LEGISLATIVE COUNCIL

Tuesday 17 September 1985

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

CONSTITUTION ACT AMENDMENT BILL (No. 2)

His Excellency the Governor, by message, intimated the Royal assent to the Bill.

PETITION: ROAD CLOSURES

A petition signed by 39 residents of South Australia praying that the Council overrule the Millicent council's decision to close and sell portions of Chicory Terrace and North-East Terrace, Rendelsham, was presented by the Hon. M.B. Cameron.

Petition received.

PETITION: PORT AUGUSTA BOTANIC GARDEN

A petition signed by 117 residents of South Australia praying that the Council urge the Government to establish at Port Augusta the first arid lands botanic garden was presented by the Hon. K.L. Milne.

Petition received.

PAPERS TABLED

The following papers were laid on the table:

By the Attorney-General (Hon. C.J. Sumner):

Pursuant to Statute—

Country Fires Act, 1976—Regulations—Spark Arresters.

By the Minister of Consumer Affairs (Hon. C.J. Sumner):

Pursuant to Statute—

Trade Standards Act, 1979—Regulations—Bean Bags.

By the Minister of Health (Hon. J.R. Cornwall):

Pursuant to Statute—

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

Planning Act, 1982—Crown Development Report by S.A. Planning Commission on construction of a Pain Investigation and Management Unit at Flinders Medical Centre.

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

Pursuant to Statute—

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

By the Minister of Fisheries (Hon. Frank Blevins):

Pursuant to Statute—

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

By the Minister of Tourism (Hon. Barbara Wiese):

Pursuant to Statute—

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

By the Minister of Local Government (Hon. Barbara Wiese):

Pursuant to Statute—

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

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

QUESTIONS

WORKERS COMPENSATION

The Hon. M.B. CAMERON: I seek leave to make a brief statement before asking the Minister of Labour a question about workers compensation.

Leave granted.

The Hon. M.B. CAMERON: About one month ago on several occasions the Government ran a series of newspaper advertisements at the cost of many thousands of dollars about workers compensation, and I quote one of those advertisements, as follows:

> Business and unions agree on WorkCover. Work accidents cripple thousands of South Australians . . . Premiums have gone through the roof and that's stopping business from making new jobs. That's why business and unions got together with the State Government and developed WorkCover. WorkCover will cut average premiums by 44 per cent—

a very definitive percentage—

> That's great news for business and South Australia. WorkCover will give a fairer deal for injured workers. That's why business and unions agree. WorkCover. It makes good sense.

It seems that that advertisement had a somewhat premature birth because, every time I pick up the *Advertiser* or the *News* of late, there is another group supposedly part of this agreement that has expressed extreme reservations—

The Hon. L.H. Davis interjecting:

The Hon. M.B. CAMERON: Yes. Since then we have seen a parade of discontent from unions, employers and legal experts, and certainly from other sections of the industry that are concerned with workers compensation. The subject was raised again in the *Advertiser* this morning, as follows:

> The controversial workers compensation package may be changed to allow the ceiling for lump-sum payouts to be raised and to retain the right to pursue actions at common law . . . an increase in the lump-sum benefit payable to people on compensation and the retention of the right to pursue actions at common law.

Another group, the Employers Managed Workers Compensation Association (the self insurance group), includes the State Bank, the State Transport Authority, John Shearer Limited, Westpac Banking Corporation, Hills Industries and the South Australian Brewing Company. That group is seeking assurances from the Government about its position because in Victoria, I understand, it was put in an impossible position by the requirements it would have to satisfy. The South Australian Chamber of Commerce, which was involved in the original so-called deal, has warned that there should be no tampering with the package, which was widely distributed in a glossy covered booklet, because changes could destroy the whole package. Apparently, people who were involved in discussions on that package are now changing their minds. My questions to the Minister of Labour are:

1. Does the Government stand by its comments contained in press advertisements, which were widely used immediately after the package was announced?

2. Does the Government intend to introduce its workers compensation legislation in this session as previously outlined in the package that was presented as a completely agreed package and, if so, when does it intend to do that?

The Hon. FRANK BLEVINS: I have answered questions asked by both the Hon. Mr Cameron and, I think, the Hon. Mr Lucas in relation to this matter. The position is essentially the same. As a result of extensive negotiations held between a representative group of employers and trade unionists agreement was reached on a package. The position was, and is, that that package has been referred back to the various groups who were represented by negotiators.

I have made perfectly clear that their comments will come back to the Government, which will take it from there.

Employers were not entirely in agreement with the white paper issued, and made very clear (and I respect their position) that that white paper did not represent their final position.

The Hon. M.B. Cameron: The unions?

The Hon. FRANK BLEVINS: No, the employers. It did not represent their final position: they wanted further discussions on one or two items, as also did the trade union movement. There is nothing wrong or unusual about that. When we receive responses from the various groups the Government will decide precisely what will come before the Parliament. I have nothing to add to my previous answers on this subject as the position is the same. There will be further meetings this week of the various people concerned.

With regard to the item in this morning's newspaper from, essentially, self insurers, it has been made perfectly clear (and ought not require restating) that the Government supports the concept of self insurance: where the business or enterprise involved can demonstrate a financial ability as well as a responsible attitude to the safety of workers we believe that it should have the right to self insure, as was made perfectly clear in the paper distributed.

There is no reason for the Government to change its mind that I can think of. As the Premier said, when the legislation finally comes before Parliament (which will be as soon as practicable, to answer the Leader's second question), the precise rules that will permit self insurance will be stated clearly to the Parliament. In summary, I have nothing to add to my previous answers on this topic. Although I would be quite happy to go through all the arguments for and against again, unless anyone particularly wants me to do so, I suggest members can just look it up in *Hansard*.

CHALLENGE HOMES

The Hon. J.C. BURDETT: I seek leave to make an explanation before asking the Attorney-General, in his capacity as Minister of Consumer Affairs, a question about the failure of Challenge Homes.

Leave granted.

The Hon. J.C. BURDETT: The *Advertiser* of 5 September 1985 reports that the failed Challenge Homes company had left 50 homes uncompleted. The Housing Industry Association reported that because Challenge Homes had grossly underquoted in the first place it would be difficult to find builders to finish the homes. If this is the case it will mean that 50 families, who have doubtless saved and planned for this major asset of their lives, may have their dream shattered.

However, I understand that other builders, through the Housing Industry Association, are very commendably undertaking to complete the homes without profit, so that the home builders will be spared the loss they would otherwise have suffered. This has been entirely the initiative of the industry, and I certainly commend it on undertaking that initiative.

The Minister will be aware that in late 1982 I introduced a Bill for an Act to amend the Builders Licensing Act to provide for a compulsory indemnity scheme. Such a scheme would have covered the 50 homes in question and would have meant that the families concerned would have had a means of redress. That Bill was taken over by the Government to allow Government time in the House of Assembly and was passed by both Houses. However, the regulations have not yet been made and the compulsory indemnity scheme is, therefore, not in place.

For about 2½ years, persons who have had homes built for them—and this has not been the first failure of a company—have not been covered by this protection unless the builders have voluntarily taken out such cover. The kind of companies who are likely to fail usually do not take out this cover. Last year during the budget Estimates Committee hearings, when the Minister was asked why the regulations were not in place, he said that the Housing Industry Association and the Master Builders Association could not agree on the form of the scheme. In response to contacts I subsequently made with those organisations they denied that this was the case.

The Minister also blamed those organisations for not having responded to a series of questions about the scheme. Both organisations indicated that they had responded some considerable time before. The Minister also blamed the previous Liberal Government for having left the Department of Public and Consumer Affairs allegedly without adequate staff to prepare the regulations. While I do not accept this explanation, the present Government has had almost three years in which to rectify that situation, if that was, in fact, the case.

The problem of defaulting builders of homes is serious and this has been, in part, taken up by the Government. His Excellency's speech indicates that legislation in this area will be introduced during this session of Parliament. The Minister has also set up a working party that has made various suggestions to improve protection for home builders. However, if the builder's indemnity cover had been in place it would have assisted these particular 50 families. I understand that the regulations are likely to be made shortly and to operate from 1 October—at last! Why have the regulations not been proclaimed earlier?

The Hon. C.J. SUMNER: As the honourable member knows, the legislation that was passed through the Parliament merely facilitated establishing a procedure, and a considerable amount of work had to be done to prepare the regulations to ensure that the industry agreed and was prepared to cooperate fully in the implementation of the scheme. As I said to the honourable member when he raised this question previously, that is the reason for the delay in the implementation of the scheme. The honourable member should also not underestimate the problems of resources in the Department of Public and Consumer Affairs as a result of the equivalent of about 60 staff being lost during the three years that he was Minister. One has to take into account the additional duties given to the department and the cuts in staff that were ordered by the razor gang that operated during the Liberal Government's time in office. I know that the Hon. Mr Griffin was a member of that gang, and he, the Hon. Mr Brown and the Hon. Mr Goldsworthy went around and personally scrutinised all the activities and put public servants—

An honourable member interjecting:

The Hon. C.J. SUMNER: They personally questioned public servants; that is right. They know and he knows that one of the pet projects that the razor gang wanted to deal with was a significant reduction in the resources available to the Department of Public and Consumer Affairs. That is on the record and, in fact, on previous occasions I have produced the figures during the Estimates Committees' debates. I think that those honourable members who wish to peruse those debates will be able to see the figures, which were prepared by the department: they have been tabled during the Estimates Committees' discussions on previous occasions.

I am afraid that the Hon. Mr Burdett, as Minister of Consumer Affairs for three years, presided over a department that the then Liberal Government was determined to reduce in its effectiveness. That has caused some problems which I am perfectly prepared to admit in terms of the resources of the department over the past three years. Cer-

tainly the reduction in staff that was ordered by the previous Government was arrested. We have attempted to do what we can with some increase in staff, but we have not been able to restore the position completely to that which existed prior to 1979. However, as the honourable member has said, work has been done on the indemnity scheme following the legislation that was passed which, as I have said, only enabled a scheme to be established: it did not actually establish a scheme; regulations were required for that. I expect that the regulations will be gazetted in the very near future.

COURT PENALTIES

The Hon. K.T. GRIFFIN: I seek leave to make an explanation before asking the Attorney-General a question about court penalties.

Leave granted.

The Hon. K.T. GRIFFIN: On Saturday the Attorney-General, having decided to grandstand on the law and order issue because he felt that his Government was not giving a high enough profile, took the unprecedented step for an Attorney-General of having a swipe at the Court of Criminal Appeal when it dismissed two Crown appeals against sentences. Those appeals related to two cases of causing death by dangerous driving where the penalties fixed by the court of first instance did appear to be too lenient.

However, whatever criticism the Attorney-General makes of the court, he has a primary responsibility in all of this. He can take several initiatives. The first is to apply for special leave to appeal in each case to the High Court of Australia. The second is to return to a practice before the offence of causing death by dangerous driving was created and charge offenders with murder or manslaughter, allowing the alternative verdict of causing death by dangerous driving. The penalty for murder, of course, is mandatory life imprisonment and for manslaughter is a maximum of life imprisonment. The third course of action is to introduce amending legislation to increase the penalties for causing death or bodily injury by dangerous driving.

The Attorney-General, had his go at the Supreme Court on the weekend; yesterday the Premier—the chief Minister of the State—joined his Attorney-General on the grandstand and bashed the judges over drug penalties, but on this occasion bashing them for something that just has not happened. The Premier criticised the judges for being too lenient with people convicted of dealing in hard drugs. He was trying to cast all the blame on the judges but not accepting any responsibility himself. I remind the Attorney-General that the Government rejected my legislation allowing the courts to order the confiscation of the assets of drug dealers which could have come into effect over two years ago.

The Hon. C.J. Sumner: We didn't.

The Hon. K.T. GRIFFIN: The Government rejected it: the Bill was introduced and the Government rejected it. The Government's own controlled substances legislation came into effect only at the end of May 1985—some 15 months after it was passed by Parliament. No prosecution for drug trafficking, as far as I am aware, has yet reached the Supreme Court under this legislation to see what sort of penalties will be imposed.

However, under the old Narcotic and Psychotropic Drugs Act, Conley, a drug dealer, was sentenced to 16 years gaol and a four years non-parole period which meant he was not likely to be released under the then existing parole system for at least 10 years. This Government let him out earlier this year after he had served less than three years. Kloss, convicted of conspiracy to import $1 million of marijuana and sentenced to 14 years and six years non-parole, is due to be released by this Government after serving only four years, when under the old parole system we could have expected him to serve a much longer period. So, it is all very well to talk about tough penalties, but this Government has proved to be lenient, not the courts. Then, the Government will not give the State police power to tap telephones. My reflection on that is that you have to catch the criminals before they can be sentenced. The two episodes of criticism by the Attorney-General and the Premier reflect double standards and hypocrisy. My questions are:

1. Does the Attorney-General agree with the Premier's verbal bashing of judges in respect of drug dealers?
2. Can the Attorney-General identify which cases of drug dealing the Premier is complaining about?
3. Will the Attorney-General institute an application to the High Court for special leave to appeal in respect of the two decisions relating to causing death by dangerous driving?
4. Will the Attorney-General give a direction to charge persons with murder or manslaughter as an alternative to causing death by dangerous driving?
5. Is the Attorney-General proposing to introduce legislation to increase the penalties for causing death or bodily injury by dangerous driving?

The Hon. C.J. SUMNER: The action taken by this Government in the general area of law reform over the past three years, particularly relating to the law and order issue, has been comprehensive. A number of major initiatives have been taken to attempt to allay what are justified community fears about crime in this State. I do not believe that the Liberal Party, in attempting to play politics over this important issue, as it did in 1979, is going to advance what will need to be a rational community debate on this topic. The fact is that, since coming to government in 1982, the Government has taken a number of very important initiatives. The Controlled Substances Act, which has been mentioned, contains provisions for the confiscation of assets obtained by illegal drug trafficking. That was a comprehensive Bill introduced by the Minister of Health that contained a number of things relating to drug abuse, not just the criminal aspects of it but also the medical aspects. It is easy for the Hon. Mr Griffin to say he introduced one Bill that was not picked up by the Government. The fact is, the Government introduced a comprehensive Bill which included an increase in penalties for drug trafficking to 25 years.

The Hon. K.T. Griffin interjecting:

The PRESIDENT: Order!

The Hon. C.J. SUMNER: The Bill introduced an increase in monetary penalties to $250 000 and/or 25 years imprisonment plus the confiscation of assets in a comprehensive anti-drug move. Furthermore, a number of matters have been introduced by this Government with respect to criminal procedure and the corroboration warning that had to be given by judges in sexual cases up until recently, when the Government introduced legislation on that. Legislation with respect to prior sexual history of victims of sexual assault and rape was amended by the Government.

Significant increases in penalties in the Police Offences Act were introduced by this Government with a clarification of police powers of detention. So, in a whole range of areas, this Government has been very concerned about the problem of crime in the community and has acted in a number of areas that I have outlined.

I should also say that the South Australian Government is in fact considered to be a leader in the world on facilities and services to victims of crime, and that became apparent in the recent conference that I attended where I was personally able to play quite a critical role in having declared for the whole world—through the United Nations—a declaration on the rights of victims of crime and the abuse of

power. Furthermore, with respect to lenient sentences, allow me to say to the honourable member that in the period that he was Attorney-General (for some 18 months or two years, I believe it was) when the power for the Crown to appeal against lenient sentences was available, he instituted 17 such appeals. Since this Government has been in power, as Attorney-General, I have instituted in the order of 80 such appeals against lenient sentences. So, let the honourable member come in here and be critical about the Government's attitude on the question of lenient sentences! With respect to one particular appeal, the Von Einem case, what I believe to be the greatest non-parole period was established on the Attorney-General's appeal. Let there be no doubt about the fact that there is community concern about the law and order issue. Let there be no doubt about the fact that this Government has shared that concern. Let there be no doubt about the fact that I, as Attorney-General, have taken the appropriate action both with respect to law reform measures and action within the courts to try to ensure that that concern is allayed and that penalties appropriate for crimes are handed down by the courts.

Let me say with respect to these specific matters that the honourable member has mentioned, the criticism I made was, I believe, a justifiable criticism of the penalties handed down with respect to the cases of causing death by dangerous driving. Those appeals were taken by me as Attorney-General because I considered that the general level of sentencing imposed by the District Court with respect to causing death by dangerous driving was inadequate, and there had been a number of cases prior to that that I felt should be reviewed. It was on that basis that the appeals were taken to the Court of Criminal Appeal. When the decisions were handed down, I disagreed with the reasoning for those decisions and I disagreed with the decisions. It was for that reason that I made those remarks in which I said I could not agree with the reasoning of the courts and was disappointed that they had not agreed to lift the prevailing standard of sentence for causing death by dangerous driving, particularly cases where the consumption of alcohol was involved.

It was not a knee-jerk reaction by me. It was a carefully considered Crown case that was put to the Court of Criminal Appeal based on what I would have thought were the irrefutable facts that this Parliament is aware of—the problems of drinking, the problems of drinking and driving, and the effect that they have on our road toll. The fact is that for one homicide committed in South Australia, there are 13 deaths on the roads. It has been estimated through select committees that this Council has set up that up to 50 per cent of road deaths may be alcohol related. Even if you take a conservative estimate and say one-third are alcohol related, with an average of 300 road deaths in recent years, then 100 road deaths are caused in alcohol related circumstances. If you take one-third of the 13, then you end up with four deaths caused in alcohol related road accidents in this State compared to one homicide. They are the sorts of figures that we are talking about.

It was on the basis of that quite rational approach, that quite clear, coherent argument, that the Crown put a case for a higher level of penalties. That case has been rejected by the Court of Criminal Appeal and, in response to that rejection, I said that the Government would need to consider whether or not the Parliament—because, after all, it is the Parliament that represents the people and has the final say in this matter—should consider an increase in the penalties that might be available for causing death by dangerous driving or causing bodily injury by dangerous driving. That is a matter which I have under consideration. I also have under consideration the other matters that the honourable member has mentioned. There are certainly some options that are available. It is highly unlikely—although I will certainly seek the Crown Prosecutor's view—that an application for special leave to appeal to the High Court on a sentencing matter would be granted. That is the preliminary advice that I have, but I have asked the Crown Prosecutor for his views on that topic.

The other matters, whether or not the penalties need to be assessed, I have already hinted at or indicated in my statement in response to the decision of the Court of Criminal Appeal, and will give further consideration to that once I have the full report from the Crown Prosecutor. I believe that that has adequately outlined the action that has been taken by the Government in this area.

With respect to the comments that I made, it was a carefully argued case to the Court of Criminal Appeal, and the comments were made in the light of that careful case and I believe a careful and rational case was put. With respect to the Premier's comments, I understand that those comments were of a generic nature made in the context of a call on other States to introduce legislation to bring penalties for drug offences up to those that currently exist in South Australia. Let there be no mistake that in the past three years, and not just at the present time, this Government has acted responsibly with respect to law and order issues. It recognises the concern in the community about crime. It has taken action over a whole range of law reform measures to ensure that penalties are adequate, to ensure that court procedures are proper and give proper attention to the victim, and there will be a major package with respect to victims of crime available in the near future. We will continue to act in that careful and responsible manner to ensure that criminal activity in this State is punished by the force of law.

The Hon. K.T. GRIFFIN: A supplementary question. Can the Attorney-General identify which cases of drug dealing the Premier is complaining about in respect of his criticism of the courts?

The Hon. C.J. SUMNER: As I said before, as I understand it, the comments made by the Premier that I have seen in the press were of a generic nature calling on the courts to impose sentences appropriate to the offence with respect to drug dealing. I should also add that it was a statement made in conjunction with other statements made by the Premier, for instance, calling upon the other States of Australia to introduce the tough legislation that South Australia has introduced with respect to penalties for drug trafficking. I do not know whether the Premier had any specific examples in mind. If he did, I am certainly not aware of it.

NURSE REFRESHER COURSES

The Hon. ANNE LEVY: I seek leave to make a brief explanation before asking the Minister of Health a question about nurse refresher courses.

Leave granted.

The Hon. ANNE LEVY: In today's paper, there is a letter to the editor from someone who is undertaking a nurse refresher course prior to, presumably, seeking employment as a nurse to take up one of the many positions which are available for trained nurses in this State.

I am sure all members are aware of the fact that there is currently a shortage of nurses applying for jobs in our hospitals. They may also be aware that there would be certainly no shortage (in fact, a vast oversupply) if all the people with nursing qualifications in the State were members of the labour force.

There are numerous people with nursing qualifications who wish to return to the work force but who obviously

believe that a refresher course is necessary and desirable before they are employed as nurses because of their having been out of the work force for a number of years, often as a result of family responsibilities. The Government is offering a number of refresher courses for these people so that they can again practise as nurses in our hospitals and elsewhere. The letter in question complains that people undertaking the refresher courses are not eligible for any allowances while doing so and consequently they have nothing to live on. Can the Minister explain to the Council and, I presume, to Miss Katriona O'Higgins what arrangements are being made through both the State and Federal Governments regarding the nurse refresher courses and the payment of training allowances for people undertaking these courses?

The Hon. J.R. CORNWALL: The Hon. Ms Levy is of course right. I have said often over the period of the last three years that the greatest difficulty facing the health care sector generally is the provision of adequate numbers of well trained nurses with suitable qualifications. Because that is well recognised, the Government has put in train a whole range of assistance to ensure that we overcome that shortage both in the medium and longer term. For example, we are actively supplying and extending hospital based child-care for women with children who wish to return to the nursing work force. At Royal Adelaide Hospital in particular we are actively instituting a policy of flexible working hours and such things as job sharing and permanent part-time employment for nurses so that we can encourage more and more trained nurses into the work force. There has been an extension—indeed, a doubling—of the intake of student nurses to tertiary training. By the beginning of next year we will open a new campus at Salisbury that will actually double the number of student nurses being trained in the tertiary based sector, while still retaining the number of student nurses being trained in hospital based nursing schools.

We are about to embark on a major campaign in schools for school leavers, explaining to them the advantages of a career in nursing, so that we are hoping to actively recruit adequate numbers of students for 1986. In addition, we have negotiated with the RANF and we are now in a position where it has been agreed, with the full support of the Commonwealth Department for Immigration, and we are actively recruiting 60 permanent migrant nurses from the United Kingdom with special skills: either as theatre sisters or as nurse educators.

We are also recruiting 50 trained nurses from the United Kingdom on a temporary basis to fill part of the shortfall. In addition, as the Hon. Ms Levy rightly says, there are literally thousands of trained nurses out in the community who, for one reason or another (and in many cases I might say, obviously, it is marriage and childbearing), are not currently in the work force. We are very anxious that they be re-recruited. This was one of the major reasons I went to Canberra last Thursday where I met with three federal Ministers. Among them was Ralph Willis, federal Minister for Employment and Industrial Relations. I specifically sought talks with him to see whether we could finalise arrangements for Commonwealth funding for South Australia under the Skills in Demand program.

I am happy to advise the Council that, as a result of those negotiations, the Federal and South Australian Governments have now agreed on funding of $1.5 million for two nurse refresher training programs. The Commonwealth Government will provide up to $900 000 under the Skills in Demand program and South Australia will contribute $600 000. In 1985-86 this will allow the establishment of two major projects in South Australia. The first will be a training scheme to enable up to 350 registered and enrolled nurses and registered midwives who have been out of the work force to undergo refresher courses and return to their profession.

The second will be a special training course to enable 50 migrant nurses, who are already in South Australia, to re-enter the nursing profession. Interestingly, this project is aimed specifically at recruiting nurses for whom English is a second language. It will be a major contribution to the health education liaison person network, the so-called help network that we have established.

The Hon. R.J. RITSON: I rise on a point of order, Mr President. We have always been very generous with leave for ministerial statements. The Minister is abusing the process of Question Time.

The PRESIDENT: I do not think it is a point of order.

The Hon. R.J. Ritson: I just wanted it in *Hansard*—

The Hon. J.R. CORNWALL: I want in *Hansard* the fact that we are establishing two significant programs at a cost of $1.5 million.

Members interjecting:

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: I am not about to apologise to the Council for that. Also, I point out that about $500 000—and this is apropos one of the specific questions the Hon. Ms Levy raised—of Federal Government funding will represent the provision of allowances to persons undertaking refresher courses subject to means and income testing. I am pleased to say that the Federal Government is responding to current and expected shortages of general nurses in South Australia and to the need to have migrant nurse qualifications recognised.

As I said, they have a special place in the active migrant health program that we currently have in place in our hospital system. Under the South Australian program, general nursing courses up to 20 weeks in length will include both theory and supervised clinical experience. The courses will cover a wide range of skills needed by registered and enrolled nurses and registered midwives who have not—

The Hon. L.H. DAVIS: I rise on a point of order, Mr President. Clearly the Minister is reading directly from a press release and it is an abuse of the proceedings of the Council.

The PRESIDENT: As I have pointed out previously, I have no jurisdiction over how Minister reply to questions, and that is perhaps unfortunate. I ask the Minister whether he is likely to be much longer.

The Hon. J.R. CORNWALL: No, I am not likely to be much longer, Mr President. I am never dumbfounded by this Opposition—

The Hon. M.B. Cameron: You're dumb.

The Hon. J.R. CORNWALL: The Hon. Mr Cameron says that I am dumb. I think that I should ask for a withdrawal and an apology for his making that remark.

The PRESIDENT: Order! I notice in the gallery members of a visiting British parliamentary delegation and extend to them, amid the uproar, a cordial welcome on behalf of all honourable members. I ask the Attorney-General and the Leader of the Opposition to escort Sir Kenneth Lewis, leader of the delegation to a seat on the floor of the Council.

The Hon. Sir Kenneth Lewis was escorted by the Hons C.J. Sumner and M.B. Cameron to a seat on the floor of the Council.

The PRESIDENT: The Minister of Health.

The Hon. J.R. CORNWALL: At this stage of the proceedings I must ask you, Mr President, to rule on whether the use of the word 'dumb' in the context in which it was used is either unparliamentary, grossly misleading, or both.

The PRESIDENT: I will give the matter due consideration and reply in time.

The Hon. J.R. CORNWALL: I look forward to tomorrow. I know that you do not need much assistance, Sir, but

I suggest that in my case the use of the term is grossly misleading. I am sorry that the question of a $1.5 million program to re-recruit 400 nurses back into the South Australian work force is not considered a matter of any moment by the Opposition. I believe that I have given enough detail to satisfy the Hon. Miss Levy and all responsible members of the Chamber: therefore, I rest my case.

CHILD CARE

The Hon. I. GILFILLAN: I seek leave to make a brief explanation before asking the Minister of Health a question about child care at the Royal Adelaide Hospital.

Leave granted.

The Hon. I. GILFILLAN: It was with some fascination that I heard the Minister declare how much consideration and effort has been applied to child care available to nursing staff at the Royal Adelaide Hospital. Before asking the Minister a question I will read the following letter I have received from a constituent who is a nursing sister at the Royal Adelaide Hospital:

I would like to draw your attention to the child care situation at the Royal Adelaide Hospital with the hope that you might be in a position to encourage the Health Minister to approve extended hour care for the centre.

At present, a child care centre is open and functioning from 7.30 a.m. to 5 p.m. It was expected that funding and approval would be given to operate the centre on a 24-hour basis, in order to allow children of shift workers the opportunity to utilise the centre; this has not happened.

My situation is I am a single parent and a registered nurse. I was recruited to work at the Royal Adelaide Hospital on a part-time basis on the understanding that child care facilities would be available to cover the hours involved with shift work that I was required to do. This included weekends. I was receiving welfare in the form of a sole parents benefit prior to my employment. Two other nurses that I am aware of were employed under the same circumstances.

I have been told that neither funding nor approval for extended hours has been given, and at this stage the centre will not be open for extended care. We are all experiencing problems with care for our children due to both the hours we are required to work, and the fact that we had organised temporary child care as we were told that the Centre would be operating at hours suited to our needs soon. That was in May 1985. Family Child Care Services have not been able to help.

By actively blocking the opening of the centre for extended care, the Government is responsible for passively encouraging women such as myself to remain on the poverty line, utilising all welfare resources and adding to the burden of social welfare expenditure.

The Royal Australian Nursing Federation has expressed its 'concern' over the situation, but being such a passive, whimpish federation has not had the impetus nor the muscle to push the issue.

To compound the situation, 250 nurses from overseas have been recruited to work in South Australia to help overcome the acute shortage of nurses in the work force. This shortage is directly related to nurses conditions of employment, of which the lack of 24-hour child care facilities is a major problem and indeed a barrier in the ability of nurses with children to successfully return to the work force. The Royal Adelaide Hospital has had cancellations from women who had been recruited to work, but were forced to renege on commencing, due to the failure of the centre to provide extended care.

An enormous financial sum would have to be utilised in order to transport 250 nurses from around the world, provide them with a return air fare, annual leave and incorporate them into orientation programs in order to fill 250 positions for a 12-month period. Surely it's money better spent on providing care for children to encourage South Australian women to return to work.

My questions are as follows:

1. Why is the child care centre not operating at hours convenient to the nursing staff?

2. Does the Minister agree that local nurses unable to work because of inadequate child care facilities would be cheaper and better suited to fill South Australia's nursing requirements than would overseas or interstate imports?

3. Will the Minister undertake to have the child care centre at the Royal Adelaide Hospital opened on a 24-hour basis as promised and as soon as possible?

The Hon. J.R. CORNWALL: First, I must say that anyone who describes the present executive of the RANF as passive and whimpish would open a large credibility gap: it is a very active organisation. The South Australian Secretary of the RANF and her executive (and that includes the Director of Nursing at the Royal Adelaide Hospital, who is a Vice President of the RANF) comprise arguably the most active branch of the Royal Australian Nursing Federation in this country. Miss Maralyn Beaumont, the Secretary of the RANF, played a very active role and had a high profile at the ACTU Congress only last week. To describe her or her executive as passive and whimpish is ridiculous.

This so-called passive and whimpish executive has been responsible for the introduction of the 38-hour week through a 19-day working month. It has been responsible for a whole range of other improvements in conditions which have been granted during the period while it has been the executive and I have been the Minister. The honourable member should go back to his correspondent and query her extraordinary use of the English language.

As to the 24-hour child care not yet having happened, had the Hon. Mr Gilfillan been present when I opened the child care centre at the Royal Adelaide Hospital he would know that I made specific reference to the fact that it would be opened in the first instance between 7.30 a.m. and 5 p.m. It is a trailblazing exercise, as is the extension at Flinders Medical Centre, Glenside Hospital, and at the Queen Elizabeth Hospital, and as are all of those places—

Members interjecting:

The PRESIDENT: Order!

The Hon. J.R. CORNWALL: The honourable member should try to restrain himself when we have visitors. He can make a fool of himself privately later. They are all trail blazing exercises. We made very clear that in the first instance the child care centre at the RAH would be open from 7.30 a.m. to 5 p.m. That is the period of greatest demand.

The Hon. L.H. Davis: When does the shift start?

The Hon. J.R. CORNWALL: They happen to work flexible hours. If the honourable member had any interest in the matter, or any knowledge about it, he would know that the Director of Nursing at the RAH, who is also a senior member of the RANF executive, has introduced split shifts and flexible hours. Those are the most appropriate hours for it to be open at this time. If the demand exists, and if we recruit enough local nurses back into the nurse force obviously that is better than migration and is quite obviously better than facing the expense of training student nurses from scratch. However, this is only a beginning and I am on the record as saying that, based on our experience, we will have the child care centre open for whatever hours are most convenient, including ultimately 24 hours a day seven days a week, if that is practical and cost effective.

QUESTION ON NOTICE

LAND AND BUSINESS AGENTS BOARD

The Hon. K.T. GRIFFIN (on notice) asked the Attorney-General:

1. What amounts stood to the credit of the Consolidated Interest Fund held by the Land and Business Agents Board at 30 June 1982, 1983, 1984, and 1985?

2. What amounts have been received by the Board for interest on the Consolidated Interest Fund for the years ended 30 June 1983, 1984, and 1985?

3. At 30 June 1985, in what investments has the Consolidated Interest Fund been invested, and what is the return for each such investment?

4. What amounts have been paid out of the Consolidated Interest Fund and for what purpose in the years ended 30 June 1983, 1984, and 1985?

The Hon. C.J. SUMNER: As the reply is purely statistical, I seek leave to have it inserted in *Hansard* without my reading it.

Leave granted.

Reply to Question

1. 30 June 1982 .... $2 137 120
   30 June 1983 .... $2 561 312
   30 June 1984 .... $3 095 517
   30 June 1985 .... $3 275 407

2. 30 June 1983 .... $275 207
   30 June 1984 .... $368 452
   30 June 1985 .... $401 597

3.

	Amount $	Interest Per cent
Reserve Bank Cheque Account	11 397.48	NIL
Deposits at Call:		
REI Building Society	141 652.00	13.0
Term Deposits:		
REI Building Society	579 261.48	15.0
Co-op Building Society	185 000.00	14.55
Co-op Building Society	769 171.23	15.9
Hindmarsh Adelaide Building Society	518 924.66	17.0
First National Ltd	650 000.00	15.45
State Bank of South Australia	420 000.00	15.0
Total	3 275 406.85	

4.

Date	Details of Payment	Amount $	Legal/ Accounting Fees $	Total $
30.6.83	CIF Claims—Vin Amadio & Co. Pty Ltd (Agent)	68 367.57	NIL	68 367.57
30.6.84	CIF Claims—Vin Amadio & Co. Pty Ltd (Agent)	9 360.00	800.00	
	CIF Claims—M. Daly (Salesman)	1 000.00	NIL	
	CIF Claims—A. W. Richards (Agent)	58 933.23	780.78	
	Legal Costs—W. Lehmann (Agent)	NIL	500.00	
	Legal Costs—Swan Shepherd Pty Ltd (Agent)	NIL	22 205.26	
		69 293.23	24 286.04	93 579.27
30.6.85	CIF Claim—W. Lehmann (Agent)	222 615.33	23.00	
	CIF Claim—A. W. Richards (Agent)	7 661.90	1 394.00	
	CIF Claim—Kearns Bros (Real Estate) Pty Ltd (Agent)	309 581.37		
	Accounting Fees—L. A. Field (Agent)	NIL	1 396.00	
		539 858.60	2 813.00	542 671.60

RURAL INDUSTRY ASSISTANCE (RATIFICATION OF AGREEMENT) BILL

The Hon. FRANK BLEVINS (Minister of Agriculture) obtained leave and introduced a Bill for an Act to approve execution on behalf of the State of an agreement between the Commonwealth, the States and the Northern Territory relating to the provision of assistance to persons engaged in rural industries. Read a first time.

The Hon. FRANK BLEVINS: I move:

That this Bill be now read a second time.

In introducing this Bill to Parliament the Government is again demonstrating its commitment to agriculture in South Australia. The Bill ratifies the Commonwealth-States Rural Adjustment Agreement 1985 which is authorised under the auspices of the States and Northern Territory Grants (Rural Adjustment) Act 1985 of the Commonwealth.

The new agreement and Commonwealth legislation followed a review of the previous rural adjustment scheme and an inquiry by the Industries Assistance Commission. The agreement will allow assistance to be provided to primary producers along the lines of previous rural adjustment schemes. Assistance falls into three broad categories.

Part A assistance privides for concessional loans or interest rate subsidies to be provided to primary producers, including apiculturalists and aquaculturalists, to assist with farm build-up, farm improvement and debt reconstruction. To be eligible for this type of assistance primary producers must be unable to obtain adequate commercial credit on affordable terms and must have good prospects for long-term viability after being assisted. Interest rates on loans will be regularly reviewed and increased to commercial rates once a farm business has achieved an acceptable level of profits. Interest rate subsidies will stay in place for a maximum of seven years.

Part B assistance provides for carry-on assistance to those farmers whose businesses become unviable, in the short term, through severe downturn in market prices for their products. Again, assistance will only be provided to those businesses which cannot obtain appropriate commercial credit and which have good prospects for the future.

Part C assistance is a welfare package designed to minimise hardship for those primary producers whose businesses will not support normal family living expenses. Household support provides for a family at the same rate as unemployment benefits, for up to three years. Rehabilitation grants provide up to $8 000 as a lump sum payment for primary producers who have to sell their properties and who are left with no cash resources after repaying debts.

The assistance package provides excellent support for those farmers who need to make adjustments to their businesses in order to survive and also for those people who are unable to survive in rural industries.

A fundamental change in funding arrangement has been introduced for the new rural adjustment scheme. For previous schemes the Commonwealth has provided capital funds to States for on-lending to farmers. These funds have been provided as 20 year loans bearing interest rates of 7 and 8 per cent per annum. Fifteen or 25 per cent of annual allocations have been provided to States as a grant. The new scheme requires States to borrow funds to finance loans to primary producers for Part A and Part B assistance. The

Commonwealth provides annual allocations of interest subsidy to cover half of the borrowing costs incurred by States for Part A assistance and 25 per cent of borrowing costs for Part B assistance. The Commonwealth also provides contributions towards the administrative costs of the scheme. Part C assistance is wholly funded by the Commonwealth.

Whilst less generous than previous schemes the new rural adjustment scheme provides a worthwhile assistance package for primary producers. In summary, this Bill adds significant support to previous Government initiatives which will support South Australian agriculture into the future. I seek leave to have the detailed explanation of clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clause 1 is formal. Clause 2 provides that the measure is deemed to have come into operation on the first day of July 1985. Clause 3 defines 'the agreement' as the agreement between the Commonwealth, the States and the Northern Territory in the form of the schedule.

Clause 4 provides that the execution on behalf of the State of the agreement is approved. Any act done by the Minister in anticipation is ratified. Clause 5 provides that the Rural Industry Assistance Act 1985 applies to the agreement.

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

RURAL INDUSTRY ASSISTANCE BILL

The Hon. FRANK BLEVINS (Minister of Agriculture) obtained leave and introduced a Bill for an Act to provide assistance to persons engaged in the rural industry; to repeal the Rural Industry Assistance (Special Provisions) Act 1971 and the Rural Industry Assistance Act 1977; and for other purposes. Read a first time.

The Hon. FRANK BLEVINS: I move:

That this Bill be now read a second time.

In introducing this Bill to establish the Rural Industry Assistance Act 1985 the Government is again effecting rationalisation of legislation in the interests of efficiency and is also making provisions for ongoing assistance to primary producers in South Australia.

The Bill repeals the Rural Industry Assistance (Special Provisions) Act 1971 and the Rural Industry Assistance Act 1977 and replaces them with a new Act which will cover residual responsibilities under the 1971 and 1977 Commonwealth-States Rural Adjustment Agreement and also will provide State legislation for the operation of the 1985 rural adjustment agreement. The 1985 agreement, and any agreements arising in the future, will be individually formalised by the introduction of a short approving Bill.

This measure will allow transfer of surplus funds, which accumulate from the operation of previous rural adjustment schemes, to the Rural Industry Adjustment and Development Fund. This fund was established under the Rural Industry Adjustment and Development Act 1985 which is designed to provide State funded assistance to primary producers in South Australia. This legislation represents a major Government initiative in support of South Australian agriculture and will assist in maintaining agriculture as a major force in the State's economy. I seek leave to have the detailed explanation of the clauses inserted in *Hansard* without my reading it.

Leave granted.

Explanation of Clauses

Clauses 1 and 2 are formal. Clause 3 provides for the interpretation of expressions used in the measure: 'farmer' means a person engaged in growing crops or rearing animals in this State; and 'protection certificate' means a protection certificate granted under this measure.

Clause 4 provides for the repeal of the Rural Industry Assistance (Special Provisions) Act 1971 and the Rural Industry Assistance Act 1977. Clause 5 provides that the measure applies to the two agreements referred to in the repealed Acts, and to any other agreement approved by Act of Parliament and declared by the Act of approval to be an agreement to which this measure applies. Clause 6 provides that the Minister may establish separate funds for the purposes of each agreement to which the measure applies. Money may be paid into or out of a fund for the purposes of the agreement pursuant to which the fund is established or for any other purpose authorised by Act of Parliament.

Clause 7 provides that the Minister is authorised to carry out the terms of each agreement to which the measure applies. The Minister may delegate any power or function conferred on him by an agreement to which the measure applies. Clause 8 provides for the grant of protection certificates by the Minister to farmers. On granting a certificate the Minister must file a copy with the Registrar-General and cause notice to be published in the *Gazette*. The Minister must not grant a certificate unless the farmer has applied for assistance under an agreement to which the measure applies, there is a prospect that the farmer will be eligible for assistance, that unless the certificate is granted the farmer is unlikely to be able to continue farming or benefit from the assistance, and it is proper and desirable to grant a certificate.

Clause 9 provides that a list of all protection certificates be kept at the office of the Minister available for inspection on request. Clause 10 provides that a protection certificate protects a farmer from the commencement or continuation of proceedings for the recovery of any debt or damages. But the certificate does not prevent an action for damages for personal injury, proceedings under the Workers Compensation Act 1971, proceedings authorised by regulation or proceedings authorised by the Minister.

Clause 11 provides that the protection certificate remains in force until cancelled. The Minister may cancel a certificate by notice in the *Gazette* if the farmer abandons the farm or fails to operate it to the satisfaction of the Minister; the farmer contravenes or fails to comply with a condition of the certificate; the Minister considers that the farmer's circumstances do not warrant a certificate.

Clause 12 provides that, in determining a period of limitation, no account is to be taken of the period during which the defendant has been protected by a protection certificate. On the cancellation of a certificate, any proceedings suspended by the grant of the certificate may be continued. Clause 13 is the regulation making provision.

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

BUDGET PAPERS

Adjourned debate on motion of Hon. C.J. Sumner:

That the Council take note of the papers relating to the Estimates of Payments and Receipts, 1985-86.

(Continued from 11 September. Page 815.)

The Hon. R.C. DeGARIS: The procedure of speaking on the papers in regard to the budget is reasonable because

when the budget reaches this Council it can be dealt with more quickly. One could spend a lot of time analysing any State budget. It is possible to touch only briefly on some of the important points in the thousands of pages of material now available to us from the Auditor-General's Report through to the yellow books of program performance budgeting. However, it is also very difficult to make comparisons between the budget lines and the figures in the yellow books. I give one example in regard to the Department of Agriculture: the lines give an allocation of about $47 million, but according to the yellow book the department's total expenditure is between $75 million and $80 million. There are other incomes to the Department of Agriculture which appear in the yellow book, so it is very difficult to make comparisons.

In 1984-85 total State collections amounted to $792 million, which was $27 million more than the estimates proposed and a rise during the year of about 3.5 per cent. The main increase in taxation came from stamp duties, due mainly to property transactions and rises in property values. This increase amounted to $20.6 million. The 1985-86 estimates anticipate further growth in many State taxation areas: an increase is anticipated in land tax from $33.2 million to $38 million, which is an increase of $4.8 million (14.5 per cent); gambling will see an increase from $45.7 million to $54.2 million, which is an increase of $6.5 million (18.6 per cent); motor vehicles, an increase from $63.3 million to $70 million, an increase of $6.7 million (10 per cent); payroll tax, an increase from $253.8 million to $262 million, which is an increase of $8.2 million (3.2 per cent); financial institutions duty, an increase from $28.8 million to $31 million, which is an increase of $2.2 million (7.6 per cent); and stamp duty, an increase from $207.6 million to $227.5 million, which is an increase of $19.9 million (9.6 per cent).

I now turn to the business franchise area, which comes also under taxation. For gas, the anticipated increase is from $4 million to $4.8 million, which is a 20 per cent increase; liquor will see an increase from $30.7 million to $31.1 million, or 1.3 per cent; petroleum will see a decrease from $48.5 million to $46 million, which is a decrease of 5.2 per cent; tobacco, an increase from $38.5 million to $40 million, an increase of 3.9 per cent; regulatory services will see a decrease from $6.9 million to $6.5 million, which is a decrease of 5.8 per cent; ETSA will see an increase from $25.7 million on the levy to $28.5 million, a $2.8 million increase (10.9 per cent); and the State Bank will see an increase from $7.4 million to $12.5 million, which is a 68.9 per cent increase.

The overall proposed tax collection for 1985-86 is $852 million, which is an increase of 7.3 per cent over the 1984-85 budget. Tax increases for the three years of this Government are as follows: in 1982-83 to 1983-84 there was an increase of $114.8 million, or 20.9 per cent; in 1983-84 to 1984-85 there was an increase of $130.1 million, or 19.6 per cent; in 1985-86 there is a proposed increase of $58 million or 7.3 per cent.

The Hon. J.R. Cornwall interjecting:

The Hon. R.C. DeGARIS: I intend doing that.

The Hon. J.R. Cornwall: I should have known better.

The Hon. R.C. DeGARIS: Yes, certainly. I will deal with that in a moment. As a matter of fact, I will be fair and include other figures which may assist the Government's argument, not that it will help very much. The increase over the three budgets of this Government in relation to taxation in this State amounts to 55.2 per cent. However, as the Minister said by way of interjection, one should be fair and examine not the overall increase in taxation levels but we should, first, look at the increase per capita. It is unfair to look only at the question of a gross increase in taxation when a population increase might answer that question. If the adjustment is made on a per capita basis, the taxation increase becomes 52.6 per cent.

The CPI increase over that period of three budgets shows an increase of 21.3 per cent. That caters for the question of inflation, which answers the Minister's interjection. However, on a per capita basis in South Australia, over the three years of this Government, the increase in State taxation (not State charges, which will be looked at in a moment) was 52.6 per cent, compared with a CPI increase in that period of 21.3 per cent. So, it can be seen that the tax increase on a per capita basis is 2½ times the CPI rise over those three budgets.

I know that members of the Australian Labor Party in the Chamber will immediately argue (and it is a wonder that they have not done so already) that the increase in taxation could not be placed on their shoulders alone because of the inherited deficit and the absorption of capital funds for recurrent purposes by the previous Government. When one considers the inherited deficit, one must realise of course that it was about $14 million. One must add to that $14 million the absorbed capital.

The Hon. K.L. Milne: What date was the $14 million?

The Hon. R.C. DeGARIS: It was a paper presented in the House at the time the last Government was defeated. What I am saying is that with the previous Government there were criticisms I made in the House of the absorption of capital funds for recurrent purposes. Also, it finished with a deficit of about $14 million.

The Hon. J.R. Cornwall interjecting:

The Hon. R.C. DeGARIS: That is right, yes.

The Hon. J.R. Cornwall: How much did they actually transfer in capital funds over that three years? Around $150 million?

The Hon. R.C. DeGARIS: That is not far away. That is correct. It could be argued that the interest payable on those funds would have been payable by the taxpayers irrespective of how those funds were used. I do not want to argue that particular line. What I intend doing is to remove the interest on those capital funds absorbed by recurrent budgets of the previous Government entirely from the responsibility of the present Government in this exercise. No-one can argue that making such an adjustment is in any way unfair to the present Government. Indeed, it can be argued that it is unfair to do it that way, because the interest payable would be still there, no matter how those funds were used.

On a per capita basis the increase in taxation over three budgets has been 52.6 per cent compared with the CPI increase of 21.3 per cent. Deducting the interest on those capital funds reduces this Government's responsibility to 41.6 per cent—a reduction of 11 per cent. This Government cannot deny that it is responsible for at least—and I emphasise 'at least'—an increase in taxation of double the CPI increase in the period of its administration.

The Hon. J.R. Cornwall: What percentage of the total budget outlay in any year is that increase?

The Hon. R.C. DeGARIS: I have allocated all that interest.

The Hon. J.R. Cornwall: To put it in perspective, in a budget of $3 billion what percentage is due to an increase in State taxation?

The Hon. R.C. DeGARIS: I am dealing entirely with State taxation at this stage. It is just a question of direct State taxation—its increase in this State compared to CPI. Making a fair judgment, in the arguments that have been put in this Council, some of that increase in taxation may not have been due to this Government's effort. What I am pointing out to you is that there is a rise of at least double the CPI increase in this State in that period that this Government must carry as its responsibility. One cannot examine taxation increases for 1985-86 without considering the Gov-

ernment's $41 million tax cuts recently publicised. For example, the return from land tax is proposed to be 14.5 per cent higher in the 1985-86 budget than in the 1984-85 budget. That is even after the proposed cuts announced in land tax.

The Government has promised this $41 million cut in taxation but, if one looks at land tax, one sees that the increase in land tax in this budget is 14.5 per cent higher than in the previous budget, and that is almost double the predicted CPI increase. One can hardly argue that tax cuts are really there when the proposed returns are almost double the predicted CPI increase of 8 per cent on the 1985-86 figures. Gambling taxation is proposed to be 18.6 per cent higher than in 1984-85 but the casino is proposed to return 9 per cent of that increase.

Before I pass over land tax, I point out that one of the interesting changes in land taxation is that the tax cuts reduced the number of taxpayers by 74 per cent. In other words, in 1984-85 there were 91 000 land tax payers in South Australia. In the proposed tax cuts it has reduced that number to 24 000, yet the tax increase to Treasury still is more than the predicted CPI increase. Put it this way: in 1984-85 the land tax payer averaged about $365 per year in paying that tax but in 1985-86, after the land tax cuts have been made, the average tax will rise to about $1 600 per land tax payer. By comparing it with FID, which the Government claims is a broad based tax on the whole community, we realise that land tax is a capital form of taxation and is now a narrow based tax on a small number of taxpayers in South Australia. That is certainly a change for a Government that professes a somewhat socialist view.

Gambling taxation is proposed to be 18.6 per cent higher. Financial institutions duty proposed is 7.6 per cent growth, almost level with the predicted CPI increase for 1985-86. When FID was introduced in South Australia this Council should have reduced the level of that taxation to .03 per cent instead of the proposed .04 per cent. The Government in its second reading explanation wanted to raise $22 million from FID in the first 12 months of its operation. It was clearly pointed out that .03 per cent would return to the Government that $22 million. The Liberal Party moved an amendment for the reduction from .04 per cent to .03 per cent but unfortunately that amendment was supported by neither the Government nor the Democrats even though the arguments put forward made it very clear that the Liberal Party view was correct. We see that it was correct when we look at this year, when the Government proposed to collect something over $31 million from FID taxation. The Liberal Party's view in that case was correct, as can be seen from the figures in these budget papers. Not only must the Democrats take part of the blame for the unnecessary .04 per cent FID in South Australia but the simple fact that the Liberal view could not be fully expressed on the floor of the House means that the blame for the higher level of FID in South Australia cannot be totally sheeted home to the Government and the Democrats.

Stamp duty proposed an increase of 9.6 per cent. The Government tax cuts still leave this increase in stamp duty for 1985-86 above the predicted CPI increase. In the statutory authority contributions the ETSA levy is expected to generate an increase of 10.8 per cent. Again, the amount of $11 million as a rebate against the levy still leaves the proposals for 1985-86 above the CPI increase predicted. The $11 million rebate also appears to be only applicable for an election year as no further remission appears to apply in the papers we are noting. Regarding the State Bank, the growth in tax returns increases by 68.9 per cent, and that is due mainly to the activity of the new merged group.

It is clear that the $41 million tax cuts still leave the majority of our proposed taxation imposts higher than the predicted CPI increase for 1985-86. I have already dealt with the overall increase in taxation over the three year period.

Although the overall tax increase this year is round about the CPI predicted level, nevertheless in most of the important areas of taxation, even after those cuts have been made, the Government is going to return to the Treasury a figure higher than the predicted CPI increase over that period. One cannot pass over the question of taxation without also taking into account the rises in this period in State charges. The budget estimates that the collection from State charges and fees will rise from $360.3 million to $383 million, an increase of 6.3 per cent. It can be noted that this figure is not higher than the CPI predicted increase in that financial year. The rise, however, over the three year period of this Government is 38 per cent in State charges—almost a doubling of the CPI increase of 21.3 per cent for that period. Not only taxation but also State charges have a similar style of escalation during the Government's term of office.

Before leaving the part of the budget papers dealing with taxation, I wish to stress again a point I made recently in a letter to the *Advertiser.* Since 1900, Governments of Australia have increased their taxation imposts from 7 per cent of the gross domestic product to almost 50 per cent in this financial year. All Governments have added to the overall burden placed upon the shoulders of the taxpaying public. No Government, since I have been in Parliament, can say that it did not add in some respect to that burden. In a short time, this State will be going through another election campaign with, I suppose, more promises for more money to be spent. The competition for power is the most important issue, and many politicians will be thinking more about how to gain and hold power rather than thinking about the interests of the long suffering taxpaying public.

One of the policies that can reduce the impact of taxation is the approach termed 'privatisation'. I do not like that word, but it has quite a sufficient acceptance throughout the world that it would be quite useless now to find a new one. This Government, other Governments and the Federal Government, have all so far adopted in a relatively minor way the privatisation approach but, to reduce the future impact of taxation, greater exploitation of the privatisation approach needs to be undertaken. Let me illustrate two recent reports directed only to education expenditure. The first report shows that a saving could be made of about $2 million per annum if the school bus services were contracted out to the private sector. The Auditor-General's Report suggests that $2 million could be saved in school cleaning if such work was contracted out to the private sector. These two examples are only two of the hundreds of Government operations that should be investigated for privatisation to make the competition of the free market operate for the taxpayers' benefit. If there are two minor services in education where $4 million per annum can be saved, how much can be saved by the application of the privatisation approach to the costly services of, shall we say, the Minister of Health? Without going to other variations of the privatisation approach, on the work I have done on the simple approach of contracting out to the private sector many of the activities undertaken by the Government, I believe that the reduction in the general tax level on a per capita basis could be between $30 and $50 per annum—a reduction in the tax burden of at least 5 per cent.

The Hon. J.R. Cornwall: You are going to use the 'user pays' system?

The Hon. R.C. DeGARIS: It is no longer a question of 'user pays'. Let me just take one step backwards to what I have just talked about. Does the Minister agree that we could save in the interests of the taxpayer $2 million a year by contracting out cleaning services for schools, or does he

not agree with the Auditor-General's view on this particular matter? Does he disagree with the view in the report tabled in the Parliament with regard to education that we can save $2 million a year by contracting out our school bus services? They are just two small areas. All I am saying is that we should be looking at the privatisation approach to many other Government activities, and I referred particularly to the Health Department. I am not saying at all that it is necessary to do so but if it can be demonstrated that it is in the taxpayer's interests—and I know that it is—then we should not say that it is a 'user pays' system. It is a question of doing things more efficiently.

The Hon. J.R. Cornwall: What areas in the health spectrum are you talking about?

The Hon. R.C. DeGARIS: We could start off with the Central Linen Service if you like.

The Hon. J.R. Cornwall: No, you couldn't. The CLS is currently saving the taxpayers $1.5 million a year. That is irrefutable.

The Hon. R.C. DeGARIS: That is irrefutable, is it? What is the position over, say, the last five years?

The Hon. J.R. Cornwall: I can't be responsible for what you people were doing in 1980 and 1981—letting it run down.

The Hon. R.C. DeGARIS: I have already given two instances in reports—one from the Auditor-General and one from another committee—which indicate that up to $5 million could be saved in a privatisation approach. I know very well that, in the whole of the Government services, that approach should be looked at. I am certain that there are a lot more savings that can be made.

The Hon. J.R. Cornwall: That is not privatisation: that is good business management you are talking about.

The Hon. R.C. DeGARIS: Okay, it is the same thing.

The Hon. J.R. Cornwall: No, it is not. You do not flog off Qantas and the Commonwealth Bank because they are successful.

The Hon. R.C. DeGARIS: I will say this to you, too. Sir Lennox Hewitt said the other day on television that it is necessary that we examine why Governments were involved in those services when they did it, and see whether those reasons still apply. That is the privatisation approach. If the reasons are still there for it being done that way and if the reasons are still there that it can be done more efficiently that way, the privatisation approach does not touch it. But when it can be demonstrated clearly that there are savings to the taxpaying public by taking a different approach, we should do it. That is the only point I am making.

The Hon. J.R. Cornwall: You cannot demonstrate that for the Central Linen Service in 1985. You simply cannot demonstrate it. I defy you to do it.

The Hon. R.C. DeGARIS: All right. Perhaps we will say the Central Linen Service is perfect; we will say the Central Linen Service is returning a tremendous investment on invested capital in the Central Linen Service; we will say it is paying tax to the Government for the things it uses.

The Hon. J.R. Cornwall: It is saving the taxpayer's money, and that is the same thing in the public sector, as you know.

The Hon. R.C. DeGARIS: All I can say is that, if an examination of that service shows that what the Minister says is correct, then it will stay as it is. If it can be demonstrated that there is a better way to do it, it should not be there, in the interests of the taxpayer. That is the point.

The Hon. J.R. Cornwall: That is why I wouldn't take the frozen food factory back.

The Hon. R.C. DeGARIS: Perhaps I can ask the Minister why his Government put it there in the first place. I do not wish to deliver at this stage a long address to the Council on my views on the adoption of policies along the lines of the privatisation approach.

This would not be the right time for such a dissertation. However, I am disappointed that the Premier (Hon. J.C. Bannon) said that the Liberal Party's privatisation policy would be a disaster when he has little knowledge of the proposals and when the Liberal Party has strongly approved the minor privatisation moves that the Premier and his Government have made, for example, the sale of Housing Trust shopping centres, the proposal to sell Health Commission premises, the privatisation of AMDEL and the proposal for the Film Corporation.

Already this Government has embarked on a rather minor approach to the use of privatisation. If these minor moves are in the interests of the taxpayer, a few major moves must also be important in the interests of the taxpaying public. I conclude my remarks on the taxation figures for the 1985-86 budget by saying that the rise in taxation in South Australia over the three years of this Government's management has, allowing more than reasonably for the blame that it attached to the previous Government's use of capital funds to balance the recurrent capital deficit, been double the amount of CPI increases in that period on a per capita basis. The Government can no longer divest itself of blame for the rise in taxation in South Australia. Secondly, I am disappointed that the Government, from the Premier down, is unwilling to accept the plain fact that in the privatisation approach millions of dollars of tax burdens can be eased from taxpayers' shoulders.

Having dealt with the question of State taxation, I wish to turn to the presentation to Parliament of a balanced budget and the reduction of the State deficit from $64 million to $51 million, a reduction of about $13 million.

The Auditor-General has pointed out that $25 million should have been included in the 1984-85 figures, thus reducing the overall deficit to $26 million. That would have meant that the budget we are examining for 1985-86 should have proposed a deficit of $25 million, but it is an election year, so the $25 million was held over and brought into the budget for 1985-86. The headline of Matt Abraham that the Premier was 'caught with his fingers in the till' is probably the best way to put it. As I see it, irrespective of whether the $25 million is in one budget or another, it makes no difference to the fact that the budget estimates present a continuing deficit of $51 million at the end of June 1986.

I find it difficult to predict results for the 1986-87 budget based on the movement of funds from 1984-85 and 1985-86. Nevertheless, 1985-86 will have an effect upon 1986-87, which will be a difficult financial year for any government in power. This budget could have been made with the deficit reduced to $26 million and still be a balanced budget. For example, the 1984-85 budget line for rises in wages and prices was about $50 million, yet the 1985-86 budget figure almost doubles that line to $91.6 million. Clearly, this line will be in excess by at least $20 million.

Another increase in commitment that needs to be understood is the line for superannuation, which is taken now from the various departments to total $94 million. That will be about $20 million higher than the payment by the Government to meet its superannuation commitment. With strong Government control on expenditure this financial year this budget could finish the year with a considerable reduction in the accumulated deficit but, to do that, every Government expenditure needs to be watched with care and use needs to be made of the privatisation approach. In relation to the payments side of the budget, changes in some of the responsibilities do make it difficult to make comparisons with previous budgets. Increases in expenditure for 1985-86 include the Legislature, an increase of 44.6 per cent that is due mainly to election expenses. The Premier's Department increase of 46.5 per cent is due mainly to the 150th anniversary celebration costs. For the Treasurer, the

increase of 139 per cent is mainly due to transfer of public debt servicing from special Acts to the Treasurer. Children's Services is a new ministry that has been transferred from the education line; recreation and sport has an increase of 37.2 per cent for administration costs and recreation purposes; housing construction and public works has an increase of 85.9 per cent mainly because of the transfer of contributions to the Commonwealth agreement from the Premier and Treasurer.

For correctional services we have an increase of 31.2 per cent for salaries, wages and goods and services only. Decreases in expenditure for 1985-86 include the Minister of Labour, a 9.8 per cent reduction in the transfer of deposit account for community employment, and special Acts for which responsibilities have been transferred to the Treasurer, a decline of 243.9 per cent. Most of the increases and decreases of any reportable size are movements in the lines that I have quoted. One can say that the expenditure budget is a stay-as-we-are budget compared to the 1984-85 budget, and I do not intend directing any further comment to the payment side of the budget.

With the changes in the budget made on the capital side it is increasingly difficult to make any comparisons. It is relatively easy to understand the Loan Council borrowings but, with capital funds now coming from statutory authorities, the ways in which these funds are manipulated create difficulties in understanding the position.

The State Government policy has directed the whole of its Loan Council borrowings to housing purposes, and thus those funds are at an interest rate of 4.5 per cent. In the 1984-85 budget it was proposed that $150.6 million would be borrowed from statutory authorities for money for capital works. In relation to the situation in the Loan Council, the money that comes to the States can be earmarked for housing, and housing only. That means that the Government can take that money at 4.5 per cent but needs to raise its capital moneys from other sources.

As I understand the position, Loan Council funds allocated to housing must equal the borrowings from statutory authorities. Clearly, the budget underestimated the increase in tax and charges collections and, with that increase, the Government did not borrow from statutory authorities the amount proposed of $150.6 million: the actual borrowings were $125.6 million, or about $10 million below the housing allocation. One can only conclude that the capital program in 1984-85 was underspent, or the proposed borrowing from statutory authorities was a means of using capital funds, if necessary, for a recurrent budget deficit.

Perhaps the boom in property sales saved the Government from that position. The interesting point in the budget is that proposed borrowings from statutory authorities are increased this year to $195 million from $125 million, an increase of $70 million above the actual borrowings last year and in excess of Loan Council borrowings by $64.4 million. It seems clear that the intention in the 1984-85 budget was to underspend the capital account in case of a recurrent budget shortfall. I am not sure of the eventual outcome of the actual decrease in borrowings in 1984-85, but the level of housing expenditure, and the proposed increase this year in the borrowings from statutory bodies, is greatly in excess of the allocation to housing.

I am of the opinion that if the total amount is taken up, then the proposed balanced consolidated budget could be a myth. Perhaps the Government will take a similar course to the 1984-85 budget and not draw its full budgeted amount from statutory bodies. There is only one thing I can say: it is certain that I will not be in this Parliament to comment upon the 1985-86 figures when they are presented.

I have one other question to direct to the Minister representing the Treasurer. It is difficult to follow all the papers presented on a particular budget, but on Thursday, in the House of Assembly, the Premier in reply to a motion moved by the Leader, said:

> Let me put the figures before the House. The total liability as shown in the Auditor-General's Report in 1983 was $2 898 million less Government cash and investments (which can be gained from the tables I have just referred to), of $523 million leaving a net liability of $2 375 million. Let us focus on that $523 million.

Later, he said:

> We took corrective action and in 1984 the Government cash and investments stood at $1 004 million . . . and in 1985 they stood at $1 213 million which was an equally significant increase.

I have looked at the papers carefully. I have had some difficulty in studying them, but cannot find in them any reference to the investments to which the Premier referred in his tables in that speech. I would like the Attorney-General, representing the Premier in this Chamber, to present to this Council the figures for 1983 and 1985, stating quite clearly what were the cash and investments in 1983 and what were the figures for 1985, because I cannot find those figures anywhere in the papers tabled.

I think that it is most important in this debate, when we have had an increase in three years of $1 000 million in State indebtedness, that this Council know the cash and investments of this Government, where they are and what the Government is doing with them. When looking at the figures today with another member of this Council we came to the conclusion that the Government quite clearly must have borrowed money overseas and reinvested that money overseas for call-up later. I am not sure whether that is right (it may not be), but I believe that when there are State investments of $1 213 million the Parliament should know where those moneys are and what they are doing.

The Hon. M.B. Cameron: And how much we are getting out of it.

The Hon. R.C. DeGARIS: Yes, and how much we are getting out of it; that is an important point. I am not being critical of the Premier's figures at all, except to say that in looking through the papers I cannot find any reference to where those funds are and how they are invested. I would like to know (and I am sure other honourable members of the Council would like to know) where that money is invested. My comments on the budget papers are my own, as I see them. There is no doubt, as I have pointed out, that in the past three years there has been an escalation in taxation on a per capita basis and, also, the State level of public debt has risen quite dramatically. I would like replies to the questions I have asked in relation to information that I cannot find in the papers that have been tabled.

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

ASSOCIATIONS INCORPORATION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 11 September. Page 815.)

The Hon. K.T. GRIFFIN: The Opposition supports the Bill. I have had an opportunity to talk to officers of the Corporate Affairs Commission about this Bill. I appreciated that consultation. The Bill seeks to deal with several matters which have been drawn to the attention of the Corporate Affairs Commission since the proclamation of the Bill to come into effect on 28 June this year. The principal area of concern is with respect to triennial returns and annual returns. Apparently there is some technical difficulty which would, in fact, bring those provisions of the Act into operation for the financial year ended 30 June 1985 when, in

fact, as I understand the Corporate Affairs Commission, it was not intended to do that until the financial year ending after 1 July 1985 so that, in effect, the provisions would have come into effect up to a year earlier than otherwise intended. That certainly would have placed a burden upon incorporated associations, if they had to comply with that provision now rather than some time later in the financial year.

There is also a difficulty with respect to amalgamations and winding up in so far as the definition of 'special resolution' relates to a specific proportion of members of an association voting on a special resolution. It did not pick up the amendments that we made during the debate on the principal Act that some associations did not have members. The amendment in the Bill is not, in fact, the amendment that I discussed with the Corporate Affairs Commission. I am proposing an amendment to section 3 which will reflect the recognition that some associations have members and some do not and that for those associations that have members the definition of 'special resolution' in the principal Act applies, and for those associations where there are no members an amendment will be made to the definition of 'special resolution' to require a majority of three-quarters of the members of a committee present and voting being required to pass a special resolution. There is also a difficulty with respect to the alteration to the name of an incorporated association.

Ordinarily amendments to rules come into operation on the date when they are approved by a meeting in accordance with the provisions for amendment contained in the constitution of an association. The difficulty is that if a change of name were to come into operation on that date it may well override the general discretion of the Corporate Affairs Commission to disallow undesirable names or names that are duplicating other names already registered. Therefore, it is appropriate that the legislation postpones the coming into effect of the alteration of a name until it has been approved by the Corporate Affairs Commission.

The only other amendment relates to section 46 of the principal Act, that is, the power of the Corporate Affairs Commission to dispose of property on an association being struck off. It is a technical amendment changing the reference to 'treasurer' being entitled to recover some commission for sale or other disposition of property to the Corporate Affairs Commission itself. Generally speaking, I support the provisions of the Bill except in respect of clause 3. As I indicated, I will move an amendment to that clause and I hope its form will not be contentious. Otherwise, I am pleased to be able to support the Bill.

Bill read a second time.

In Committee.

Clauses 1 and 2 passed.

Clause 3—'Interpretation.'

The Hon. K.T. GRIFFIN: The way in which I propose dealing with this matter is to oppose this clause and, if that is successful, move for the insertion of a new clause 3. This would, in fact, amend the definition of 'special resolution' to do as I have already indicated during the second reading debate, namely, to recognise that some associations do not have members and in that event a 'special resolution' will be a 'special resolution' of the members of the committee where it is passed by not less than three quarters of the members of that committee voting at the meeting.

The Hon. C.J. SUMNER: I will not oppose what the honourable member proposes, which does what was intended by the Bill I introduced, but in another way. However, I wish to make the general comment about the principle that is now in this Act, that is, that there can be the incorporation of organisations without members. The amendment moved by the honourable member is consistent with that position being permissible under the Associations Incorporation Act as was passed by the Parliament earlier this year. Indeed, some of the amendments that the honourable member moved when the Bill was before us previously also recognised that fact, that there can be associations incorporated which do not have any members as such.

At the time, those amendments were not objected to by the Government because the honourable member rightly pointed out that under the old Act (the original Associations Incorporation Act) there had been bodies incorporated that had no members, and I think some hospitals were in that category. However, there is still a question as to whether or not that is something that should be examined again. I say that because it might be interesting to trace the history of the original associations incorporation legislation to see whether or not it did, in fact, contemplate that there could be associations or organisations incorporated which did not have any members.

I would have thought that the original intention of the Associations Incorporation Act was to provide for associations (that is, organisations with members) the benefits of incorporation and to give some limited liability to the executive and members of the association and, of course, to provide for ease of suing and being sued, and the like. One would have expected that to apply to associations as they are broadly known, that is, organisations and groups of people who get together and form associations that have members. However, under the old legislation it appears that some incorporations were permitted where there were no members.

That was the position that the Hon. Mr Griffin was attempting to recognise in the amendments he moved to the Bill I introduced earlier this year. This is another aspect of that argument and recognises that there can be organisations incorporated that do not have members. The only question I raise is whether or not that is, philosophically, a position that is tenable—whether it ought to be. It has occurred as a matter of practice under the old legislation, but the question is whether perhaps in the broad philosophical terms it opens up the capacity for there to be a new category, if you like, of incorporations that do not have what I think have traditionally been considered to be the criteria and basis for incorporation in the past, that is, associations with members that are incorporated.

I am not making any judgment about that at this time, but it will be interesting, and I intend to ask the Corporate Affairs Commission to trace the history of these particular forms of incorporation under the old legislation to see how they came about, to see whether they were originally contemplated and to see whether, in future, there are any dangers in what might be seen to be the possibility of incorporation without any control by members or, indeed, by any body of people that should have the authority over the association itself. This peculiar system that seems to have developed means that any group of people can incorporate themselves, irrespective of whether there are members as such or not, for any of the purposes set out in the Act, which are very broad. I only raise that because it gives me the opportunity to do it with respect to the honourable member's amendment. I am not opposing it because I understand that it recognises a position that was accepted by the Parliament when the new Associations Incorporation Act was before it earlier this year. However, I intend to ask the Corporate Affairs Commission to examine this question of principle to see whether or not there are any dangers in the official recognition of incorporation of organisations that do not have members.

The Hon. K.T. GRIFFIN: I hope that the Attorney-General will not require the Corporate Affairs Commission to spend much of its time on this task, because it sounds as

though it is turning the clock back. In fact, I can point to many incorporated bodies which do not have members but which are controlled by organisations such as church groups and others so that there is accountability. From my own experience over the past 30 years, a number of bodies incorporated do not have membership as such. I think that, the association incorporation legislation having been used, without any official criticism of that practice over the years to allow these incorporations, it would be a retrograde step to seek to turn back the clock.

The Hon. C.J. Sumner: That's not what I'm suggesting.

The Hon. K.T. GRIFFIN: I am placing on the record that I hope that that situation does not develop.

The Hon. C.J. Sumner: We are looking to see whether there is any capacity for a great expansion in the activity of incorporation without the sorts of strictures which have existed in the past and which have therefore served a community purpose in the past. The question is whether it creates a whole new form of incorporation.

The Hon. K.T. GRIFFIN: With respect to the Attorney-General I do not think that that has happened. I do not think that there have been any constraints on incorporation of these bodies previously, whether trustees, development funds of any of the major denominations, some of the private hospitals which are accountable to religious bodies, or other charitable organisations. The fact is that they have all been permitted under the old Associations Incorporation Act. What was recognised in the amendments that I moved to the principal Act during the last session is that there has not been any change of practice; nor has there been any change in what the law has permitted.

It was just that the principal Act, when it was introduced as a Bill in the first instance, sought to make fairly significant changes to the then accepted position by requiring associations to have members either formally recognised in their constitutions or by virtue of a deeming provision which deemed members of committees to be members of the association. That is what really triggered the amendments that I moved, because the Bill sought to depart from what was the accepted practice under the old Associations Incorporation Act 1956, and earlier, as I understand it.

I sound that note of caution that I do not think there will be much profit in the Corporate Affairs Commission pursuing that course with any substantial resources. I do not believe that there has been any substantial change in the law, in respect of who can be incorporated and who cannot, under the provisions of this new Associations Incorporation Act. Notwithstanding that, I am pleased that the Attorney will support my amendment.

Clause negatived.

New clause 3—'Incorporation.'

The Hon. K.T. GRIFFIN: I move:

Page 1, after line 15—

Insert new clause as follows:

3. Section 3 of the principal Act is amended by striking out the definition of 'special resolution' and substituting the following definition:

'special resolution' of an incorporated association means—

(a) where the rules of the association provide for the membership of the association—a resolution passed at a duly convened meeting of the members of the association if—

(i) at least twenty-one days written notice specifying the intention to propose the resolution as a special resolution has been given to all members of the association;

and

(ii) it is passed by a majority of not less than three-quarters of the total number of members of the association who, being entitled to do so, vote personally or, where the rules of the association so provide, by proxy at the meeting;

(b) where the rules of the association do not provide for the membership of the association—a resolution passed at a duly convened meeting of the members of the committee of the association if—

(i) at least twenty-one days written notice specifying the intention to propose the resolution as a special resolution has been given to all members of the committee;

and

(ii) it is passed by a majority of not less than three-quarters of the total number of members of the committee who, being entitled to do so, vote at the meeting.

New clause inserted.

Remaining clauses (4 to 6) and title passed.

Bill read a third time and passed.

ANZ EXECUTORS AND TRUSTEE COMPANY (SOUTH AUSTRALIA) LIMITED ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 12 September. Page 871.)

The Hon. K.T. GRIFFIN: I support the Bill, which contains a technical amendment seeking to give to the ANZ Executors and Trustee Company a power which is available to other trustee companies under their respective Acts of Parliament. It is a power to allow the ANZ Executors and Trustee Company to act as an administrator with the consent of the person entitled to a grant of probate or letters of administration and with the approval of the Supreme Court. This practice is not prevalent, but occasionally a person who is named as executor in a will, or a person who is entitled to take a grant of letters of administration, prefers that to be done by one of the trustee companies. As others have this power, it seems to me to be sufficient reason to say that ANZ Executors and Trustee Company should be treated in the same way and have this power by Act of Parliament. Therefore, I support the Bill.

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

SOUTH AUSTRALIAN HERITAGE ACT AMENDMENT BILL (No. 2)

Adjourned debate on second reading.

(Continued from 11 September. Page 819.)

The Hon. M.B. CAMERON (Leader of the Opposition): I do not intend to speak for very long on this Bill, which is part of a general agreement on native vegetation controls and which has the support of the Opposition. It leads to heritage agreements being undertaken under the Native Vegetation Management Act.

It means that in future heritage agreements will be entered on the titles of land, and the land, once under an agreement, will stay in that form. That has my very strong support. It allows for the remittance of rates; a person who enters into a heritage agreement will not be under any obligation to pay rates and taxes on that land, and that is fair enough.

I have had a submission from the Local Government Association indicating that there was little or no consultation with it on this matter. While I understand that the association feels aggrieved, I believe it is only right and proper that other people in the area where native vegetation is to be retained should have to meet some of that commitment through rates. That was the intention of the select committee—that, through a slight increase in rates, other

people in the area, many of whom probably have overcleared, will be required to offset the diminution of rates that will occur once the land goes into heritage agreements. I have no problem with that.

It also means that heritage agreements will be on the title and will remain there and anyone buying that land will have a clear understanding that that heritage agreement is part of the title. I have no doubt there will be a correction in the value paid for property because of that. In some cases this may lead to an increase in value but in the majority of cases, particularly in the larger farming areas, it will lead to that land not having the same value, or no value at all, in terms of valuation.

I notice that there is an amendment from the Hon. Mr Milne on file, which I understand is for the purpose of clearing up a situation that would occur in the case of people who are already interested in going to heritage agreements and who do not wish to go through the process of applying for clearance (in other words, they have considered the matter and have decided to go straight to a heritage agreement). They will be able to apply on the same basis as those people who want to clear land. I have no objection to that. It would be a pity if they were forced to go through the farce of applying for clearance when they have no wish to do so. It would lead to a very strange situation. Provided they are prepared to go into heritage agreements, I do not think that that should be a matter that would cause great difficulty. I will be interested to hear what the Government's views are on that matter. I indicate the Opposition's support for this measure.

The Hon. PETER DUNN: I support this Bill for a couple of reasons. First, when discussing this part in the select committee as to the retaining of land by the Government and who would contribute to local government once the land was made inaccessible to the farmer, and therefore non-productive, it was indicated to us that the payment of rents, rates and taxes to local government is an impost that need not be applied. Even though it did not come into the original Bill, it was always the understanding of the select committee that this heritage agreement should be set up. The heritage agreement was set up under the previous Government and worked well but it did have that problem. A number of rural producers indicated to me that they were unhappy that they still had to pay rates and taxes. This Bill effectively spreads those rates and taxes that are not paid to local government across the whole community. As we have indicated in the past, dealing with the Native Vegetation Management Bill and the other heritage agreements that have been in place for some years now regarding vegetation, that should be spread across the whole community. It is in the interests of everybody.

The fact that it goes on the titles forever is quite significant and is a must. The Hon. Mr Milne's amendment is a logical step, because it would be foolish and would overburden the department if everybody made applications to clear before they were eligible for a heritage agreement. In my opinion that would be foolish. This will circumvent that, and I agree with the amendment. I support the Bill.

The Hon. I. GILFILLAN: I indicate that I am a current holder of a heritage agreement for native vegetation and in those circumstances I feel that it is inappropriate for me to take part in the debate. I declare I have a vested interest in it and I do not wish my comments to reflect an attitude to the Bill before us. It will be my intention to abstain from voting. It is on that basis that I believe I have a vested interest and, therefore, should not be involved with the Bill further.

Bill read a second time.

In Committee.

Clauses 1 to 4 passed.

Clause 5—'Terms and effect of heritage agreements.'

The Hon. K. L. MILNE: I move:

Page 2, lines 11 and 12—Leave out these lines and insert 'where the agreement was entered into for the purpose of preserving or enhancing native vegetation (whether the agreement was entered into under the Native Vegetation Management Act 1985, or not)—releasing'.

I have already explained the amendment in the second reading debate. It will simply overcome the case where somebody has not applied to clear their land and does not want to apply at this point but may in the future. If a person wants a heritage agreement in the future it seems ridiculous to have to apply to clear and then to receive a refusal, with all the delay and expense, and then be allowed to apply for a heritage agreement. The amendment is simply to clarify the situation for people who want a heritage agreement without applying to clear.

Amendment carried; clause as amended passed.

Title passed.

Bill read a third time and passed.

PLANNING ACT AMENDMENT BILL (No. 4)

Adjourned debate on second reading.

(Continued from 29 August. Page 648.)

The Hon. M.B. CAMERON (Leader of the Opposition): The Planning Act is a very complex Act and moves to change any part of it should only be taken with the greatest caution. The complexity of the Act has been amply demonstrated in the last few days when we have had a number of approaches from a number of people about the proposal to abolish section 56 (1) *(a)* in particular and I am just surprised at the number of different opinions that we have received about the potential effects of it. The more I hear the more I become concerned about any move made in haste. While I understand that the matter of the suspension of this provision has been around for a long time, nevertheless the final abolition of it has not been a proposition for very long at all. There was some sort of implication in the other place that this whole proposition has come up as a result of the Select Committee on Native Vegetation Clearance when in fact the select committee certainly did not address itself to this question at all. It was not our intention to make any decision in relation to the Planning Act as a whole. Our only brief was to look at the area of native vegetation and that we did.

I want to make it absolutely clear that certainly no proposition was put to us on the select committee and no recommendation came from us that could have led to any inference that we supported the final abolition of section 56 (1) *(a)* and the existing rights that attach to it. We have already seen the end result of an ill advised use of the Planning Act in the area of native vegetation and, while the motivation for that use was in the initial stages noble and proper, unfortunately it ended up in one heck of a mess. One thing I want to be absolutely certain of is that we do not get into the same problem with the final abolition of section 56 (1) *(a)* which is the purpose of this Act. There are many people in this State who, while they have decided to proceed with an extension of the existing use of premises or land, have purchased the same with the full intention of doing so. In fact, they purchased this land or buildings in the knowledge that they have existing use rights. I have been informed that, prior to the Dorrestjin case, in fact they did not have this right, but that is looking at it from the point of view of the interpretation that the department and

others put on the Act, where in fact the judiciary has given another interpretation altogether of section 56 (1) *(a)* and they have given a very broad definition to that section and have said in fact that the existing use rights are much broader than the department and other advisers have always indicated.

So, if we now proceed down the track of the abolition of section 56 (1) *(a)*, it is likely, although it is not completely certain I guess, that the next set of applications for compensation could well be in the pipeline before the ink is dry on the Governor's signature on this Bill, and that would be most unfortunate and something I am certain that no Government would want.

In the early stages of the Native Vegetation Management Bill, the Government gave commitments to people in the industry that section 56 (1) *(a)* would be retained if the matter of native vegetation was resolved.

The Hon. Diana Laidlaw: Who did they give that commitment to?

The Hon. M.B. CAMERON: The Government gave it to the Real Estate Institute, I understand, and the Environmental Law Association, I think, was the other group. That could well have been on the basis that the Government expected the Supreme Court decision in the Dorrestjin case to be upheld, but it became much broader once the Dorrestjin case was taken to the High Court and the appeal was successful. So, it can be argued, I guess, by the Government that its interpretation of section 56 (1) *(a)* at that time was overturned by the final decision of the High Court. Nevertheless, out in the planning community, the understanding has been that it would remain once native vegetation was cleaned up. I gather that it is some surprise to people in the planning community to now find that they are potentially losing this section altogether and the implications are just starting to hit home to people and arguments are now just starting to come up in relation to this matter. I see the Minister looking puzzled.

The Hon. J.R. Cornwall: I am not puzzled. I'm looking bemused that you could be six months out of time.

The Hon. M.B. CAMERON: Bemused! Let me describe what has already happened. I do not want to become political in this matter. I do not want to get to the stage of having an argument with the Minister, but let me say that the Minister in the other place gave an indication that, for instance, the Environmental Law Association had changed its mind. I found that not to be the case, even as late as today. There may be one or two individuals in that association who changed their minds, but the association itself still sticks by the submission it put to the Minister for Environment and Planning in the first place, and that was 12 months ago. There really has been in that case some misleading of the House, inadvertently or not.

The Hon. J.R. Cornwall: Misleading the House?

The Hon. M.B. CAMERON: He was. He gave a very clear indication in the other place—do not let us get into an argument over it, but I will tell you exactly what happened—that the Environmental Law Association had changed its mind. I do not have the total quote here, but I can assure the Minister that that was the case, and I find that that is not so.

The Hon. J.R. Cornwall: That is one interpretation.

The Hon. M.B. CAMERON: I am just telling the Minister what was given to me today. I find myself in a position of not really knowing where people stand. Every time you speak to somebody on this matter, there seems to be another interpretation of the effects. A very simple way to overcome all the problems would be to just take out 56 (1) *(a)*, and that is it: existing rights are gone, finished, and we are back to base one. What we would be saying if we did that is that any industry or non-conforming use in a particular planning area is virtually told that they would not be wanted there any more, because it will be really very difficult to make changes once this provision goes. It will be very difficult indeed. I know that there are provisions in the Act that small alterations can take place without having to go to consent use; nevertheless, it can be argued that, once you go down this track, any alteration at all will need to go through the procedures and that is not the present situation. It can even be argued that, with an intensification of use, if a person within a factory decided to put in a new bottling line for a start which increases the output, that has already been considered in jurisdictions in other States to be a change of use because it is an intensification, and that can cause very difficult problems indeed for small business, small industry, that have always existed in an area but have been built around. Eventually—and I have had some argument with some industries at one stage or another about this matter—it can lead to a situation where perhaps they have to go, but I do not believe that they should be placed in a situation where everybody is really going to be in a position of not knowing about their future.

I am sure the Minister has many arguments to put from the other side on this issue. That is why we must proceed carefully. One only needs an over zealous planning officer with a compliant council to cause enormous difficulties for small industries located in areas now zoned residential.

The Hon. Peter Dunn: Coopers Brewery.

The Hon. M.B. CAMERON: Yes, that is a good example. There are always many people complaining about it. Eventually a company might win its case but in the process the difficulties that can be created for it in a competitive market can be enormous. If companies have to go through all the procedures in order to achieve small alterations of intensity of use of the area it can cause great difficulties, despite appeal provisions. As I say, it can still lead to hold-ups that can result in difficult situations for small business. As everyone knows, if small business has a competitor it must keep on the go. One cannot wait around while planning officers make decisions. Decisions must be made promptly. Certainly, many of these industries existed in areas long before they became residential, and, in the majority of cases, people buying houses there were well aware of the problems before they entered the area.

In another place, the Minister said that section 56 (1) *(a)* was left in the Act in 1982 'through an excess of caution'. I support that sentiment; we always have to use an excess of caution in planning matters, because it is a complex and difficult area. Many interpretations can be placed on changes. From council to council there can be variations of opinions about what changes are. Indeed, if it had not been for that excess of caution in leaving section 56 (1) *(a)* in the Act I do not believe we would have a Native Vegetation Act now. I believe that, in relation to property rights, farmers in South Australia would not have had anything with which to go to the High Court; there would have been no case at all. Farmers would have had no recourse to law and, knowing the attitudes of that time, I find it difficult to believe that the Government would have even considered the situation of farmers if we had not had section 56 (1) *(a)*.

That excess of caution has been a valuable weapon in the armory of the ordinary citizen and I am indeed caution us about taking it out of the legislation without replacing it with something that recognises existing use rights, and unless I can be convinced that existing use rights can be protected. I can envisage the problems that arose with farmers in other areas.

The Hon. Peter Dunn interjecting:

The Hon. M.B. CAMERON: Not only the Government but local government as well. Let us be fair. Local government generally is fairly reasonable in its attitude but one

can encounter councils and planning officers who can cause problems for people trying to carry out normal business. There can be variations of opinion between councils. I am aware of the difficulties that arise under section 56 (1) *(a)* and I understand the Government's concern. However, I am loath to rush into abolition of the provision, and tomorrow I intend to move a contingent notice of motion to refer the Bill to a select committee. That is not a decision that has finally been made by the Opposition, but that is our thinking because of the variations in opinion that have occurred.

The Hon. I. Gilfillan: Adjourn the whole Bill?

The Hon. M.B. CAMERON: Yes. In the process we have to consider carefully the effect of not continuing the suspension of section 56 (1) *(a)* in the meantime. We have to consider whether we just put the whole Bill to a select committee and not worry about this section but let the suspension of it drop off. I am concerned about that. I understand the problems that this would cause because of the interpretation that has been placed on it by the High Court decision. We have to consider carefully the effect it would have if people could develop without any restraint at all in non-conforming uses in planning areas.

Certainly, that question would have to be discussed, as to whether we continue the suspension of the provision to a date satisfactory to the operation of this Council. We have to keep in mind that some time soon the Government will call an election. We must ensure that we do not get caught up in the middle of that. We will have to consider until what date to continue the suspension of the provision. Several questions are to be resolved: first, whether a select committee is a suitable course of action, secondly, whether we allow the whole matter to drop off at the end of October and allow section 56 (1) *(a)* to continue in existence while we have a select committee into it; or, thirdly, whether we continue the suspension of the section and have a select committee look at it.

If a select committee is set up, I indicate that we on this side would be willing to nominate members who will be continuing in this Council after the election (whenever that may be) so that any evidence taken before the election, if the select committee does not finish its work before the election, could be put back to it and the committee re-established as soon as possible after the election.

The Hon. K.L. Milne: It shouldn't take all that long, should it?

The Hon. M.B. CAMERON: Not necessarily. One never knows with such matters. As the Hon. Mr Milne knows, it can take a while for the sheer mechanics of a select committee to proceed. The native vegetation select committee was set up in December but, for many reasons, did not start sitting until February. I hesitate to suggest that it could complete its task before the election, and we must bear in mind that many other matters must be considered by the Council in the meantime. It is always easier for a select committee to sit out of session than in session, as the Hon. Mr Milne knows. That summarises the Opposition's position, and I intend at this stage to move a contingent notice of motion tomorrow, but that is subject to further discussion.

The Hon. DIANA LAIDLAW secured the adjournment of the debate.

FRUIT AND PLANT PROTECTION ACT AMENDMENT BILL

Adjourned debate on second reading.

(Continued from 29 August. Page 640.)

The Hon. PETER DUNN: I support the Bill, which has had a long history. Much work has been done by the industry and the department in coming to a conclusion and the presentation of this Bill.

It is fundamental to this State that we have adequate protection for our horticultural and plant industries. The old provisions were incapable of dealing with the speed and methods of transport now applying. This Bill makes two major changes, first, in relation to penalties for offences that arise when people introduce unwanted substances into the State, and, secondly, transferring relevant powers to the Minister thereby allowing a more rapid and flexible operation. As I have already mentioned, flexibility is necessary because of the different methods by which plants and foreign materials can be introduced into this State.

Years ago most of our products were transferred from State to State or area to area by train or ship. It was easy then to set up a central point to monitor material being brought into the State. However, today there are refrigerated vans, aeroplanes and other methods of rapidly transporting material. In many cases the material is sealed for fairly obvious reasons such as to stop pilfering. Freezer vans are sealed and can travel from, say, Queensland to Western Australia—that demonstrates the sort of distance that they can travel. They also come to South Australia. This Bill does not interfere with the transportation of material from one State to another: it is not in contravention of section 92 of the Constitution. There is less restriction on the inspection of such introduced foodstuffs, particularly horticultural products, but it does tidy up the area relating to the power and ability to search out illegally introduced materials.

This Bill gives more teeth to the Act and allows for a more adequate method of searching to ascertain whether or not people are trying to introduce illegal, unwanted material into this State. Severer penalties are also provided. The Bill contains a number of clauses which allow changes in existing penalties. Not only are horticultural products covered by this Bill but also other plant materials. Most of this State's income derives from primary production, and the horticultural industry is no small part of that production. However, there are other plants involved: for instance, the small seeds industry. We have seen a depletion of the small seeds industry since the introduction of the blue green aphid, the pea aphid, and several other pests that have circumnavigated the world and now affect plants in South Australia. We are now exporting less seed. Greater costs are involved now. I say this to demonstrate that not just horticultural plants are involved but also other plant species, as well, plants such as wheat, barley and other cereals.

Clause 4 specifically identifies those places through which host fruit and plants may be introduced into the State and enables closer monitoring of production. It transfers to the Minister the powers previously held by the Governor. This transfer is important, because of the rapid transfer of materials from one place to another. If there is an outbreak of disease, or a problem interstate, it is relatively easy now to set up an inspection point on a border to monitor and stop the introduction of unwanted materials into this State.

The Bill contains a clause which requires orchardists to take precautionary measures not presently included in the principal Act. Those precautions require an orchardist to undertake certain actions with help from the Agriculture Department and other advisers. The remainder of the clauses are consequential on the original clauses, particularly those from 10 to 13 raising penalties from roughly $200 to $5 000. In the light of inflation, I do not think that that is beyond the pale. That increase will cover this problem for the next few years.

Clause 15 amends section 20 and gives new power to make regulations requiring information to be set out in certificates for the identification of fruit, plants, soil or vehicles, and increases the penalty applicable. That clause is necessary to identify materials being carried in certain vehicles and to enable them to be followed from one area to another. One of the insects that we have been able to keep out of this State relatively successfully is fruit-fly. This Bill has an effect on that matter. Fruit-fly blocks on major roads leading in and out of this State have been quite successful. This Bill strengthens the procedures for observing and regulating the entry of unwanted materials into this State.

The Hon. Ted Chapman in the other place today issued a press statement saying that citrus peel has been introduced into this State from another State, that it is being used in a process in the Murray Valley area, that it had been introduced without due caution and that there could quite easily be fruit-fly egg in that peel. We do not want outbreaks of fruit-fly in this State, particularly in the Murray Valley, which is an important part of the citrus, stone fruit and other fruit industries where fruit is grown under irrigation. There is little argument about this Bill. We have canvassed the industry as a whole and individuals, and they agree that it is necessary to update the principal Act to bring it in line with the rapid transport of product around the State and the nation.

If we are to forestall the introduction of diseases and pests in this State we need to keep this Act up to scratch. I support the Bill.

The Hon. FRANK BLEVINS (Minister of Agriculture): I thank the Hon. Mr Dunn for his support of the Bill on behalf of the Opposition and also for his very thoughtful contribution to the second reading debate. I again thank the Opposition for the efficient way in which it has assisted in getting this very important piece of legislation through the Council.

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

BUDGET PAPERS

Adjourned debate on motion of Hon. C.J. Sumner (resumed on motion).

(Continued from page 919.)

The Hon. K.L. MILNE: I will not comment on much of the budget or the Auditor-General's Report, but will bring one or two matters to the attention of the Council. The Hon. Mr DeGaris raised the matter of financial institutions duty, about which there are certain misunderstandings. At the time this tax was introduced it was thought that .03 per cent would not raise the required amount of money and that .04 per cent would raise the $22 million that the Government intended and, unless that amount of money was raised, the cost of collection and the taxes to be withdrawn would not make it worthwhile having.

The fact that FID raised just over $30 million instead of $22 million was quite unexpected and was due to the economy improving and not because Treasury calculations were wrong. All Parties agreed at the time that this tax was fair. The Premier was able to reduce certain taxes but, if FID had not raised the $30-odd million instead of the expected $22 million, then those certain other taxes would not have been withdrawn. Whether or not FID is .03 per cent or .04 per cent is the same to the taxpayer in the end. It would be safer for the tax to remain at .04 per cent and, if there is any blame to be shared by the Democrats, then I am prepared to wear it.

The Hon. Peter Dunn interjecting:

The Hon. K.L. MILNE: The Hon. Mr Dunn is suggesting that I will not have the blame for long as I will not be here. My experience is that one is blamed for things one has done in Parliament long after one has left. I am very concerned about the transfer of funds from capital to recurrent and from one year to another. If one looks at the accumulated deficit contained in the Financial Statement of the Premier and Treasurer (page 87), one will see that the trend has been a substantial increase, if it were not for the transfer of capital funds to recurrent.

In 1981-82 the accumulated deficit was $6 million. This amount was manageable because the State's reserve assets at that time, I understand, were about $150 million. In 1982-83 the deficit inherited by the Labor Party from the Liberal Party, and which the Labor Party did not or could not rectify, blew out at a massive $109 million. However, $63 million was shown as the accumulated deficit after the transfer of some $52 million capital expenditure, which was meant to be spent on increasing State assets.

In 1983-84 the increased deficit was only about $2 million, but that was after a transfer of funds, too. Therefore, if one looks at the amount of capital expenditure that has been transferred to recurrent expenditure over the years by both Governments, one will see that it is quite considerable. I think that that should stop. It did not occur in 1984-85 under the Labor Government and it is not expected to happen in 1985-86, according to the figures in the budget papers.

One should be fair about this. Not all capital borrowings attract interest and have to be repaid. One argument justifying the transfer of a small portion of our total Commonwealth borrowings to capital is that about roughly one third are really grants; interest is not charged on them and they are not to be repaid. Nevertheless, they are capital expenditure grants given by the Commonwealth to increase our assets. If that is not done, the Grants Commission will look on us with a fairly jaundiced eye. If we assume that the amount transferred from Commonwealth borrowings was that part of the borrowings that did not have to be repaid and did not attract interest, that means that these transfers leave us with no more overall State liability to the Commonwealth, and leave us with no more assets, either.

In other words, a capital grant has been spent on other things and has been virtually wasted. Whichever way one looks at it, it is a reprehensible procedure to transfer capital moneys of any category to reduce or offset a deficit on current account. In my view, that practice should be made illegal.

The Hon. R.C. DeGaris: You can't make it illegal.

The Hon. K.L. MILNE: I accept the Hon. Mr DeGaris's view on that, because he is more experienced than I in this area. It should be obligatory by law that the deficit be made up in the next budget.

The Hon. R.C. DeGaris: That happens with some States under the American Constitution.

The Hon. K.L. MILNE: I apologise; I misunderstood what the Hon. Mr DeGaris told me earlier in the week. The Opposition in another place has been making noises about the switching of $7.7 million and $18.6 million from 1984-85 to 1985-86. Among other things, the Auditor-General said:

> Care needs to be taken to ensure that, if the equivalent of two annual transfers are taken into the Consolidated Account in 1985-86 from the Highways Fund, a permanent level of expenditure is not set up which cannot be matched in future years by a similar level of funds.

He also refers to the $18.6 million from the deposit account as at 30 June 1985. I think the Auditor-General is issuing a warning rather than making any outright criticism. That kind of thing has been done before and is not quite as serious as the transfer of capital funds. It is a timely warning, first, because these sources of income will not be available next year and, secondly, because they will distort the figures for 1984-85, 1985-86 and 1986-87.

The Hon. R.C. DeGaris: That is the main year to worry about—1986-87.

The Hon. K.L. MILNE: Yes. Admittedly, the Auditor-General has given only a warning because the figures are relatively small. However, if the figure was to be carried on and became large, the statistics relating to budgets over a period would be quite unreliable. I think that this principle is bad and I hope that it is not repeated. In statement C of the Auditor-General's Report, at first sight one finds that the State indebtedness has risen from $2 965 million as at 30 June 1983 to $3 632 million as at 30 June 1984; and as at 30 June 1985 it is nearly $4 000 million. That is an increase of $1 000 million in two years, which is a very big increase in borrowing.

What makes any comparison difficult is the intervention of the South Australian Financing Authority. It is difficult to determine what the Government is borrowing, because that is being done through the financing authority. The financing authority is doing all kinds of things, including borrowing from overseas. Borrowing from overseas is great if the exchange rate follows, but it can be very dangerous if it does not. Borrowing seems to have risen by about $1 000 million in two years. One reason for this is the enormous increase in borrowing for housing.

We realise that housing loans are very helpful because I understand that the interest rate is about 4.5 per cent. In 1983-84 the amount outstanding as borrowed money for housing was $789 million; in 1984-85 it was $918 million; and in 1985-86 I note that the amount nominated in the budget by the State for housing is $131.2 million. That will take the outstanding loans for housing to a very high figure. I would like the following question answered in the very near future: if the amount added to the $918 million owed on housing agreements takes the total to $1 049.2 million (which it will do), is that fund self-financing? In other words, does the rent charged for those houses cover the servicing of this debt, namely, the interest repayable at 4.5 per cent, its administration and the capital repayments? If it does not cover that figure, who will pay for it and is the taxpayer subsidising even the 4.5 per cent interest rate? I have made inquiries about a number of other items in the budget and in the Auditor-General's Report. The explanations given to me, in my view, have been satisfactory. I only hope that the Government has the courage to stick by its budget for 1985-86, which has been brought down as a balanced budget.

The Hon. M.B. CAMERON secured the adjournment of the debate.

ADJOURNMENT

At 5.34 p.m. the Council adjourned until Wednesday 18 September at 2.15 p.m.