confronting our community at this moment.

**Mr BECKER (Hanson):** The major analyses of the budget have been undertaken by my Leader and previous speakers. There is no doubt that this budget document has been very cleverly designed to try to mislead wherever it can. It is probably one of the most deceptive budget documents that I have seen in many a year. Tonight, I thought that I would just concentrate on the areas in which I have some interest and leave it to others of my colleagues to advise the House exactly where we stand and what we think of the whole issue.

In the housing and construction area in the last financial year, one of the strategies of the Department of Housing and Construction was to monitor the activities of the building and construction industry and provide support and assistance where possible. I found it very distasteful to have the Minister calling negative gearing a 'rort', as he did in this House on 18 September. Of course, that is not assisting the housing industry, which needs the opportunity to attract capital investment. It needs that opportunity and the incentive for investors to participate and provide affordable accommodation. That is what housing is all about in this State. Whether it be provided by the Government or by private enterprise, incentives are needed and, personally, I prefer private enterprise to provide such affordable accommodation. As we will see later, the South Australian Housing Trust is having extreme difficulty in holding its budget and its operating costs. With the cutting of some \$49 million from the nominated allocation of funds from the Federal Government, the loss of 900 houses this financial year represents about a 30 per cent decline in Housing Trust activity in the area of new houses and about 3 150 jobs in the industry. That number of job losses is based on the Minister's own statistics of 63 jobs for every \$1 million spent.

Once again, South Australia is heading for a severe new house building slump. In fact, new dwelling approvals fell by 44 per cent in the past two years. Negative gearing, capital gains tax and high interest rates have had such a huge impact on new home building that we are finding that the industry is starting to crumble under the impact. The confidence of investors and speculators has not returned to the new home market, nor will it in the next year or so, unless negative gearing is re-established.

I know that there are great arguments and debates going on within the ALP throughout Australia. When the Premiers of New South Wales and Western Australia are calling for the reintroduction of negative gearing, surely South Australia is totally out of step when we have a Minister calling negative gearing a 'rort'. I believe that the Minister in this State simply does not understand in any way, shape or form what is needed to induce people to provide the affordable accommodation that the community requires, particularly in the areas in which people would like to reside. It is the decrease in concessional funds from the Federal Government that are now down \$49.2 million this financial year, a drop of about 50 per cent, which is placing pressure on the provision of affordable accommodation by the trust.

Since 1984-85 nominated funds have dropped \$84.1 million, or 71 per cent. So much for this great Commonwealth Government; so much for the Federal Government that promised to do so much in a short time. We now find that

it is deficient in just about every possible way in this area. Overall, my first interpretation of the budget document is that it reminds one of Holmes a Court's balance sheets—using equity accounting, that is, funds brought in from somewhere else, in this case, Federal Government allocations which were not previously included. We have a mish-mash of figures. In the Department of Housing and Construction, actual payments in 1986-87 were \$94.7 million compared to a budget allocation of \$84.6 million, representing a \$10.1 million overestimate.

About \$9 million of this amount represented a contribution towards rent rebates to the South Australian Housing Trust. That was pulled out of the general revenue account figures in this State for the first time; in other words, the rental assistance that was provided by the Federal Government was not sufficient, nor was the consideration that was given to the demands of the 65 per cent of South Australian Housing Trust tenants. The increased budget allocation this financial year from \$94.7 million to \$218.2 million includes \$42 million rent and mortgage relief, additional; \$1 million for Aborigines' housing for the South Australian Housing Trust; \$30 million for Government office accommodation and service costs; and \$24 million for Government employee housing—and that is brought into the Minister's budget for the first time. There is \$5 million, which is the difference in the allocation for 1986-87 to that for this year, for emergency housing rental control, administrative, mortgage and rent subsidies and subsidy managed houses. Then there is provision for an increase of \$19 million for debt servicing costs to the South Australian Financing Authority, making a total of \$121 million. That is how the extra funds will be spent this financial year.

Debt servicing will increase from \$34 million to \$53 million net this year, which is an increase of \$19.2 million, or 56 per cent, so the South Australian Financing Authority is having a tremendous impact on the operations of the Housing Trust. With a cutback of concessional funds as well, we will find that Housing Trust rentals will increase by about 50 per cent this time next year, and unfortunately that will be a sad feature of the South Australian Housing Trust. If we continue the way we are, Housing Trust accommodation will be out of the reach of the average citizen.

The contribution to rent rebates this financial year will increase from \$9 million to \$43.7 million, and there will be an allocation of \$7.6 million for mortgage and rent relief. The cost of operating the Emergency Housing Office will be \$4.7 million; rent control, \$450 000; and administering mortgage relief and rental subsidies, \$600 000. These are shown completely in the department's budget, and compare with an allocation of \$786 000 previously, so obviously the Commonwealth Government has cut back the allocations of these funds and, with this budget coming out before the Federal budget, we are finding some of the possible hidden slugs that are emanating from Canberra, and these are in the areas where we can least afford them.

At this stage one can only assume that all costs associated with operating Government services by the South Australian Housing Trust are isolated and paid for from general revenue, or that they are brought into the accounts, even though in the past the Federal Government has provided some or all of the funds. It is 'equity accounting' style. Provision for maintenance is \$29.6 million, made up of \$8.5 million for salaries and wages and \$21 million for materials and contracts. That is down by \$540 000, and we cannot afford it. The maintenance side of the South Australian Housing Trust will grow to somewhere in the vicinity of \$780 million by the year 2005. That amount of money is needed to replace wasting assets or to refurbish existing

ageing assets. There is no provision for that amount of money, so the Housing Trust will run into real financial problems.

The International Year of Shelter for the Homeless has had its budget increased from \$30 259 to \$238 000. The Government made great play in its election promises in 1985 that it would commence and continue a very concerted program for the International Year of Shelter for the Homeless. All we have is that stupid looking sign, which cost about \$10 000, on the corner of South Terrace and West Terrace. Not only does it block out other signs, but it is a traffic hazard and it does nothing for the International Year of Shelter for the Homeless. Nobody takes any notice of it and nobody really talks about it. Assistance could have been provided for the young homeless people who may need it, but that sign stands there as a monument to some bright spark when, really, it is totally useless.

It is interesting to note that the allocation has been increased considerably in order to enable an ongoing program for shelter for the homeless to be maintained. A lot of work needs to be done in providing assistance to voluntary organisations which are best equipped to look after that matter. It is three-quarters of the way through the calendar year, and the Government really has done very little except, as I said, put up this stupid looking sign.

The capital works program book which accompanies the budget documents is an improvement and assists members to understand the various projects that will be undertaken, particularly the major capital works projects. Ironically, there is no real reduction in capital works programs in dollar terms, although the Premier claims otherwise. What will happen is that tenders will be called for the various programs and the building contractors will carry any drop (if there is any forced drop) or cutbacks in that area. However, I do not think that there will be; I think it is just a play on figures.

A drop of \$49.2 million in nominated funds will hurt the Housing Trust and the new home builder's program, although a significant cutback in houses purchased by the trust, as occurred last financial year, should help. During 1985 the Housing Trust on the open market bought 912 established houses, and during 1986 the figure was 644. Had these houses been built as new, it would have been a significant contribution to the new home building industry. That is where the Housing Trust should be headed, and it should get out of the established home market.

Of course, if negative gearing comes back in the Housing Trust will not want to be involved in that market at all. With the cutback in the allocation of funding from Canberra, the Bannon Government has broken another election promise and will not be able to provide 12 000 new houses in four years. It just proves that one can make any irrational promise at election time and who in hell gives a damn. One can argue later that it is somebody else's fault.

The regionalisation of the Department of Housing and Construction has now been going on for some 10 years. I believe that about 17 committees have been formed in those 10 years to work out a regionalisation program for the department. It has cost hundreds of thousands of dollars to move people and office equipment backwards and forwards, and I do not know what it has achieved. I think that it has kept many people busy running from committee meeting to committee meeting. I met a person the other day who had been on three committees, and he is still trying to work out what is going to happen and what the final decision will be. All it has achieved is a lot of paper work, a lot of properties sold and redeveloped, and the staff being unhappy about what is going on.

When I read in the Auditor-General's Report that the South Australian Housing Trust had, for the second year in a row, an operating deficit of \$6.7 million, I was very disappointed. The Auditor-General advised:

That result would have been far worse had it not been for the substantial increase of \$16 million to \$54 million in rental supplement and community support program grants.

As we know, \$9 million of that money came from general revenue. The Minister pulled that \$9 million out of his general revenue account and put it into the Housing Trust. Even by his doing that the trust still had a \$6.7 million deficit. In the previous financial year the trust had a \$7 million deficit. We find that tremendous pressure is being placed on the trust by some of the stupid, irresponsible policies of the current Government, and interference in the operations of the Housing Trust is not helping as well. While rent payable by tenants increased by 13 per cent during the 1986-87 financial year, it was grossly inadequate to cover operating costs. The Auditor-General's Report, at page 356, states:

Interest charges are now the largest individual component of trust expenditure. The higher level of non-concessional high interest rate loans utilised to meet the current level of trust activity is reflected in the increased cost of \$11 million for interest.

In fact, the trust paid \$74.8 million in interest last financial year. It further states, under the heading 'Council and Water Rates':

The trust has limited control over these costs which increased by \$4 million to \$29 million. Included in the cost of water is \$3.6 million for excess water charges.

I find it hard to accept that the South Australian Housing Trust should provide excess water or give the tenants the opportunity to use as much water as they like. It is now costing \$3.6 million per annum. That \$3.6 million could build a lot of houses for the homeless. In the International Year of Shelter for the Homeless we could have built a lot of houses for young people desperately in need, while those people who could not look after their properties—

**Mr Lewis:** They don't drink it, do they?

**Mr BECKER:** You could not drink that much water if you tried—or even make that much home brew. It is being wasted in maintaining huge blocks of flats, and even they do not use that amount of water. It is disappointing for the Housing Trust to have to meet the sorts of costs and charges that we are presently witnessing.

Turning to another interesting statistic, the Housing Trust received 17 370 applications and 65 per cent of all applicants were not working. The allocations for new tenants increased to a record level of 8 400. The waiting list continued to grow, and at 30 June the total on the list was 44 400. I find that figure hard to sustain because, at 30 June 1986, 39 600 people were on the waiting list. If we add 17 370 applications and take off 8 400 tenants to whom houses were allocated, the figure should be not 44 000 but more like 48 000. Somewhere 4 000 people have disappeared off the waiting list without any explanation. Also a disappointing feature is the Auditor-General's comment at page 372 of the report in relation to the Emergency Housing Office:

In June 1987 the trust's attention was drawn to the escalating costs of administering the Emergency Housing Office. The total expenditure has increased by \$3.8 million (243 per cent) to \$5.4 million since 1984. As indicated in the above table, a significant proportion of costs relate to administration. \$2.1 million (39 per cent) for 1987. The table discloses also the low rate of bond recoveries. Assistance with security bonds over the four years amounted to \$6.3 million against recoveries of \$2.2 million.

The amount of \$4.1 million is not accounted for in regard to Emergency Housing Office assistance. Where has it gone? Why has there been no opportunity to recover that money? The report states:

It was suggested to the trust that in view of their considerable experience and expertise in the provision of welfare housing, that integration of emergency housing services with trust's operations was feasible and would:

- reduce administration costs;
- facilitate the provision of ongoing assistance by the trust if required; and
- strengthen control over activities, particularly the material item of security bonds and recoveries.

A recent review of the operations of the office by internal audit points to an unsettled and poorly structured staffing situation, incomplete financial control procedures, delays in attending to client requests and no effective monitoring of staff attendance.

That in itself is probably the most damning comment I have ever seen in an Auditor-General's Report in the past 17 years. If I were the Minister I would be worried. What has the Minister of Housing and Construction done about that statement? The Auditor tells us on page 11 that this matter was referred to the Minister of Housing and Construction on 28 August 1987. He must have known that concern was expressed about the operation of the Emergency Housing Office. I have been there and spoken to the staff, who are under a tremendous amount of pressure. If any Minister is now answerable to the Parliament or owes the taxpayers of South Australia an explanation it is the Minister of Housing and Construction, who has the responsibility to oversee the operations of the Emergency Housing Office.

**The Hon. B.C. EASTICK (Light):** The document which we are asked to address is a document of deceit. There is no argument about that whatsoever. It is, fortunately, supported by a number of other documents which tell the truth and which help to identify very clearly the deceit which was perpetrated against the people of South Australia by the Premier when he stood in this place to give the 1987-88 State budget. He indicated, as the honourable Leader of the Opposition this afternoon pointed out, that there were some very worthwhile features in what he was doing and that he was doing it for the benefit of South Australia, whereas in point of fact he was talking with a forked tongue, because it was ably demonstrated this afternoon that the reverse was in fact the case.

Let us look at the very first page of the Premier's document, which states:

Where possible, we plan to proceed with necessary capital works. Other programs have been delayed, extended or suspended in line with our view that the State's borrowings must be kept at a reasonable level.

Yet, as was demonstrated earlier this afternoon, the State's borrowings continue to go up and up, to the point that, for 1987-88, 56c in every dollar raised by way of taxation is going to service the debt which is there for my children, my grandchildren and the great grandchildren yet to come, some distance down the road.

**Mr Becker:** Unborn generations.

**The Hon. B.C. EASTICK:** Unborn generations have been caught up by the activities of this Government over a period of time which have seen the massive escalation of the State debt and the very unfortunate alterations to some of those important projects that are sustained by the State debt of being forced into an interest situation far above that which they considered when they first borrowed funds for the benefit of the State.

It is all very well to say that SAFA has produced \$240 million, of which a certain proportion has been appropriated for the benefit of the State this year. SAFA at the same time has added to the debt burden of so many of the facilities that are providing for the State of South Australia, and it is really a pea and thimble trick. It is taking out of one pocket to put in the other, and loading the cost even

more onto the population. The situation is not, as the Premier said in those first few words, one of holding the State's borrowings to a reasonable level. He has clearly taken further funds by way of borrowings to prop up the recurrent funds of the Government for 1987-88. We will be paying for the recurrent debts for very many years to come on that basis alone.

The Premier spoke on earlier occasions of the attitude of the Tonkin Government from 1979 to 1982, when it did the terrible thing of taking capital works funds and using them for recurrent expenditure. It did not take anything like the amount of capital funds for recurrent expenditure that the Premier did this year when, in one fell swoop, almost \$360 million of debt has to be serviced through the years to prop up the recurrent debt. Not all of the things in relation to the programs outlined in the documents are wrong. Quite a number of the programs have particular value to the public, but it is the lack of priority consideration which will impact upon the State.

Earlier this afternoon the Premier of a northern State was prepared to take the hard option and whittle back very meaningfully the expenditure of the State associated with the 17.5 per cent holiday loading. That move retracted from the work force a benefit that it had enjoyed for a number of years. However, it will provide more funding for the essential services of that State, as it would for this State if the Government were to take a similar action and use the funds where they are needed most.

We have seen tens of millions of dollars wasted. The Leader of the Opposition identified some of them when, in Question Time this afternoon, he spoke of the very large sums of money wasted on the activities of the New Zealand timber company. It is quite obvious from the Auditor-General's Report, which was tabled this afternoon, that not only were the warnings that he gave at a very early stage not heeded but no recognition was given by the Government or the responsible Minister of the warnings that were given by consultants. The Government has been putting good money after bad although it had been warned of the consequences of the action that was contemplated.

There are a number of other examples of that. A bit of Russian roulette has been played in the Police Force concerning the protection of the health of the officers. Approximately 600 of our front-line troops are to be provided with a vaccination against hepatitis B, which leaves approximately 1 400 without that benefit. A few officers who work in specialist areas have been picked out and vaccinated and then a bit of a lottery has been carried out in relation to the balance of the 2 000 as to who will benefit from the vaccination. The priority should have been and must be corrected forthwith so that every police officer in the front line who attends accidents, who goes into homes in which there is the possibility of violence, who is likely to be involved in domestic fisticuffs, and who is likely to be bruised, battered or scratched should be given the protection of the vaccine for his own benefit and for that of his family. It is only right that we stand up and be counted on behalf of those people who are out there protecting us—who are required to protect us—so that they can both feel protected and be protected and so their families will have peace of mind. That is one aspect in which the priorities are all wrong as they are in so many of the programs that have been introduced in this budget.

*The Hon. Frank Blevins interjecting:*

**The Hon. B.C. EASTICK:** It is quite improper for the Minister to suggest that I would do a thing like that. It is a fact of life that this Government, which claims to be caring,

does not care for those people in the front line who should be given ample support.

The Party that claims to be interested in people has walked away from so many of the people in necessitous circumstances in our community. They are the people who are affected to the greatest degree by the increased charges and taxes. I say 'charges and taxes' because, while it is collectively on many occasions referred to as the taxing mechanism, the Minister delights in cutting it down from taxes to charges and taxes. Let us talk about the funds raised from the public. This year, the Government with its increased income from so many areas of activity will have an impact on everybody in the community and, more particularly, on those least able to stand up for themselves and meet those increases. The petrol tax will have an effect on food prices and personal transportation.

**The Hon. Jennifer Cashmore:** And on tourism.

**The Hon. B.C. EASTICK:** Yes, and it will therefore reduce the likely income of the dollar from interstate and overseas. There is also an increase in licence fees for builders and drivers of transport units. Wherever one looks the basic costs which will impact upon those people in the community least able to meet them are being increased. As I pointed out to the member for Mawson a fortnight ago, not only do members opposite run with the Bonds and Packers but also spend like the Bonds and Packers, without due consideration for the small people in the community.

We have some rather interesting revelations in the supporting documents and in the Auditor-General's Report which was handed down this afternoon. For example, the Auditor-General indicates that the failure of the Minister of Education, as he then was (Hon. Lynn Arnold), to undertake a proper rationalisation of the school bus system has been responsible for a \$3.8 million loss during the 1986-87 year, notwithstanding that the Minister's own inquiry indicated where a number of those benefits would accrue. The Auditor-General says that not only was that \$3.8 million wasted by the Government but that there had been and still were a number of other financial benefits if the private sector were brought in to provide a number of the services currently provided by the department. Whatever the figure is above \$3.8 million is hard to quantify at this time; the Auditor-General does not attempt to do it. However, from that \$3.8 million and the other funding that could have been available we could have been providing the priority projects to which I had referred, for example, the vaccination of the police.

We could be providing an adequate helicopter service not only for the police but for those in distress, whether in the sea, in the mountainous areas, or wherever a problem arises which cannot satisfactorily be addressed by the present helicopter service. That service does not have the right sort of equipment. It does not have the proper power to allow the winch to be functional, and so it goes on. Surely, we do not want again the situation which arose on a recent weekend when, unfortunately, four people in this State were lost down in the lake but where the rescue helicopter could not go out because it was in 1 001 pieces on the floor of the hangar. The relief helicopter could not go out because it did not have any lights. There was only one light for rescue purposes and it could not be fitted to the standby helicopter. These are extremely important issues in promoting the health and welfare of people in the community. Certainly, those people in the medical fraternity, in rescue operations, and the pilots of the rescue helicopters, who are unable at the present time to be assured of the proper functioning of the single engine unit, are being held at risk by this present Government.

The Leader indicated that there is a possibility of loss to colleges of advanced education, to the universities and to other organisations in the community because SAFA has suddenly decided that it wants to be the banker for the additional funds those organisations are holding. They will receive interest on the money funded, but the rates will not be the beneficial interest rates those organisations are able to find within the financial system at present. We have the further situation—and the Auditor-General flags this—of a very real problem of under funding for superannuation for people who have been taken over within the tertiary education system.

No clear undertaking has yet been obtained by the Government to provide for the superannuation and long service leave entitlements of those people should, in the words of the Auditor-General, those services retract from the Commonwealth and become the responsibility of the States. I do not believe that the Auditor-General would have made that statement unless he had been advised from within the system that the possibility exists of the Commonwealth withdrawing funds and withdrawing responsibility for tertiary education facilities in this State.

There are a number of other instances in which we have been told the Commonwealth would like to retract—and in fact has retracted—from funding directly available to organisations over a wide spectrum of the South Australian Public Service. If it retracts from the tertiary education funding provided since the Murray inquiry in the 1950s or 1960s, the South Australian Government will find itself in major difficulty, and its claim of giving education and education opportunities to everybody in the community will rapidly dissipate, because the amount of funds required to maintain the real estate of those institutions, quite apart from the lecturing staff, will not be available.

There are a number of grave signs in the Treasury documents which have been completely left out of the glowing picture that the Premier has sought to paint. It does not matter to which page you turn: almost every page of the Financial Statement contains an error or an omission directly associated with realistic circumstances. For example, I refer again to page 1 of the Premier's document: 'Reduction in the overall borrowing requirements to lessen the growth of the interest burden on taxpayers'.

That is another way of saying what he said two sentences previously, and yet there has been no attempt within the whole of the system to retract, as was being indicated there. 'Continuation of effective restraint in spending by limiting the size and the cost of the public sector'—the Leader and other members have ably demonstrated the vast increase in the public sector work force since this Government came to office: almost 13 000 additional employees in the system. 'Protection of the State's revenue base' presupposes that people in the business community want to come to South Australia and establish operations, or that once they are here they will stay because they are not being taxed out of the system.

We have not as yet heard the full impact of the Government's decision to phase out the pay-roll tax rebate for country industrial organisations and, more specifically, I highlight the fact that the Government has had a retrospectivity clause written into that proposition, depriving people in business of funds which they had anticipated receiving in 1987-88 for expenses incurred in 1986-87. That measure, as well as the cost of land tax, will emerge subsequently, together with the fact that a person with an aggregated land value in excess of \$200 000 is not going to benefit. A number of proprietors of small and large businesses are constantly coming to members on both sides of the House

pointing out the additional cost to their operation of land tax escalation, which is almost unbelievable. Increases of 60 per cent, 80 per cent and 140 per cent are quite common, and that is reflecting upon the ability of the State's base to provide work opportunities or to allow businesses to remain in existence.

My final point relates to the redirection of Government spending to benefit those families who are most in need. As I have pointed out previously, that situation certainly does not apply. The impact of the Government's activities has obviously been against the best interests of many of them.

**The Hon. JENNIFER CASHMORE (Coles):** This is the tenth budget that I have debated since my election to this Parliament. Coincidentally, it happens to be 10 years since the Premier was elected to Parliament. It is instructive to look at the budget introduced by the Premier and at his maiden speech, which was not made, as is customary, during an Address in Reply debate, because the 1977 election was called in a rather opportunistic fashion by Premier Dunstan, as a result of which the introduction of the budget was delayed and new members' first speeches were made on the budget rather than in an Address in Reply debate.

The Premier's speech on the Appropriation Bill was an interesting one, and I will refer to it in detail later. I made my maiden speech on the Loan Estimates Bill. I see that the member for Todd, who at the time of his first election to this Parliament was the member for Newland, finds something amusing in the fact that there may just be a touch of hypocrisy in what the Premier is doing now compared to what he said in 1977.

The budget is presented now in a different fashion from the way in which it was presented then. The Bills are presented differently; there has been a substantial restructuring of the manner in which financial Bills are introduced; and there has been the introduction of program performance budgeting. Also, there have been other alterations in either accounting methods or the presentation of accounts which, quite frankly, make it very difficult to analyse the 1987-88 budget or to compare it with the previous year's budget or, indeed, with the budget of the year before that.

It is worth stressing this point. I admit frankly that I have found it very difficult indeed to trace comparisons between Government expenditures over the past three or four years by reference to the budget papers. The reason for this is simply that the presentation is different. Without, I hope, any malice aforethought I suggest that the Government has deliberately tried to cover its tracks by making it very difficult to make direct comparisons between this year and previous years. The alteration in presentation is such that a relatively quick and simple analysis of Government policy as expressed in its fiscal policy is very difficult indeed.

I know that the Leader of the Opposition has conducted considerable worthwhile research in an attempt to demonstrate exactly what the Government is doing. The member for Light has demonstrated that the Government has used a very adroit pea and thimble trick to confuse the issue. It is therefore essential that we ensure that people understand that the claims that the Premier makes in his budget speech cannot be substantiated in fact. He claims that the State's income is not growing and that expenditure priorities must emphasise restraint. In fact, expenditure priorities do not emphasise restraint; expenditure has increased, taxation has increased substantially and borrowing has increased substantially. The revenue gained by the South Australian Government has doubled in the past five years, and no-one could describe that as restraint.

The other shocking thing about the revenue increase is that in this current year 56 per cent of our revenue will be used to fund interest on past borrowings. As I have said, we have considerable difficulty in tracing the precise borrowings on which we are still paying interest because of the alteration in the presentation of the accounts. However, I suspect that we are still paying for many of the follies of the Dunstan decade and I believe that at the end of this Government's term South Australians will look back on the previous 25 years—20 of which they will have been governed under Labor Governments—and be able to add up some of the massive costs that they, their children and grandchildren will continue to pay.

The fact that in this current year the Government is borrowing in the region of \$340 million to keep its deficit to \$14.3 million is an example of shockingly bad management. If any of us ran our household budget in this way, borrowing money to pay our debts and keep the household running at a rate that amounts to 56c in the dollar, we would find very rapidly that our bank managers no longer wished to know us. In effect, a Government's bank managers are the taxpayers of South Australia, because they foot the bill. It should be demonstrated to them that they are footing an extremely large bill as a result of the Government's incompetence.

If one reads the Premier's Financial Statement carefully and compares it with the figures, one can see that it reeks of hypocrisy. The Premier says things such as, 'We must emphasise restraint' and also on page 16 he says:

We will ensure that South Australia maintains its record of financial prudence.

When considering that record of 'financial prudence', it is worth looking at a fairly simple sum that adds up to about \$50 million which has been wasted or forgone by this Government over the past 12 months. First, \$20 million could have been saved had the Government, through administrative means, taken steps open to it in respect of pay rates before the Industrial Commission and regarding savings on pumping costs as a result of excellent rains last year. We can add to that the \$17 million that the Minister of Forests has poured across the Tasman Sea into a New Zealand timber company which has quite clearly attempted to defraud the Government. Whatever the outcome of that, \$17 million has been put up by the taxpayers and at the moment it appears that we will never see that money again. Whose fault that is is being fought out in the courts. The Government failed to exercise proper financial management and as a result we are \$17 million poorer, with no benefit whatsoever to show.

There was a \$6 million blow-out in the education budget last year; the Government spent \$2 million on rental space that was not used; it wasted \$2.9 million through a blow-out associated with the Gawler Three Day event; \$700 000 was overspent by the Youth Music Festival; and \$1.8 million was spent on the America's Cup.

Every time the Opposition raises the question of the necessity for allocation of funds in one area or another, say, in health, education, or technical and further education, or in environment and planning or tourism, to nominate two portfolios in which I have a particular interest, the Premier holds up his hands and asks: 'Where will the money come from? Would you have us raise taxes or would you have us cut services in vital areas?' The answer is 'No': we would simply have the Government in this State properly manage the sufficient funds that it has so that there is no waste. The fact that it is relatively easy to point to at least \$50 million worth of manifest waste, in my opinion, reduces the Premier's credibility in the presentation of this budget.

In considering the Premier's credibility, it is worth referring back to the maiden speech which the member for Ross Smith chose to make principally on the subject of unemployment. At that time, on 12 October 1977 (page 160 of *Hansard*), he said:

Commonwealth Employment Service figures found that the unemployment rates for this State were 3.3 per cent for males 20 years and over and 4.4 per cent for females 20 years and over. That in itself is fairly disturbing. It is double what one would have reason to believe was a 'natural' unemployment rate. It is certainly at the upper level of what was considered to be the 'natural' unemployment rate in past years.

The member for Ross Smith, now the Premier, went on to say:

However, when one looks at persons aged between 15 and 19 years, the corresponding figures are 14.6 per cent for males and 19.1 per cent for females. That is fairly devastating and disturbing.

I wonder how the Premier would describe the present situation, after he has been at the head of the Government for five years. Since his Government came to office, full-time employment of men in South Australia has grown by only .1 per cent. As the Leader said in his budget speech, this reflects a real crisis for the traditional family breadwinner who, more and more, finds himself in the dole queue or forced to move interstate to find work.

When the present Government came to office at the end of 1982, after three years of Liberal Government, South Australia's male unemployment rate was 6.9 per cent; it is now 8.5 per cent. The crisis is particularly acute among teenagers looking for their first job. In 1982, the unemployment rate amongst male teenagers aged between 15 and 19 years was 15.8 per cent—it is now 21.3 per cent. Back in 1977, the Premier described 14.6 per cent as 'fairly devastating and disturbing'. I wonder how he feels now about 21.3 per cent—and, of course, the figures for women are similarly disturbing. Job vacancies in South Australia are down 9 per cent on last year.

So much for the man who ten years ago, upon his election to Parliament, expressed extreme concern about unemployment. It can be demonstrated that his policies have had an adverse effect upon employment in South Australia. It is interesting that in that same speech the Premier stated that he did not really believe that payroll tax was a disincentive to employment. In fact, he said that he believed that if it were reduced it would simply put money in the pockets of employers. At that time I said:

We are all aware, many of us through personal experience, that one of the major problems that besets democratic nations and engulfs totalitarian States today is the pervasive feeling that individuals have little or no power to influence events and that they are at the mercy of remote Governments. This frequently justified feeling is the enemy of democracy. It leads to negativism and frustration on the part of individuals and to alienation between Government and society, with all its attendant evils of anti-social behaviour. It has the cumulative effect of making people more and more dependent upon Governments. It makes them willing to sacrifice more and more of their rights and freedoms, while at the same time abdicating more and more of their personal responsibilities.

Ten years later I look at those words and consider the growing list of people in this State (it is now in the region of 40 000) who are dependent upon Government housing. I look at the growing list of people who are dependent upon community welfare payments. I am referring now to State services, rather than Commonwealth income support, and I can only say, by looking at the lines in the budget, that South Australians are more dependent upon Government and have less economic power than they have ever had before.

Turning specifically to the two budget areas in which I have a particular interest—environment and planning, and tourism—I make the point that a Government's policies

are best reflected through its budget, because that is the principal instrument through which a Government determines, allocates and demonstrates its priorities. It is quite clear, as a result of looking at the environment and planning, and tourism budgets, that the Government's rhetoric is not matched by its performance or commitment.

In environment and planning the total allocation is down in real terms, and that is a matter of particular concern when one looks at the low levels of spending, in particular, in coastal management, pollution management and park management. National parks in this State have been in a condition of crisis for many years now, and the level of neglect and of degradation has reached a point where, I believe, it will take more than a decade to get our national parks to the condition that they should rightly be in, even if adequate resources were now provided.

There is no joy whatsoever in this budget for anyone who is concerned about the environment in South Australia. Only when we see the program and the performance papers can we see precisely how the budget has been carved up, but the reality is that there has been a reduction of a massive 24 per cent in the conservation policy and program development program. Spending is down from \$2.6 million to \$2.1 million. In the coastal management program, spending this year is \$662 500, as opposed to \$612 822 last year. When one looks at the state of South Australia's coastline one sees the impact that marina proposals are having. When one looks at pollution, one sees that the Government's priorities are strange indeed.

Turning to the tourism budget, the overall sum of \$13.5 million appears to be a fairly substantial increase on the previous year's expenditure of \$10.2 million. However, the fact that \$3.6 million is deficit funding for the Adelaide Convention Centre brings what I call the real tourism budget down to \$9.8 million, which is a reduction on the previous year's expenditure. South Australia spends less on tourism than any other State or Territory in the Commonwealth, leaving aside the ACT. Those States and Territories are our competitors. How can we hope to compete in this vast, exciting and potentially economically profitable area for South Australia if we simply do not put our money where our mouths are?

In relation to program 2, the marketing of the State as a tourist destination, there is a reduction in real terms from \$4.6 million last year to \$3.8 million. I point out that \$1.3 million of that amount by way of a grant to the Adelaide Convention Centre last year for advanced marketing is no longer in the budget. However, the fact that that is now embodied presumably in the \$3.6 million for the Convention Centre does not in any way diminish the fact that marketing is important and that the Government has ignored it.

**Mr S.J. BAKER (Mitcham):** Before addressing the budget tonight, I wish to make some remarks about the performance today in this Parliament of the Premier and his cohort in crime, the Minister of Labour. When a Premier of this State stands up before the Parliament, and presumably the people of this State, and says that, in respect of the ASER development, if you spend more money, you get more, it is high time that this Premier no longer held this high office. I have never heard such an extraordinary admission of ineptitude. The equation that he presented to Parliament was that, if you throw more money at something, you will be better off; that the more money that is spent, the more bonuses there will be at the end of it. That is the thinking behind this budget, and it has been the thinking behind the budgets of the Bannon Government since it first came to office in November 1982.



It is quite horrifying that the community and the press have said such things about the Premier as, 'Mr Bannon happens to be a very nice person' and, 'Mr Bannon happens to be a competent Premier', when there is the admission in this House that he runs this State by throwing money around. The budget is riddled with the ineptitude of a Government that does not care about the people's money, just as long as it spends it. It is quite extraordinary that the Premier says he is willing to sacrifice taxpayers' money and this State to pay off a few goons on the ASER site. That is exactly what he said in the House today. He said, 'Well, we have spent a bit more money on ASER.'

This Government spent a little more money on the Convention Centre; it is spending a little more money on the Hyatt Regency; it spent a little more money on the parking station; and it will spend a lot more money on the office block. Most of those blow-outs are sheeted home directly to the activities of the building unions in this State which his partner or cohort in crime (the Minister of Labour) has allowed to run free. It is an indictment of this State, this Parliament and its members when the Premier made a statement like he did today. It horrifies me to think that people can have so little regard for the resources and the future of this State by blandly throwing away money and reputations by this one-liner: if you spend a bit more, you get a bit more money.

If we analyse that statement even further, we see that the Premier is saying that we can pay the price for industrial thuggery and industrial blackmail and that we will continue to pay that price. He fails to realise that people in the building industry, people who want to invest money in South Australia and all the people who will consume the goods and services that will emanate from those developments are watching very closely the performance of this Government and the building industry. It is fair to say that I have received a considerable number of representations from people not only in the building industry who are getting hurt by what is going on at the moment but also from people who want to invest money in this State. It would be an understatement to say that they are not amused.

**The Hon. J.W. Slater:** Who are they?

**Mr S.J. BAKER:** 'Who are they?', the member for Gilles asks. If the honourable member wishes to ask some people in the business community how they feel, and if he really wants to research what is going on, then I encourage him to do so. He will then obtain a clear impression from the business community in this town that they are highly unamused and that they believe that this Government is not making the decisions that need to be made. Those involved in investment are simply moving their funds interstate and will not invest in this State.

The honourable member should ask a few builders around the town what is in the pipeline now for new developments, and ask them what happens when the ASER development is completed. Why is the Premier running around like a chook with no head, trying to get Jubilee Point up on the board? He knows that he has some very angry people out there. There is nothing beyond what one can see on the skyline today, and that is a direct result of the laxness—and I was going to say the corruption that belongs in this Government, but that would be going too far. I will leave it at laxness.

That was followed by the pathetic performance of the Minister of Labour, who said, 'They are my mates and they can do whatever they like.' He spent Question Time describing the Liberal Party policy, which had no relevance to the industry we are talking about, and certainly no relevance to

the way in which this State is being run. It is high time that the people and the press of this State understood that what we have here is a high spending, non-caring Government.

This morning I had the privilege of attending the opening of the Australian Society of Accountants annual South Australian Division conference. The guest speaker was Bob Gottlieb, whom most people in this House would recognise as one of Australia's foremost financial analysts and commentators. The three areas that he pointed to when discussing the future of business were tax, petrol and debt. They are three interesting points, because they happen to be matters that are addressed very significantly in this budget. He said that he was amazed that the Liberal Party did as well as it did in the Federal sphere. The underlying comment was that, despite the disarray, the Liberal Party had struck a very responsive cord in the electorate, and everybody believes that tax reform is overdue in this country.

In talking about tax reform he is talking about the taxes that bear down on us, that reduce the incentive to pursue excellence and to pursue profit. I think that, underlying that, he was talking about the taxes that bear down on the little people of this State, because the whole tax regime is regressive. One of my first speeches in this Parliament concerned the fact that, for every tax dollar raised, part of a job is lost, because it is never repaid in full by Governments. Governments are probably the worst instrumentalities for redistributing income. In our situation in this State and in this country they happen to be a necessary evil. Because the Federal and State Labor Governments wish to spend the people's money with gay abandon, with no understanding or idea of the ultimate impact, they happen to be unnecessary evils.

I suggest that the 29 members opposite—although we have two intelligent Independent members who perhaps understand a little more than the 27 others on that side—talk to some of their constituents about the price they are paying for this Government's taxing policies. One has only to look through the budget document to note that tax receipts by this Government are up 12 per cent. We know the estimated rate of inflation. The Premier seemed to prevaricate today—he did not seem to know whether it was 7, 7.2 or 7.5 per cent, but it is around that figure. We also know that the Premier is ripping out 12 per cent again. I say 'again' because, from figures presented by the Leader of the Opposition earlier today, we know that South Australia has exceeded its charter in taxing the people of this State. Over the last five years we have seen South Australia's total taxation increase by more than any State on a per capita basis. That means that everybody in South Australia is paying a far greater price in a time of restraint than are the people of any other State in this country. We know, as Mr Gottlieb said, that the Australian populace will revolt at the next election unless they get tax reform in this country.

It is more important to look, at the micro level, at the impact of these budget changes on the little people of this State. Land tax has been a real money spinner. I will spend some time on that subject when discussing the relevant Bill, so I will not take up my time now. That tax impacts directly on the small shopkeeper and the small business—nobody else. Land tax always filters down to the person operating the premises. Members opposite might have had one or two constituents come through the door to show them the land tax bills that have come through the post in the last three years. We have seen an extraordinary impost placed on these people. The Government and the Premier of this State had the hide to say that a little relief would be given, as



the tax rebate was worth \$4 million this year. The Premier also mentioned that holdings of over \$200 000 would be taken off the rebate, which effectively means that most small business people in the State will be paying not only for the increase in the capital value of their properties or the properties they are leasing but will be paying an additional 10 per cent or more because many have been taken higher up the threshold where the costs cumulate.

The Premier has seen fit to place a 2c surcharge on the price of petrol at the pump. We know that, whilst the petrol price war rages across Adelaide, most people will not feel that 2c. However, strange things are happening in the petrol retailing industry. Consolidation is occurring. It may well be that within a very short time the mavericks in the industry may not have the same power they have had in the past to affect the price of petrol across Adelaide. We may see the heavies move in, and they will find an effective means of ensuring that the full retail price is paid in this State. Under those circumstances we will all be paying directly a 2c surcharge. The Premier obviously was looking for a neat way of raising some revenue without causing too much harm or pain. But the pain will have to be paid for.

It was mentioned by Mr Gottliebisen that probably one of the most uncertain things about the world out there is the price of petrol. He did say that it could well be again on the rise and, in those circumstances, that 2 cents will add up. The oil companies will not want to subsidise petrol stations when one or two put their prices well below the accepted retail price. I expect that within six months we will all be paying full tote odds for petrol in this State and Mr Bannon will be able to feel quite proud of himself because he has added to the cost of petrol in this State. I will make the point that I have made before, that the costs of transport in this country are amongst the highest in the world—

*The Hon. Frank Blevins interjecting:*

**The DEPUTY SPEAKER:** Order!

**Mr S.J. BAKER:**—because of the distances between our capitals and from our overseas partners. Petrol thus becomes an essential commodity. If ever the cost impact is to be reduced and the competitive factor between ourselves in this State and other States and between ourselves in this country and overseas is to be improved, perhaps petrol is one of the most essential ingredients to keep at the lowest price possible. Yet, Mr Bannon in his wisdom has said that 2c won't hurt the mugs out there because they are all in a cut price war at the moment, and 2c becomes irrelevant. The 2c does not become irrelevant because we all have to pay.

The final area I wish to refer to, again very briefly, is debt. Mr Gottliebisen mentioned three items in what I thought was quite a fine contribution. They were tax; the uncertainty about world markets, particularly petrol; and the long-term debt situation. It is fair to say that this State has gone from a debt situation which was under control when the Government gained the benches in November 1982 to a situation in which the interest on our debt is chewing up 56c in every dollar collected from the people.

*The Hon. J.W. Slater interjecting:*

**Mr S.J. BAKER:** If the honourable member had looked at the record when we had those three years in Government, he would find that question was addressed very squarely. Every time the people put their hands into their pockets to pay a tax, 56c in every dollar is going straight out the window because it is paying off old debt. I wonder if people understand that. I wonder if they understand exactly what this Government has done to this State. In 1981-82, the interest on this State's debt was \$224 million; today it stands at \$575 million. Sir, I do not know that anybody out there

really comprehends just how bad this Government has been for this State. If the media will not pick up the story and tell every day of the week the extent to which this Government has put ourselves and our children into debt, I do not know who will tell it. This Government has methodically put the State into bankruptcy, not only by its high taxes but, just as importantly, by its big borrowing programs which some day have to be repaid.

If one wants a very graphic example of the ALP's resource management one can look at the way in which it has operated its own funds or some of its enterprises with which it has been involved through the ACTU. It is with a great deal of sadness that I stand up today because I, along with this State, was promised responsible government by this Premier. We have never had responsible government. If one looks at the increases in taxes, debt and interest charges that this State has incurred over the past five years one will really understand how poorly the State ALP administration has done by this State.

**Mr LEWIS (Murray-Mallee):** When I contemplate the budget papers and the remarks made by the Premier, I am reminded of a character created by Charles Dickens in the novel *David Copperfield*, namely, Mr Micawber. The Premier bleats about how difficult things are and about the hard job he has had taking over from the Tonkin Liberal Government, which reduced taxes in this State to the lowest level of any State in the Commonwealth of Australia during its term of office.

**The Hon. J.W. Slater:** Only for its own friends.

**Mr LEWIS:** Not at all; it was for the benefit of the South Australian economy. As the member for Gilles will recognise, the Tonkin Government turned around the net migration loss that this State suffered during the latter part of the Dunstan era into a net migration gain and a population increase. That was a direct reflection of people voting with their feet about the state of the State's economy and their prospects as citizens in this State. Quite clearly, they saw their prospects in South Australia, which was the lowest taxed State in the Commonwealth, as being better than it was in other States. They came here to live in greater numbers than they were leaving. We had a net gain.

Mr Micawber made this point: annual income, £20; annual expenditure, £19.19.6; result, happiness. Annual income, £20; annual expenditure, £20.0.6; result, misery. That is exactly the lot of South Australian people as imposed upon it by the Party presently in Government led by Premier Bannon. At an increasing rate we are expending far more than we are raising, despite the fact that taxes and charges are increasing at a rate faster each year than the previous year. The budget deficit has gone up 29 per cent and 27 per cent in the years 1985-86 and 1986-87. In addition, when the Premier came to office, the level of taxation on each citizen of South Australia, if it were equally apportioned, was \$371.75. At present, it is double that at \$740 per person, if the total taxes paid are divided by the number of people living in the State.

Let us make no bones about it. Even you, Sir, can understand, with your limited capacity as demonstrated by the number of speeches that I have heard from time to time when you have not been in the Chair but participating as the member for Henley Beach—

**The DEPUTY SPEAKER:** Order! I ask the honourable member to resume his seat. I hope that the honourable member is not reflecting on the Chair, because if he is I assure him that I will take the appropriate action. This is a respect that is shown to anyone in the Chair, and I hope that every member of this House shows that respect. If it

is not forthcoming, I assure the honourable member that I will take action. The honourable member for Murray-Mallee.

**Mr LEWIS:** Mr Deputy Speaker, under no circumstances would I reflect upon the incumbent in the Chair. I was reflecting upon the member for Henley Beach's contributions in debate from time to time.

**The DEPUTY SPEAKER:** Order! Would the honourable member please take his seat. I ask the member for Murray-Mallee to take this as his first warning. If it occurs again, I will name the honourable member—and I will not be naming him on behalf of the member for Henley Beach. There should be respect shown to the Chair, and that tradition will be upheld by this House. I hope that the honourable member will take this warning as indicating my absolute wish that this matter be straightened out at this time. The honourable member for Murray-Mallee.

**Mr LEWIS:** Any member of the House can understand the present situation confronting South Australians under the current Government's administration and the way it has affected the State's economy. If Governments collect revenue, then it has to be paid for not just by the taxpayers. Corporate bodies, which have to maintain liquidity and solvency in their businesses, whether or not they are in competition with anyone else in the same industry, are all affected in the same way by the same taxes and pass on the costs.

So, to calculate the impact of taxes on the basis of a per capita figure of the kind that I have used is indeed realistic, because companies *per se* merely pay the Government the money required of them and collect it from the consumers of the goods and services they produce. They are operated by human beings like you and me. We should understand that, no matter how much paranoia we feel about the way in which some firms make profits and how big those profits may look, the end result of any taxes and charges levied on those firms is that they will increase their prices for the good and services they provide to the general public. One way or another, the citizens of the State will pay.

Incidentally, a firm may be making profits which in aggregate look large but which are not really very large when one considers the amount of capital invested in the business. By calculating the profit as a percentage of the capital invested, we can see that companies would often do much better by putting money in the bank. There are no risks in long-term high interest bearing deposits, and there are assured profits. So, there is no real incentive left for people to either invest their own money in their own businesses as self-employed people or, on the larger scale, invest money in companies which create the infrastructure to provide jobs for those commencing in employment or those who do not have the wisdom or inclination to be self-employed.

By doing what this Government has done we detract from the capacity of industry to be profitable and to be competitive with similar industries in other States. We already have a problem with markets in that our population, or local market size, is much less than is the case with the larger local markets of competitor firms based interstate, particularly in Queensland, New South Wales and Victoria. If we over-tax (that is, at the rate at which this Government has increased its taxes), we destroy the viability of South Australian firms in the same industry in that sector of the economy compared to their competitors.

What would you do, Mr Deputy Speaker? You, like any other member of this Parliament, like so many businessmen who have the flexibility to do so, would simply pick up the digs and shift to where the tax burdens are less and likely to remain so. That, in spite of all the shortcomings of the

Queensland Government, is in large measure the reason why there has been such massive investment in that State, because its tax on business has been lower.

*An honourable member interjecting:*

**Mr LEWIS:** I am not singing the praises of the National Party's Premier in Queensland. I want now to refer to Mr Micawber, and point out that like the Premier Mr Micawber said, 'I am, in short, currently expecting something to turn up'. To my mind that crystallises exactly what this Government has been doing and appears to be continuing to do. The economy is depressed, for the reason I have explained, and yet they continue to increase taxes, which only exacerbates the problem, in the belief that something will turn up and save the State's economy.

The only thing that is going to turn up to save the State's economy is a reduction in the taxation levels so that the money stays in the business and acts as a real employment generator, and so that through competition with other businesses prices are kept down. That means jobs for people who do not have them. Is that not what we are supposed to be all about: ensuring that people who want to work can work, and in the kinds of jobs which are real and enduring jobs, and not pretend jobs created by the same dollar that has been taken from the private sector and put into the public sector into some mickey mouse job in the meantime? It looks good, but sooner or later the day of reckoning comes and that job has to go, because it is based on tax revenue and involves a short-term employment scheme. It does not help anybody anywhere. The notion that it gives work experience in the short term is not a bad thing, but the reality is that it does not provide employment in the long term.

The final quotation I cite, with great respect to Mr Micawber, is from chapter 49 of *David Copperfield*. The Premier's remarks seem very much like those of Mr Micawber when he said, 'These are circumstances beyond my individual control.' I think that summarises exactly what the Premier appears to be saying from time to time. Turning now to the Leader's speech, it is a tragedy that while the Leader was delivering his speech not one person from the fraternity of journalists enjoying the privileges of this House took any note whatever of what he was saying in the Chamber. Whether they were listening elsewhere, I do not know.

*Mr Gunn interjecting:*

**Mr LEWIS:** One would hope so. It is clear that whilst television coverage was given to the Premier's deceitful announcements in the budget, no television coverage was given to the Opposition's response, yet that is very much a part of our democratic process; a critical appraisal of the remarks and strategies put down by the Premier by the Leader of the Opposition ensures that an insight and an understanding of what is going on through the democratic process will be given to the people through the debate about the veracity of what the Premier has said and what the Government proposes. However, there was no such reporting—no attempt made to be even-handed in that regard. To that extent, I go on record (albeit, against the advice of many of my colleagues in this State or nation—or any other democratic country on earth) as castigating members of the press for their indifference to their real responsibilities; too many members of the press in this State have for too long relied on the blurb shovelled out by the drayload by Ministers' press officers. The journalists have not used their own wit, wisdom, skill or professional integrity to analyse what has been said or to make a critical appraisal of it. Yet when the Leader, with his limited staff resources, does this for them, they ignore it, probably because they were being outdressed by the same Ministers' press officers.

I return to the substance of my criticism of the Government, having digressed to make that critical appraisal of the indifference of the press to its responsibilities. I want members of Parliament, and of this House in particular, to understand that this is not really a Government of compassion. One only need analyse the consequences of decisions made by the Labor Party in government in this State and federally, and the way those decisions impact on the communities I represent, to see that.

We have just set up a rural counselling service throughout the Murray-Mallee, and that is no bad thing in the circumstances. Regrettably, of course, it has been necessary. It is equally regrettable that the Government that produced the problem did not listen to what it was told by the Opposition at the time it adopted the policies that generated that problem. It allowed wage costs to escalate in the Australian economy and spread them around amongst industries that can pass them on, but the buck stops with the exporter. These are my constituents and the communities from which they come, who support the export industries—the primary industries of this State. Their costs cannot be passed on. I have said before, and repeat, that there is no international arbitration commission to which exporters can go and say, 'Our costs have gone up and we must therefore have a pay rise.' The world market pays only as much as it needs to pay to get as much of every commodity as it wants. If it can obtain a commodity from another source at a lower price than we can afford to sell it, given our production costs, then we do not sell. That means that my constituents go broke—they cannot pass on those costs.

My people have suffered this economic depression, especially where they are more dependent on grain than on livestock, sheep in particular. They need help as human beings, and as families coming to terms with reality. Some of these families are living on less than \$60 a week, and not just for the past year or so but for four or five years. The situation has become worse—it is just impossible. The Federal Government says, 'We will be compassionate and give you rural counsellors.' The catch is, of course, that the rural community has to pay half the costs. How do you get blood out of something that has already been bled dry?

Do you believe, Mr Deputy Speaker, that it is compassionate to require a community, already depressed, to meet half the cost of providing counselling services to its families, thereby enabling them to come to terms with the depressed economic circumstance in which they find themselves when it is just not their fault but the fault of the Government's indifference to what it was doing to them and their way of life in supporting income levels enjoyed by all Australians? This action is taken in those communities at the same time as the Government is fully funding four new health and social welfare councils and 17 new child-care facilities in the metropolitan area. Those facilities are not for pre-school education or whatever; they are for the children of yuppies—the greedy, not the needy.

*Mr Tyler interjecting:*

**Mr LEWIS:** Your type.

*Members interjecting:*

**The DEPUTY SPEAKER:** Order!

**Mr GUNN (Eyre):** The 1987-88 State budget appropriates some \$4 150 million of a recurrent nature plus \$653 million of a capital nature. The Bannon Government has the unique distinction of raising State taxation in excess of \$1 000 million. The judgment that has to be made on any budget is: what effect will it have on the economy of the State and the living standards of the community and what will its long-term effects be? It is my view that any budget should

have as its basis the aims encouraging investment, productivity, employment and long-term stability in the economy and providing the basic public services which cannot be provided by the private sector but which are necessary in any democratic, compassionate and caring society.

The Liberal Party was founded and named by Sir Robert Menzies. It was named the Liberal Party because we have always been a compassionate and caring Party, a concerned political force, a Party which has supported responsible change, and a group which believes that society has a responsibility to the elderly, the sick, the underprivileged and the less well off in our society. If one compares the Menzies/Playford era with the Hawke/Bannon approach, and looks at the results of these administrations, one can easily see that the Liberal approach not only has been the most successful but has provided security for the less well off. This has been achieved by instigating policies and initiatives for permanent employment as opposed to the superficial, short-term schemes of employment provided by this Government.

The Premier's poverty inquiry, which will cost between \$3 million and \$4 million, is another example of perception politics—creating the perception that they are doing something, but the actual results will be little or nothing. The money spent on this inquiry would be better spent on organisations such as the Salvation Army, the St Vincent de Paul Society and other similar organisations. There are far too many committees of inquiry producing expensive reports which lead to very little. I suggest to the Premier that SACOSS has all the information necessary to know what it is talking about in relation to poverty in South Australia.

The budget input should be handled in a manner which would be most beneficial to the economy in general. South Australians have a public sector debt per head of population of \$2 873, or 19 per cent of State GDP. There are two problems associated with the debt: first, we are accumulating it faster than we can service it, and it is growing much faster than our GDP; and, secondly, we continue to incur the debt for current consumption, not new investment, which would generate the additional income necessary to repay the debt without reducing living standards. The prices and incomes accord has created and maintained a large increase in Government consumption spending—the 'social wage'. As a device to contain spending by increases in money wages, it has failed. The result, once again, is a balance of payments problem.

The level of foreign debt reflects the extent to which Australians must forgo future income. The greater the foreign debt, the greater the amount of export income needed to service and repay it. It is important that export income increases faster than new borrowings, and that funds borrowed from overseas are used to generate income to service the debt, and ultimately repay it. Foreign debt should not reduce national income available for use by Australians in years to come.

Neither of these things is happening in Australia at the moment. Australia is accumulating foreign debt at an unsustainable rate. The net debt has risen from less than 6 per cent to more than 12 per cent of GDP since 1980. It has more than doubled during the past four years and continues to decide the growth of GDP.

Since 1980, the percentage of export income required to service the debt has increased from 4 per cent to 18 per cent. Even with uniformly optimistic assumptions about the rate of growth of GDP, the behaviour of exports, imports, inflation, interest rates and the terms of trade, net debt will

not stabilise at less than 40 per cent of GDP within the next three years.

Without a substantial increase in exports, the percentage of export income required to service the debt also may be expected to increase substantially. Such an increase in the level of debt and debt servicing would make Australia even more vulnerable to adverse external developments, including increased interest rates, declining terms of trade, or reduced capital inflow. The nation's capacity to purchase essential imports would decline. Concern about the rate of accumulation of foreign debt is exacerbated by the use to which borrowed funds are being put. Capital stock is ageing (that relates to our ability to produce) but new private capital investment remains depressed.

Foreign borrowings are being used not to install productive capacity needed to generate additional earnings to repay foreign debt but to sustain the current rate of consumption, particularly consumption of Government services, such as health and education, and to maintain inefficient State services, often in subsidised competition with the private sector. A reduction in the rate of the accumulation of foreign debt requires a reduction in the current account deficit, which is adding to the foreign debt at the rate of about \$13 000 000 000 a year.

A reduction in the Current Account deficit requires a reduction in the nation's rate of spending and an increase in its rate of saving. Export income must increase relative to import spending to convert a trade deficit into a surplus sufficient to service the existing stock of external debt at current interest rates, and ultimately repay it. This budget is a poor attempt of making any long-term solutions to improve the productive capacity of this State and nation.

The prosperity of this State and nation was created by the agricultural and mining industries. They still have the ability to maintain our standard of living and to provide the necessary export income that this country needs to improve our economic position. The House and nation as a whole should take note of what is taking place in the agricultural industries overseas. World wheat prices have fallen 50 per cent and stock have risen by 70 per cent. The EEC stock of beef has risen to over 600 000 tonnes—about three times the usual level. Feed grains have suffered a crisis decline in prices and serious over-production.

The direct cost of farm programs has risen enormously in the United States to \$26 billion, from \$3 billion to \$5 billion earlier this decade. The EEC costs have doubled over the past few years, reaching some \$23 billion, and in Japan

taxpayers in 1985 paid \$10.5 billion. Taxpayers' subsidies are costing more than \$900 each year for each non-European farm family. Members of the House should take note of the difficulties that this situation is causing rural industries in Australia. I seek leave to have incorporated in *Hansard* statistical tables indicating: the value of agriculture to South Australia, rural indebtedness, the value of rural production to the nation, and the cost and prices of agriculture.

**The DEPUTY SPEAKER:** Can the honourable member assure me that the tables are purely statistical?

**Mr GUNN:** Yes, Sir.

Leave granted.

Table 11.1—Gross Value\* of Agricultural Commodities Produced, South Australia

	1982-83 \$m	1984-85 \$m	1985-86 \$m	1986-87 (p) \$m
<b>Crops, Pastures and Grasses</b>				
Barley .....	98.1	249.2	208.2	184.5
Wheat .....	120.1	374.0	329.0	389.4
Fruits and nuts .....	74.7	98.7	107.9	95.4
Grapes .....	58.3	83.8	77.0	72.0
Vegetables .....	62.0	71.8	81.9	86.7
All other crops, pastures and grasses .....	91.4	104.8	117.5	162.6
<b>Total Crops .....</b>	<b>505.4</b>	<b>982.3</b>	<b>921.5</b>	<b>990.6</b>
<b>Livestock Slaughtering</b>				
Cattle and Calves .....	135.4	89.4	72.3	102.1
Sheep and Lambs .....	102.3	84.7	72.5	107.8
Pigs .....	51.9	53.2	54.3	57.3
Poultry .....	46.5	54.1	53.2	49.0
<b>Total Livestock Slaughtering .....</b>	<b>336.0</b>	<b>281.4</b>	<b>252.3</b>	<b>316.3</b>
<b>Livestock Products</b>				
Wool .....	258.8	297.2	332.0	365.1
Milk .....	67.4	70.4	74.5	79.6
Eggs .....	24.2	23.4	21.0	20.1
Honey and Beeswax .....	2.5	3.3	3.9	4.5
<b>Total Livestock Products .....</b>	<b>352.9</b>	<b>394.2</b>	<b>431.4</b>	<b>469.2</b>
<b>Total Agriculture .....</b>	<b>1 194.3</b>	<b>1 657.8</b>	<b>1 605.2</b>	<b>1 776.1</b>

(p) Provisional

\* Gross value is the value placed on recorded production at the wholesale price realised in the market place.

In general, 'market place' is the metropolitan market.

Gross values of agricultural commodities produced include some duplication as certain agricultural commodities are consumed as raw materials to produce other agricultural commodities (e.g. hay consumed by livestock).

Values include any relevant subsidy and bounty payments.

Source: A.B.S.

## Rural Indebtedness

At 30 June	Major trading banks <sup>a</sup>			Pastoral finance companies  <sup>b</sup>	Commonwealth Development Bank  <sup>bd</sup>	Life insurance companies  <sup>d</sup>	Ex-service settlement  <sup>\$m</sup>	Other government agencies (including state banks)  <sup>b</sup>	Primary Industry Bank of Australia  <sup>b</sup>	Total institutional indebtedness  <sup>e</sup>
	Term and farm development loans <sup>b</sup>	Other <sup>c</sup>	Total <sup>b</sup>							
	\$m	\$m	\$m							
1970	210	787	998	349	176	128	80	351	—	2 082
1971	212	782	994	333	192	129	83	374	—	2 104
1972	229	733	963	293	202	125	79	432	—	2 094
1973	326	715	1 051	303	198	117	71	481	—	2 221
1974	400	761	1 161	371	203	107	61	499	—	2 402
1975	408	812	1 220	279	232	104	58	554	—	2 447
1976	443	874	1 317	254	243	96	54	633	—	2 597
1977	501	896	1 397	200	254	86	49	696	—	2 682
1978	583	977	1 560	200	280	80	43	797	—	2 960
1979	747	944	1 691	244	288	70	39	858	111	3 301
1980	908	1 037	1 945	321	293	67	34	893	216	3 769
1981	1 108	1 199	2 307	315	309	74	35	1 004	317	4 361
1982	1 251	1 181	2 432	366	327	77	33	1 057	429	4 721
1983	1 442	1 300	2 742	364	367	83	31	1 343 <sub>r</sub>	567	5 497 <sub>r</sub>
1984	1 468	1 329	2 797	488	456	82	29	1 471 <sub>r</sub>	694	6 017 <sub>r</sub>
1985	1 792	1 795	3 587	637	580	79	26	1 688 <sub>r</sub>	730	7 327 <sub>r</sub>
1986	2 001	2 043	4 044	790	685	74	24	1 843	675	8 135
1987 <sup>s</sup>	na	na	3 600	1 000	700	70	25	1 800	575	7 770

<sup>a</sup> Figures for the major trading banks refer to the second Wednesday in July. <sup>b</sup> PIBA commenced lending operations in November 1978. The bank is not a direct lender to primary producers. Refinance loans are provided to primary producers through a network of prime lenders comprising banks and other approved institutions, whose figures are given net of the PIBA loan content. <sup>c</sup> Includes overdraft, commercial bills and other advances. <sup>d</sup> Excludes equipment finance under hire purchase arrangements. <sup>e</sup> Excludes indebtedness to hire purchase companies, trade creditors and private lenders. <sup>s</sup> Estimated by BAE. na Not available.

Sources: Reserve Bank of Australia; Australian Bureau of Statistics; PIBA.

### Summary of value and volume of rural production

Year	Gross value of production				Indexes of volume of production <sup>a</sup>			
	Crops	Livestock slaughter- ings	Livestock products	Total	Crops	Livestock slaughter- ings	Livestock products	Total
	\$m	\$m	\$m	\$m				
1951-52	665	303	956	1 924	30	na	na	42
1956-57	704	408	1 440	2 552	35	48	102	53
1961-62	1 008	517	1 209	2 734	46	53	110	62
1966-67	1 639	796	1 390	3 825	73	59	117	80
1971-72	1 597	1 135	1 236	3 968	76	83	125	89
1976-77	3 189	1 686	1 881	6 756	81	111	100	95
1977-78	3 047	1 970	1 974	6 991	73	121	96	93
1978-79	4 912	3 138	2 214	10 264	107	114	100	108
1979-80	5 546	3 616	2 607	11 769	100	100	100	100
1980-81	5 299	3 485	2 754	11 538	84	97	97	91
1981-82	6 286	3 295	3 041	12 622	105	99	100 <sub>r</sub>	102
1982-83	5 009	3 454	3 164	11 627	76	100	100 <sub>r</sub>	89
1983-84	8 426	3 526	3 483	15 435	129	91	104 <sub>r</sub>	111
1984-85	8 092	3 806	3 839	15 737	127	92	110	112
1985-86 <sub>p</sub>	7 555	3 905	4 194	15 654	117	96	112	109
1986-87 <sub>s</sub>	7 451	4 601	4 798	16 850	114	101	114	110
1987-88 <sub>s</sub>	7 172	4 705	5 073	16 950	110	100	117	108

<sup>a</sup> Base: 1979-80 = 100. <sub>p</sub> Preliminary. <sub>r</sub> Revised. <sub>s</sub> Estimated by the BAE. <sub>na</sub> Not available.

Sources: Australian Bureau of Statistics; Bureau of Agricultural Economics.

### Rural returns, costs and prices

Year	Gross value of rural production	Farm costs	Net value of rural production	Index of real net value of rural production	Index of prices received	Index of prices paid	Farmers' terms of trade	Consumer price index
	\$m	\$m <sup>a</sup>	\$m	<sup>b</sup> c	<sup>c</sup>	<sup>c</sup>	<sup>d</sup>	<sup>e</sup>
1951-52	1 924	977	947	113	40	19	209	21
1956-57	2 552	1 438	1 114	107	41	21	190	26
1961-62	2 734	1 763	971	85	36	26	139	29
1966-67	3 825	2 412	1 413	111	40	29	137	32
1971-72	3 968	2 696	1 272	82	38	33	115	39
1976-77	6 756	5 163 <sub>r</sub>	1 593 <sub>r</sub>	73	62	67	92	70
1977-78	6 991	5 706 <sub>r</sub>	1 285 <sub>r</sub>	54 <sub>r</sub>	65	74	88	77
1978-79	10 264	6 530 <sub>r</sub>	3 734 <sub>r</sub>	144 <sub>r</sub>	79	79	100	83
1979-80	11 769	7 608 <sub>r</sub>	4 161 <sub>r</sub>	146 <sub>r</sub>	94	88	107	91
1980-81	11 538	8 418 <sub>r</sub>	3 120 <sub>r</sub>	100	100	100	100	100
1981-82	12 622	9 886 <sub>r</sub>	2 736 <sub>r</sub>	79 <sub>r</sub>	99	111	89	110
1982-83	11 627	11 063 <sub>r</sub>	564 <sub>r</sub>	15 <sub>r</sub>	104	123	84	123
1983-84	15 435	11 845 <sub>r</sub>	3 590 <sub>r</sub>	87	109	133	82	132
1984-85	15 737	12 590 <sub>r</sub>	3 147 <sub>r</sub>	74 <sub>r</sub>	113	141	80	137
1985-86 <sub>p</sub>	15 654	13 620	2 034	43	113	153	74	149
1986-87 <sub>s</sub>	16 850	14 100	2 750	53	122	164	74	162
1987-88 <sub>s</sub>	16 950	14 500	2 450	45	125	170	74	172

<sup>a</sup> The method of estimating farm costs has changed for all years shown. Depreciation is now measured on a current replacement cost basis instead of an historical cost basis, and lease financing is now treated as depreciable capital acquisition. <sup>b</sup> Obtained by deflating the net value of rural production by the consumer price index. <sup>c</sup> Base: 1980-81 = 100. <sup>d</sup> Ratio of prices received by farmers to prices paid by farmers. <sub>p</sub> Preliminary. <sub>r</sub> Revised. <sub>s</sub> Estimated by the BAE.

Sources: Australian Bureau of Statistics; Bureau of Agricultural Economics.

**Mr GUNN:** As an indication of the real problem, in the March quarter tractor sales were down 24 per cent, header sales were down 56 per cent, and bankruptcies rose by 33 per cent. The CPI rose by 1.5 per cent in the March quarter, making a rise for 1986-87 of 9.3 per cent, and there was a trade deficit of \$402 million, with exports down 11 per cent and imports up 6 per cent. The gross foreign debt rose to \$109 million at the end of March.

It can be seen from the figures that I have quoted that, if we are to meet the short and long term expectations of the community, it is essential that waste, duplication and

mismanagement be eliminated. Our energy and efforts must be directed towards productivity and encouraging investment. The State Government must streamline its operations, encourage employment in the private sector, such as reducing costs applicable to industry, get rid of cumbersome and unnecessary regulations and reduce the amount of paperwork in which business must be involved. The State Government must make strong representations to the Commonwealth Government to abolish the fringe benefits tax and capital gains tax, reintroduce negative gearing and the 40 per cent investment allowance for new business.

If Governments in this country create the environment so that our export income is increased they will have the necessary income to provide relief so that the underprivileged can live with dignity. This budget provides only \$64.5 million out of \$4 800 million, or approximately 1.7 per cent, for agriculture. The allocation of only \$200 000 for the Plant Breeding Centre clearly indicates that the Government has its priorities completely wrong. It is going to provide money for a hockey stadium and virtually no money for the development of our most important grain industry.

I believe that there has to be a careful examination of every Government department to ensure that programs are operating effectively and efficiently and providing services that are essential to the community, particularly when one sees that health receives 19.4 per cent, education 19.3 per cent, and water resources only 3.9 per cent. The people of this State should be made aware that this year it will cost the State \$497.2 million to service its debt, which is about 10 per cent of its total outlay.

It is most disappointing that the Labor Party has not honoured its election promises to upgrade the port facilities in this State, and has allocated no money to improve the facilities at Thevenard, which is a major export earning port. It has wasted taxpayers' money in the most dubious timber enterprise in New Zealand: it has spent up to \$21 million, as stated in the Auditor-General's Report.

Agriculture provides 65 per cent of our export income, and it is incumbent on the Government to put into effect policies which will encourage agriculture and which ultimately will benefit all sections of the community. This budget indicates the muddled approach to government that the ALP has displayed to the community. The last State election was fought basically over the issue of privatisation, yet we see this Government now selling off many State Government instrumentalities in line with Liberal Party policies. The Government intends to amalgamate SAOG with Sagasco and, by doing so, will have a free hand then to go public. Of course, it will earn many millions of dollars when it floats the organisation on the public market.

We have just witnessed the most bare faced political turn around in the history of this country. Members will recall at the last State election the Prime Minister calling the Liberal Party's privatisation policy 'ideological clap-trap'. He criticised the Leader's wanting to sell off the South Australian Oil and Gas Corporation, yet the Bannon Government intends to do just that.

The Bannon Labor Government is selling Housing Trust homes, yet he and the Minister of Housing and Construction made the most vitriolic attacks on the Liberal Party during the last election campaign for wanting to do just that. If we compare our performance in this State and nation with our major economic trading partners in the Western world, it indicates the dismal position we have reached. We have in this country 5.2 million people who rely upon the Government, that is, pensioners, beneficiaries and public sector employees, compared with 5.2 million people employed in the private sector.

We have an inflation rate of 9 per cent, and the average in other comparable industrial countries last year was 2.5 per cent. Economically, we rank behind Turkey, Spain, the United States, West Germany, Italy, the United Kingdom, Japan, and France. In 1986 public sector employment increased by 94 800 people, yet the increase in the metal industries was only 46 000.

The proportion of new office space in the Melbourne central business district occupied by the Federal and State Governments was estimated at 50 per cent. The figures that I have quoted clearly indicate that the Government has a twisted mentality in relation to economics. It must reverse its policies and encourage the private sector so that long-

term financial benefits will accrue to the total community and so that the less privileged people in society will benefit.

I sincerely hope that this Government takes heed of our difficult situation, puts aside its ideological bent, and completely ignores the recent call from the Minister of Labour, Mr Blevins, that there should be more Government involvement in development projects, particularly in the mining industry. Such a policy will spell doom and disaster for the State's economy and will frighten away desperately needed new investment.

A major survey of farmers conducted by the rural press has revealed recently massive debt escalation and erosion of equity in cropping areas of New South Wales and South Australia. It shows that, while the average farm debt of the 1 483 people surveyed rose by 71 per cent during the past three years—from \$122 000 to \$205 000—the average debt of respondents from the northern part of the State more than doubled.

The budget is a disappointing document, because apparently in this State we have the highest spending and the highest taxing Government we have ever had in our history. We have a Government that unfortunately has squandered the taxpayers' money and, if members in this House have taken the trouble to read the Auditor-General's comments in relation to the Government's involvement in the South Australian Timber Corporation, the only conclusion that can be drawn is that there has been a massive mismanagement of the State's resources and a series of incompetent decisions have been made.

If any person involved in the private sector running a public company were to present to the annual meeting of shareholders a financial statement such as we have seen in the Auditor-General's Report in relation to the South Australian Timber Corporation, all those directors would be charged with neglect, because we have a bankrupt organisation. It is an absolute outrage that the public of this State has seen \$21 million of its hard-earned money invested in a bankrupt and mismanaged New Zealand company which has running it people of the most dubious backgrounds. The Treasurer and the Ministers who are associated with such an outrageous set of circumstances ought to resign.

**The DEPUTY SPEAKER:** Order! Will the honourable member for Eyre resume his seat? There is a point of order.

**The Hon. R.G. PAYNE:** On a point of order, Mr Deputy Speaker, I think that most members would know that I do not normally do this lightly. I take few points of order, but my understanding is that some of these matters are before the courts.

**The Hon. E.R. Goldsworthy:** The Speaker has not ruled it out yet.

**The Hon. R.G. PAYNE:** I am not asking the Deputy Leader to rule on the matter: I am asking you, Mr Deputy Speaker, to rule on my point of order. Are not some of the matters that have just been canvassed by the honourable member at least subject to that concern?

**The DEPUTY SPEAKER:** At the moment, I cannot accept the point of order put to me by the Minister. I am not in a position to know what matters are before the court, and nobody in the House at the moment can inform me. I am sure that the honourable member has taken notice of the point of order. In debate he is entitled to follow this matter closely, but I ask him to remember the legal situation.

**Mr GUNN:** I know that the honourable member would feel embarrassed. As a Minister of a Government that has committed the State to paying \$21 million when it is most unlikely that the taxpayers will see that money again, he should hang his head in shame. All members in this House can point to projects such as hospitals, schools, preschools, pipelines and roads that could have been constructed with that money. If the money had been invested in South



Australia, that would have been bad enough, but it is an outrage that it has been invested in New Zealand. I can understand the Minister feeling a little guilty about this matter, because it would have to be one of the greatest bungs in which any Government has been involved. The worst aspect of it is that the public has been denied access to the information.

**The DEPUTY SPEAKER:** Order! The honourable member for Eyre will resume his seat. A point of order?

**The Hon. R.G. PAYNE:** On a point of order, Mr Deputy Speaker, no member shall impute to any other member in this House motives that can bring that member into dispute. I have no feelings of guilt whatsoever about the matter to which the honourable member refers. Mr Deputy Speaker, I ask you to rule in that way.

**The DEPUTY SPEAKER:** From the way in which the debate has gone thus far I cannot accept the Minister's point of order. I have already indicated to the honourable member that he should follow this with care. The honourable member for Eyre.

**Mr GUNN:** The Minister indicates that I am not reading it right. I do not need glasses. I have passed a flying test which indicates that I am entitled to sit for a commercial licence, so there is nothing wrong with my eyesight. I have read it, and it clearly refers to \$21 million of taxpayers' money. To make matters worse, the Timber Corporation has loans and debts of up to \$37 million. They are both incompetent. The Minister should get rid of those people who are advising him and table all the documents in this House so that the House and the community at large can understand the situation.

**The Hon. R.G. PAYNE (Minister of Mines and Energy):** I move:

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

Motion carried.

**The Hon. D.C. WOTTON (Heysen):** I am pleased to take part in this budget debate and to set a few matters right. Only a few weeks ago in the Address in Reply I made the point that high taxes and record interest rates remain the biggest threat to the living standards of average South Australian families. I went on to say that the average South Australian family and people in small business are facing extreme difficulties under this State Labor Government. It is an indisputable fact that the average South Australian family was far better off when the Bannon Government came to office in 1982 than it is now.

On Thursday, a week ago, the Premier brought down the budget for 1987-88 and we heard him huffing and puffing when he was trying to indicate that everything in the Treasury was rosy. That is not right. The fact is that South Australia is lagging well behind all other States in economic performance. To thinking South Australians this budget is an extremely worrying document—so much for the Premier's comments at the time of the last election that South Australia was leading the nation in an economic recovery.

Let us look at what the Premier and his Government are doing. I will refer to some key economic indicators of Australian States and look at a comparison of what is happening. What I am doing is looking at point scores: six for the best results down to one for the worst results. For example, in relation to population growth for the year ended 31 December 1986, the greatest improvement occurred in Western Australia, which saw a 2.6 per cent increase. What about South Australia? It is at rock bottom, with a 0.15 per cent increase. In net migration gain, again Western Australia is at the top with a 2.7 per cent increase, and South Australia is at the bottom with a 0.9 per cent increase.

In relation to employment growth we manage to come in second to bottom. For the year ended 31 July 1987 South Australia saw an increase of 0.9 per cent, whereas in Victoria the increase was 4.6 per cent. In relation to building approvals, again we find South Australia at the bottom—down 16.6 per cent on the number of dwelling units for the year to 30 June 1987 compared with 1985-86. In relation to retail sales growth, again we find that South Australia is rock bottom. I am sure that it gives no pleasure to any member of the House to be referring to what is happening in South Australia in this vein, but they are the facts.

We continue to hear from the Premier and Ministers opposite how well things are going in this State, and it is interesting to look at what is happening under the Bannon Government. Let us look at retail sales growth from the six months to 30 June 1987, compared with the same period in 1986. South Australia is rock bottom again at 3.4 per cent, whereas Western Australia had a growth of 9.3 per cent in retail sales. I refer to new motor vehicle registration growth in which we are one up from the bottom. There has been a decrease of 24.6 per cent. Victoria rated highest with a decrease of 17.4 per cent.

Bankruptcies is an interesting item to indicate how well we are going in South Australia under the Bannon Government. In bankruptcies to 30 June 1987, compared with 1985-86, in South Australia there was an increase of 46.6 per cent compared with New South Wales, which saw an increase of 26.3 per cent, and Tasmania, with an increase of 19.8 per cent. We have seen a 46.6 per cent increase in 12 months in the number of bankruptcies in South Australia, yet the Premier of this State has the audacity and the gall to stand in this place and tell us how well South Australia is going.

What about State taxation? If we look at the increase in State taxation and charges per capita from 1982-83 to 1985-86, we find again that South Australia is rock bottom with an increase of 49.1 per cent. Queensland rated best with an increase of 24.8 per cent. I also refer to private new capital expenditure increases to 31 March this year compared with the year ended 31 March 1986. South Australia saw an increase of 6.4 per cent and in the other States we are looking at anything up to 22.6 per cent.

I do not see anything satisfactory in those figures so far as South Australia is concerned. That is why I say that any thinking South Australian would recognise that the budget is a very worrying document. South Australia this year is looking at a \$9 million deficit—also an extremely worrying situation. If we look at the budget papers we also see that in South Australia this year we are way down the plughole with capital works. I have the responsibility of being on the Public Works Committee—a committee that I enjoy working with as it provides an opportunity for me to know what is happening in regard to capital works in South Australia. No doubt exists that it is way down this year in capital works, so we will not have the jobs provided for people in that area.

Another concern I have about all these budget matters is that we are mortgaging our children's future. As a father of four children it concerns me more than anything else. I can remember saying exactly the same thing last year and the year before that. We are continuing to borrow as though it is going out of fashion, but some day some Government is going to have to start paying back that amount. It concerns me that our children are likely to be facing that responsibility.

We have reached the situation now where we are borrowing to allow debt financing. It is almost a matter now of going back to the days of Dunstan, and God help us if we were to have again the problems that came out of that period of government. We all recall the borrowings that

were necessary to cover the costs of the Monarto proposal and the Land Commission scandals—millions and millions of dollars that were borrowed to pay out capital in those areas. It would be an interesting exercise to determine just how much we are still paying off in regard to the funding of the Land Commission. I might try to work that out, because I am sure that we are still paying out significantly for the Monarto proposal and the Land Commission in particular.

I am also fascinated by the fact that the Premier continues to blame the Commonwealth for his budget difficulties. We have seen time and time again, when things get rough and finances are short, he immediately blames the Federal Government. It is just not on that the Premier should insult the intelligence of the people of this State by suggesting that most of our financial difficulties are the result of problems in Canberra. By pretending that Canberra is to blame, the Premier conveniently ignores the fact that, since he came to government, Commonwealth funds to South Australia have been increased in real terms by about some 7 per cent, and that is after all of the cuts announced for this financial year.

If the Premier thinks that that is difficult to live with, I would like him to consider what it has been like for the ordinary average wage earner over that same period. Since 1982, the average weekly wage in South Australia has fallen in real terms by 6.5 per cent, but the Premier has had an increase from Canberra of 7 per cent. All of us have been asked to tighten our belts but the Government in this State just continues to make a sacrifice of the family on the average wage. I will refer to that in more detail later.

The problem that the Premier faces is that, after raising taxes soon after his election in 1982, he used that money to employ another 11 000 to 12 000 public servants, costing taxpayers an extra \$285 million each year in wages and associated costs. In many cases, the money has not been spent in areas such as health, education, and law and order, where the Government should be giving its highest priority, despite all the huffing and puffing that we have heard. It has not determined its priorities correctly.

For example, when funding is so tight, there can be no excuse for putting the money already referred to on numerous occasions—some \$21 million of taxpayers' money—into a New Zealand timber company that was on the verge of insolvency. It does not matter what the Ministers say on the other side—that is a fact of life. The Premier just cannot put all the blame on Canberra when his own spending priorities have been so inconsistent and have not taken into account the real needs of the public.

It really comes back to a lack of priorities in this State, and that is what is so particularly sad. I referred to public sector employment and the massive increase that we have seen there. Let us look at that more closely. For some time the Premier has boasted about the fact that as a result of his tight rein on public sector employment (which he keeps talking about) everything in the garden is rosy. The booklet entitled 'The South Australian Economy' presented by the Premier with the budget states quite clearly:

Growth in the private sector continued to exceed public sector employment growth both nationally and in this State. The number of employed wage and salary earners in the private sector rose by 1.5 per cent in South Australia, compared with public sector growth of 1.1 per cent. Nationally, the private sector growth rate was higher than in South Australia, at 2.3 per cent, but employment in the public sector grew more slowly than locally, rising by just 0.7 per cent between the March quarters.

An uncritical reader or a person who was just skimming through that booklet would quite reasonably believe that the State Government had exercised restraint in employment. That just has not happened. The public sector referred to in this booklet includes Commonwealth and local gov-

ernment employment. They should be excluded and, if they were, we could analyse the growth in State Government employment. This shows that in the 12 months to 31 March this year private sector employment grew by 1.5 per cent but that State Government employment grew by 2 per cent, which is nearly double the rate cleverly suggested in the document from which I have quoted. In the same period throughout Australia, private sector employment grew by 2.3 per cent, whereas public sector employment grew by only 0.7 per cent, which is one-third the rate at which it grew in South Australia.

That places in a very different perspective the Premier's leadership in restraint on public sector employment, particularly when it is realised that it costs something like \$30 million per 1 000 employed in the Public Service per year. I do not know what the Premier is on about because he is just not referring to the facts and, unless these things are pointed out, the people will continue to believe that the Premier is bringing about restraint through cutting down on the size of the Public Service in South Australia when, in fact, the number of public sector employees grew from 104 500 in March 1986 to 106 600 in March 1987. That is an increase of 2 100 in 12 months. In the same period, the number of State Government employees throughout Australia grew by only 4 100. In other words, South Australia accounted for over 51 per cent of the increase in public sector employment in Australia in the 12 months to 31 March 1987.

I do not know whether the Premier feels proud of that but, certainly, as a member of this House and as a taxpayer in this State I have no pride in referring to those sorts of figures. In summary, therefore, let us look at the total spending, which is up from \$3 778.3 million to \$4 018.2 million compared with 1986-87, and see where those increases have taken place. Real recurrent spending is up 1.1 per cent compared with 1986-87; real capital spending is down 18.1 per cent; and total real spending is down 1.44 per cent. The total interest bill is to reach \$575 million with a budget deficit expected to be \$355 million.

The interest bill, 16.5 per cent of recurrent expenses, is up from 12.2 per cent in 1983-84. The interest bill takes 56c in every dollar collected by the State Government—and that is the most damning statistic, I suggest. South Australian taxes are to increase by 106 per cent compared with the 64 per cent CPI increase since 1981-82. South Australian taxes are budgeted to increase by 11 per cent actual and 4 per cent real, compared with 1986-87. They have increased faster than those of any other State since Bannon came to office—and those statistics are available and are spelt out in the budget documents tabled over the past couple of years. One could go on for hours just trying to bring home the true facts of what this budget is all about, but one can only hope that the average South Australian recognises just what is happening in this State.

**Mr INGERSON (Bragg):** I would like to take up from where the member for Heysen left off and talk about the problem of the total spending of this Government. There is no question that this Government, during its five years in office, has been a high taxing as well as a high spending Government. From some areas of transport, that spending has for priority reasons been taken right away. I would like to begin by talking about the tax collection area, specifically as it relates to motor vehicle registration fees, drivers licences and general sundry collections.

In this year's budget \$99.5 million will be collected from motor vehicle registration fees and others as mentioned. This is up \$10 million or 11.2 per cent. We have heard Mr Bannon very frequently in this House and publicly say that his Government would never increase taxation over the

CPI. This Government has hit the poor old motorist with the broad-based tax, the highest consumption tax that we could possibly have placed on any group of individuals.

It is interesting that this Government is concerned about talking about a consumption tax, but here we have exactly that situation. Then, of course, we have the basic cost of petrol in the metropolitan area increasing by at least 2c a litre, adding on \$23.2 million to the taxation collected for this Government. That specific tax is up 49.1 per cent. That is interesting—it is a little higher than the CPI. I mentioned earlier that the Premier was so clear and precise about this at the last State election: that CPI increases in taxation is what this Government will be all about. Those two areas have added an extra \$32.3 million in taxation to the State budget. Where has that come from? It has come from the motorist. Where has it gone? It has gone into general revenue. I seek leave to have inserted in *Hansard* a document which contains statistical information only.

Leave granted.

Motoring Costs Holden Commodore (City Owner)—15 000 km per annum		
	1986-87 \$	1987-88 \$
Petrol tax .....	43.29	77.79
Registration .....	79.00	87.00
Licence .....	12.00	14.00
Compulsory Third Party .....	202.00	207.00
Total .....	336.29	385.79
Increase: \$49.50—14.6 per cent.		

**Mr INGERSON:** The document shows that motoring costs have risen from \$43.29 in 1986-87 to \$77.79 in the current year and registration from \$79 to \$87. The licence fee has risen from \$12 to \$14 and compulsory third party insurance has risen from \$202 to \$207. It is interesting to note that CTP is the only increase that has been less than CPI. All of the others have varied from 49 per cent for petrol tax down to 16 per cent in the licensing area. We all remember that, when the Minister put forward the 10 per cent increase to the public, he had difficulty in understanding that when we round up—and we round up by 20c in the dollar—we get a much more significant increase than the 10 per cent that he put forward to the public. That document shows that there has been an increase from \$336 in 1986-87 to \$385 or, in round figures, a \$50 increase in motoring costs in just one year. Where has that money gone? We would expect, since the motorist is paying that sort of money, that it has gone into the Highways Fund to be spent on road maintenance.

Of course, that has not been the case. This collection totals \$170 million in taxation from the motorist in any one year, with the net amount \$74.6 million. There has been a loss to the Highways Fund in the order of \$50 million which has gone into general revenue. We no longer have this clear decision of government that the motorist uses the roads and as a consequence should pay for maintenance. Now we have a deliberate act by this Government to take the tax from the motorist and put it into general funds, where it disappears. As far as the motorist is concerned, the Government does a waving trick and it disappears through general revenue. Nobody can find it any more, and there is no dedication and no general interest as far as the motorist is concerned. I say 'approximately' \$50 million because it is impossible to estimate the cost of the Motor Registration Division. If we look at the budget papers, we cannot detect the true cost of the Motor Registration Division.

In the past five years the Liberal Party on many occasions has pointed out the need for this money to be dedicated to the Highways Fund, but not this Government: its priorities are all wrong. The Public Accounts Committee pointed out the future problems of asset management and the possible future cost and here is an opportunity for us to do something about it, to take road funding and specifically tie it to the collection of petrol tax, in particular, because, of that \$70 million which is collected in petrol tax, only \$25.7 million goes into the road funding area.

The other area of concern is the reduction in Federal funding. We are getting the same amount of money this year as we received last year, so in real terms we are approximately 7.5 per cent—if that is the inflation figure that we wish to use—behind the eight ball compared to last year. The other interesting area on the income side is sale of property. An estimated \$11 million will be collected from the sale of property this year. During the Estimates Committees we hope to find out what that sale of property is all about. I suspect it is a continuing sale of land in relation to the north-south corridor, but it is my intention to find that out during the Estimates Committees.

Looking at the payments side, we see a very interesting increase for taxis for the disabled. Whilst we support very strongly the need for that service to continue, it is quite staggering that there is a 420 per cent increase in the cost of taxis for the disabled. This is an area in which the Minister may be able to give some information. In the road safety area—an area which we support very strongly—there is a significant increase in expenditure, but unfortunately it looks like only \$500 000 will be spent on publicity in relation to the whole road safety problem. When there is a total expenditure on highways in the whole transport area of over \$300 million but only \$500 000 can be found to promote road safety and road schools, we need to ask ourselves what are the priorities of Government and of this Government in particular.

I note that administration expenses for the road safety area have increased significantly by 39 per cent to \$1.6 million. This again seems to be totally out of priority. How can administration expenses expand at that rapid rate while we are spending only \$550 000 on the promotion of road safety? In the Motor Registration Division salary increases were of the order of 9.8 per cent and a total of \$7.06 million was spent.

It is interesting to note that in recent days there have been significant cut backs in the Motor Registration Division. The Nuriotpa office was closed. I looked at some documents that came my way in the past couple of days and noted that in relation to the closure there would be a saving in only on-line costs, because all the people employed in that division will have to return to the general division: when one looks at the Auditor-General's Report one finds that there are 13 more people employed in that division this year than last year. If one is to get economic priorities right, one must ask why there are 13 more people employed in that division in any case.

*The Hon. J.W. Slater interjecting:*

**Mr INGERSON:** I will do that during the Estimates Committees, but it is important to refer to it now. That document suggests also the closure of the Tranmere, Marion and Lockleys branches. I thought that the Motor Registration Division was all about service, but it appears to have been overstaffed during the past 12 months. However, the service is being cut without consideration of the staffing structure, which seems to me to be back to front in relation to the way in which it ought to be operating.

I turn now to the State Transport Authority. The documents clearly show that last year we voted for an \$84.8 million cash deficit for the STA and the actual deficit was

\$93.1 million, an increase of 9.78 per cent. The estimate this year is \$116.32 million, an increase of 24 per cent. In his Financial Statement the Premier said that the funding of the full STA deficit, including depreciation, will take place, yet the estimate is \$116.32 million. The reality is that one must add another \$22 million to that figure because there are Government cash concessions. The Premier said in his Financial Statements:

I stress that these changes have no net impact on the overall budget result. In all cases where they imply additional expenditure it is fully offset by receipts.

He continued later:

In the case of the State Transport Authority it is appropriate that Parliament consider the real cost of the deficit including depreciation. The Government believes that the State Transport Authority should be reimbursed for its total deficit so that it does not build up accumulated losses on which it would pay interest. This ensures that future generations will not have to deal with accumulated deficits.

What will happen to the existing \$69 million deficit? Interestingly enough, the interest on the \$69 million deficit is \$9.79 million. If one looks at the Auditor-General's Report one sees that last year the biggest single increase in STA costs was interest. How will the Premier control this interest? How will he achieve this 'no change' in the budget. It is interesting to note that interest is now \$20.6 million, an increase of \$6.6 million in a year. It is important to note that this represents 12 per cent of the cost of providing STA services. It is also interesting to note that long-term borrowings from SAFA increased by \$46.5 million to \$177.6 million.

This is where the increase in interest is coming from, but where is it going? It is going into SAFA. Is SAFA raping the State Transport Authority? That is an interesting question. I understand that, if the STA could borrow and invest its own money, it could do it at a rate at least 2 per cent less than is the case at the moment. I also am intrigued by the Premier's second statement, which I repeat as follows:

I stress that these changes have no net impact on the overall budget result. In all cases where they apply additional expenditure is fully offset by receipts.

When I first entered Parliament I recall the Premier saying that the worst thing that the Tonkin Government did was transfer capital funds into recurrent funds. I remember when he said that he would not do that.

*An honourable member interjecting:*

**Mr INGERSON:** I know how many millions it was. I remember the Premier saying how important that was and how nasty and naughty it was as an accounting exercise. I know that the Premier would not dare to be hypocritical in this Parliament. I now quote from the 'Financial Statement of the Premier and Treasurer', as follows:

... the funding of the full deficit of the State Transport Authority (as distinct from the cash deficit), which will increase recurrent payments by \$17.6 million, offset by an equal reduction in capital payments.

We have a Premier who said that we must never transfer capital and recurrent payments, yet he has done exactly that to the STA. I wonder why he would do that. I do not believe that the Premier is trying to be a hypocrite—he is a hypocrite.

In the few minutes left to me I refer to the Auditor-General's Report and comments about the Collins committee which investigated the STA. The Auditor-General states that the STA will attempt to cut \$10 million from its expenses in 1987-88. I believe that the STA should clearly look at its total operation and separate its operations section from the policy section. In that way policy relating to the service that the STA should be giving to the South Australian public would be clearly set out by a division and the operations section would implement that policy as set out.

It should not continue as it is at the moment where the operations section tells the policy section how things should be done.

Another interesting area that we should look at in this budget is the significant blow-out in the cost of the STA's ticketing system. The Crouzet ticketing system has blown out from some \$4.5 million to \$10.5 million, and I understand that it is possible that it could blow out even further. I also understand that it may not necessarily be the most technologically advanced system available and that the French have had for some time a far more advanced and significant system than the Crouzet system. We will go into that in more detail during the Estimates Committee.

The other interesting area of the STA is the signalling system, estimated to cost \$20 million back in 1982, whereas the estimated cost today is \$42.5 million. I have indicated a few examples in the STA, in the motor vehicles division and in the transport area in particular where I believe finances could be quickly brought under control. The STA is in a mess, and I believe that it needs to be turned upside down. It needs to have its policy section clearly separated from its operations section. It needs a brand new direction, and I hope that that occurs in the near future.

**The Hon. H. ALLISON (Mount Gambier):** The Leader of the Opposition and my colleagues have comprehensively outlined the various problems confronting South Australia, and if some members of the House believe that the debate has been a little repetitive let me remind all members that the facts are there and that they certainly need to be emphasised when the State is in the plight that currently confronts it. But I am going to surprise members of the House, I am quite sure, by saying at the outset that there are some good aspects in almost every budget and that the current budget is no exception.

Speaking from purely a parochial point of view, it would be very churlish of me if I did not acknowledge that, at last, the on-again, off-again, on-again project of Finger Point has received another \$2 million in funding to augment the \$600 000 or \$700 000 already spent in researching the various designs—which was a large design, a small design and then back again to a larger one—and, of course, we are waiting for our colleagues, the members of the Public Works Standing Committee, to give their final imprimatur, their consent, to the program, which must be done before it can proceed, and I am very much looking forward to that day. In addition to Finger Point, also some \$450 000 has been allocated for stage 3 of the gravity main down to Finger Point from Mount Gambier.

I am pleased with some other aspects of the budget. The Woods and Forests Department has had some \$8.5 million allocated for planting. Members will recall the terrible bush-fires of 1983 which ravaged some 50 000 acres or 22 000 hectares of prime forest land in the South-East. Had that very large sum of money not been made available for planting, I am quite sure that within the next decade the Woods and Forests Department would really have been short of small log for a number of projects, not the least of which would have been the Apcel private enterprise project, which has been substantially increased in capacity. This applies also to the Woods and Forests Department's own Scrimber project, for which a further \$8 million has been allocated under the present budget for the commencement of that scheme, which will utilise small log in order to make very large constructional sections—a project about which the department is very excited.

Funds have been allocated for roads in the South-East: for example, I refer to the Benara Road, a very dangerous section of the Mount Gambier to Carpenter Rocks road, which is being funded to the extent of \$450 000, and I hope that that will remove what has been a death trap over the

past several years. Funding has been allocated for other roads that are important to the South-East, both in the immediate district and nearer to Adelaide. The South-East depends heavily on trade with Adelaide, so that the road from Padthaway to Morambro Creek, the road from Kingston to Reedy Creek, the Glen Osmond Road itself, the Callington section of the South-Eastern Freeway, and the Bordertown bypass road are all major projects which will assist transport to and from the South-East.

Of course the South-East provides a great deal of the State's revenue in the products which we send to Adelaide and which we export. The provision of good roads is an essential feature of speedy and efficient trade. I point out that the repair and maintenance of the Callington section of the South-Eastern Freeway should not have been required so soon after the major construction of the freeway, and this highlights the fact that on occasions the Highways Department can make mistakes; in this case the pavement was of inferior standard—and this is a heavily trafficked area.

There are other aspects of the budget which are pleasing to people in the South-East. There are also aspects which are displeasing. One point that I feel I have to make is that both the Premier and his colleagues must be very worried about the pace with which we have gone into debt over the past five years. That comment is supported by the Auditor-General's Reports over the past 30 years.

Members of the House should realise that between 1960 and 1982, year after year, the Auditor-General's Reports show that we went into debt by about \$100 million, give or take a few thousand dollars each year, irrespective of whether Playford, Walsh, Steele Hall, Corcoran or Dunstan was in power. But over the last five years, we have been borrowing at a much more rapid and dramatic rate, round about \$300 million to \$350 million a year. That more than trebles the previous rate. It means that we have been increasing the principal and interest repayments which South Australian taxpayers have to meet, and it has become deficit funding of the worst kind, creating millstones around the necks of our children.

I am sure that all members of the House would welcome the comment of the Premier that he is exercising some caution this year in not pushing us quite so fast into debt: he has acknowledged the problem. I suspect that it is a case of closing the stable door a little late and already the \$575 million in interest that the State has to meet each year will increase over the years and our children will certainly have a massive debt to repay in our names.

Apart from that, we have had the acknowledgment from many of my colleagues that 56c in every dollar this year is to be taken out of the \$1 billion in State taxation simply to meet the interest bill, leaving only \$44 out of State taxation income to meet all other programs—

*Members interjecting:*

**The Hon. H. ALLISON:** A member on the other side is certainly much aware of what I am saying: 44c in each dollar raised from State taxation will be available to meet the rest of the State's programs. That highlights the problems confronting the State. Certainly, the Premier is acknowledging the problem in his Financial Statement, but it certainly needs much more attention than is being given to it in this budget because, despite all of the statements made by the Premier and his Ministers that we face hard times and that we have to engage in belt tightening, we find in this budget that in fact there is about a 30 per cent additional expenditure over last year.

The gross figures in the budget papers show that the State's income has increased from \$3.7 billion to \$4.8 billion, and the expenditure shows a deficit funding at the end of the financial year of \$14 million. That does not sound

too bad when one compares that with the sheer size of the \$4.8 billion budget. How clever have the Premier and his Treasury officers been? Built into the budget is the sum of \$367 million, which has been borrowed and which is built into the recurrent income. Therefore, this means that \$367 million has been borrowed in order to meet recurrent expenses. Add the \$367 million to the \$14 million, which the Premier says is the deficit budget figure, and we have the correct deficit facing South Australia at the end of this year of \$380 million.

That will explain to members of the House why I am much concerned about the future of our children: if we are going to borrow in order to meet recurrent funding to meet our debts, instead of cutting our cloth to meet our income and saying, 'Right, we have to be a little worse dressed this year.' The Premier, with his heavy borrowing program over the last four or five years, has taken a calculated gamble that heavy borrowing and spending to meet the State's needs would be met four or five years down the track by a good season.

That good season has not eventuated during the current financial year. As other of my colleagues have said, we are faced with a very serious situation in South Australia. Instead of a boom season that would have greatly helped the Premier by making his gamble pay off, we find that the South Australian economy is really in dire straits. One of the better points that we can highlight is that the inflation rate is slightly better than most—in fact it is second best—but, when one looks at the fact that there is only 0.5 or 0.6 per cent difference between the worst State and the best State, it will not really affect South Australia very much compared with the others.

In South Australia the strike rate certainly is better than that in other States, giving us the potential for a sound industrial base, but when we look at the rest of the figures for South Australia compared with other Australian States, unemployment is running at about the third or fourth; population growth, the worst; migration gain, the worst; employment growth, second worst; overtime worked and therefore work available, the worst; building approvals, the worst; home loan costs, sitting in the middle, so there is still promise there; retail sales growth, the worst; new motor vehicle registrations, second worst; bankruptcy, the worst; State taxation, the worst; and private capital expenditure, the second worst, so we are sitting at the bottom or just off the bottom in most key indicators that would show which way South Australia will head during the current financial year. As I said, the Premier has gambled in heavy borrowing and heavy spending. This year he has acknowledged that he has a problem and he has said that we have to cut back, but in all probability it is a case of 'too little too late'.

The Premier, when he made a public announcement (I believe it was on radio recently) in relation to his tenth year in Parliament made a very false statement which really should be corrected in the House. He said that, when his Government came to power in 1982, no new projects were on the drawing board. Labor Governments have a really good track record for taking the credit for Liberal Party initiatives. I might hark back to a decade or two ago, when Steele Hall was the Liberal Premier of South Australia.

*Mr Lewis interjecting:*

**The Hon. H. ALLISON:** Exactly. He raised funds by public subscription for a new Festival Centre to be sited on what were then the City Baths. Of course, we have a new Festival Centre and the former Premier of South Australia (Don Dunstan) made no bones about taking all the credit for that Liberal initiative. I give former Premier Dunstan due credit: the Festival Centre turned out to be a reasonably cheap investment when compared with the Sydney Opera House and other venues around Australia. It is an excellent

building which serves South Australia well, but credit should be given to the Liberal initiative which got that project off the ground.

In addition, any number of initiatives came from the Tonkin Government. The O-Bahn project, of which members around Tea Tree Gully are so proud, was an initiative of the former Minister of Transport (Michael Wilson) and was a firm Liberal commitment in 1979 when we won that election and came to power. The plans and scale model of the ASER Convention Centre were available in the Liberal Administration Centre back in 1982 and at that stage several people were interested in assisting the Government in funding. Ultimately, the present Government found a partner.

**Mr Meier:** In 1982.

**The Hon. H. ALLISON:** Yes, the Liberal Government, in 1982. The Torrens linear park beautification plan was part and parcel of the O-Bahn development, and one of my colleagues who is present today was part of the team which had that development scheduled for commencement in 1982-83. In relation to the Grand Prix, credit must be given to the Premier for getting it off the ground, but that was before the Festival Bicentenary Board in 1981-82, and the Hon. Peter Arnold was a member of that committee. In relation to South Australia's Adelaide College of Technical and Further Education, I went to Canberra and managed to obtain a \$23 million commitment for that project from Wal Fife, the then Federal Liberal Minister for Education. The South Australian court building was the initiative of the Tonkin Government when it was decided to convert the old Moores building into the present Sir Samuel Way building.

The Adelaide Hilton's commencement was facilitated with assistance from the Adelaide City Council, and snide comments made earlier in the week about that are not worth giving the time of day in this House. The Stony Point legislation was enacted in this House during the Liberal Government's time and the actual pipeline construction was carried out by young people who were trained in the welding of carbon steel through technical and further education with the assistance of Commonwealth Industrial Gases. It was a combined operation and we got that pipeline without having to import dozens of welders from interstate or overseas.

Technology Park was initiated by the former Tonkin Government. The land was purchased and the Levels was selected. British Aerospace was amongst the first to indicate that it would be keen to come to South Australia. Last but not least (on my list) is the Roxby indenture which was pilloried by the then Labor Opposition as a mirage in the desert. In fact, it has the potential to be the biggest mine of any description in the world.

For the Premier to say on his tenth anniversary celebration that there was nothing on the drawing board when he came into power in 1982 must be the ostrich act of all time. I am sure that members of the House will acknowledge the truth of the comments I have made about the great wealth of programs that were already either legislated for or provided for under the Tonkin Government regime.

**Mr Meier:** He's got a strange sense of humour.

**The Hon. H. ALLISON:** Did you say that the Premier has a wry sense of humour?

**Mr Meier:** A strange sense of humour.

**The Hon. H. ALLISON:** A mirage in the desert indeed for Roxby! One thing which troubles me about this budget is the fact that, while the Premier has openly committed himself to a program of assisting the unemployed and underprivileged, there is very little provision in the budget for people to be employed. There are very few initiatives that would encourage private enterprise to construct in South Australia. At the moment great emphasis is being laid on the potential of the submarine project for future employment in South Australia, but apart from that this Govern-

ment seems to be bereft of ideas to assist the unemployed. That probably is one of the greatest tragedies of the budget that we have before us.

The Minister of Employment and Further Education and State Development and Technology has some scope for improving that situation because the Federal Government has allocated \$70 million for the training of young people across Australia, and South Australia would be entitled to some \$7 million, or 10 per cent, of that money. It should have been applied for several months ago, but a member of the House, I believe yourself, Mr Acting Speaker (Mr Tyler), brought the Minister's attention to the fact that that money had not yet been allocated for training projects. What you did not highlight then, Mr Acting Speaker, was that there appears to be some dispute among the Department of Labour, the Ministry of Technology, the Department of State Development, and the unions in South Australia which are afraid that, if the Government were to accept the \$7 million for use by technical and further education and by the Department of Labour for the training of apprentices and technicians, there would be some dilution of employment for union members in South Australia.

It is a sad state of affairs when we cannot come to swift agreement to help the young unemployed. Unions, Governments and all of us should acknowledge that they need assistance. More importantly, the Electronics Association of South Australia has written to all members of the House highlighting the crying need for apprentices to be provided if South Australia is not to have to import people from overseas in order to fill the vacancies that will appear when the submarine project gets off the ground with the complicated electronics which are potentially to be provided for that scheme. So, surely the Minister should be working very hard with his union and other colleagues to ensure that the \$7 million is spent this year.

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

**Mr OSWALD (Morphett):** What a spectacle we have tonight! I am the last speaker in the budget debate this evening and not one Government member has got to his or her feet to speak in support of the Treasurer. Not one member from the Government ranks feels strongly enough about the budget before the State at the moment to get up on his or her hind legs and say something in support of the Premier. If I were a member of the Government, I would also be ducking for cover and not wanting to put my name to this budget. It is not a budget for all South Australians. It has been brought down at a time when the State is not in a healthy position.

We have had the Federal Government hand down tax cuts, immediately followed by the imposition of charges that have wiped out those tax cuts. We have seen Federal and State Governments making increases before the budget was brought in. The way it has been done is worth noting. The tax cuts given to us by the Federal Government were wiped out by increases in electricity rates, water rates, and real estate transfer fees, and taxes affecting the price of beer, cigarettes and fuel. Various other charges were placed on South Australians so that any savings they could have received by way of tax have already been wiped out. It is no wonder not one Government member chooses to get to his feet and defend the Premier or speak in favour of the budget. They are ashamed of the budget and the impact it is having on South Australians.

I listened with interest and great concern to the budget speech. The questions uppermost in my mind concerned what the budget offers to the rapidly diminishing number of middle class people in our community and what hope it holds for the growing ranks of the poor in our society. The



only conclusion is that it holds precious little hope. Over the past 15 years it has been devastating to watch the social experiments of Dunstan and Whitlam and to see the excesses that they pressed on the community, methodically wiping out middle class Australia. Again, we found the same things happening with the Hawke and Bannon Administrations.

Members may be interested in some statistical evidence I have prepared on how successive Labor budgets and policies have squeezed out middle class Australia. Under the socialist Governments and their marriage with the Trades Hall bosses we have moved from being one of the world's most egalitarian societies to a state where the once majority middle class is shrinking rapidly. It has happened because of the contraction of purchasing power of middle class Australia in our community, brought about by high taxing, big spending, and inflation fuelling socialist Governments under Dunstan and Whitlam and now Bannon and Hawke.

In 1969, 71 per cent of households could be classified as middle income and they controlled 69 per cent of total household income. By 1985 the equivalent group amounted to only 35 per cent of households and controlled only 25.3 per cent of total household income. It dropped from 71 per cent down to 35 per cent for that same group in the community. Whilst one can argue that international monetary trends have had an influence, the basic cause comes back to the impact successive Labor budgets have had on this country in the area of wages policies and the like which have brought about inflation, high interest rates, increased taxes and a mad desire to maintain the size of governments and Public Services.

It is interesting to compare the disposable income in 1986 with that in 1978, the end of the Dunstan era. Research shows that the bulk of income in 1978 was still being earned by the middle income groups, and the wealthy and poor sections of society were still then quite small. By way of comparison, if one applies a deflated dollar value to 1986 rates, it shows that disposable household income is lower now than it was in 1978. Economists have demonstrated that we are getting what they call an hour-glass effect. We are getting a swelling in the top and bottom groups of disposable income and a constriction in the centre. In fact, the bulk of disposable income is being earned by an expanding lower-income sector as well as a small increase in the number of households falling into the very rich category—that very rich category that the Labor Party at the moment seems to be determined to cultivate. Between 1978 and 1986, the middle income groups as a proportion of households diminished by 65 per cent in our community. The period in our history when—

**The Hon. R.G. Payne:** Is that South Australia?

**Mr OSWALD:** No, that is Australia-wide, and we would have to take a sampling in our community and assume that it follows through all capital cities. This is a period in our history when Dunstan and Whitlam, and now Hawke and Bannon, set out to change the face of Australian society. This period is noted for a real increase in mortgages and personal debts and the growing rate of bankruptcies, all of which is evidence of people struggling to maintain their homes in many cases, feed their children and hold together their marriages whilst trying to maintain some semblance of living standards which are declining around them.

Big spending and big taxing socialist governments seem to forget that, if you earned \$15 000 in 1978, you would need to earn \$46 000 today to maintain the same spending power. Labor has governed South Australia for 20 of the past 25 years. It has governed throughout the demise of middle-class South Australia, that group on which the State was developed. Yet the State Labor Government has been very quiet in its criticism of those factors which are wiping out the group which in 1969 constituted 71 per cent of

families. Without seeking to debate them, but rather listing them as observations, let me itemise some of the causes of the demise of this productive group in South Australia which can be attributed to the socialist egalitarian Labor policies in the early 1970s and which is now starting to be repeated. Equal pay and opportunity for women produced a bigger work force and a two-income family. This reduced the number of households into the upper bracket and caused spiralling unemployment. Easier divorce procedures produced a new poor within the community and inflation in the 1970s wiped out the life savings of many elderly people.

It can be argued that equal rights for women and new divorce rules are positive social reforms, but the net result has been an increase in wealth at the top and a growing poverty level at the bottom of the scale, with the hour-glass effect in the middle. One day, Labor politicians will realise, when they are waxing loud and long about their concern for the poor within our community, that they—the Labor politicians—are one of the main reasons for the swelling ranks of those not so well off within our community.

Something is radically wrong with this State under Labor. What I have said has a lot to do with the background. If a State is in trouble, one must look to the cause for diagnosis. It would be well for all of us in middle class Australia, to which most of us would claim to belong, to do that because it is shrinking away and virtually becoming a nonentity. The rich are getting richer and the poor are getting poorer. In his budget speech, the Premier referred to a loss of various types of revenue from the State, as follows:

While we share with the rest of Australia the consequences of economic downturn we do not benefit from the extraordinary level of activity on share markets. These transactions, carried out almost exclusively on the Stock Exchanges of Sydney and Melbourne, have brought a windfall to the large States in which we have not shared.

What the Premier was really saying was, 'In South Australia we have problems different from those in the other States. They are well off. They have the finance houses.' What he did not say was that, during the Dunstan era and under his own Administration, company head offices left this State in droves because of the socialist laboratories that were set up, initially by Dunstan, when his industrial democracy policies got under way, helping the unions to flex their muscles. That has also happened under the present Administration.

The Labor Party has itself to blame for the fact that the companies and their share offices have gone interstate and that the State is losing that source of revenue for the budget. There is no point in the Premier's crying crocodile tears and saying that, because all the companies are interstate, all the share transactions are happening interstate and that is one reason why South Australia is short in its budget. Those transactions are happening interstate because the Labor Party sent those companies interstate.

Western Australia is a boom State while South Australia is marking time. Under this Labor Administration, we are all marking time in this cul-de-sac of Australia while the rest of the nation is marching by. That is happening because the Labor Administration is not taking the State anywhere. Once the ASER development is completed, what will be next? I have it on good authority that the reason the Premier will support Jubilee Point is not that he is interested in recreational boating but that he has a deal with the unions that, when they finish the ASER development, they must have another big project to go to. If there is no other big project, they will have nothing to do.

*An honourable member interjecting:*

**Mr OSWALD:** The submarine project is not in the same league as Jubilee Point in terms of job creation.

**An honourable member:** So you support it?



**Mr OSWALD:** I certainly do not support Jubilee Point, and all members are aware of that.

*Members interjecting:*

**Mr OSWALD:** There is no need to get the media back. I support the stand that I have put on record in the past. Members opposite are well aware of my stand. What I am saying is that the Premier will support Jubilee Point because of an understanding he has with the trade union movement. Regardless of the environmental impact statement of his Minister for Environment and Planning, regardless of the Glenelg council and regardless of what the residents of Glenelg want, he will go along with what the unions want. I might be proved wrong. Over the next week or so it will be interesting to see whether the Premier comes out and says that he will go ahead with it.

I do not know which way he will jump. I do not have the slightest idea, but I am surmising that that is the way he is going, because we all know—and let us be honest about it—that that is the story going around the traps at the moment. The media telephoned me for confirmation, and if they have telephoned me for confirmation I am sure that they have also called members opposite. But let us get back to this question of the Stock Exchange. The reason why we are not getting revenue from share transactions is that companies have left South Australia, and we are the losers. South Australia is being passed by.

This budget will do nothing to accommodate the desires of young people trying to get into universities or TAFE colleges. It will not reverse the devastating effects that bankruptcies are having on the business community of this State. We have a State with the highest number of bankruptcies in the Commonwealth, and this budget will give no respite to anyone trying to hold a business together, nor does the

budget have the potential to reallocate resources to curb the increasing number of assaults and robberies occurring in the community, which is frustrated. Some offenders, perhaps, in the society of 15 years ago would not have even thought of turning to crime. The police are not being supported in this budget. We have a situation in this State where people who are concerned with law and order have cause to think that this Government has lost its sense of direction.

The Government will not do anything to counter the stress being felt by many families and individuals on fixed incomes who can no longer cope with the increased cost of living being imposed by this Government. What hope have they from this budget? It is a mark-time budget, a deceptive budget, and I refer readers of *Hansard* to the speech by the Leader of the Opposition. This budget will do nothing to bring down the cost of food, transport, electricity, gas or housing in this State. It is a budget devoid of hope. There is no respite from taxes and charges, which have continued to rise. There is no respite from Government regulations and restrictions. It is, indeed, a budget which will not assist firms struggling to stay in business, nor the growing ranks of the poor and unemployed. It is a typical State Labor budget.

**The Hon. R.G. PAYNE** secured the adjournment of the debate.

#### ADJOURNMENT

At 10.54 p.m. the House adjourned until Wednesday 9 September at 2 p.m.

## HOUSE OF ASSEMBLY

Tuesday 8 September 1987

## QUESTIONS ON NOTICE

## HIGHWAY ONE

2. Mr GUNN (on notice) asked the Minister of Transport: Does the Government intend to extend the dual section of Highway One from Two Wells towards Port Wakefield and, if so, when and for what distance?

The Hon. G.F. KENEALLY: The road in question is a national highway and its upgrading is thus the responsibility of the Federal Government. It is intended to seek their approval to duplicate the full length between Two Wells and Port Wakefield, with construction tentatively proposed to commence in 1990.

## METROPOLITAN MILK BOARD

4. Mr GUNN (on notice) asked the Minister of Agriculture: Who are the members of the Metropolitan Milk Board, when were they appointed and when do their terms expire?

The Hon. M.K. MAYES: The reply is as follows:

	Appointed	Term Expires
Mr B.D. Hannaford	1.5.87	30.4.92
Ms L. Poland	5.6.86	4.6.91
Ms M.J.B. Russell	1.3.84	28.3.89

## WOODS AND FORESTS DEPARTMENT

6. Mr GUNN (on notice) asked the Minister of Forests: Is it the policy of the Woods and Forests Department to cooperate with private timber processors or does it endeavour to utilise its products through its own saw milling operations?

The Hon. R.K. ABBOTT: The department markets about 48.75 per cent of roundwood to private operations including sawlog and small roundwood for pulp or preservation. In its own departmental sawmills the balance of 51.25 per cent is utilised. The department cooperates with the private sector in many other facets of management, particularly research and general market development.

8. Mr GUNN (on notice) asked the Minister of Forests: How many hectares of land does the Woods and Forests Department own, how many hectares are under planting and what are the department's plans in relation to the increase of land holdings and expansion of existing forests?

The Hon. R.K. ABBOTT: The reply is as follows:

- (a) 135 845 hectares as of 30 June 1987.
- (b) area currently under plantation 66 759.4 hectares and when recent purchases and burnt areas are planted the area will become approximately 90 000 hectares.
- (c) The department is still interested in acquiring suitable land for plantation extension but the availability is not great and the market very competitive.

## SIREX WASP

9. Mr GUNN (on notice) asked the Minister of Forests:

1. Is the Woods and Forests Department concerned about the prevalence of siren wasps in the commercial timber growing areas of the State and, if so, what action does the

Department take to try and eradicate this problem and how much does it spend on research?

2. Does the department cooperate with other Government departments, in particular the Department of Agriculture, in carrying out research and if so, what is the nature and extent of the cooperation?

The Hon. R.K. ABBOTT: The replies are as follows:

1. Yes. The department along with the Victorian Department of Conservation, Forests and Lands and private forest owners of the region, is conducting a large scale nematode inoculation program as a biological control measure as well as the introduction of parasitoid wasps. The department has contributed to the National Sirex Fund since its inception in 1961. Total contributions to the fund by the department is \$676 128.

2. Yes. The Woods and Forests Department is presently involved in agro-forestry field trials, pasture management and beef production on unplanted lands with the Department of Agriculture, and is also closely involved with research institutions such as Waite Institute (Bark Beetle biological control) and various projects with the Plantation Research Centre of CSIRO Division of Forest Research.

## HOUSING AND CONSTRUCTION DEPARTMENT

11. Mr OLSEN (on notice) asked the Minister of Housing and Construction: In relation to the regionalisation of the Department of Housing and Construction's activities into the Central Northern Region, based at Elizabeth, the Northern Region, Port Augusta, the Southern Region, Marion and the Central Region, Netley, what is the total cost of this move for:

- (a) new or refurbished offices;
- (b) any additional staff; and
- (c) other ancillary costs such as new furniture, office equipment, telephones and stationery?

The Hon. T.H. HEMMINGS: The reply is as follows:

(a) Port Augusta—Accommodation for the regional office is in leased premises at a current rental of \$26 500 per annum. This lease expires in March 1992. Costs associated with commissioning the building prior to occupation were \$16 250. The proposed expenditure at Elizabeth, Marion and Netley is set out below:

	Elizabeth \$	Marion \$	Netley \$	Total \$
Purchase of Property	410 000	—	—	410 000
Renovation/Commissioning or Additional Work	280 000	380 000	426 000	1 086 000
Contingencies	10 000	20 000	24 000	54 000
Total	700 000	400 000	450 000	1 550 000
Less Disposal of Surplus Properties	370 000	—	2 690 000	3 060 000
Net return to consolidated revenue				1 500 000
approximately Estimated Annual Recurrent Costs				
Savings	47 000	33 000	276 000	356 000

The Carrington Street property has recently been sold to the South Australian Housing Trust and has realised \$200 000 over the estimated cost provided by the Valuer-General in the Cabinet submission on the establishment of Regional Offices at Marion, Netley and Elizabeth. It is also noted that portion of the Elizabeth property is currently being leased to private operation for approximately \$10 000 per annum.

(b) The Port Augusta regional office staff of nine was filled primarily by existing personnel. Two new appointments, however, were made, viz., Mechanical and Electrical Inspector, at an annual salary of \$26 000 each. The proposed moves for regional office staff to be located with district office personnel is expected to result in staff savings as follows:

Central	8
Central Northern	1
Southern	—

In the case of Southern Region the proposed relocation will enable existing workload to be rearranged and absorbed to allow further utilisation of existing staff and negate the current requirement for one extra clerical officer.

(c) The cost of furniture, office equipment and telephones for the Port Augusta Office was approximately \$21 000. Subsequent computer equipment purchases, installations and landlines have approximated \$20 000.

Proposed expenditure for the other offices is—

	\$
Elizabeth	90 000
Marion	70 000
Netley	40 000

12. **Mr OLSEN** (on notice) asked the Minister of Housing and Construction: Will the Minister make available to the Opposition the study into the regionalisation of the Department of Housing and Construction's activities referred to by Mr D. Lambert (Acting Director) in Estimates Committee A on 3 October 1986 (*Hansard* p. 263)?

**The Hon. T.H. HEMMINGS:** Mr Lambert did not mention any report on page 263 of *Hansard*. However, it is understood that the honourable member's question refers to the study undertaken for the Central Region. This study was commissioned to determine the optimum number of depots, establish the most cost effective arrangement of depots and identify the appropriate staffing levels.

Since the report is of a personal and confidential nature, it is not possible to make a copy available. In summary, the report recommends:

- establishment of the regional headquarters and a depot at Netley
- retention of the Rose Park depot
- closure of the depots at Carrington Street and Ethelton and disposal of these properties
- relocation of regional management, design and support staff from Wakefield House to Netley.

Implementation of these recommendations is in hand.

13. **Mr OLSEN** (on notice) asked the Minister of Housing and Construction: How many officers were employed in the Department of Housing and Construction in each of the classifications—AO, BO, CO and TO in the years, 1985-86 and 1986-87 and how many are estimated will be employed in each of these classifications in 1987-88?

**The Hon. T.H. HEMMINGS:** The reply is as follows:

Classification Type	Number of Officers (Full-Time Equivalent)		
	Actual 30.6.86	Actual 30.6.87	Proposed 30.6.88
AO	33.2	34.6	36.6
BO	100.6	100.6	100.6
TO	188.9	169.6	169.6
CO	286.8	264.4	273.1
	609.5	569.2	579.9

Figures shown as at 30 June 1987 are based on actual numbers employed; not including positions on call (vacancies) at that time. The proposed AO and CO numbers as at 30 June 1988 include the establishment of the Office of the Government Employee Housing. The 1987-88 proposed figures do not take into account reductions which may occur due to natural attrition and which cannot be identified at

this time. Vacancies will be reviewed as and when they occur. The question by the honourable member contains an unusual selection of classifications and does not cover all GME Act employees. Therefore, the above information does not give a clear picture of the staff levels in the Department of Housing and Construction.

## TAX REBATES

14. **Mr OLSEN** (on notice) asked the Minister of State Development and Technology: How many companies received assistance in 1986-87 under the Payroll Tax and Land Tax Reimbursement Scheme, how many people are employed by those companies and what was the value of each payroll tax and land tax rebate given?

**The Hon. LYNN ARNOLD:** 156 companies, representing a total of 198 establishments received a rebate of their 1985-86 payroll tax payments; 63 companies, representing a total of 78 establishments received a rebate of their 1985-86 land tax payments. Total employment involved is 9 857 full-time and 1 424 part-time employees. Details of individual company rebates and employment numbers cannot be revealed as this would breach confidentiality codes. Total amount rebated in 1986-87 for the 1985-86 year:

Payroll tax \$6.2m  
Land tax \$76 112

## GOVERNMENT PRINTER PUBLICATIONS

21. **Mr OLSEN** (on notice) asked the Minister of Transport:

1. How many officers does the Government Printer employ to distribute, market and sell its commercial publications?

2. What are the administrative and salary costs of the Government Printer's commercial publishing activities?

**The Hon. G.F. KENEALLY:** The replies are as follows:

1. One Officer.
2. \$29 900.

23. **Mr OLSEN** (on notice) asked the Minister of Transport:

1. What commercial publications (that is, publications for commercial sale which the Government Printer is not duty-bound to publish) have been published by the Government Printer in each of the years 1984-85 to 1986-87?

2. For each publication, how much was spent by the Government Printer on—

- (a) editorial work
- (b) design
- (c) photographic work
- (d) printing
- (e) sales and promotion
- (f) distribution,

and what was the total expenditure for each, including overheads?

3. How many of each publication have been—

- (a) produced
- (b) sold?

4. What is the income from sales of each publication?

**The Hon. G.F. KENEALLY:** The replies are as follows:

1. Published 1984-85—Nil
- Published 1985-86—Nil
- Published 1986-87—3

Titles: *Atlas of South Australia*  
*Floods of Lake Eyre*  
*South Australia's Heritage*

2.

	Atlas \$	Floods \$	Heritage \$
(a) Editorial	22 900	Nil	Nil
(b) Design	8 420	Nil	Nil
(c) Photographic	Nil	Nil	Nil
(d) Printing	158 474	30 000	35 000
(e) Sales and Promotion	12 000	4 700	3 600
(f) Distribution*			
TOTAL	201 794	34 700	38 600

\* Percentage mark up on print production costs to include distribution and overheads.

3. (a) Quantity produced:	
<i>Atlas of South Australia</i>	10 000
<i>Floods of Lake Eyre</i>	2 000
<i>South Australia's Heritage</i>	2 000
(b) Quantity sold:	
<i>Atlas of South Australia</i>	9 201
<i>Floods of Lake Eyre</i>	520
<i>South Australia's Heritage</i>	677
4. Income:	\$
<i>Atlas of South Australia</i>	348 300
<i>Floods of Lake Eyre</i>	15 600
<i>South Australia's Heritage</i>	21 700

24. **Mr OLSEN** (on notice) asked the Minister of Transport: How many multi-colour presses did the Government Printer purchase in each of the years 1984-85 to 1986-87 and what was the cost of each purchase?

**The Hon. G.F. KENEALLY:** The reply is as follows:

1984-85—Nil

1985-86—Nil

1986-87—One—One two colour perfecting press—cost \$217 000.

#### DEPARTMENTAL REPORTS

28. **Mr OLSEN** (on notice) asked the Minister of Education, representing the Attorney-General: In relation to the report of the Legal Services Commission, 1985-86—

1. (a) how many copies were printed;
- (b) how many were distributed to State Government departments, agencies or authorities;
- (c) how many copies have not yet been distributed; and
- (d) what was the total cost of production including photography, writing, typesetting, design and printing?

2. If the report was printed by the Government Printer, were quotations for the work first sought from commercial printers and, if so, what were those quotations and, if not, why not?

**The Hon. G.J. CRAFTER:** The replies are as follows:

1. (a) 450.
- (b) Approximately 250 copies are distributed to just over 100 agencies or people. Some receive multiple copies. Included in this are some 24 State Government departments, agencies and authorities and 10 interstate or Commonwealth agencies; 100 copies are distributed to staff.
- (c) Approximately 100. These are used progressively for on-going requests, in-house seminars, new staff induction and visitors to the Commission.
- (d) The cost to the Commission was \$3 398.34, made up of:  
Photography—\$36  
Printing—\$3 362.34 (Government Printer)

The report was written by the Director and Deputy Director with some input from other staff. The text was prepared

on Wang word processing disk and sent to the Government Printer. Typing is kept to a minimum by up-dating the previous year's text and layout which is stored on the word processor. No estimation of this cost can realistically be made.

2. No quotations were sought from commercial printers as the Government Printer produces the Commission's Annual Reports.

29. **Mr OLSEN** (on notice) asked the Minister of Lands: In relation to the following reports—Department of Lands, 1985-86, and Woods and Forests Department, 1985-86—

1. (a) how many copies were printed;
- (b) how many were distributed to State Government departments, agencies or authorities;
- (c) how many copies have not yet been distributed; and
- (d) what was the total cost of production including photography, writing, typesetting, design and printing?

2. If the report was printed by the Government Printer, were quotations for the work first sought from commercial printers and, if so, what were those quotations and, if not, why not?

**The Hon. R.K. ABBOTT:** The replies are as follows:

Lands	Woods and Forests
(a) 1 040	500
(b) 890	18
(c) 40	50
(d) \$13 226	\$11 000

2. Reports printed by the Government Printer as per Department of the Premier and Cabinet Circular No. 18.

31. **Mr OLSEN** (on notice) asked the Minister of Education, representing the Minister of Community Welfare: In relation to the report of the Department for Community Welfare, 1985-86—

1. (a) how many copies were printed;
- (b) how many were distributed to State Government departments, agencies or authorities;
- (c) how many copies have not yet been distributed; and
- (d) what was the total cost of production including photography, writing, typesetting, design and printing?

2. If the report was printed by the Government Printer, were quotations for the work first sought from commercial printers and, if so, what were those quotations and, if not, why not?

**The Hon. G.J. CRAFTER:** The replies are as follows:

1. (a) 2 000 copies.
- (b) Copies were distributed to 28 State Government departments, agencies and authorities, 21 copies to South Australian institutions of further education, 26 copies to South Australian libraries, 38 copies to South Australian non-government welfare organisations, nine copies to Commonwealth Government departments in South Australia, 51 copies to interstate Government departments and non-government welfare agencies, 43 copies to interstate libraries and eight copies overseas. Copies are also sent to all State and private schools and to community information services. Copies are sent to Senators and members of Federal and State Parliament. Copies are then sent on request to other departments, organisations and individuals.

(c) None.

(d) \$12 995.

2. The report was submitted to the Government Printer in accordance with Circular No. 18 from the Department of Premier and Cabinet. Circular No. 18 enables the Government Printer to seek quotations from other printers where appropriate and in special circumstances.

32. **Mr OLSEN** (on notice) asked the Minister of Transport: In relation to the report of the Highways Department, 1985-86—

1. (a) how many copies were printed;
- (b) how many were distributed to State Government departments, agencies or authorities;
- (c) how many copies have not yet been distributed; and
- (d) what was the total cost of production including photography, writing, typesetting, design and printing?

2. If the report was printed by the Government Printer, were quotations for the work first sought from commercial printers and, if so, what were those quotations and, if not, why not?

**The Hon. G.F. KENEALLY:** The replies are as follows:

1. (a) 700 copies of the report were printed.
- (b) Copies were distributed as follows:
 

South Australian State Government departments, agencies and authorities	29
Departments, agencies and authorities of other State Governments	36
South Australian councils	119
- (c) At the present time, 220 copies have not yet been distributed.
- (d) The total cost of production, including photography, writing, typesetting, design and printing was approximately \$10 500.

2. The annual report was printed by the Government Printer, in line with Department of Premier and Cabinet Circular No. 18 which stipulates that all printing work be directed through the Government Printing Division.

35. **Mr OLSEN** (on notice) asked the Minister of Transport, representing the Minister of Local Government: In relation to the following reports—Outback Areas Community Development Trust, 1985-86, and South Australian Waste Management Commission, 1985-86—

1. (a) how many copies were printed;
- (b) how many were distributed to State Government departments, agencies or authorities;
- (c) how many copies have not yet been distributed; and
- (d) what was the total cost of production including photography, writing, typesetting, design and printing?

2. If the report was printed by the Government Printer, were quotations for the work first sought from commercial printers and, if so, what were those quotations and, if not, why not?

**The Hon. G.F. KENEALLY:** The replies are as follows: Outback Areas Community Development Trust—

1. (a) 220 copies were printed.
- (b) 26 copies were distributed to State Government agencies.
- (c) 25 copies are on hand.
- (d) \$2 137.

2. As the report is a Parliamentary Paper no outside quotes for printing were sought. Government departments are obliged to comply with Premier and Cabinet Circular No. 18.

Waste Management Commission—

1. (a) 600 copies were printed.
- (b) (i) 50 copies were distributed to State Government departments, agencies or authorities.

(ii) 400 copies were distributed to the waste industry.

(iii) 80 copies to others upon request.

(c) 70 copies are on hand.

(d) \$6 912.

The commission has sought verbal quotes from commercial printers in the past. However, as the Government Printer does not charge for typesetting or the printing of parliamentary copies of the Annual Report, its quote was less than that of commercial printers.

36. **Mr OLSEN** (on notice) asked the Minister of Recreation and Sport: In relation to the report of the Department of Recreation and Sport, 1985-86—

1. (a) how many copies were printed;
- (b) how many were distributed to State Government departments, agencies or authorities;
- (c) how many copies have not yet been distributed; and
- (d) what was the total cost of production including photography, writing, typesetting, design and printing?

2. If the report was printed by the Government Printer, were quotations for the work first sought from commercial printers and, if so, what were those quotations and, if not, why not?

**The Hon. M.K. MAYES:** The replies are as follows:

1. (a) 1 220 (ordered 1 000).
- (b) Approximately 50.
- (c) 29.
- (d) \$6 823.09.

2. The report was printed by the Government Printer, in accordance with Premier's Department Circular No. 18.

## GOVERNMENT VEHICLES

40. **Mr OLSEN** (on notice) asked the Minister of Education, representing the Attorney-General: How many officers in the following departments have a 'permanent' or 'regular' allocation of a Government vehicle for travel between home and the office under the criteria detailed in Circular Number 30 dated 16 June 1987 from the Commissioner for Public Employment:

Attorney-General's Department;  
Department of Public and Consumer Affairs; and  
Department of the Corporate Affairs Commission?

**The Hon. G.J. CRAFTER:** The reply is as follows:

Attorney-General's Department and Court Services Department and Electoral Commission: 5 vehicles on permanent allocation; 1 vehicle with limited use.

Department of Public and Consumer Affairs and Ethnic Affairs Commission: 2 vehicles on permanent allocation; 15 vehicles on regular allocation.

Department of Corporate Affairs Commission: 1 vehicle on permanent allocation.

41. **Mr OLSEN** (on notice) asked the Minister of Lands: How many officers in the following departments have a 'permanent' or 'regular' allocation of a Government vehicle for travel between home and the office under the criteria detailed in Circular Number 30 dated 16 June 1987 from the Commissioner for Public Employment:

Department of Lands;  
Woods and Forests Department; and  
Department of Marine and Harbors?

**The Hon. R.K. ABBOTT:** The reply is as follows:

Lands (58).  
Marine and Harbors (48).  
Woods and Forests (11).

42. **Mr OLSEN** (on notice) asked the Minister of Transport, representing the Minister of Health: How many officers in the following departments have a 'permanent' or 'regular' allocation of a Government vehicle for travel between home and the office under the criteria detailed in Circular Number 30 dated 16 June 1987 from the Commissioner for Public Employment:

South Australian Health Commission; and  
Department for Community Welfare?

**The Hon. G.F. KENEALLY:** The reply is as follows:

South Australian Health Commission (8).  
Department for Community Welfare (153).

45. **Mr OLSEN** (on notice) asked the Minister of Mines and Energy: How many officers in the following departments have a 'permanent' or 'regular' allocation of a Government vehicle for travel between home and the office under the criteria detailed in Circular Number 30 dated 16 June 1987 from the Commissioner for Public Employment:

Department of Mines and Energy;  
Electricity Trust of South Australia; and  
Pipelines Authority of South Australia?

**The Hon. R.G. PAYNE:** The reply is as follows:

Department of Mines and Energy: 4 metropolitan; 10 country.

Pipelines Authority of South Australia: 10, plus vehicles allocated on a rotating basis to standby personnel.

Electricity Trust of South Australia: 1, plus vehicles allocated on a rotating basis to standby personnel.

49. **Mr OSLEN** (on notice) asked the Minister of Agriculture: How many officers in the following departments have a 'permanent' or 'regular' allocation of a Government vehicle for travel between home and the office under the criteria detailed in Circular Number 30 dated 16 June 1987 from the Commissioner for Public Employment:

Department of Agriculture;  
Department of Fisheries; and  
Department of Recreation and Sport?

**The Hon. M.K. MAYES:** The reply is as follows:

Department of Agriculture: permanent 6; regular 142.  
Department of Fisheries: permanent 2; regular 20.  
Department of Recreation and Sport; permanent 1; regular 3.

## PLANNING ACT

65. **Mr OLSEN** (on notice) asked the Minister of Emergency Services: Is the Government still considering amendments to the Planning Act with a view to ensuring that new housing and other developments in high risk areas include provisions for fire prevention as indicated by the Premier in a statement on 16 February 1984 and, if so, when does it intend to introduce the legislation?

**The Hon. D.J. HOPGOOD:** No. The Government has undertaken to prepare a Bushfire Prone Areas Supplementary Development Plan which will address the problem of fire prevention in the Adelaide Hills, based upon a lengthy and detailed analysis of actual hazard. There is no intention to amend the Planning Act as the appropriate amendment would be to the Development Plan. The Bushfire Prone Areas SDP to be authorised later in 1987 will cover the aspects of siting of new dwellings, water supplies, access, vegetation clearance and the responsibility of councils and the CFS to give advice on the bushfire hazard problem. Actual building construction methods and standards are to be covered in amendments to the Building Act to come into effect on 1 September 1987.

## FIRE SERVICES COORDINATION COMMITTEE

80. **Mr OLSEN** (on notice) asked the Minister of Emergency Services: Has the Government established a Fire Services Coordination Committee comprising senior representatives of the Metropolitan Fire Service, the Country Fire Services, police and the insurance industry as promised by the Premier in a statement on 16 February 1984 and, if so—

- (a) who are members of that committee;
- (b) how often has it met; and
- (c) what has it achieved?

**The Hon. D.J. HOPGOOD:** The reply is as follows:

- (a) Members of the Fire Services Coordination Committee are:

Mr W.L.C. Davies—Chairman  
Mr D.C. Gerschwitz—General Manager, SGIC—Member  
Mr A. Bruce—Chief Officer, S.A. Metropolitan Fire Service—Member  
Mr A.D. Macarthur—Director, Country Fire Services—Member  
Mr R. Killmier—Deputy Commissioner of Police—Member  
Mr D. Ross—President, Local Government Association of S.A.—Member

- (b) The committee has met on 47 occasions since May 1984.

- (c) The major achievements of the Fire Services Coordination Committee are:

- effective operational coordination between the MFS and CFS,
- rewriting and developing of the Rescue Plan, the Fire Services Mutual Aid Plan and the Rescue Resource Directory,
- establishment of a Joint Fire Services Training Advisory Committee for Brookway Park,
- improvement in the communications facilities for both fire services,
- consultative committee for media fire prevention advertising,
- Country Fire Services use of the training facilities at Metropolitan Fire Service headquarters, Wakefield Street,
- development of the Joint Emergency Services Fire Intelligence Centre as recommended in the Coroners Report into the Adelaide Hills bushfires,
- coordination and distribution of a new standard emergency warning signal to all schools and kindergartens, hospitals and community welfare organisations, and
- distribution of a summary of the Joint Emergency Services State Fire Combating Plan to all schools and kindergartens.

## YES SCHEME

103. **Mr S.J. BAKER** (on notice) asked the Minister of Employment and Further Education:

1. What has been the cost to date for preparation (including staff salaries), production, printing of material, distribution and media advertising involved in the YES advertising and information program during this year?

2. As at 30 June 1987, how many traineeships had been taken up by Government authorities (including local government and statutory authorities) and how many by other organisations/companies and how does this compare to the total traineeships taken up in Australia under priority I?

**The Hon. LYNN ARNOLD:** The replies are as follows:  
Part I

1. To the end of June 1987, the costs of production, publicity, distribution and media advertising were \$198 396.

The cost of salaries devoted to organising and delivering the program was \$11 700.

Part II

2. The task of developing and implementing a completely new system of entry level training for youth in non-trade

areas, as a national system similar in principle to the apprenticeship system which has evolved over many years was a large one. The magnitude of this task and its gestation period was underestimated at the outset, if we are to have a quality system acceptable to all parties—Governments at national and State levels, employers, unions, young people and parents—was to result.

1. The Australian Traineeship System (ATS) was proposed in the Report on Commonwealth Labour Market Programs (the Kirby Report) in early 1985. Subsequently, ATS was approved, in principle, by Commonwealth and State Governments and peak national bodies including the Confederation of Australian Industry (CAI) and the Australian Council of Trade Unions (ACTU) via the National Labour Consultative Council (NLCC) and the National Training Council (NTC).

2. South Australia did not 'rush into' any specific traineeship arrangements. Instead, it is only over the past 12 months or so that numbers of trainees have been recruited into public and private sectors in specific traineeships and only then when technical training course details and appropriate industrial relations arrangements have been agreed by all the parties.

I. Number of trainee commencements in South Australia as at 30 June 1987 in the:

State Government .....	50
Commonwealth Government .....	55
Local Government .....	4
Total S.A. Public Sector .....	109
Total Private Sector .....	128
Total trainee commencements in S.A. ....	237

II. Number of trainee commencements Australia-wide as reported in the DEIR mid-monthly reports dated 12 June 1987:

State/Territory Governments .....	3 118
Commonwealth Government .....	1 599
Local Government .....	265
Total Public Sector .....	4 982
Total Private Sector .....	2 961
Total trainee commencements in Australia .....	7 943

III. However, the position in South Australia by the end of July was as follows:

Trainees in Private Sector .....	138
Trainees in State Public Sector .....	50
Trainees in Commonwealth Public Sector .....	87
Trainees in Local Government .....	8
	283

— an increase of some 46 over the position at the end of the previous month (June).

— a further 120 to 130 trainees are expected to commence in South Australia by the end of this year, including up to:

- 90 Clerical (Private Sector)
- 10 Retail Industry
- 22 State and Commonwealth Banks
- 15 Australian Public Service

IV. After a cautious start, particularly in South Australia, the Australian Traineeship System is gaining wider and wider acceptance as its merits become better understood by industry and schoolleavers alike.

## BUILDERS LICENSING ACT

115. **Mr S.J. BAKER** (on notice) asked the Minister of Education, representing the Minister of Consumer Affairs: With respect to the oversight of the Builders Licensing Act—

- (a) how many building sites have been visited by inspectors during the first six months of 1987 and how does this compare with the same period in 1986;
- (b) what was the total staff complement at 30 June 1987;
- (c) how many persons and companies were, at 30 June 1987, licensed under each of the new registration categories; and
- (d) how much revenue was collected during the first six months of 1987 from builder registration fees and how does this compare with the same period in 1986?

**The Hon. G.J. CRAFTER:** The reply is as follows:

- (a) Until 1 May 1987, when the Builders Licensing Act 1986 was fully proclaimed, monitoring and enforcement of the builders licensing legislation was the responsibility of the Consumer Affairs Division and the Commercial Division of the Department of Public and Consumer Affairs. Since 1 May 1987 this has been entirely the responsibility of the Consumer Affairs Division.

During the period 1.1.86-30.6.86: 1 065 builders were contacted for licence checks in the field by officers of the Commercial Division; and 868 building sites were visited by officers of the Consumer Affairs Division involved in redress work.

During the period 1.1.87-30.6.87: 832 building sites were visited by officers of the Consumer Affairs Division involved in redress work.

During the period 1.1.87-30.4.87: 370 builders were contacted for licence checks in the field by officers of the Commercial Division.

During the period 1.5.87-30.6.87: 262 builders were contacted for licence checks in the field by Consumer Affairs Division enforcement officers.

- (b) The total staff of the Department of Public and Consumer Affairs engaged in administration of the Builders Licensing Act 1986, as at 30 June 1987 was 27.38 full-time equivalent staff.

- (c) As at 30 June 1987, the following licences were current in each category—

Licencees	Companies	Individuals	Total
Category 1	874	2 960	3 834
Category 2	70	544	614
Category 3	808	8 765	9 573
Category 4	54	754	812
<i>Supervisors</i>			
Category 1	—	3 216	3 216
Category 2	—	575	575
Category 3	—	9 064	9 064
Category 4	—	786	786
			28 474

- (d) During 1 January to 30 June 1986, \$377 790 was collected as revenue for builders licensing and registration fees. During the same period in 1987, \$301 209 was collected for licensing and registration fees and \$74 918 in application fees.



### CHILD-CARE CENTRES

117. **Mr S.J. BAKER** (on notice) asked the Minister of Education, representing the Minister of Community Welfare: How many cases have been detected of persons receiving subsidised child care (in Government or semi-government controlled child-care centres) for which they are not entitled?

**The Hon. G.J. CRAFTER:** The Children's Services Office sponsors family day care and four child-care centres which are funded by the Commonwealth. All children within these services are offered places according to the Commonwealth priority of access guidelines and the family is charged a fee based on the family's declaration of income statement.

Of the remaining services directly funded by the Commonwealth, the State is not responsible for the monitoring of administrative arrangements and therefore cannot substantiate details of usage patterns in relation to children receiving subsidised care. Access to these services is based on the same priority of access guidelines and fees set by the Commonwealth fee schedule and is based on the assessed family income as stated in the declaration of income.

### FINANCE BROKERS

136. **The Hon. D.C. WOTTON** (on notice) asked the Minister of Education, representing the Attorney-General: Has a committee been established to look into the placement of controls on finance brokers and, if so, who are the members of the committee and when is it anticipated that its findings will be reported?

**The Hon. G.J. CRAFTER:** The committee comprises—  
Mr C.R. Neave—Commissioner for Consumer Affairs, Department of Public and Consumer Affairs;

Mr F. Lindsay—Acting Assistant Director, Corporate Operations, Department of the Corporate Affairs Commission; and

Mr P.W. Kay—Manager, Commercial Division, Department of Public and Consumer Affairs.

The committee is expected to report its findings shortly.

### REAL ESTATE COMMITTEE

137. **The Hon. D.C. WOTTON** (on notice) asked the Minister of Education, representing the Attorney-General:

1. When was the Real Estate and Conveyancing Changes Review Committee established and who are its members?

2. What are the terms of reference for that committee?

3. Why was neither the Land Brokers Society nor the Law Society given the opportunity to be represented on the committee?

4. When is it anticipated that the committee will report its findings?

**The Hon. G.J. CRAFTER:** The replies are as follow:

1. The committee held its first meeting on 10 October 1986. It comprises:

Mr J.G. Maher—Registrar-General, Department of Lands;  
Ms L. Hart—Senior Economist, Department of Premier and Cabinet;

Mr R. C. Noble, Prices Commissioner, Department of Public and Consumer Affairs.

2. (1) whether conveyancing fees and real estate agents commission should be regulated;

(2) if such fees and commissions are to be regulated, then to what extent should they be regulated, and should such regulation be by reference to a particular sector of the market (for example, residential);

(3) if such fees and commissions are to be regulated, which Government department or agency should be responsible for monitoring such fees and commissions, and making recommendations regarding them;

(4) if such fees and commissions are to be regulated, to review the level of and the basis upon which those fees and commissions are fixed, 'having regard to the Prices and Incomes Accord' and the manner in which those fees and commissions may be regularly reviewed;

(5) to review the practice of dual representation in conveyancing matters in South Australia, and recommend to the Government whether or not it is appropriate to regulate this practice;

(6) if it is appropriate for the Government to regulate the practice of dual representation to recommend the manner of such regulation;

(7) to consider and make recommendations to the Government on the question of whether the Real Property Act 1886 should be amended to enable fees charged by all persons for production of documents at the Lands Titles Office to be regulated.

3. The Government determined that the review should be carried out by an interdepartmental committee. The Land Brokers Society and the Law Society were each invited to make submissions and both did so. The industry will also be given the opportunity to comment on any proposed changes to legislation which may come out of the review.

4. In the near future.

### COMPUTER CRIME

138. **The Hon. D.C. WOTTON** (on notice) asked the Minister of Education, representing the Attorney-General: Is it intended that the Government will introduce legislation relating to computer crime and, if so, when will it take into account the eight areas which were identified as needing urgent consideration at the 1983 Police Ministers' Council and what are the reasons for the delay in introducing this legislation?

**The Hon. G.J. CRAFTER:** In 1984 the Standing Committee for the Attorneys-General agreed that the question of computer related crime should be looked at by the committee with a view to formulating uniform laws dealing with computer related crime. The committee's consideration of the topic has been delayed on several occasions pending reports by their bodies. The committee has, in its deliberations taken into account, *inter alia*, the matters identified by the Police Ministers' Council.

### RAIL SERVICES

139. **The Hon. D.C. WOTTON** (on notice) asked the Minister of Transport: What input will the Government and the STA, respectively, have into the study to be carried out by the Federal Bureau of Transport Economics to ascertain the potential viability of the—

(a) Bridgewater/Adelaide service; and

(b) Mount Barker/Adelaide rail corridor?

**The Hon. G.F. KENEALLY:** The Government and the STA will provide the data required by the Federal Bureau of Transport Economics.

### 3000 SERIES TRAINS

142. **The Hon. D.C. WOTTON** (on notice) asked the Minister of Transport:

1. How many of the new 3000 series trains does the Government have on order?

2. Has the STA taken delivery of any of these trains and, if so, when and how many?

3. When is it intended that the remainder of the new trains will be delivered?

**The Hon. G.F. KENEALLY:** The replies are as follows:

1. Twenty.
2. One is presently undergoing trials by the STA.
3. One each three weeks until September 1988.

### MONARTO ZOO

146. **The Hon. D.C. WOTTON** (on notice) asked the Minister for Environment and Planning: Has a study been instigated into the feasibility and practicability of a joint venture between the Government and the private sector in the development of the open range zoo at Monarto and, if so—

- (a) when did it begin;
- (b) who is carrying it out; and
- (c) when is it anticipated that it will conclude?

**The Hon. D.J. HOPGOOD:** The replies are as follows:  
Yes.

- (a) May 1987.
- (b) An officer of the Department of Environment and Planning.
- (c) End of 1987.

### ONKAPARINGA RIVER

148. **The Hon. D.C. WOTTON** (on notice) asked the Minister for Environment and Planning: What precise action will be taken by the Government to improve the quality of water in the Onkaparinga River in the vicinity of Old Noarlunga following the release of the report on the water quality study carried out in the lower reaches of the river?

**The Hon. D.J. HOPGOOD:** The report on the comprehensive water quality study carried out on the Onkaparinga River from late 1985 to November 1986 looked at those parameters normally used to assess water quality in such estuaries—and included nutrients, oxygen, turbidity and bacterial levels. Overall the assessment showed that the river water quality was quite satisfactory and typical of what can be expected of an estuary receiving run-off from an extensive urban/rural catchment area. As there was no significant polluting input from any particular point sources there appears little that can be done to reduce the estuary's pollution levels in the short term.

In the longer term improved land use and management in the catchment area could lead to improvement in water quality. The current Adelaide Hills strategy review will address land use water quality relationships and it is anticipated that recommendations from this review will provide the advice and planning considerations necessary for enhancement of the estuary. In addition, the future developments in mind for the riverside areas downstream of Old Noarlunga will ensure minimum pollution impact in that location.

Some minor reduction in nutrient input to the river could be achieved by installation of a sewage system or common effluent scheme at Old Noarlunga. However, when considering that most nutrients and other pollutants originate from upstream of the town, there would be little to be gained and the extremely high cost of such installations will have to be considered for priority along with all other such schemes.

### BELAIR-VICTOR HARBOR WALKING TRAIL

149. **The Hon. D.C. WOTTON** (on notice) asked the Minister of Recreation and Sport: Have officers of the Department of Recreation and Sport carried out any inves-

tigations into the establishment of a walking trail along the railway between Belair and Victor Harbor and, if so—

- (a) what were the results?
- (b) does the department support the concept of such a trail being established; and
- (c) what plans are there to assist with the establishment of this trail?

**The Hon. M.K. MAYES:** An investigation has been carried out on this line between Mount Barker Junction and Victor Harbor. The line is suitable for the development as a walking trail, but is considered to have a lower priority than the Mount Pleasant-Balhannah line and the Clare to Riverton line both of which have been investigated. There are no plans to assist with the establishment of the line in the immediate future.

### NORTHERN POWER STATION

152. **The Hon. D.C. WOTTON** (on notice) asked the Minister of Mines and Energy: Is it the intention of ETSA to add another 250 MVA generator to the Northern Power Station and, if so, by how much will this increase the generating capacity and how does that capacity relate to the present maximum demand for electricity?

**The Hon. R.G. PAYNE:** The replies are as follows:

1. Yes.
2. 250 megawatts.
3. The trust's present installed generating capacity is 2 680 megawatts, of which 270 megawatts are obsolescent and on cold standby. The maximum demand on the trust's system was 1 656 megawatts in March 1986. The amount of reserve capacity in the trust's system is very carefully managed to ensure that there is just sufficient plant available to cover likely outages through planned maintenance or breakdown.

### DRIVERS LICENCE RENEWALS

154. **Mr S.G. EVANS** (on notice) asked the Minister of Transport: How many notices to renew driving licences have been sent out to people who in fact had already renewed their licence since 1 July 1987, what was the cost to the Motor Registration Division, how many people responded with a second payment and, once the error was recognised, were correction notices sent out and, if so, at what cost?

**The Hon. G.F. KENEALLY:** Approximately 10 notices to renew were sent to people who have already renewed since 1 July 1987. The cost was \$10. Three responded with a second payment. Correction notices were sent at a cost of \$30.

### POLICE SERVICES

157. **Mr BECKER** (on notice) asked the Chief Secretary:

1. How many speed detection units were in operation during the four day duration of the Australian Formula One Grand Prix in 1985 and 1986, where were they located and how many offenders were apprehended on each day?
2. How much overtime was incurred and paid by the Police during the Australian Formula One Grand Prix in 1985 and 1986, the last Royal Visit and the Papal Visit in 1986?

**The Hon. D.J. HOPGOOD:** The replies are as follows:

1. Speed detection units are deployed throughout the State and their use is at the discretion of the local commander based on prevailing circumstances and his knowledge of the area. The information sought is therefore not readily avail-

able and it is not considered that adequate justification exists to devote the resources required to obtain the information.

2. Event	Overtime	Cost
	Hours	\$
Grand Prix 1985	723	11 000
Grand Prix 1986	881	17 000
Royal Visit 1986	71	1 400
Papal Visit 1986	3 975	78 000

### TRADE INITIATIVES

163. **Mr OLSEN** (on notice) asked the Minister of Housing and Construction: Following the statement by the Premier reported in *The Advertiser* on 4 April 1985 that the Department of Housing and Construction would seek to develop trade initiatives involving housing and construction with Asian countries including China, how many such initiatives have been undertaken?

**The Hon. T.H. HEMMINGS:** The Department of Housing and Construction, under its registered business name SACON, has been pursuing opportunities in the building and construction industry to expand the State's economic base in selected overseas countries. This has been done in close co-operation with State agencies such as SAGRIC, the Department of State Development and Department of TAFE, as well as AUSTRADE. Most activities have been focussed on the Middle East, Asia and the Pacific Basin.

Primarily SACON has endeavoured to find opportunities for the State's private sector building and construction industry to participate in overseas markets or establish new markets. SACON has taken an active role in highlighting the opportunities that exist overseas through seminars, ascertaining expressions of interest in trade missions and through possible joint ventures. Despite hesitancy from the local industry and fierce competition from other countries, three projects have been successful, viz:

1. Three building supervisors from the Ministry of Works, Power and Water, State of Bahrain, received both practical and theoretical training in South Australia from November 1985 to April 1986. Theoretical training was provided by TAFE and practical work experience by public and private sector building organisations.

2. A joint management consultancy with Pak-Poy Kneebone Pty Ltd conducted a review of the Ministry of Works, Tonga in February-March 1987. This review was carried out for the Australian Development Assistance Bureau (ADAB) which is the overseas aid arm of the Department of Foreign Affairs.

3. An officer of TAFE is due to travel to Bahrain later this year to provide training in work supervision in the Ministry of Works, Power and Water. Apart from the obvious training component of this activity and the previous one involving officers from Bahrain, the intention is to create an awareness of South Australian expertise and products.

A number of other potential projects are being pursued, many of which are possible joint ventures with the private sector.

### FAR EAST INVESTMENTS

164. **Mr OLSEN** (on notice) asked the Minister of State Development and Technology: Since April 1985, what investments, if any, have been made in South Australia by the Singapore based Far East organisation?

**The Hon. LYNN ARNOLD:** The Far East organisation has not made any investments in South Australia since

April 1985. The organisation has some residential property in Australia, but not in South Australia as yet. Senior executives from the organisation are interested in studying any project that is viable in Adelaide.

The Minister of State Development and Technology and Mr Tay Joo Soon, Department of State Development and Technology representative in Singapore, and other officers of Department of State Development and Technology have met with the Chairman in both Singapore and Adelaide.

### LAND PRICES

167. **Mr BECKER** (on notice) asked the Minister of Housing and Construction: How much land does the South Australian Housing Trust own at Golden Grove, what was the purchase price and what is the current estimated value?

**The Hon. T.H. HEMMINGS:** The South Australian Housing Trust has purchased 273 serviced allotments in the Golden Grove area at a price of \$6 244 000. The current estimated value is between \$6 750 000 and \$7 million.

### FESTIVAL CENTRE

168. **Mr BECKER** (on notice) asked the Minister of Housing and Construction: Who were the successful tenderers for the various stages of the Festival Centre Car Park repairs, what was the final tender amount, when will work commence and when is it expected to be completed?

**The Hon. T.H. HEMMINGS:** The successful tenderers and final tender amounts for the various stages of the Festival Centre Plaza renovations are:

- (1) Plaza renovations—Kirkwood Pty Ltd for \$3 490 133.
- (2) Precast concrete supply—Marble and Cement Work Co. Pty Ltd for \$2 240 793.
- (3) Alterations to box office—K.W. Cockshell Pty Ltd for \$175 034.
- (4) Precast concrete fixing—No tenders to be accepted; to be handled via construction management techniques.
- (5) Construction management consultancy—Accept the construction management consultancy offer from Hansen and Yuncken (SA) Pty Ltd for \$353 984.

Total funds approved for the project is \$10.7 million including escalation. Tenders are still to be called and let for the precast concrete fixing (split into smaller packages), construction of a store, southern plaza landscaping and miscellaneous minor contracts. Allowances have been made for this work in the total project funds. The work is scheduled to commence in September, with completion of the project planned for December 1989.

### SACAE

172. **Mr BECKER** (on notice) asked the Minister of Employment and Further Education:

1. Was the first Principal of the SACAE paid all his termination payments six months before he resigned and, if so, did the SACAE recover any lost interest due to this payment when the mistake was discovered or was the Principal's resignation letter backdated and substituted for another document in his personnel file to avoid repayment of interest?

2. Does the SACAE pay for parking when staff or their spouses use the John Martin's car park on Saturday mornings?

3. Has the SACAE purchased any television equipment for senior public servants to use exclusively in their homes and, if so, does the SACAE pay FBT on this equipment?

4. Did a recent SACAE audit find a very large sum of money missing from an account?

5. Does the SACAE pay taxi fares when some senior staff travel to and from city restaurants?

6. Do some senior lecturers on full pay work an average of less than five hours a week in the college and are any involved in outside business interests during normal working times?

7. What costs were involved in repainting an office wall damaged during an incident between a senior staff member and a female ancillary staff member?

8. Did an SACAE workshop build a trailer for a senior staff member in the administration?

**The Hon LYNN ARNOLD:** The replies are as follows:

1. The resignation of the first Principal of the college and that person's subsequent appointment to a Commonwealth body was negotiated between the Commonwealth and State Ministers of Education at the time. The late resolution of the resignation arose from the need to satisfactorily resolve matters relating to superannuation. The college council accepted the resignation of 4 December 1984 with effect from 29 June 1984 noting that payment of salary and other related entitlements had been effected in June 1984.

2. Not as far as can be ascertained from the records of the college

3. No.

4. No.

5. Not unless on official business.

6. Not according to evidence available to the college. Staff are encouraged to engage in private practice to support the development of their professional skills provided this is not to the detriment of their responsibilities to the college.

7. None directly. The office concerned was repainted in November-December 1986 at the same time as others nearby as part of ongoing programmed maintenance activities.

8. On several occasions in recent years trailers have been built by a member of staff of the college using college workshop facilities. The materials used were purchased entirely by the person concerned. The use of workshop facilities for private purposes took place out of normal working hours. The college does not pay a tools allowance to its craft workers and so limited and responsible private use of college tools is permitted.

The honourable member has in the last 12 months raised a number of detailed questions about the internal administration of the South Australian College of Advanced Education. In each case there has been perhaps an implication of suspected mismanagement or malfeasance. His questioning to date has not revealed any malpractice or incompetence on the part of the management of the college.

I remind the House that the college is subjected annually to an audit conducted by the Auditor-General and that associated with that is a continual review and updating of practices to deal with deficiencies which are revealed, often brought about by changing circumstances. Furthermore, as the honourable member will be aware since he is a member of it, the Public Accounts Committee has held discussions with the college. The college has also been subjected to detailed financial and management reporting requirements, formerly by the Tertiary Education Authority of South Australia and presently by me, in view of its evident financial difficulties.

I am confident that the college is now emerging from what has been a period of considerable financial difficulty and I have no reason to be dissatisfied with its present management.

## PENSIONER CONCESSIONS

175. **Mr BECKER** (on notice) asked the Minister of Education, representing the Minister of Community Welfare:

1. How many pensioner concessions were cancelled by the Department for Community Welfare in the year ended 30 June 1987 and how does this figure compare with cancellations made in the preceding year?

2. Have these cancellations been caused by confusion over pensioner concession cards?

**The Hon. G.J. CRAFTER:** The replies are as follows:

1. In the year ended 30 June 1987, the Department for Community Welfare directed the Electricity Trust of South Australia (ETSA) to terminate the electricity concessions of 4 573 pensioners. There were no terminations of this nature during the preceding year.

2. The terminations were the result of a match of computer files held by ETSA with those of the Department of Social Security (DSS). The matching process indicated that many pensioners no longer had an entitlement to the Pensioner Health Benefits Card, therefore disqualifying their eligibility for the State electricity concession. This followed a lengthy period of negotiations between the Department for Community Welfare, DSS, the Department of Veterans Affairs and the E & WS Department.

176. **Mr BECKER** (on notice) asked the Minister of Water Resources:

1. How many pensioner concessions have been cancelled by the E&WS Department for water and sewer rates in the year ended 30 June 1987 and how does this figure compare with cancellations made in the preceding year?

2. Have these cancellations been caused by confusion over pensioner concession cards?

**The Hon. D.J. HOPGOOD:** The replies are as follows:

1. 1986-87—11 500

1985-86—9 000

2. No. While confusion does sometimes occur on the part of a pensioner in this regard the majority of cancellations are the result of changes in the pensioner's circumstances.

## RIVER TORRENS DREDGING

178. **Mr BECKER** (on notice) asked the Minister of Water Resources:

1. Will the River Torrens be dredged between Henley Beach and Tapleys Hill Roads, and between Tapleys Hill and Seaview Roads and, if not, why not?

2. What is the estimated buildup of silt in these areas and what is the estimated cost of a dredging project?

**The Hon. D.J. HOPGOOD:** The replies are as follows:

1. No. Siltation has not yet affected the channel capacity to the extent that dredging is considered necessary.

2. The maximum depth of siltation is approximately 500 mm in the Henley Beach Road area. The deposit of silt is less in the section from Tapleys Hill Road to Seaview Road. The current estimated cost of excavation and disposal of silt is \$15 per cubic metre.

## GOLDEN GROVE

180. **Mr BECKER** (on notice) asked the Minister of Housing and Construction: How many persons have purchased land at Golden Grove and been unable to develop the property to meet the conditions of sale of the project?

**The Hon. T.H. HEMMINGS:** Seventeen persons.

**Mr JOHN LESSES**

184. **Mr OLSEN** (on notice) asked the Minister of Transport: Since Mr John Lesses was appointed a member of the STA Board, on how many occasions has the board met and how many of those meetings were attended by Mr Lesses?

**The Hon. G.F. KENEALLY:** The replies are as follows:

1. The board has met 65 times since Mr John Lesses commenced on 20 December 1982.

2. Mr Lesses has attended 41 of these meetings.

**ACCOMMODATION COSTS**

190. **Mr BECKER** (on notice) asked the Minister of Housing and Construction:

1. What was the total cost of alterations and additions to accommodate Labor members' secretaries on the first floor of Parliament House and, in particular, what were the cost of lights and furniture?

2. Why was different lighting chosen?

**The Hon. T.H. HEMMINGS:** The replies are as follows:

1. The total cost of alterations and additions to accommodate Labor members' secretaries on the first floor of Parliament House was \$20 055. Included in this figure was an amount of \$922 for light fittings and \$7 400 for furniture.

2. Since the work involved reinstatement of the area to its original condition it was imperative to provide lighting to enhance the decor. Due to the height and design of the original ceiling, it was considered appropriate to use suspended lighting and hence, South Australian made pendant light fittings were chosen.

**TOTALIZATOR AGENCY BOARD**

191. **Mr BECKER** (on notice) asked the Minister of Recreation and Sport: Is the Totalizator Agency Board contracted to pay *The Advertiser* about \$460 000 per annum to ensure a comprehensive coverage, including form guides of horse, trotting and greyhound racing when required and, if so, why and what are the terms and conditions of the agreement/contract?

**The Hon. M.K. MAYES:** The TAB has a contractual arrangement with *The Advertiser* which has resulted in a comprehensive racing information coverage being published daily to meet the needs of clients. Included in the contract is a non-disclosure clause, and, therefore, the terms and conditions of the arrangement cannot be advised.

**HOUSING TRUST**

193. **Mr BECKER** (on notice) asked the Minister of Housing and Construction: Are South Australian Housing Trust tenants permitted to manufacture brass beds for commercial gain at 84 Matthews Avenue, Seaton in an area zoned R2 by the local council, and, if so, why and, if not, what action does the trust propose to take?

**The Hon. T.H. HEMMINGS:** The South Australian Housing Trust's conditions of tenancy clearly state that trust rental properties shall not be used other than as a private residence (clause 7 (a)) and that no trade or business or advertising of a business is to be carried out on the premises (clause 7 (c)). In July 1987 the trust received a complaint that the tenant of 84 Matthews Avenue, Seaton, was manufacturing beds on the premises. The matter was investigated at the time and it was determined that the bulk of that tenant's business was, in fact, being conducted from shared industrial premises at Pooraka. Further, the tenant advised that negotiations were proceeding to lease suitable business premises in the Port Adelaide area. The situation

will now be reviewed and if a business is being conducted from the trust's property, steps will be taken to ensure compliance with the conditions of tenancy.

194. **Mr BECKER** (on notice) asked the Minister of Housing and Construction:

1. When did the South Australian Housing Trust purchase property in Bernhardt Crescent, Mount Barker for the purpose of providing accommodation for trust tenants?

2. How many homes have been completed since that time?

3. Are any further homes to be built on land owned by the trust in the Mount Barker area?

4. What studies, if any, were carried out by the trust and/or its developers to determine whether this land would be prone to flooding?

5. Why did the trust construct homes or purchase houses constructed on this land in view of its susceptibility to flooding?

**The Hon. T.H. HEMMINGS:** The replies are as follows:

1. The trust acquired eight houses in Bernhardt and Frame Courts, Mount Barker in December 1985 through the design and construct scheme.

2. The eight houses purchased at that time, as house and land packages, are the total trust property owned in the Bernhardt Court area.

3. The trust has a continuing demand for housing in Mount Barker and will continue to build in the town as funds and priorities permit.

4. and 5. The houses in Bernhardt Court were built on allotments in a privately developed subdivision, approved by the District Council of Mount Barker and, presumably, constructed to the satisfaction of council. Issue of titles to the allotments could not have proceeded without acceptance by council of the completed works as satisfying council requirements. The trust did not carry out any studies which would have duplicated work which the trust, like any other purchaser, had a right to assume had been carried out by responsible authorities in the development of the land for residential use.

**ONE AND ALL**

195. **Mr OLSEN** (on notice) asked the Premier: As at 13 August 1987, what were the total liabilities of the *One and All* project in—

(a) direct loans by the Government or loan guarantees by the Government and its agencies;

and

(b) other amounts owed to creditors?

**The Hon. J.C. BANNON:** The replies are as follows:

(a) \$645 000.

(b) Requests about the current statement of amounts owing to creditors should be directed to the *One and All* Sailing Ship Association of South Australia at Port Adelaide.

**ELECTORAL ROLL**

203. **Mr DUIGAN** (on notice) asked the Minister of Education, representing the Attorney-General: For each of the 47 State electorates—

(a) how many new electors were added to the rolls following the close of the roll for the recent Federal election on 11 July 1987 and how many of those added were—

(i) first time enrollees;

(ii) transferring from other electorates; and

(iii) transferring within the electorate;

- (b) how many electors are now enrolled;  
 (c) how much is the number enrolled above or below tolerance as determined by the Electoral Commission guidelines; and  
 (d) does the growth rate exceed or fall short of the expected rate of growth when the new boundaries were drawn?

**The Hon. G.J. CRAFTER:** The replies are as follows:

(a, b, c.) The Electoral Commissioner has provided the following schedule in reply to questions (a), (b) and (c). Information relating to question (a) (iii) is not available as statistics maintained on electors transferring within districts contain house-keeping amendments resulting from local government redistributions and corrections to elector details.

(d) In respect of question (d) he advises that, in the drawing of electoral boundaries, the Electoral Districts Boundaries Commission is required by section 83 of the Constitution Act to take into account six mandatory criteria, all of which are interlocking and cannot be considered in isolation.

In this respect attention is drawn to paragraphs 12 and 13 of the commission's last published order of 22 September 1983. Those paragraphs clearly indicate that the commis-

sion, in its determination of electoral boundaries, duly considered the extent of substantial demographic changes that were likely to occur between the conclusion of its proceedings and the next electoral redistribution. While it is noted that some districts now contain a number of electors exceeding the State district average by plus or minus 10 per cent, this situation may have been unavoidable in view of the constraints imposed by the mandatory criteria of sections 77 and 83 of the Constitution Act. The former section requires the commission to ensure that each electorate contains an equality of electors, within a 10 per cent tolerance, at the time of the making of its orders. In fact the commission specifically addressed that issue when it said in paragraph 12 of its report:

Argument has been advanced that so far as possible, the commission should use the permissible tolerance allowed for by section 77 in such a way as to ensure that the number of electors comprised in each electoral district will be sufficiently maintained, during the anticipated life of the commission's order, so as not to fall outside the permissible tolerance. While the commission would hope that as few as possible of the new electoral districts will fall out of tolerance during the life of the commission's order, the statistical materials available to the commission, as a result of periodic reviews of the electoral rolls since 1976, indicate that the variations in enrolments for electoral districts, even over comparatively short periods, can be—indeed they have been—of so great a magnitude as to make it virtually impossible to predict what variations in the permissible tolerance are likely to occur in the future.

Name of district	Enrolments as at 12.6.87	New enrolments to 13.8.87	Transfers from other districts to 13.8.87	Enrolments as at 13.8.87	% Deviation from state average (20 159)
Adelaide	19 855	208	337	19 844	- 1.562
Albert Park	21 227	264	284	21 404	+ 6.174
Alexandra	21 051	185	309	21 291	+ 5.615
Baudin	21 446	284	426	21 709	+ 7.688
Bragg	20 564	156	262	20 602	+ 2.197
Briggs	19 298	218	335	19 450	- 3.517
Bright	20 560	195	293	20 764	+ 3.001
Chaffey	20 493	249	123	20 646	+ 2.415
Coles	18 531	149	158	18 566	- 7.902
Custance	18 510	113	172	18 565	- 7.907
Davenport	19 270	145	204	19 280	- 4.360
Elizabeth	17 395	219	247	17 420	-13.586
Eyre	17 928	217	254	18 107	-10.179
Fisher	24 208	222	524	24 575	+21.905
Flinders	18 998	165	134	19 104	- 5.233
Floreys	20 978	208	331	21 199	+ 5.158
Gilles	18 551	163	191	18 527	- 8.095
Goyder	21 543	176	227	21 656	+ 7.425
Hanson	19 497	199	314	19 663	- 2.460
Hartley	19 944	175	221	19 967	- 0.952
Hayward	18 794	125	236	18 827	- 6.607
Henley Beach	20 322	228	288	20 501	+ 1.696
Heysen	20 241	162	241	20 369	+ 1.041
Kavel	20 863	262	388	21 215	+ 5.238
Light	21 121	189	205	21 249	+ 5.407
Mawson	20 952	179	363	21 151	+ 4.920
Mitcham	20 312	140	253	20 331	+ 0.853
Mitchell	19 147	202	256	19 201	- 4.752
Morphett	19 160	173	286	19 201	- 4.752
Mount Gambier	19 731	203	74	19 829	- 1.636
Murray-Mallee	19 919	179	230	20 026	- 0.659
Napier	18 826	305	419	19 151	- 5.000
Newland	21 388	197	261	21 587	+ 7.083
Norwood	19 765	207	343	19 823	- 1.666
Peake	20 475	257	281	20 583	+ 2.103
Playford	20 059	221	288	20 181	+ 0.109
Price	20 639	277	280	20 831	+ 3.333
Ramsay	22 205	296	449	22 542	+11.821
Ross Smith	19 489	169	260	19 517	- 3.184
Semaphore	19 676	191	279	19 908	- 1.245
Spence	20 254	254	366	20 435	+ 1.369
Stuart	19 366	154	126	19 390	- 3.814
Todd	19 864	214	301	20 054	- 0.520
Unley	20 436	231	398	20 433	+ 1.359
Victoria	20 475	189	124	20 589	+ 2.133
Walsh	19 729	189	334	19 687	- 2.341
Whyalla	18 555	206	111	18 519	- 8.135
Totals	941 610	9 509	12 786	947 469	

### NATIONAL MIGRATION PROGRAM

204. **Mr DUIGAN** (on notice) asked the Minister of Education, representing the Minister of Ethnic Affairs:

1. What portion of each of the eight categories of migration which are part of the national migration program were attracted to South Australia in 1985-86 and 1986-87?

2. Are any estimates available of the infrastructure costs to the South Australian Government of its participation in the migration program and, if so, what are they?

3. Has any study or analysis been undertaken of the participation of various categories of migrants in the South Australian economy and, if so, what are the results?

4. What initiatives will be taken by the South Australian Government to increase, if at all, the participation by South Australia in any of the current program categories?

**The Hon. LYNN ARNOLD:**

1. The proportion of the eight categories of migration which are part of the national migration program which settled in South Australia in 1985-86 and 1986-87 are given in the following two tables:

DEPARTMENT OF IMMIGRATION AND ETHNIC AFFAIRS  
July 1985—June 1986

*Settler Arrivals by State of Intended Residence (Table 2A)*

	South Australia		Australia
	No.	%	No.
Family Migration	2 523	5.1	49 774
	51.2%		
Labor Shortage	500	4.6	10 819
	10.2%		
Business	119	7.2	1 649
	2.4%		
Independent and Concessional	7	5.1	138
	0.1%		
Refugee and S.H.P.	998	8.4	11 840
	20.3%		
Special Eligibility	53	9.0	590
	1.1%		
New Zealand Citizen	558	3.7	15 044
	11.3%		
Australian Child Born Overseas	122	6.4	1 909
	2.5%		
Other	43	6.6	647
	0.9%		
Total	4 923	5.3	92 410

DEPARTMENT OF IMMIGRATION AND ETHNIC AFFAIRS  
July 1986-June 1987

*Settler Arrivals by State of Intended Residence (Preliminary Figures)*

	South Australia		Australia
	No.	%	No.
Family Migration	1 575	5.5	28 550
	27.6%		
Labour Shortage	649	3.7	17 392
	11.4%		
Business	268	7.6	3 534
	4.7%		
Independent and Concessional	1 160	3.4	33 456
	20.3%		
Refugee and S.H.P.	852	7.7	11 102
	14.9%		
Special Eligibility	72	5.5	1 309
	1.3%		
New Zealand Citizen	497	3.2	15 730
	8.7%		
Australian Child Born Overseas	93	5.6	1 561
	1.6%		
Other	35	5.2	677
	0.6%		
Total	5 701	5.0	113 311

2. There are no estimates available of infrastructure costs to the South Australian Government of its participation in the Immigration Program. However, the working party has been established by the Department of the Premier and Cabinet, the S.A. Ethnic Affairs Commission, the Department of State Development and the Department of Environment and Planning which is looking into whether such costs can be determined. The working party will report later this year.

3. No formal study has been undertaken by Government agencies of the participation of various categories of migrants in the South Australian economy other than analyses of labour force participation. A published study was by Jeff Fallon, Labour Market Research Unit, *Profile of Immigrants in the Australian and South Australian Labour Force*. The main findings were that persons born outside Australia had higher unemployment and labour force participation rates than persons born in Australia at the time of the 1981 Census. Unemployment rates were higher for recent immigrants. *A review of the Experiences of Migrants in the Labour Force—February 1985* Population and Research Branch, Department of Immigration and Ethnic Affairs, Canberra, October 1985 found that overseas born persons with post-school qualifications had significantly lower unemployment rates than those with only high school qualifications or less. After the initial period of settlement unemployment rates generally are similar for overseas and Australian persons, but vary from group to group.

There has been some informal monitoring of business migration families, of which 140 have arrived in South Australia. When resources permit, it is understood that the Department of State Development plans to conduct a study of this group.

It is expected that papers on the participation of migrants in the economy will be presented at the Conference on Immigration and Economic Development organised by the Centre for Multicultural Studies, Flinders University in collaboration with the S.A. Ethnic Affairs Commission.

4. The major on-going initiative to increase the migration intake is in the area of Business Migration. Officers of the Department of State Development regularly travel to Asian countries in association with private sector consultants to encourage business migration to South Australia. In addition, officers of the Agent-General's Office are active in promoting business migration to South Australia from a number of European countries.

### VINE PULL

206. **The Hon. B.C. EASTICK** (on notice) asked the Minister of Agriculture:

1. When and in what specific terms, was the vine pull scheme in South Australia first announced by the Minister?

2. What was the specific wording of the advertisement requesting applications from growers to participate in the scheme?

3. Was there a specific application document and, if so, what was its form?

4. What was the pattern of receipt of the applications and how were they identified?

5. When did consideration of the applications commence and by whom were the decisions made?

6. When did the first applicants receive notification of success or refusal?

7. By application numbers, which numbers in each of the groups 1-100, 101-200, 201-300 and 301-350 failed to satisfy the criteria for assistance and, if applicable, what were the three most common reasons for that refusal?

8. By district, what was the origin of the first 350 applications and by the same criteria, the refusals, if any?



9. Were the criteria to apply and/or the terms of the application documents altered at any time and, if so, when and in what manner?

10. What total number of applications were received:

(a) by the due date(s); and

(b) after the due date(s),

and have any applications received after the due date(s) been accorded assistance and, if so, how many and on what basis?

11. How many applications are yet to be processed or reviewed and when is it expected that final decisions will be made?

12. What has been the fate of the applications 351 onwards?

13. What, if any, expectation is there that the Commonwealth and/or the State will provide further funds for the scheme and, if known, on what basis and when?

**The Hon M.K. MAYES:** The replies are as follows:

1. The vine pull scheme was first announced by the Minister of Agriculture on 20 December 1985 in a press release placed in metropolitan and country papers. The press released indicated the purpose of the scheme, funds available, period of operation, details of maximum payments to growers, conditions applying to the scheme, and details of other State and Commonwealth benefits. A copy of the press release is available for the honourable member's perusal.

2. The advertisement was in the form of my press release, issued on 20 December 1985, of which I have copies available. I am happy to read the press release if the honourable member so wishes.

3. A single application form with guidelines for applicants was used for all applications for vine pull assistance. I will provide a copy for the honourable member.

4. Applications were identified by a date stamp and a number which was allocated in numerical sequence as the applications arrived in the Rural Assistance Branch.

5. The Principal Rural Assistance Officer authorised approvals and refusals for vine pull applications on my behalf. The Principal Rural Assistance Officer began to consider applications on 1 February 1986.

6. Notification of applicants regarding the success or failure of their vine pull applications began on 25 February 1986.

7. I am not prepared to provide application numbers applied to particular applicants. Discussion between applicants has been a frequent occurrence in relation to their vine pull applications and to quote application numbers in the House would risk a breach of confidentiality. Confidentiality of information relating to clients of the Rural Assistance Branch is an inviolable principle.

I have listed the number of refusals in the categories requested except that the final category application numbers 301 to 350 has been extended to include application numbers 301 to 370. This allows inclusion of all applications which were first considered within the original guidelines.

	Number of Applications declined assist- ance	Number Withdrawn
1-100 .....	1	3
101-200 .....	2	3
201-300 .....	4	3
301-370 .....	2	5
Total	9	14

Main reasons for declining applications were:

1. Applications were from corporate wineries.
2. Vineyards were located on land zoned for purposes other than rural activities.

3. Vines had not been maintained in a productive condition.

8. The first 350 applications were received from the following districts:

	Total of Applications	Applications Refused
Barossa .....	83	3
Clare .....	46	2
Southern Hills .....	46	2
Adelaide Plains .....	16	—
Loxton .....	25	—
Renmark .....	71	1
Berri .....	36	1
Waikerie .....	21	—
Other .....	6	—
Total .....	350	9

9. The same application forms were used by all clients applying for vine pull assistance. Criteria for eligibility were changed twice.

On 23 June 1986 the Principal Rural Assistance Officer informed all unfunded applicants of changes to eligibility criteria.

The new guidelines were as follows:

To be eligible for vine pull assistance an applicant must:

1. Have derived 50 per cent or more of total cash receipts from the sale of grapes. (Averaged over the 1983-84 and 1984-85 financial years).

2. Have an average disposable income over the 1983-84 and 1984-85 financial years from all people involved with the farm (partners, spouses, shareholders) that does not exceed the level of unemployment benefits that would be paid to those people, should they earn no income. (The figures you supply on the attached form must be verified by personal and partnership income tax returns.)

Following a further allocation of funds from the Commonwealth, the Principal Rural Assistance Officer notified all unfunded applicants on 13 April 1987 of further changes to eligibility criteria.

The new guidelines and instructions were as follows:

1. Applicants must have achieved at least 50 per cent of Farm Income from grapes during at least one year since 1983.

2. Applicants must not have averaged more than \$15 000 in off-farm income in the three years since 1 July 1983.

3. Applicants in severe need of welfare assistance may be treated as special cases if criteria 1 and 2 are not exactly met.

Currently we have copies of your income tax returns for 1983-84 and 1984-85. Please forward copies of personal and partnership returns for 1985-86 together with any additional information relevant to the application that you may wish to be considered during assessment.

Tax returns must be received in the Rural Assistance Branch, Box 1671, GPO, Adelaide 5001 by 30 April 1987.

10. (a) Total applications received by due date of 31 May 1986 was 732.

(b) There were four late applications.

No late applications were accorded assistance.

11. Processing of applications is in its final phase with the final 47 approved applicants having either removed eligible vines or in one case having withdrawn from the scheme.

The Rural Assistance Branch is currently registering mortgages and preparing for payment of the successful applicants. Expenditure will be finalised by 30 September 1987.

12. The Rural Assistance Branch received a total of 732 applications up to 30 May 1986.

The number of applications was reduced to 699 when 19 growers withdrew from the scheme and another 14 failed to meet initial eligibility criteria.

Of the applications from 351 onwards, 18 were granted immediate approval. The remaining 329 were advised of new guidelines for eligibility. Of the 154 who did respond, 54 were eligible for assistance; 175 did not respond.

Following the announcement of an additional \$1.5 million available for assistance the remaining 275 unfunded applicants were advised of relaxed guidelines.

Of the 88 who replied, 47 were approved for assistance.

13. There is no current expectation of further Commonwealth or State funds for vine pull.

Discussion: The scheme has been highly successful despite administrative problems and policy difficulties caused by the unexpectedly high demand for assistance. 446 grape-

growers have been assisted under the scheme at a total cost of \$6.5 million. 2 350 hectares have been removed and this represents a reduction of 25-30 000 tonnes in the grape surplus. This reduction will benefit grape-growers remaining in the industry by increasing the marketability of their grape production. The scheme attracted \$4.3 million of Commonwealth funds to South Australia which, as well as helping individual growers, will also achieve a flow-on effect to the South Australian economy.