

HOUSE OF ASSEMBLY

Wednesday 26 June 1996

ESTIMATES COMMITTEE A**Chairman:**

The Hon. H. Allison

Members:

The Hon. Frank Blevins

Mr K.O. Foley

Ms J. Greig

Mrs J. Hall

Mrs E.M. Penfold

Ms P.L. White

The Committee met at 11 a.m.

South Australian Tourism Commission, \$36 724 000

Minister for Tourism—Other Payments, \$8 178 000

Witness:

The Hon. G.A. Ingerson, Minister for Tourism, Minister for Industrial Affairs and Minister for Recreation, Sport and Racing.

Departmental Advisers:

Mr M. Gleeson, Chief Executive Officer, Tourism Commission.

Ms L. Dalby, Manager, Corporate Services.

Mr D. Lambert, Manager, Tourism Development.

Ms S. Saville, Manager, State Marketing.

Mr B. Price, Manager, National Marketing.

Mr J. Harris, Executive Assistant.

Ms J. Reeve, Manager, Marketing Communication.

Mr M. Blyth, Manager, International Marketing.

The CHAIRMAN: Does the Minister have an opening statement?

The Hon. G.A. Ingerson: Yes, Mr Chairman. Unlike other industries, where the extent of Government investment is usually limited to infrastructure development support, in tourism the Government also directs the marketing program. Through the tourism portfolio, the State's attractions are being marketed to the consumer in a coordinated and balanced way which allows best utilisation of the State's infrastructure. Underpinning the thrust of this portfolio is the marketing of the State as a destination for tourists.

The South Australian Tourism Commission has established well defined target markets nationally and internationally. Brochured South Australian tourism packages are now available in these markets. Specialist programs in ecotourism, Aboriginal tourism, arts and cultural tourism and wine tourism have recently been produced and distributed. These are all outstanding programs, but I believe that Aboriginal tourism and wine tourism deserve particular mention.

Earlier this year, together with the Premier, I released the State's first wine and food touring guide. The 125 page colour guide highlights two of this State's most saleable commodities as tourism attractions—our excellent wines and

our range of fresh gourmet foods. At the same time the establishment of the nine member South Australian Wine Tourism Council was announced. The council's primary role is to increase the awareness of the State's wine industry, especially now that our wines are attracting even more acclaim internationally. The council will also oversee the development of the proposed South Australian Wine Museum.

Just as wine tourism appeals to a particular sector of the tourism market, so does Aboriginal tourism. In May this year, together with the Minister for Aboriginal Affairs, I released the South Australian Tourism Commission's South Australian Aboriginal Tourism Experience brochure—the first of its kind produced in this State. This is another magnificent and informative 14 page colour brochure produced by the South Australian Tourism Commission in collaboration with the Aboriginal and Torres Strait Islander Commission and the Department of State Aboriginal Affairs. It highlights a range of Aboriginal tourism product, including tours of spiritual grounds and Aboriginal cultural events. When approached sensitively and in a balanced way, this sector opens up a new range of experiences for tourists in our State. Just as importantly, tourism offers the opportunity for Aboriginal people to be employed in a local industry while at the same time allowing them to live on their land. It will allow better protection, preservation and promotion of Aboriginal sites and a reinvigoration of Aboriginal cultural activities with communities.

The economic arguments for Government investment in tourism marketing and development are strong. Tourism is Australia's largest export industry—\$12 billion in 1994-95. It is one of the largest single employers of labour, especially youth, and the fastest growing sector of the global economy. The rapidly growing international demand for travel provides excellent opportunities for employment and foreign exchange earnings.

South Australia continues to do well in the conventions, exhibitions and meetings market, which is worth an estimated \$3 billion a year nationally. The Australian Tourism Commission is investing \$15 million over the next five years to market Australia internationally as a premier conventions and meetings destination. South Australia's convention sector, led by the Adelaide Convention and Tourism Authority, is performing extremely well with advanced bookings for conferences and increased visitation above the national average to demonstrate that strategies to market South Australia are working. Adelaide's Convention Centre has earned an excellent reputation both nationally and internationally. In three consecutive polls of national conference organisers, the Adelaide Convention Centre was nominated as the most preferred convention centre in Australia.

South Australia will capitalise on the opportunities created by the Sydney Olympics. Adelaide will be promoted as the pre-Olympic and post-Olympic holiday and conference destination. With the Government's consistent and sustained financial support of the commission's consumer and investment marketing activity, South Australia will be able to provide the sophisticated tourism product which overseas and interstate tourists are increasingly requiring. The primary source of investment in tourism product is the private sector.

It is pleasing to note that in the past 12 to 18 months there has been \$110 million worth of overseas investment in tourism product in South Australia. It is expected that a similar amount will be injected into the local economy in the coming year for new and ongoing projects such as the Old

Treasury boutique hotel, the St Michael's site at Mount Lofty and further developments at Wirrina resort.

The commission's primary role is to create and maintain tourist demand for South Australia through effective consumer marketing and to demonstrate to investors the profitability of South Australian tourism product resulting from increased consumer demand. The tourism value of our regional areas is sometimes overlooked, particularly in relation to their tourism assets. The regions contain some of the State's most marketable tourism product such as the world-renowned wine areas of the Clare Valley, the Barossa Valley, the Adelaide Hills, McLaren Vale and the Coonawarra. We also have the spectacular Flinders Ranges, unique Kangaroo Island, the beautiful Murray River, the rugged coastlines of Yorke and Eyre Peninsulas and the dramatic beauty of the outback. These are assets of which we can all be proud.

The Government and the commission recognise the special value of the regions and, in line with this, the Government has increased expenditure on the extensive development of infrastructure at Wirrina resort, including the upgrading of public road access, the provision of public water supply and work on the marina.

Tourist signposting will gain a new focus with three regions selected each year for the next three years to receive a concentrated approach in an effort to upgrade the tourist signposting in those areas. Each year one of the Government's priority regions of the Barossa, Kangaroo Island and Flinders-Outback will be featured, plus two other regions, so that in three years all of the State will have been covered.

In conclusion, the facts are that tourism delivered around \$250 million (new dollars) to South Australia in 1994. Inbound tourism to South Australia continues to grow with South Australia increasing its market share of Australia's international visitors to 8.4 per cent. Tourism employs 35 000 South Australians and, as an industry, employment is growing at 3 per cent or 1 100 new jobs per year. With the support of the Government and private sector cooperation, tourism in South Australia will maintain its prominent position as a major economic contributor.

The CHAIRMAN: I invite the lead speaker for the Opposition to make an opening statement.

Ms WHITE: The Opposition is supportive of tourism development in the State. As far as the Government's performance is concerned, we will applaud those ventures that have a positive impact on the State and we will attempt to re-focus the Government's attention on those moves that we believe are counter to South Australia's priorities.

The Opposition acknowledges the importance of South Australian tourism to the self-image and culture of South Australians and, very importantly, to our economic development. The Tourism Commission, set up by the previous Labor Government, has a vital role to play in developing tourism marketing and strategies and not only in fostering the big developments but also ensuring that the activities of the industry as a whole work towards a strong, vibrant and profitable base for the State. It is particularly important to focus attention and support also on small operators and agencies, as well as those related businesses which currently supply the industry but which might not necessarily see themselves as being part of the tourism industry.

The CHAIRMAN: I declare the proposed payments open for examination.

Ms WHITE: A large amount of effort goes into convincing South Australians to spend more time in their own State

in terms of tourism dollars, and that makes a good deal of sense, given the importance of that market to us. However, in spite of this effort, large numbers of South Australians choose to travel interstate and overseas. I note from page 196 of the Program Estimates under 'State marketing' that there has been a decrease in State campaigns. One of the measures of the success or otherwise of the Government's efforts in this area is to calculate whether South Australians take more or less out of the State's economy by travelling overseas and interstate than national and interstate visitors inject into the local economy. Taking account of what I have said, of what net value is tourism to South Australia? Will the Minister also comment on the decrease in the budget allocation towards State marketing campaigns?

The Hon. G.A. Ingerson: I thank the honourable member for her question and in particular for her support for the overall direction of tourism. It is probably one of the portfolios where there is in excess of 90 per cent agreement in terms of the directions we ought to be taking. In relation to the budget line, it is a very small difference and we can assume that there is a one person difference in the area more than anything else. But that is only an assumption. It is a very small difference and it is not one that would affect in any way the State campaign.

Clearly, it is important that people spend money within our own State. This year we will be setting up a major TV program to encourage South Australians to see more of their own State. The reason for our doing that is that, every time we stop a dollar from going out of the State, it has the same effect economically as getting a dollar to come into the State. Clearly, the prevention of export dollars as well as the gaining of export dollars into the State is a very important issue.

As well as stopping that export dollar going out, one of the most important issues is to make South Australians more proud of their State and more aware of the very good holiday destinations we have in South Australia so that, when they travel nationally and internationally, they can be marketers along with the Tourism Commission, members of Parliament and anyone else whom we might put forward as a marketer for South Australia. It is much better and much easier if we have a million people saying how good our State is when they are arguing with Victorians or New South Welshmen about their glamour sites and, if they know about our good sites, it is much easier to promote our State.

As well as that, there is clearly an increase in support for regional tourism and, coupled with the fact that we want more South Australians to holiday in our own State, it will be of significant economic benefit.

Ms WHITE: Will the Minister comment on the impact of the amalgamation of the regional tourism boards into the new tourism boards? I am aware that there is some concern among some of the boards about their realignments, and the board perhaps most unhappy is that of Fleurieu-Adelaide Hills. I have my own questions about that one. The tourism boards do not necessarily line up with the regional development boards, so I would also like the Minister to comment on the effect that has and indicate whether that is a problem.

The Hon. G.A. Ingerson: The regional boards have all been finally bedded down. It is fair to say that the Fleurieu-Adelaide Hills board has been the most difficult to convince that there was a relationship, but just over a month ago Michael Gleeson (our Chief Executive) and I spent some time with the members of that board. They have agreed that the direction we are taking is the best for the State. However, as

you would be aware, they are going through some council amalgamations and want to come back in six to 12 months to see whether the council amalgamations and the economic regional boards can work together into the future.

In the short term they have agreed that we will continue to market those two regions under the one economic region of Fleurieu-Adelaide Hills. One of the major issues with these regional boards is parochialism, as I noted last year. Whilst it surprised me that councils that are close together can be so parochial, here is a perfect example of two regions that see themselves as totally different yet are only a matter of 20 to 30 miles apart. This is an issue that we have to work through. But the Chief Executive and I were very happy with the support we got at our last meeting with them, and it will be very productive.

As far as all the other regions are concerned, we are very happy with the way the other regional boards are going. They all now have their staff in place; they all have marketing plans in place and are progressing in line with what the Tourism Commission wants to do overall for the regions, that is, to better promote them nationally and internationally, and we hope that this structure will work. I am reasonably confident that it will work, but I also accept that we have a lot of work to do. We have some very good staff: Sheila Saville is heading up the State marketing group and working with those regions to sort out all these difficulties.

Membership:

Mr Clarke substituted for the Hon. Frank Blevins.

Ms WHITE: It is known that, as well as the thousands of South Australians who walk the Heysen Trail, it also attracts interstate and overseas visitors. How important is the Heysen Trail to State, interstate and international tourism, and is the trail being promoted effectively both centrally and by the regional tourism boards?

The Hon. G.A. Ingerson: The Heysen Trail is one of the major assets from a recreational point of view and, consequently, from a tourism perspective. In the brochure *South Australia Naturally*, which is one of the best brochures we have ever produced, the Heysen Trail has a major feature. We see it as an icon, in essence, in South Australian tourism. It is important that all the regions play their role in marketing the trail, because the trail goes through all the regions. Within their own marketing plans they give a very high profile to the Heysen Trail.

Mrs HALL: I think we all appreciate the Minister's opening remarks about tourism's importance to the economy of South Australia and the significant role it is playing in our economic recovery generally. Government policy over the past couple of years has been to improve efficiency within the public sector, and that obviously includes reducing duplication and improving coordination between offices and agencies. In line with this policy direction, will the Minister inform the Committee of any future activities he has in mind to streamline agency operations, bearing in mind that he has already demonstrated a rather reforming zeal in his industrial relations and racing portfolios? Given the number of individuals involved in the commission, various authorities, numerous advisory boards and committees and a number of CEOs, what information can the Minister give the Committee about any possible changes in tourism, recreation and sport?

The Hon. G.A. Ingerson: I am happy to announce today a major steering committee set up to amalgamate tourism, recreation and sport into one portfolio and one major

commission. The agencies are the South Australian Tourism Commission, Office of Recreation, Sport and Racing, Australian Major Events, the Adelaide Entertainment Centre, the Adelaide Convention Centre and the Australian Formula 1 Grand Prix Board. It is a major opportunity and, as a result of the proposal, these agencies would be merged to form one body with tourism, events, recreation and sport as the focus. The steering committee, which I will chair, will investigate the restructuring of these three departments and will comprise the Chairman and Deputy Chairman of the Tourism Commission and the Chairpersons of Major Events, the Adelaide Convention Centre and the Adelaide Entertainment Centre. From time to time other nominees will be added to that steering group as we work through this process over the next six months. Given the similar functions and charters of these organisations, it is appropriate that they be merged into one efficient and coordinated agency. Sport, recreation and events already have strong links, and they are an important component of the State tourism sector.

I believe that this is an exciting and new approach that is in line with the Government's objective of improving efficiency within the public sector. The existing structure, with six separate entities operating independently, does not allow for the smooth coordination of the functions of these agencies to ensure that the Government's goals are met. This measure will concentrate the focus of tourism by capitalising on the synergy and cross-over that already exist between these agencies. In the lead-up to the Sydney 2 000 Olympics and Paralympics it is particularly important that we have a structure in place to maximise the opportunities available to South Australia. It is estimated by the Office for Recreation, Sport and Racing that the economic impact of pre-games training and acclimatisation in South Australia will be about \$25 million. In addition to South Australia's Prepare to Win promotion currently under way in Atlanta, South Australian sporting and tourism representatives are taking part in the AusTrade Atlanta promotion in a bid to secure sporting, business and, most importantly, tourism opportunities for the State.

Establishing a single body with a clear and coordinating focus will support and carry through many positive initiatives. Having a single tourism, events, sport and recreation body will result in more money from existing budgets for marketing and promotion, the elimination of duplication of administration and corporate services, increased efficiency and resource use and an increased ability to capitalise on opportunities for the Sydney Olympics. The steering committee will make recommendations to me for endorsement by Cabinet. I point out that the restructure will require legislative change. Legislation will be introduced in the spring session of Parliament, enabling the new structure to be implemented by the end of the year. Clearly, tourism as the major marketing body for sport, recreation and tourism in South Australia is the key to this new body, and the tourism marketing abilities will give us tremendous opportunities in both the sport and recreation area.

Mrs HALL: As we all know, whale watching is a most magical and wonderful experience that many tourists enjoy, and I know that many members of the Chamber have enjoyed it on a number of occasions. Can the Minister provide the Committee with information about what the South Australian Tourism Commission is doing to ensure that South Australia is promoted as a major destination offering fabulous whale watching experiences for tourists? Also, what is the

commission doing to ensure that the tourism impact on the whales' environment is properly managed?

The Hon. G.A. Ingerson: South Australia provides wonderful whale watching opportunities at the head of the Bight and, very significantly, close to Adelaide at Victor Harbor. South Australia has a number of excellent operators who cater for this expanding market, including Gary White's Nullarbor Adventure Tours, Gawler Ranges Wilderness Safaris and the Whale Watching Centre at Victor Harbor. The Government is very concerned to conserve and protect the southern right whale, hence the Government's decision to establish a marine park at the head of the Bight. The Government's support for the redevelopment of Granite Island incorporates areas for whale watching.

As part of our ecotourism strategy, the commission has identified whale watching as a major tourism opportunity and, consequently, there is a need for us to make sure that destinations, stands and viewing platforms are clearly available. It is an opportunity for us to develop a whole new niche market for South Australia, and it is an area which clearly fits in with the push of the Government to recognise our environment. The whales obviously play a significant part in that.

Mrs HALL: It has often been said that backpackers are not a particularly significant part of the tourism industry. However, the backpacker market, as we now know, has gained increased significance nationally since the announcement in February 1994 that a national backpackers strategy has been developed by the Department of Tourism. Once seen as having low economic value and so unstructured as to offer few opportunities to mainstream marketers, I understand that this market is now estimated to be worth about \$780 million to the Australian economy. The *Midsummer Snapshot of the Backpacker Market in South Australia 1995* states:

Backpackers are increasingly being recognised for their importance in opening up new destinations for mainstream travellers. South Australia, Western Australia and the Northern Territory are strategically positioned to take advantage of a growing trend away from the Eastern States.

Given this information, will the Minister inform the Committee of how important the backpacker segment is to the State's tourism industry and explain the part that the South Australian Tourism Commission is playing in its further development?

The Hon. G.A. Ingerson: It is currently estimated that backpackers account for 29 per cent of all international visitors to South Australia and 28 per cent of all visitor nights. Of all the backpacker trips undertaken in Australia, a third of them involve a visit to South Australia. In 1994-95, 75 300 backpackers visited South Australia—an increase of 27 per cent over 1993-94, compared with a national increase of 26 per cent. This segment generated around \$28 million for the State. In 1995, the commission received \$30 000 from the Federal Department of Tourism to develop the backpacker market in South Australia.

The commission and the industry are matching the Federal grant by undertaking a program of development and promotional activities. Achievements to date include the holding of a backpacker industry seminar in August 1995 and May 1996. Surveys into the motivation and influence of backpackers visiting South Australia have been carried out. The Aussie Host Program is very much involved. Officers from the commission attended the Backpacker Expo in Sydney in November 1995. There was significant promotion of backpackers during the Adelaide Festival and the Festival

Fringe. We intend to have a continuing program of advertising in guide books during 1996, both domestically and in the UK. We are encouraging industry associations to hold a backpackers ball at the next Festival Fringe to provide the festival with another new opportunity.

Ms WHITE: I refer to page 202 of the Program Estimates and the subject of international marketing. I notice a shift in the budget allocation for industry marketing from international to national marketing. The Minister might like to comment on that. I am particularly interested in visitor numbers. I note that, according to the Program Estimates, a healthy increase is expected in the coming year. I note that the number of international visitor nights still has not recovered to the level of 1993-94, and I am aware of the Government's promise to increase the State's share of international visitors by 50 per cent by the year 2000. What was South Australia's share of international visitors in 1992-93, 1993-94, 1994-95 and 1995-96, and what is the projection for 1996-97?

The Hon. G.A. Ingerson: In terms of the budget line, there is very little difference between any of the marketing budgets this year because they have been allocated very much on the same basis as last year. Any change in the budget would be a small shift in respect of recognition at State or national level if there is some change in crossover. So, it is no more or less than that. It would just be movement internally between the two. In principle, all budgets have been held very much the same as last year. The important thing about the three divisions is that, because there is an overlap between State, national and international, there is potential movement between those budgets. The marketing managers do not necessarily agree that that ought to occur all the time, but that is the way the process occurs. That really explains the difference in those areas.

In terms of visitor numbers, we do not have the exact numbers for those years, but we can get those figures and supply them to the Committee. One of the problems with statistics—and it is an issue that comes up at every national Ministers' meeting, and it comes up at every second meeting I have with the chief executive and the board—is that it depends on who does them and when they are taken as to the results you achieve. We are trying very hard to convince the Australian Bureau of Statistics that there ought to be a standard formula and collection method right across Australia for inbound tourists and movement within Australia, and hopefully, within the next five years, the ABS will recognise that it is a very important issue.

At the moment, tourism statistics seem to be falling off the back end of all the other statistical information that is put together. Even though we are told that that is not the case, it appears to be so. We really need to establish a much better way of informing the industry and governments. As the honourable member would know, statistics are often lies and damn lies. It is the way they are collected and passed on which is the problem—it is not the people who collect the statistics.

Mr CLARKE: With respect to Aboriginal art, I am aware of the release of the brochure and what the Minister said in his opening statement. Is the Tourism Commission doing anything to get some of the Aboriginal art from the North-West communities—in the Pitjantjatjara lands and so on—into quality retail outlets where it can be accessed by discerning visitors to this State? This occurred to me when I visited Granite Island with some overseas visitors. When we went to the tourist shop there, the only thing they could find

were toy porpoises made in Taiwan, and stuffed penguins made in China. There was very little quality Australian made art work.

I understand that these retail outlets have to cater for a whole different range of consumers in respect of what their pockets will bear, but I am sure that the overseas visitors I had with me would have enjoyed being able to buy quality art work. They could have gone to Tandanya, but I would have thought we could funnel a number of good Aboriginal art works—particularly from the North-West communities, which have provided very good income for a number of Aboriginal women in those areas—through various retail outlets in South Australia. What is the Tourism Commission doing about this?

The Hon. G.A. Ingerson: The whole issue of Aboriginal tourism is really just beginning. The breakthrough in terms of producing a brochure and establishing a very formal link with the Aboriginal community generally in South Australia has only just begun from a tourism perspective. We have been in the business for some time, but clearly we must have a better organised structure from a national and international perspective. Having said that, it is important that we deal with the Aboriginal community within their particular structures while recognising the structures that clearly apply to the western community; and in many instances they are different.

The role of art in tourism is very important. I am advised that at this stage there has been no move to set up a formal structure for the sale of art from any of the communities. It is clearly a very important part of their selling opportunities. If they are to get any commercial value as a community out of tourism, their art and the development of their artists is obviously of huge economic value for them as a community. Clearly we have a long way to go. I do acknowledge the honourable member's point as being very important, and it is an issue that we ought to take up.

In relation to Granite Island, the Ngarrindjeri visitor centre will include art products and craft from the Ngarrindjeri people and possibly other Aboriginal groups. That is my advice as far as the development at Granite Island is concerned. As I have said, it is at a very early stage. There is a huge opportunity for the Aboriginal community. We will work with the community very closely to enable them to get the best value for their product and, of course, it is another export opportunity for Australia.

Mr CLARKE: Has the Tourism Commission conducted any studies since the introduction of Sunday trading in Adelaide as to the increase, if there has been one, in the number of overseas visitors interested in visiting Adelaide because of Rundle Mall being open on a Sunday? Has the commission noticed any more visitors from Japan purchasing Jason recliners and taking them back to Tokyo, or an increase in interstate visitors to Adelaide?

Having read the newspaper reports over the past few months that a number of our retail stores in the mall have retrenched staff quite significantly and have reported a downturn in sales, it appears that the expected on-rush of overseas visitors marking out Adelaide as a must visit destination because of Sunday trading has not quite eventuated.

The Hon. G.A. Ingerson: I thank the member for Ross Smith for his negative question. One thing is certain about the member for Ross Smith: nothing positive ever comes out of his mouth, and that is a pity. We are now an international city. We are attempting to promote ourselves as an international city. To do that, certain infrastructure opportuni-

ties must be put into place, one being the opportunity for visitors to be able to utilise shopping in our city.

As the honourable member would know, with the shops in the city having been open on Sunday for just over a year, any major trend is not yet likely to be visible to anyone. The Tourism Commission does not take direct numbers from the mall itself, but clearly there has been a significant increase in the number of people in the city during the past 12 months. There has been a 51 per cent increase in the number of Asian visitors in that time. I am not suggesting that they have come to Adelaide to shop on Sunday but, clearly, they now have an opportunity to do that and we do not have a closed city as we had in the past.

It is important—and I do not think the honourable member realises how important it is—for us to go overseas and not have to say that the shops are not open on Sunday in the city. An important factor is to not have to raise shop trading hours as an issue. Asian communities can shop any time they like between 10 a.m. and 10 p.m., seven days a week and when they travel overseas they like to buy gifts; if the shops are not open and there is no opportunity to buy those gifts, clearly that is a disadvantage.

Melbourne is in the Asian zone advertising shopping trips in its city; Perth has been doing it for nearly 10 years as a specialist exercise; and Sydney does not have to do it. But the reality is that both Melbourne and Perth with which we compete internationally do advertise and promote shopping in their cities. I know that the honourable member is negative and backward in this area, mainly because of his union background, but fortunately the rest of the community has moved on and the unions will have to get up with it.

Mr CLARKE: I have a supplementary question. Given the importance that you as Minister for Tourism placed on Sunday trading in Rundle Mall, why is it that your own commission did not submit a report to your own inquiry into Sunday trading that was established last year, as commented upon in that report?

The Hon. G.A. Ingerson: As with most things that the honourable member puts before the Parliament, he is usually wrong and, in this case, he is again wrong; his spies on the committee must have forgotten to tell him that we gave a verbal report at the commission.

Mr Clarke interjecting:

The Hon. G.A. Ingerson: Clearly before the report was made.

Mr Clarke interjecting:

The Hon. G.A. Ingerson: How many times do you have to get up in the House and say to the community that tourism, shopping, relaxation, food and wine, and all those commodities need to be available when the consumer wants the shops to be open? How many times do you have to stand up and say that before the Opposition understands? I understand that it is a very good political point for the Opposition member because it enables him, on one of a few occasions, to go out and say that he has something half right. We are moving into a new era. If I read the paper correctly, we have another retailer suggesting that Adelaide ought to get with it and trade seven days a week, 24 hours a day. Perhaps the Deputy Leader would like to comment on that.

Mrs PENFOLD: My question relates to State marketing and employment opportunities in tourism. Much has been said about employment opportunities in tourism. What is being done to create jobs in the South Australian tourism industry?

The Hon. G.A. Ingerson: Clearly, there are huge opportunities for employment in the industry (and it is a pity that the member for Ross Smith just comes into the Committee, asks his throw-away questions and then leaves). The honourable member would know that there are huge opportunities for employment, one of which is in the retail industry. The retail industry around Australia is now starting to understand the advantage of being part of and working with the tourism industry. It is the world's largest industry and the world's largest generator of jobs. According to the 1993 World Travel and Tourism Council Study, in 1991 travel and tourism accounted directly and indirectly for 10.2 per cent of the global work force—a huge percentage of those employed all around the world. The council also forecast that by the year 2005 travel and tourism's absolute contribution to the world economy will have more than doubled, adding 144 million jobs to a total of 348 million employees.

In South Australia we are targeting for an increase in tourism value from 1.8 to 2.4 in real terms by the year 2000. The achievement of this goal will create an extra 10 000 additional direct jobs within the South Australian economy, and that is why, of all the portfolios in Government, tourism is the only portfolio that has had an increase of 50 per cent in its budget in the 2½ years of this Government. There is a clear recognition that there are job opportunities, as well as marketing opportunities, for our State.

Through our general promotion we are clearly targeting those jobs and the opportunities for South Australia. It provides an opportunity in the traineeship area and, as members would know, most of the job opportunities in tourism are for young people. I would have thought (and, again, it is a pity that the member for Ross Smith is not here) that the opportunity for young people to obtain employment in this industry was enormous. We want to encourage and continue to promote tourism as a job creator.

The commission is working hard to ensure that occurs. We have a traineeship system that enables trainees to be brought into tourism up to a maximum of \$2 800; that is a broad Commonwealth scheme that recognises the opportunities for tourism as well.

Mrs PENFOLD: Tourism signposting is an important part of the South Australian tourism infrastructure and a new signposting policy has recently been published by the South Australian Tourism Commission. What action is the commission taking to have more effective tourism signposting in South Australia?

The Hon. G.A. Ingerson: The commission has put out a new policy document on signposting. While we are talking about documents, I point out that during the past 12 months our commission has produced the best brochures and the best documents in Australia. Whilst I say that as a parochial tourism Minister, I believe that those comments are coming from all around Australia. The Parliament should know about the fantastic work that the staff are doing in putting together these policy documents. I put on the record and acknowledge the support that all our staff are giving South Australia.

The new policy document is much needed. Many people say to me privately, 'If only I knew where to go.' We accept that some of the signposting in our State is not as good as it should be. Together with the Transport Department we have come a long way in upgrading them; we only have to look at the signposting between Murray Bridge and Adelaide to notice the improvement compared with five years ago. This policy will enable us to go to the next stage. It will enable us to link with the Barossa Valley, Kangaroo Island, the Flinders

Ranges and the Outback—two other regions each year. We can sit down with local government and tourism operators to obtain maximum benefit from signposting. It is a huge issue. If done properly, it will enable us to be at the forefront and to lead the way in this area in the future.

Mrs PENFOLD: I refer to page 203 of the Program Estimates and Aboriginal tourism. Cultural tourism, especially Aboriginal cultural tourism, is an increasingly important attraction for overseas tourists. What is the Government doing to take advantage of the rich Aboriginal cultures in this State?

The Hon. G.A. Ingerson: I thank the honourable member for her very important question and her interest in this area, because it affects the Eyre Peninsula dramatically. The commission has had a specialist Aboriginal tourism unit for the past two years. As I said earlier, it is working in conjunction with Aboriginal tourism interests and we have developed an Aboriginal strategy. It is a very important policy document for the Government, because it recognises the role of Aboriginal people within our tourism industry and it means that the Government places this area right up the top with wine tourism as the most important opportunity for South Australia and the Aboriginal community.

Brochures have been produced by the Department of Aboriginal Affairs, ATSIC and the commission, with a contribution of \$20 000 from each of those authorities. The community has also had some significant input into those brochures. The commission is assisting in the promotion of the product by assisting in funding photography, promoting Aboriginal and Japanese interaction, encouraging Aboriginal marketing interest to participate in trade shows, and linking Aboriginal product to the State's *Come to your Senses* campaign. Assistance is also provided for the development of tourism product, and some of the current projects are at the Warriparinga Interpretive Centre in conjunction with the Kaurna Heritage Committee and the Marion council, Mimili Tours, Granite Island interpretive tours with the Ngarrindjeri people, the Head of the Bight, and Devon Downs near Mannum.

Ms WHITE: With reference to Program Estimates page 201, 'National marketing', I note that interstate visitor numbers in the coming financial year are projected to be down on those achieved in 1992-93. I note also that a decision has been made this year to abandon electronic advertising because of budget constraints. Does the Minister expect this decision to have a deleterious effect on the number of interstate visitors? If so, does this mean that the Government's targets for tourism growth from that market are unlikely to be reached?

The Hon. G.A. Ingerson: I mentioned earlier the fine work that we have been doing in State marketing, and Brian Price is doing an excellent job in heading up the national marketing side. Of all the areas, national marketing is the most difficult and that involves the shifting of Australians within Australia. Over the years, there have tended to be a range of specific destinations that Australians have always wanted to go to, and shifting them away from those destinations is a more difficult job than shifting people away from international destinations.

One of the reasons for reducing the electronic involvement of the commission is that we believe that it is important to get product into the market instead of generic television and other electronic advertising. It is important to get into colour brochures and to work with the destinations and in cooperation with the owners of that product to sell their product

more specifically on the market. Whilst there is a reduction in the electronic area, there is an overall balancing in the area of brochures and general magazines.

The sorts of magazines that we are moving into are the *Women's Weekly*, *BRW* and *New Idea*. They are widely read magazines and it is important that, whilst we have reduced electronic advertising, we up the ante in terms of product. I will use a pharmacy analogy. There is not much point in telling everybody that there is a pharmacy in Salisbury and Elizabeth if, when you get there, those pharmacies are not advertising any product. It is absolutely important that we get people to come to the destination and that they have product at the end of the day. We are moving more towards product promotion than just straight generic promotion within Australia.

Membership:

Mr Leggett substituted for Mrs Penfold.

Ms WHITE: Has the move to privatise the Sydney and Melbourne operations proved effective, both cost wise and in terms of realising market growth?

The Hon. G.A. Ingerson: Whilst the privatisation was an important move, the major view was to extend the range of the travel agencies that held the product, instead of just having it in a South Australian agency in both those capital cities. We see it as important that the 10 brochures on all the regions and on wine and food have been introduced nationally into the travel agencies. When we took over government, there was a lot of generic spending on promoting this State but not a lot of product, and we have attempted to change that so that in the travel agencies we now have a whole range of brochures.

Qantas, Ansett, the RAA, Jetset Travel, Tarpa and Kendell all have ranges of brochures and product arrangements with us which we did not have prior to coming to government. We think that, at the end of the day, you have to have product and the consumer has to know where to get it in a much broader fashion than has applied in the past. Sales are about the same in the new privatised agencies as they were before, but there is a much broader contact with industry than previously.

Membership:

The Hon. Frank Blevins substituted for Mr Clarke.

Ms WHITE: What strategies has the commission put in place to ensure that in the years 1999 and 2000 South Australia does not lose market share of interstate visitors? Will the commission boost intrastate tourism in those years, given the added attraction of being in Sydney at the time and, if so, how?

The Hon. G.A. Ingerson: We currently have a South Australian strategy office in Sydney, which is headed up by Phil Meyer. There are two people from Tourism South Australia in that office, as well as other administrative staff with whom Mr Meyer works more directly. He is more on the product side than the tourism side. In Atlanta in several weeks, the Tourism Commission, along with Major Events and the Office for Recreation, Sport and Racing, will have a major display promoting South Australia from a tourism perspective as well as the Prepared to Win program, which is part of encouraging athletes to come here in preparation to winning in Sydney in the year 2000.

We will be developing a major plan between now and the year 2000 in conjunction with the Office for Recreation,

Sport and Racing to ensure that we maximise the outcome. The advice we have been given from the Australian Tourism Commission is that between now and the year 2000 we can expect the tourist numbers in Australia—from the Olympics alone—to double and then to fall off back to existing figures four years after that event. So, there is an eight year opportunity for tourism and sport to capitalise on the Olympic Games and we will be very much a part of that. Austrade is supporting us in Atlanta, which is the first opportunity to put Adelaide and South Australia on the map. We see a huge number of opportunities arising.

Ms GREIG: The Government has publicly stated on a number of occasions that wine tourism is a priority for South Australia. With major wine regions circling the city and providing the major tourist attraction for visitors, and in particular for people visiting the southern region, can the Minister outline what the Government is doing to further wine tourism in South Australia?

The Hon. G.A. Ingerson: I thank the member for Reynell for her question and her interest in the McLaren Vale region. That region is one of our smaller wine regions but, if members ever visit the area, they will be told clearly that it is (as, indeed, it is) one of the best in South Australia and definitely one of the best in Australia. I note the honourable member's view and I agree with her. We have adopted the wine grape logo as the South Australian Tourism Commission's logo for promotion nationally and internationally. We are discussing how to incorporate within the South Australian Tourism Commission's ongoing promotion the use of that logo and the use of 'Wine State' or 'Wine Capital'. Clearly, the Government is committed to pushing wine tourism, along with Aboriginal tourism, as the two most important products.

Based on the Bureau of Tourism's research figures, in March of this year 45 per cent of international visitors to South Australia visit a winery in this State. On average, therefore, overseas visitors are more likely to visit wineries during their stay in South Australia than in the case of international visitors to other States and Territories. Tourists from the United Kingdom, Ireland, Scandinavia, Germany and Canada were more likely than the average visitor to South Australia to visit a winery in the course of their visit. I assume that that is probably because of their wine interest and their general heritage.

Visitors seeking a wine tourism experience is an important market for South Australia, and the commission is therefore considering the best method of undertaking ongoing research to more accurately monitor this market. All our brochures on the six wine regions clearly promote the wine industry and the need for a partnership between the wine industry, the Tourism Commission and tourism generally. It is a very important part of recognising the ability of the wine tourism opportunity and, if the wine industry does not join with us to recognise the value, we will not get the best value from it. I will comment later on Wine Australia, but it was a fantastic event which brought together in Sydney the wine industry and tourism nationally.

Ms GREIG: McLaren Vale is one of our most important wine regions and close to the city proper. When the Government assumed office it promised funds for a visitors centre at McLaren Vale. Can the Minister outline the progress on this centre and say when we can expect it to be operational?

The Hon. G.A. Ingerson: I thank the member for Reynell for her question and her obvious interest in the McLaren Vale Visitors Centre. The Government has provided \$750 000

towards this project. The centre will be completed in time for the next bushing festival in October this year. The project had an extended planning period because of community interest and the very significant consultation process that took place. In a desire to provide a world class facility, the community sought and won an additional grant from the Federal Government. The wine industry in McLaren Vale has offered to make the building its headquarters and also to contribute to the construction cost. These negotiations extended the time normally expected for these ventures, but it was a very positive outcome in the terms of the centre.

The centre will be managed by a board consisting of predominantly local interests from the tourism and wine industry and it will be an incorporated body. Initially recurrent funding will be sought from local government and from sponsors. Within five years it is expected that the wine sales from the vineyard to be developed by the wine industry will cover all operating costs of the centre. Construction has commenced and is proceeding ahead of the contract schedule. Therefore, the likelihood of its being available for the bushing festival in October will definitely be achieved.

I take this opportunity to put on record the work done by the member for Reynell and the member for Kaurina in supporting this project and also the work done by the member for Mawson in chairing the project. The support from the three members in the south has been very important in ensuring the implementation of this project, which will be of benefit to the community.

Ms GREIG: Another development of great interest to our region, which the Premier announced in mid-1994, is the proposed redevelopment and significant expansion of the Worrina Cove Resort south of Yankalilla. What has happened since that time to advance that project?

The Hon. G.A. Ingerson: Again I thank the member for Reynell for her question and her interest in another significant development in the south—something which never used to happen before but which seems to be happening now under the new Government. The developer MBf Resorts purchased the Worrina property in June 1994. Following the production and approval of an overall plan for the development, extensive studies and the setting aside of three areas of significant Aboriginal heritage, MBf Resorts commenced a program of redevelopment and expansion. MBf Resorts has advised that it has spent or committed to current projects in excess of \$30 million to date. Clearly, with that expenditure it was the biggest tourism development project in the State last year and, in all probability, it is likely to be the biggest development we have ever seen.

So far, the developer has achieved a major refurbishment of the existing resort accommodation. It has completed 20 condominium units with another 60 to be completed by July this year. There is approval to construct a 200-room condotel (an apartment block) with project commencement in August 1996. Design work is near completion for the major upgrade of conference facilities. It is planned to increase the facilities from the current provision for 200 people to about 1 000 people. Design work is near completion for the major upgrade of food and beverage areas. There is a major upgrade and remodelling of the existing 18-hole golf course—I look forward to playing with Tan Sri Loy when that is done. Furthermore, there is the completion of the 111 allotment residentials—about 70 per cent of the allotments are now sold and some houses have already been completed.

The Government has been involved in assisting the developer in the provision of infrastructure. To date, the

Government and MBf have funded jointly a water treatment plant to maintain the high quality water supply for the Worrina reservoir, with a waste water effluent treatment plant and reconstruction of the intersection at the entrance to Worrina Cove on the Normanville-Cape Jervis Road to improve safety.

The next major development at Worrina is the 350-berth marina, which will be funded jointly by the Government and MBf and which will include a number of facilities such as a boat ramp and berths for temporary lay-overs which will be available to the public. In the budget this year the Government has allocated \$8.5 million as its contribution to the development of this marina. When completed the marina, which will have a range of commercial facilities, will cost in the order of \$22 million and will provide additional opportunities for marine based tourism in the southern Fleurieu Peninsula and Kangaroo Island regions.

Ms WHITE: The previous Government launched a concerted push to place South Australia on the ecotourism market; I am pleased to see that the current Government is also interested in ecotourism. I am aware that Helen Hardwicke left the State at the beginning of the year but I was surprised to read in the press at the weekend that the officer who I thought was working solely on ecotourism will be absorbed into the international marketing division, and there is a budget change. That ecotourism line is more than halved: does this represent a shift in focus away from ecotourism as a result of the changes within the commission, and will the Minister give an outline of the future size and direction of the market?

The Hon. G.A. Ingerson: The Government is totally committed to ecotourism. Clearly, that message is sent out in this brochure *South Australia Naturally*. In my view, it is the best brochure we have produced. The colour photography and presentation are outstanding. Mr Emery was involved in the presentation and development of this product, but one of the unfortunate things that always occurs in reporting is that very often the report and the facts are two different things. In the development section of the department, once a decision is made as to which area we are going to look at, development officers are brought into that area to develop the product and to make sure that we get the best outcome. That is what happened in this case.

We have had development products of ecotourism, wine, Aboriginal tourism, and in all cases the development officers were assigned to develop the product and then to move on to the next issue. The next issue happens to be cultural tourism. Sometimes what happens is that a bit of griping goes on and people like to air that publicly and the newspapers, because they have nothing much better to report, jump on it and run with it. The reality is that Mr Emery will move on to the next project development position, as he has done in others. That occurs with all other development officers in that division in that their role is to develop a project and a product to a certain point and then to hand it over to the marketing people to take up. That is the way the division has operated from its inception.

That does not mean that, once that developmental stage is finished, that is the end of it; it is really only the beginning, because it then has to be picked up and marketed within the State and nationally. But, as I said, this is the best brochure that we have ever produced, in my view, in terms of marketing product that is specific to ecotourism, and it is something for which I commend the department. Just so there is no

confusion, the best product we have ever had is the wine tourism guide.

Ms WHITE: In capital works under 'New works' there is an item of \$300 000 going towards the Hog Bay Inn at Penneshaw, a project that will start and be completed next year. There is also a capital works program for the Naracoorte caves, which I think is worthy of our investment. As far as I can see, the Hog Bay Inn proposal has not had a mention anywhere. I tried to telephone the Hog Bay Inn to congratulate it on its win, only to find that it does not yet exist. What is the Hog Bay Inn? Where will the proposal happen?

When I made inquiries about it I was told that it was secret, so I am interested to know exactly what it is. Who owns it, will own it or has interests in it? What criteria were used to decide that it was worthy of Government support, and what benefit will be delivered to the State through the investment of this public money in this, I assume, private interest?

The Hon. G.A. Ingerson: As far as I am aware, it is not a secret proposal; it has been around ever since I have been a Minister and I suspect it was around prior to that. It is a private development, Hog Bay Inn Pty Limited. I am not aware of all the shareholders, but I can obtain their names; it is a private company but I think they have made it public. If they have not, I will get them to write to the honourable member and advise her privately of the position.

In terms of benefit for the State, the three major tourism destinations that require accommodation are Kangaroo Island, the Barossa Valley and the Flinders Ranges. Any major development on Kangaroo Island is seen by the Government as a major step forward. I understand that Hog Bay Inn Pty Limited does have development approval from Dudley council. It is to be on the main road between Penneshaw and Kingscote; as you come off the ferry from Penneshaw going up the hill, it is at the top of the hill.

It is 55-bed hotel motel, 3½ to four star accommodation. As I said, it has been on the drawing board, as far as I am aware, since prior to my becoming Minister, so it has been on the drawing board for three to four years. As part of its development proposal the Government has a commitment to help any new developer with infrastructure development, and the \$300 000 indicated is an estimate of the cost of infrastructure that the Government may have to meet. I understand that we are continuing to talk with the proprietors of Hog Bay Inn Pty Limited to see whether they can bring the development on fairly quickly, so that we will have at least some new accommodation on Kangaroo Island by the end of 1996-97.

One of the major problems we are having with those three major destinations is that, if we keep on advertising and marketing them nationally and internationally and start to get significant results, visitors have to stay in Adelaide and go to those places as day trips, and that is not a very good economic opportunity for the people on Kangaroo Island. You need visitors to stay one night or more on the island, so that the economic value stays on the island.

Ms WHITE: I have been advised that the Adelaide Casino was pressured by the State Government to abandon its player programs, which involved signed deals with operators to bring groups of gamblers with tens of millions of dollars of front money from overseas to visit South Australia and the Adelaide Casino. This decision follows an earlier decision to close the high rollers area in the Casino and make the Adelaide Casino the only State based Casino not to run player programs. What consultation took place with the Tourism Commission before the decision to stop all

player programs was made, and what effect on visitor numbers is the decision likely to have?

The Hon. G.A. Ingerson: As Minister I do not have any responsibility for the Casino at all. I am advised that there has been no direct consultation between the Tourism Commission and the department or the Minister responsible for the Casino. We see it as a very important tourism opportunity for us, because a lot of money is spent on gambling and it is another outlet for people to visit at night when they come here as visitors. I do not have any personal role, nor have we been consulted.

Ms WHITE: I am aware of the Minister's opposition when he was shadow Tourism Minister to the then Government's decision in 1993 to award the Government business travel contract to a single agent. Now that the Minister is in Government and has control of such things, has his attitude changed toward not taking business away from local travel agents (to quote him in the press at that time)? Has his attitude to this issue changed at all, and what will he do if it has?

The Hon. G.A. Ingerson: I wish I did have control over this, but I do not, unfortunately. It is controlled by the Minister for State Services and it is done by the State Supply and Services Board. As Minister for Tourism I have input into the outcomes that we would like to see as far as Government travel and that for members of Parliament is concerned. We have been part of setting the guidelines that we want for whoever wins this next travel opportunity, and we have a person on the selection committee. However, as Minister I do not have any role to play in it at all. I am sorry that I cannot help the honourable member.

Ms WHITE: But what is your view?

The Hon. G.A. Ingerson: Yes, I have the same view as I had before, namely, that one major company ought to manage travel for the State but that all our smaller operators ought to be able to work within that contract and be part of that service. That was my previous position and that of Phil Hoffmann, who I suggest has given the honourable member this question. He would know clearly what is my view. I believe that there must be a master group sitting over the top because we are talking about the organisation of national and international travel, but it ought to be split amongst the agencies. The current agreement with American Express allows that to occur, and some of the agencies are getting the business, but I would like to see more of that occurring. I do not have an opportunity to be part of the final decision, because it is made by State Services. You would probably do better to ask the Minister for State Services that question.

Departmental Advisers:

Mr P. Van Der Hoeven, General Manager, Adelaide Convention Centre.

Mr G. Ashman, Administration Manager, Adelaide Convention Centre.

Mr W.T. Spurr, Chief Executive Officer, Australian Major Events

Mr I. Fraser, General Manager, Adelaide Entertainment Centre.

Mr R. Kerslake, Finance Manager, Adelaide Entertainment Centre.

Mrs HALL: My question relates to 'Other payments'. Major Events has been involved in a number of important South Australian activities over the past 12 months. My inquiry relates to Greg Norman's appearance here in

Adelaide. I know the Minister enjoyed a few rounds with our international celebrity, and I know that some of the media coverage that was generated was not necessarily focused on the Minister. Will the Minister inform the Committee what media coverage Greg Norman's appearance in Adelaide generated for Adelaide and South Australia?

The Hon. G.A. Ingerson: It was an important event for South Australia. We had the South Australian Open in the previous year, which 15 000 people attended. This year, in excess of 15 000 people attended, due to the Government's working with the management of the South Australian Ford Open Golf to bring Greg Norman to South Australia. The event was shown live throughout Australia and Asia and was packaged to a further 100 million people throughout Asia and the world. Some 3 000 column centimetres were generated in mainstream press articles on the eastern seaboard of Australia, and without any doubt the event lifted the Sensational Adelaide program to a much higher level.

As a flow-on anecdote, just over a month ago, a bus load of 50 people from Italy arrived at the Kooyonga Golf Club, went to the pro shop and asked whether this was the place where Greg Norman had played and which they had seen in the Sensational Adelaide promotion internationally. They spent about \$5 000 on goods in the pro shop. That is a very small spin-off from that event, but the long-term advantage in our being involved in promoting sport and tourism nationally and internationally under the Sensational Adelaide banner is of tremendous value to South Australia.

Mr LEGGETT: I refer to page 202 of the Program Estimates in relation to Wagner's Ring Cycle opera. Wagner's Ring Cycle is estimated to generate \$14 million for South Australia. How will this be achieved?

The Hon. G.A. Ingerson: The Ring Cycle opera to be held in November 1998 is one of the real coups for Adelaide. Alongside the three tenors concert that will be held in Melbourne, it is considered to be the largest single performing arts event to come to Australia. The State Opera, in collaboration with the famed Paris opera company, Du Chatelet, will stage Richard Wagner's epic masterpiece for the first time in the southern hemisphere. There will be three cycles of four performances, with each cycle held over a period of five weeks. Some 5 500 tickets will be available, with the majority set aside for interstate and international guests. I understand that 1 000 of them have already been purchased. Media coverage for the world-wide event is quite significant, and again it is helping to promote South Australia on the national and international stage.

Ms GREIG: What percentage of the events supported by AME are arts, sports, technology or industry based?

The Hon. G.A. Ingerson: In terms of the number of events, sport receives 56 per cent, arts 36 per cent, and technology and industry some 8 per cent. In terms of funding support, sport receives 41 per cent, arts 51.5 per cent, and technology 6.8 per cent.

Ms WHITE: I notice on page 16 of Financial Paper No. 2 that, following the previous restructuring of its debt, the Adelaide Convention Centre has a revised surplus of \$200 000, which means an estimated surplus of \$500 000. Will the Minister comment on that? In relation to the Entertainment Centre, I have an article dated October last year which states that the land surrounding the centre is on the market. I also have a media report which states that the State Government has pledged to hold on to the Entertainment Centre despite its current program of asset sales. I

would like the Minister to clarify what is happening in this area.

The Hon. G.A. Ingerson: There was some confusion half way through the question as to whether you were talking about the Convention Centre or the Entertainment Centre, but I assume it is the Entertainment Centre. The contribution from the Entertainment Centre to the Government last year was about \$750 000. Last year its operating profit was about \$1.9 million, and it is on line to be about \$1.5 million this year. The reason for the variation has nothing to do with the efficiency of the centre because we are now pushing more events through the centre. The variation relates to the very unpredictable nature of international artists who come to Australia.

The Government is not selling any land on the Adelaide Entertainment Centre site but is looking at the reorganisation and further development of that site, particularly the main area fronting Port Road. There are no formal plans—at this stage, it is only a proposal. We are looking at making it a better Entertainment Centre in the long term. The Government does not have a policy of selling the centre, although it did when it first came to office. However, the marketplace clearly would not return to the people of South Australia the sort of money that we would require if we sold the centre, so a decision has been made at this point not to sell the centre. In the long term, who knows: the market may change and the Adelaide Entertainment Centre site and buildings may become a much more logical sale item in the future.

Ms WHITE: Will the Minister take on notice and supply to the Committee a list of all the people who receive invitations to the corporate boxes at the Entertainment Centre?

The Hon. G.A. Ingerson: I do not think that that is a reasonable request. I would have thought that any private person who owned a box at the Entertainment Centre could invite whom they liked. I do not believe it is the responsibility of any Minister to ask a corporate company, which has spent money purchasing a box, to tell us who uses it.

Ms WHITE: Your box, Minister.

The Hon. G.A. Ingerson: The Government does not have a box at the Entertainment Centre. Occasionally three or four boxes are available at the centre because a corporate company does not own them, and there have been occasions when I and other Ministers have attended at the invitation of the Adelaide Entertainment Centre. But there is no Government box at all.

Ms WHITE: What about the management of the Entertainment Centre?

The Hon. G.A. Ingerson: The Entertainment Centre has the use of a box only if all the boxes are not sold. The number of boxes that have been available in the past 12 months has varied from three to one. At the moment, on the advice that I have just been given, only one box is available, and that box is used not only by Government but also by invitees of the Adelaide Entertainment Centre. The centre works with numerous corporate people in terms of sponsorship, advertising and promotion of the centre, so it invites a lot of people. I do not think it is reasonable to supply a list of all the people who are invited. If the honourable member would like my own list as Minister, I am prepared to make it available.

Ms WHITE: That is what I am asking for.

The Hon. G.A. Ingerson: I can provide that information now. There are four people who I have formally invited, and I will place their names on the record by forwarding that information to the honourable member.

Ms WHITE: The Convention Centre's accounts are quite a different picture this year, moving from a projected deficit

of almost \$12 million to a revised deficit of \$500 000. What changes have been made to the structure of the debt to change the look of the accounts? What was the operating profit or loss for the year? What was the level of usage, and how does it compare with last year?

The Hon. G.A. Ingerson: The reason for the decrease from \$12 million to \$500 000 is that we have capitalised the debt, exactly the same as we have done with the Entertainment Centre, and that debt is now a State debt and not a specific Convention Centre debt. So, all that has happened is that that debt has been transferred to State Treasury. The Convention Centre does exactly the same as the Entertainment Centre, that is, it works on an operating profit and then returns to Government a sum of money which is agreed to each year. The gross operating profit in the past two years has been about \$900 000. In 1994-95 it was \$1.11 million; it is estimated to be the same this year. The previous year it was \$1.8 million. The return to Government out of the \$1.11 million was \$738 000. Marketing and depreciation is included in the difference between those two figures. I will ask Mr Van Der Hoeven, the General Manager, to comment on that.

Mr Van Der Hoeven: The level of usage for the Adelaide Convention Centre, from 31 May to this date (because the year has not ended), is 551 events with 311 days occupancy. In respect of the Exhibition Hall, the figures show that for 1995 the centre had 195 days occupancy.

Ms WHITE: I refer to page 163 of the Estimates of Receipts and Payments and the Grand Prix Board. Obviously the Grand Prix Board has been abolished. The Grand Prix office built up a formidable team of people who made a massive sporting event run like clockwork. My questions relate to how that team has been retained in the service of South Australia and in which areas they are working. Will the Minister give a break down of the \$12.3 million allocated to the Grand Prix Board, as well as an indication of the profit-loss situation for the Grand Prix? I note that the revised estimate on page 16 of that financial paper shows a deficit of just \$744 000. What amount was realised from the sale of all the plant and equipment and where does this show in the State accounts?

The Hon. G.A. Ingerson: The Grand Prix Board has not been abolished: it still exists. The members of the Grand Prix Board resigned in May 1996, I think, and were replaced by seven members of the Major Events Board, so the Grand Prix Board and all its structures, the collection of assets and so forth can continue. The reason for that is that we have a contract with Melbourne, as part of the sale of assets, to collect \$735 000 per year from 1997 through to the year 2000. We need a structure in place to make sure that that money can still flow into a formal structure.

As part of the bringing together of sport, recreation and tourism, the position of the Grand Prix Board and its Act will be reviewed and resolved in the next six months. Whilst the board has not been abolished at the moment, it may be as part of that restructuring. It may not be, either. That review will take place in the next six months.

None of the team is employed any more. They have all been paid out as part of the contractual arrangement that occurred when we found out that the previous Government had lost the Grand Prix. We entered into a contract with all the employees to make sure we would still be able to run the Grand Prix for the last two years, and we made sure that we were able to do that.

Mr Foley interjecting:

The Hon. G.A. Ingerson: They were all on contracts and all paid out. Glen Jones is currently being employed as a consultant on a number of projects for Major Events. Rod Paech was employed after the Grand Prix Board membership was changed to finish the running of the World Bowls tournament. He has now set up his own company here in South Australia and may or may not be involved with Major Events in the future.

Mrs HALL: I would like to pursue some information about the Adelaide Entertainment Centre, because some of the figures outlined clearly show it is doing very well. With respect to the corporate suites to which the member for Taylor referred, will the Minister explain what are the lease arrangements for the next three years, and is it fact that there is now a waiting list for the corporate suites?

Mr Foley interjecting:

Mrs HALL: Under your lousy management, yes. Will the Minister advise the Committee on the centre's future bookings and the success thereof?

Mr Foley interjecting:

The CHAIRMAN: The honourable member will ignore the pleasantries from the member for Hart.

The Hon. G.A. Ingerson: It is normal for some members, when they get a little bit of verbal diarrhoea, to make some side comments. The Entertainment Centre, since we have taken over, and under the management of Ian Fraser, has done a fantastic job in turning around the potential huge losses in an operating sense that we inherited. It was because of the expertise of Ian Fraser and his management team, and the support of the Grand Prix Board management team, that they were able to reduce the huge number of staff that were floating around the place down there, supported by the previous Government, to the very workable and operational unit that we have today. Because of their management, last year we were able to make an operating profit of \$1.99 million. This year, the operating profit, if it stays on line for the next few days, will be approximately \$1.5 million.

As I said earlier, most of the variation is out of the control of the Entertainment Centre. It is due entirely to the sorts of artists and their length of stay in Adelaide. I might point out that, because of good management in that period of time, apart from only one show, all shows that came to Australia have been to Adelaide. The reason the Neil Diamond show did not come to Adelaide was that he had been here before but had not been to Perth on his previous visit.

We have contracts running on all the centre's 32 corporate suites. All the corporate suites are available for corporate pick-up. I was advised earlier that we have only one now that is not used, and that varies up and down. We do have a waiting list for corporate boxes. It has been put to us that one of the reasons why there is such a demand for corporate boxes is that Port Power was not in the AFL last year, and with Port, the Crows, basketball and all those people entering the corporate box scenario, there is a long-term concern as to whether we will be able to maintain the current investment in corporate boxes in the Entertainment Centre as it would be at the basketball stadium. That is mainly because of the obvious and very significant interest in Australian Rules football. Of course, if the rugby ever gets off the ground we will have another group of people with which to compete. It is my view that the centre can now be used for more purposes than originally designed because of a change in catering, management style and promotion of the centre, and we are achieving a better output than previously.

Mr LEGGETT: The Adelaide Convention Centre has been referred to as 'a generator of income for the State's economy'. What does this mean and what value does it represent in dollar terms?

The Hon. G.A. Ingerson: The convention business in South Australia is one of the best kept secrets in the tourism industry. We have exceeded our market share in the convention business for years. At the moment we are well and truly above what you would expect us to achieve in the marketplace. It is estimated that 15 per cent to 16 per cent of all potential conventions in Australia come to South Australia, and that is well and truly above our market.

It has generated an economic impact in excess of \$220 million over the life of the Convention Centre; it has been estimated that 290 000 room nights have been booked for delegates; hotel accommodation is in excess of 40 million; delegate spending is, on average, \$140 per day and that has brought in \$40 million; and the multiplier effect of an estimated 1.6 has brought in an economic value of \$137 million to the State, giving us a total revenue of about \$220 million.

The Convention Centre has been important in the promotion of tourism into our State. It is one of the real gems that we have in South Australia. One of the reasons for its success is the tight financial and management controls under which it operates. It has nothing to do with many of the other political issues that have been thrown around from both sides; a few members of Parliament from both sides should visit the centre and find out what the Convention Centre is doing and see what a fantastic centre it is.

One of the important issues for us as a Government is where it sits into the future. Clearly, we could do what has been done in Melbourne, Sydney and Brisbane and build a mega-place. If we did that, we would fill it for four or five nights or weeks a year and end up with massive losses. We have made the decision that we should stick to our knitting and stick to the market in which we do so well—conventions up to 2 500 people. We must ensure that the Convention Centre, all its operations and infrastructure, is modernised and kept up to date. We will be doing a minor extension at the Convention Centre in the next few months to further upgrade it to enable us to hold the smaller conventions and to do them the best in Australia. It is a niche market exercise and something about which we should be happy about and proud of in South Australia.

Mr Foley interjecting:

The Hon. G.A. Ingerson: And supported by the Opposition as well.

Mr Foley interjecting:

The Hon. G.A. Ingerson: Of course you built it; it is one of the few things on that site that is working.

Ms WHITE: I have a question on notice about Australian Major Events—which I hope you will answer soon—concerning which events are supported, whether they are successful, and what criteria is used to determine whether or not the Government supports an event. How is the \$2 million budget for the current year being spent and how will the \$5 million for this coming financial year be spent?

The Hon. G.A. Ingerson: The expenditure for budget this year will be \$3 million but there is \$1 million carry-over in the existing budget. In the budget coming before us is \$2 million but there is \$1 million carry-over. I will ask Mr Spurr to briefly answer that question.

Mr Spurr: To date the money has been spent on a number of events that we have held to date; a total of 26 events across

the sport, art and technology areas over the next two years is in forward planning and budget purposes has been allowed for. We can easily provide details of the events.

Ms WHITE: Is this for the coming financial year?

The Hon. G.A. Ingerson: We will supply more detail to the Committee.

The CHAIRMAN: There being no further questions, I declare the examination of the votes completed.

[Sitting suspended from 1 to 2 p.m.]

Recreation, Sport and Racing, \$13 501 000
Minister for Recreation, Sport and Racing—Other
Payments, \$3 386 000

Departmental Advisers:

Mr M. Scott, Chief Executive Officer, Office for Recreation, Sport and Racing.

Mr R. Fletcher, Director, Corporate Services.

Ms L. Parnell, Director, Recreation.

Mr S. Forrest, Director, South Australian Sports Institute.

Mr D. Pullino, Manager, Financial Services.

The CHAIRMAN: I remind members that the use of electronic devices such as pagers and telephones is not permitted within the Chamber and, if members do have them, could they please switch them off. I declare the proposed expenditure open for examination. I invite the Minister to make an opening statement.

The Hon. G.A. Ingerson: This morning I announced formally the establishment of a steering committee for the amalgamation of tourism, recreation and sport into one formal commission. That will take place over the next six months. It will require legislation, and the steering committee will work with all the groups in recreation, sport and racing as well as in tourism to make sure that we get the best possible outcome for each of the divisions.

The Office for Recreation, Sport and Racing positioning statement 'Partners in Growth and Excellence' will continue to be the focus of operations in the 1996-97 financial year. The phrase 'Partners in Growth and Excellence' identifies the department as working in conjunction with key players in the industry: first, to assist with growth or increase participation in recreation and sport; and, secondly, to promote excellence in the field, not only in the sporting arena but also in terms of quality and safety of services provided to participants.

As members would be well aware, recreation, sport and racing has the capacity to contribute significantly to the social and economic development of the State. The 1996-97 financial year presents a window of opportunity for the further development of recreation and sport in this State. A fundamental objective of the Office for Recreation, Sport and Racing is to encourage all South Australians to participate in physical activity. The upcoming financial year provides an opportunity for the department and the industry as the eyes of the sporting world focus on Australia after the Atlanta Olympics.

For South Australia this will mean an increased interest in sport and physical activity that will eventually translate into higher participation and interest in the field. It will also mean that overseas national squads will want to train and acclimatise in Australia in the lead-up to the 2000 Olympics and Paralympic Games. Austrade estimates that this will attract in excess of \$200 million to the Australian economy over the next four years. South Australia has already posi-

tioned itself to take advantage of this enormous opportunity through its Prepared to Win program. Already this calendar year, South Australia has hosted several visits from overseas national Olympic squads.

The development and upgrading of State sporting facilities will be a high priority this financial year. As members would be well aware, the Government has announced its plans to upgrade the Hindmarsh Soccer Stadium and develop State athletics and netball centres in the Mile End precinct. Detailed planning is already under way and construction at all three sites is scheduled to commence in the period August to October 1996. In addition, this budget will continue to provide funding (\$900 000) for its regional recreation sports facilities program this financial year.

Despite the tight budget position, we will continue to support the needs of the recreation and sport community. To this end, funds have been made available to continue work in social and economic development programs, participation initiatives and elite athlete support services from the South Australian Sports Institute. I also advise members that I intend to introduce complementary drug testing legislation in 1996. The Bill will be of an enabling nature and will confer on the Australian Sports Drug Agency functions and powers with respect to testing at State level, if and when required, for the presence of performance-enhancing drugs banned by the International Olympic Committee.

In closing, I should like to acknowledge the commitment of all the staff in the Office for Recreation, Sport and Racing who have had as their primary goal the establishment of high standards for the agency's performance and achievement of real benefits for the community and the South Australian economy.

Mr FOLEY: With the indulgence of the Chairman, I should like to ask some questions about the Minister's announcement today of the potential formation of a tourism and sporting commission. I notice from the board membership that there appeared not to be representation on the commission from the sports side, and I was a little concerned at that. Given the need to endeavour to get some bipartisan, constructive community support for this process, I suggest that there be a broadening of that committee.

The Hon. G.A. Ingerson: I apologise for not announcing that this morning when dealing with the other portfolio, but I had a discussion this morning with Elaine Farmer, who is Chair of the Recreation Advisory Council, and with John Halbert, who is Chairman of the Sporting Advisory Council, and asked them whether they would be involved in the setting up of a new commission. They would be part of the steering committee. One of the things that I want to avoid is having to bring all the steering committee together all the time when we are talking about structural issues *vis-a-vis* where each portfolio's functions ought to be considered. I take note of the honourable member's comment and indicate that it will take place.

Mr FOLEY: It is too early for the Opposition to give any indication as to whether or not it will support such a measure, and it may be too early to tease out some of these issues. However, the Minister mentioned the racing industry. We have gone to great lengths to put in place a reasonably complex structure, and I hope that we will not regret that. What does the Minister see as the interaction between those bodies and the new sports tourism commission?

The Hon. G.A. Ingerson: We see the racing industry being totally separate and hived off so that it reports directly to me through the Racecourse Industry Development

Authority. There will be some tourism marketing opportunities, and we would see the new commission working with them. Fundamentally, though, the racing industry would be seen as a separate industry altogether.

Mr FOLEY: I can understand the benefits that will be associated with the Tourism Commission, given the commercial nature of tourism, but it is not as clear to me as to what benefits one would be looking for on the sports side of it. I am not necessarily convinced that there is an automatic synergy between tourism and sports. Can the Minister elaborate on his rationale?

The Hon. G.A. Ingerson: We are currently negotiating with a very big international company for it to be a major sponsor for one of the elite sporting groups in our State. One of the difficulties in finalising any major contract concerns the issue of with whom the contract is made. It is much easier for a commission which is a corporate body or a statutory authority to enter into corporate arrangements with the private sector than it is for a department to do so. It is not impossible, but it is easier to do it that way.

We see a huge opportunity for the expansion of the private sector in funding a whole range of institute students. If we get enough money from any corporate sponsor, we can put their branding on institute athletes, as is done in the case of professional football, as the honourable member would be well aware. In bringing it all together we see a significant advantage for sport and recreation, but particularly for sport. There is a cross-relationship, in a marketing sense, between sport and tourism. This is highlighted by major events which have both a tourism and a sporting focus. We see that there are many opportunities to do it better.

The major thrust of the exercise, as it was in the racing industry, is to minimise the administration costs of all the portfolios so that that money being saved can flow through to sport, recreation and tourism. Tourism fundamentally is a marketing body. The one weakness that I perceive in sport is its inability to market itself well, and I see the Tourism Commission's expertise being utilised to better sell our product in sport. As far as the Government is concerned, that is done primarily through the South Australian Sports Institute and enables the smaller associations to better market themselves. We see many advantages in doing that.

Mrs HALL: I thank the Minister for his opening statement confirming the importance of recreation and sport to our State. I note that one of the themes that the Office for Recreation, Sport and Racing has been using is 'Adelaide, Australia, an ideal environment for sport, business and tourism'. Some of us are rather hopeful that we can add a few more sentences on the end of that theme expressing hope and expectation in getting results and medals fairly soon. Would the Minister detail to the Committee the funding provided by the Government to the 1996 Olympics in Atlanta? How many South Australians have been selected in the 1996 Olympic Games team representing our State and obviously our country in a few weeks time?

The Hon. G.A. Ingerson: The Olympic Games will be a huge plus for Australia. We as a Government see a huge opportunity for us to promote our athletes and, as a spin-off from that, to promote our State. It picks up the issue that the previous member raised: what is the value of tourism and sport being linked together? The Olympic Games is the best example of what can happen. We will see a large number of athletes coming to Australia and many officials coming to support those athletes. They will come from 190 countries. The spin-off value is enormous. As a consequence of that, the

Government needs to commit itself to ensuring that our athletes can participate. So far, \$100 000 has been granted to the 1996 Olympic Appeal over the next two years and we also provide accommodation for the South Australian Olympic Council. In 1992 the allocation was \$50 000, so this is a 100 per cent increase in funding compared with that of the previous Government.

At this stage there are 45 athletes and 11 support staff selected in the Olympic Games team from South Australia and some of the sports have not yet finalised their team to the extent of a sports staff. There are a whole range of athletes, as follows: archery, Simon Fairweather; athletics, Sean Carlin, Simon Arkell, Jagan Hames and Kate Farrow; badminton, Song Yang; baseball, Michael Dunn and Andrew Scott; basketball, Michelle Brogan, Carla Boyd, Rachael Sporn and Brett Maher; beach volleyball, Kerri Pottharst; cycling, Stuart O'Grady, Tim O'Shannessy, Brett Aitken, Luke Roberts, Tim Lyons, Luke Kuss and Matthew Meaney; equestrian, Gillian Rolton and Wendy Schaeffer; hockey, Juliet Haslam, Paul Lewis and Michael York; kayaking, Lynda Lehman; rowing, Kate Slatter, David Belcher, Jaimie Fernandez, Alison Davies, Victoria Toogood, Carmen Klomp, Anna Ozolins, Amy Safe and Sally Newmarch; soccer, Goran Lozanovski, Paul Agostino, Ross Aloisi and Aurelio Vidmar; swimming, Helen Denman, Ryan Mitchell, Phil Rogers and Sarah Ryan; table tennis, Paul Langley; and tennis, Mark Woodforde. The teams of cycling and baseball, whilst they have been nominated, have not yet been finalised.

Very importantly, some SASI staff have also been selected to go to the Olympics, and this puts in perspective how well respected our institute is. The staff members selected are as follows: Peter Barnes, medical officer; Neil Craig, physiologist (cycling); Cathy Martin, psychologist; Glenn Beringen, coach, swimming; Tricia Heberle, assistant coach, women's hockey; Steve Tutton, section manager/coach, beach volleyball; and Chet Gray, assistant coach baseball. Other South Australian officials include former SASI coaches, Charlie Walsh and Mike Turtur, the head track cycling coach and cycling section manager respectively. Bob Pennington (rowing) and Michael Butler (basketball) will also officiate for their sports. Some other coaches and officials are still to be confirmed. We need to recognise that South Australia has done exceptionally well in the Olympics and most of that is due to the very excellent work being done at the South Australian Sports Institute.

Mrs HALL: I refer to the Hindmarsh stadium redevelopment project, for which I know the member for Hart shares my enthusiasm and support. Can the Minister outline to the Committee the progress being made on the Hindmarsh stadium upgrade and also provide some detail of the ongoing support that the Government is now investing in a number of sporting activities? This certainly has been reflected in the support for the sport as the numbers of spectators are increasingly growing, not just those who watch it on the television each night at the moment but certainly sponsors are now becoming far more involved with the sport.

The Hon. G.A. Ingerson: The member for Coles obviously has a very special interest in soccer as the ambassador for soccer in South Australia. The honourable member also has a very one-eyed view in terms of Adelaide City, but it is good to see members of Parliament taking a special interest in sport. It is something that has not happened for a long time on either side. A few members are involved in sport, but it would be a good thing if many more members of Parliament increased their profile in sport.

The Hon. Frank Blevins interjecting:

The Hon. G.A. Ingerson: All I am saying is that it would be much better if many more did. In saying that, I note that the lead member for the Opposition is very interested in a lot of professional and amateur sport—and I am not in any way reflecting on any members: all I am saying is that it would be better if more of us became involved, and it would assist the role of members of Parliament. The South Australian Government and the Soccer Federation are upgrading Hindmarsh, which will provide us with a very significant new grandstand facility. The development is estimated to cost \$8.125 million. The funds are being sourced currently from the private sector. A memorandum of understanding has been signed by the Federation and the Government outlining joint funding arrangements for the project.

The development is expected to commence in September with a completion date in September/October 1997. When the project is completed the stadium will assist in attracting major and international competitors to this venue in the lead-up to the Olympics in Sydney. It will also service the requirements of many national league clubs. A new grandstand is required to satisfy FIFA requirements for the staging of Olympic fixtures. Services SA has been engaged as the project and cost manager, with Woods Bagot as the primary consultants for the initial feasibility and conceptual stage. The initial stage has now been completed on the western side grandstand, although some work is also being done on the eastern side, which will involve upgrading the lawns and backdrops. Fundamentally, however, it is on the western side. The soccer community, the soccer federation and the Office of Recreation, Sport and Racing have agreed that the redevelopment of the western stand, including the extension of the north and south, is the best option.

It is proposed to utilise the construction/management/contract/procurement method for this project, as this will offer the greatest opportunity for the federation to utilise sponsorship arrangements. The South Australian Soccer Federation has agreed that the Minister for State Services will be the principal in the building contract. The federation is contributing 50 per cent of the loan repayments, and the Government is meeting the other half. This is one of three major infrastructure developments in sport. This Government has a very strong commitment to sport and is putting its money and its name on the line.

Mrs HALL: I refer to the 1996-97 'Specific targets' on page 229, where the Minister talks about the commencement of construction for soccer, netball and athletics facilities. Will the Minister provide an update in relation to the new netball stadium, particularly outlining details of what facilities will be provided, what the funding arrangements are and whether these will have any impact on the players—apart from absolute enthusiasm? In light of the fact that Australia is playing a game against New Zealand in Adelaide tonight (and we hope that we are successful and also that we will finish Estimates Committees early enough to get down there), will the Minister also outline the role that the South Australian Sports Institute plays in supporting netball?

The Hon. G.A. Ingerson: Yesterday we had the privilege of meeting both the Australian and the New Zealand teams here in Adelaide, and it was my privilege to welcome them to the city. It was interesting talking to a couple of the players, because one of them in particular (the Australian captain) played in the same team as my young daughter, and I did not realise how long ago it was until we sat down and talked about it. The other thing that was evident yesterday

was the enthusiasm for a Government at last to make a commitment to netball. Over the past 10 or so years, there has been promise after promise in terms of support for netball, but nothing has eventuated.

Many of the reasons for that go back to a lack of real enthusiasm by the previous Government actually to recognise that netball is the biggest participation sport in South Australia. It is a women's sport, and much has been said about the need to support women in sport, although nothing has ever been done. It is a privilege that we are now able to say to women's sport in South Australia that it has a Government that at last is fair dinkum about trying to make sure that it can obtain a modern facility, which will enable it to grow from a State based sport into a national sport, which it deserves to be.

The Mile End site has been selected for the construction of the four court indoor stadium and associated outdoor courts. The use of the Mile End South complex for a netball complex will assist in planning for the athletics facility, particularly in the areas of car parking, road access point and stormwater management. This is in addition to the benefits from a remediation perspective. In other words, all bio-remediation will take place at the Mile End site, thereby allowing quicker access to the athletics site. Local residents might oppose the development at Mile End, as the site was regarded by residents as a solution to the adverse effects of the Railway Terrace alignment. I believe that that has now been overcome and that we will be able to work with the local community to make sure that access to and egress from the site will be properly managed.

Services SA has been engaged to provide project management and risk management services. Greenway International has been engaged as the primary consultant and is developing the concept plans. A preliminary program suggests that construction could commence towards the end of 1996. This means that construction would be undertaken simultaneously with that of the adjacent athletics project. The total cost of the complex is estimated at about \$7 million; and considerable site remediation, about \$3 million at the latest estimate, would also need to take place. It is intended that the loan for the \$7 million will be sourced from the private sector and repaid jointly by the Netball Association and the Office of Recreation, Sport and Racing.

On that matter, we have had discussions with the Netball Association and asked private consultants Ernst & Young to sit down with it and develop a business plan to show clearly to the Government that it can afford to meet its 50 per cent contribution to the project. That study has now been completed. A supplementary memorandum of understanding has been signed between the Government and the association, indicating that a levy will be placed on players at Edwards Park from 1 April 1996. This is probably the most important development of the three that we are undertaking because, as I said earlier, it is such a long time since anyone had been able to sort out the promises that have been made to netball, the No. 1 participation sport in the State.

Mr FOLEY: The Minister has raised three projects that have been announced by the Government: the netball stadium, the athletics stadium and the soccer stadium. In anyone's language that is clearly a very ambitious and substantial capital works program by the Government, all of which we support. However, I would like to have a closer look at the processes involved in each of the three projects. The Minister has touched on the process involved with netball and mentioned that an Ernst & Young study had been

undertaken to look at the Netball Association's capacity to pay. What were the results of that study?

Mr Scott: The report by Ernst & Young details the fact that netball can meet 50 per cent of the loan repayments for a \$7 million loan, as well as management and maintenance costs for the facilities. That is based on netball's charging certain entrance fees for participants and spectators, and those vary (especially on a spectator basis), depending on whether it is a national league game or a State league game.

Mr FOLEY: I do not doubt that but, clearly, it is a very substantial dollar figure that the Netball Association will have to pay, conservatively perhaps \$500 000 a year, to meet its half of the loan. What is the impact of the loss of income to the Basketball Association as a result of netball's departure from the Powerhouse, given that the Powerhouse stadium is also underwritten by the taxpayer?

The Hon. G.A. Ingerson: It is my understanding that it is about \$50 000 a year as far as basketball is concerned, but I will obtain an assessment and supply the Committee with further information. My estimation is that it is about \$50 000.

Mr FOLEY: The Opposition supports the establishment of a home for netball, but I must say that a proliferation of all weather stadiums is a little concerning in terms of stand-alone stadiums for basketball and netball as well as the Entertainment Centre. If we could revisit history we would not have had an Entertainment Centre and basketball stadium in quite their present form. Was work done on the option of consolidating netball and basketball onto the Powerhouse site, given that a significant amount of vacant Government land adjoins the Powerhouse? Was a feasibility study carried out to determine whether that stadium could be improved or increased, outdoor courts put in place and a proper management arrangement between the two codes sorted out in terms of equal usage of the stadium?

The Hon. G.A. Ingerson: I think the honourable member's general point would be valid if it could stack up. The reason it has not stacked up is that the new netball stadium will seat 3 000 at an absolute maximum for single court action. The reason that it is not any bigger than that is that it is our view that there is no point in building a netball and basketball stadium of about the same size. Events such as international matches and netball grand finals—which are the only occasions on which the numbers will exceed 3 000—will be played at either the Entertainment Centre or the Clipsal basketball stadium, which would be the best option. The other major reason why netball can support itself is that the four court flexible arrangement is a participation exercise, because the usage of the stadium is quite high. It is impossible to get four courts at Clipsal. Whilst the number attending many of those games is not great, the participation level is very high, so we need a stadium that gives netball that sort of flexibility.

I am advised that the previous Minister arranged for Civil and Civic to undertake a study, which showed that there was insufficient land for the number of courts that will be needed if they shift out of Edwards Park, whereas clearly there is ample room for a long-term development to put down 29 to 30 courts on the Mile End site. So, if there is a medium to long-term view to shift out of the parklands and consolidate it on the one site, the Mile End option gives that option, whereas the Clipsal Powerhouse site does not give that option.

Ms GREIG: I acknowledge the work of the Minister and his department, first for the status they have given to sport, recreation and racing and, secondly, for the assistance given

to me by individual members of the department. I have a passionate interest in both junior and women's sport, and people such as Simon Forrest and Michael Scott have always provided me with prompt advice and assistance in these areas. I also acknowledge the work of SANA, BASA and the Women's Consultative Committee for the magnificent job they do in promoting women's sport through 'Feel the Power, See the Action'. I am sure that all present will agree that this event brings both women's netball and basketball to the forefront in sport and at the same time promotes other sports in which all women can have the opportunity to participate.

My first question concerns the southern sporting complex, in which I have a great interest. The southern sporting complex was a victory for the south at the 1993 election. The Government acted promptly in putting together a task force to see stage 2 of the complex completed. The task force has achieved its goal and is ready for the next stage to commence. What arrangements are to be put in place for the management of the southern sports complex; and has any action been taken to increase utilisation of the complex by, for example, attracting other sports to it?

The Hon. G.A. Ingerson: I thank the member for Reynell for her question and for her special interest in the southern sports complex. Stage 2 is now complete. It consists of a grandstand, community facility and club rooms for the South Adelaide Football Club. Final costs for the project are still being compiled, and I would hope that in the near future we will be able to make a public statement as to what it really is. Following a recommendation by the southern sports complex task force, approval has been given for the establishment of the incorporated association to manage the complex, excluding the area that is under lease to the football club. I have agreed to establish an interim board of trustees to negotiate in relation to the formation of the final management board and in relation to the agreement on the ongoing management of the complex, and we are currently in the process of appointing these people.

An annual grant will be provided to assist in the management of the facility. It will be \$30 000 in 1996-97, diminishing over the next three years. The task force is pursuing other sports to relocate to that complex. Ongoing discussions with soccer clubs located in the south are encouraging. The feasibility of a representative club being based at the complex and playing in the premier league in 1997 is also being discussed. The community facility located at the complex has been widely accepted by the community and is becoming a focal point for larger ventures as well as the venue for weddings and so on. Rental of between \$30 000 and \$70 000 for the football club has been agreed by both parties. However, the formula used to established rental payments is again being reviewed.

Ms GREIG: What effect will the proposed Commonwealth firearms legislation have on participation in shooting sports in South Australia?

The Hon. G.A. Ingerson: The most important thing to be said at the start is that there is a lot of hysteria and paranoia in the community in general at the moment, particularly in the sporting community and, until the final Bill is placed before Parliament, much of that hysteria ought to calm down. In particular, it is very difficult for any Minister to comment on what outcome is likely to result as far as the sporting community is concerned until all the legislation, both State and Federal, is before us. Clearly, under the existing Federal proposals, some shooting sports may be affected. It is our role and mine in particular to make sure that the impact is

minimised as far as sport is concerned. A couple of groups at Olympic level are affected, including clay target shooting, and semiautomatics are used in a couple of sports at international level.

The most important thing to be said at this stage is that we need to wait until the legislation is finally drafted before we make any public statements in terms of the Sporting Shooters Association. I have not formally met with anybody from the association yet, even though on several occasions I have asked the association to come to see me. I have had several telephone calls from very significant sporting identities who suggest that there may be some difficulties at the moment, but I have suggested to them that we should wait to see what the Bill provides and then sit down and work our way through it. Clearly, this Government and the Federal Government do not intend to put at a disadvantage any of our national sportspeople who are competing in the international arena. Until the legislation is drafted, I ask for a little calm in the sporting community.

Ms GREIG: Another area of great interest to the community is the community sport and recreation forums. What are community sport and recreation forums, and how will they be funded and evaluated?

The Hon. G.A. Ingerson: In 1995, Foundation SA provided \$50 000 for the community sport and recreation forum pilot. Five community forum schemes were established based on local government areas, and these were in Port Lincoln, Port Augusta, Enfield, Noarlunga and Kingston South-East. An amount of \$10 000 was provided as seed funding for each of these five forums. It is not certain whether this funding from Foundation SA will be ongoing, but they are very important forums and we would be arguing for them to continue.

The forums provide sport and recreation groups with a stronger collective voice to improve access to and the quality of sport and recreation activities. Their activities include lobbying on behalf of the community, addressing equity issues, collectively organising coach accreditation training and development programs for sport and recreation, promoting health messages, organising sports medicine courses to improve safety conditions at events, providing opportunities to increase the participation of community members in physical activities, and enhancing club development planning and research. The Office of Recreation and Sport facilitates these forums by providing advice, consulting services and access to resources in order to foster the delivery of effective long-term events and activities.

The Community Sport and Recreation Forum Review Conference was conducted in Adelaide on Friday 15 December. All five forums were represented at the meeting where ideas were exchanged and issues and problems associated with the pilot program discussed. An evaluation of the first year of operation of these forums has been conducted. A follow-up seminar was conducted at the Office of Recreation and Sport on 12 April where all five forums were represented. An interim report is being produced following that seminar. The establishment of forums is being explored by other interested communities but without funding assistance from the Office of Recreation and Sport or Foundation SA. These communities are in the Riverland, Murray Bridge and Unley.

Mr FOLEY: Returning to the capital works program line in the Program Estimates (page 228), what process is being undertaken to construct the netball stadium? Who is managing the construction of it? Is a single contract being let to a

builder or is Services SA handling the construction? What is the procedure for managing that project?

The Hon. G.A. Ingerson: I have only a very general view of the outline of that, and I will ask the Chief Executive to fill in the detail.

Mr Scott: Services SA has been engaged to provide project and risk management services. Greenway International has been engaged as the primary consultant and is currently developing the final concept plans, which I believe will be finalised in the next two to three weeks. At this stage final plans have not been developed and there has been no preferred construction method determined.

Mr FOLEY: Does that mean that Services SA will be the project manager or will you be letting the contract, as an all-up contract for the construction, to a building company? Has that decision been taken?

Mr Scott: That decision has not been made. When I talk about project management from a Government perspective and managing Government risk, Services SA has a coordination role. There will either be a contract let to a builder as an entire package or some type of construction management. The final decision has not been made, and that will be a joint decision between Government and netball once we have agreed on the final plans for the project.

The Hon. G.A. Ingerson: The normal procedure has been for the State Government, through building management, to oversee the project and to have a direct project manager, either a builder or an employed project manager.

Mr FOLEY: You have given us some detail about the construction of the athletics stadium. How will that project be managed? Has a decision been taken to let it to a builder or to manage it through Services SA?

The Hon. G.A. Ingerson: It is on the same basis.

Mr FOLEY: We fully support the Hindmarsh Soccer Stadium upgrade. I understand that a different process for construction has been employed—one that I have not come across in my time in this place—and that is through a committee structure. What is the construction process for the Hindmarsh Soccer Stadium upgrade?

The Hon. G.A. Ingerson: I have a general overview but I think it would be better if the Chief Executive explains it. One of the important issues is that, because the soccer community generally comprises a lot of people who are specifically involved in the building industry, it sees that as an opportunity to reduce some of the prime cost. It has suggested that project management ought to work with a group of trades people and develop trade packages to reduce the cost. Obviously there will be, from the Government's point of view, a very clear construction management process that needs to take place to enable that to occur. It is fair to say that a different method is being used but that is mainly because there is an opportunity, and once we have got to the stage of beginning the project we will know whether or not this opportunity is real. But it is a suggested project process that we ought to be doing. The Chief Executive will fill in the detail.

Mr Scott: The preferred method is construction management, and that has been recommended to the project control group by the Department of State Services as the most suitable method, given the nature of this project. As you would be aware, each of the three capital works projects is different in its nature. The capital works project at Hindmarsh Stadium involves building a second tier over the existing grandstand at the back, and the analysis provided by experts,

which included advice from the private sector, detailed that this method had the least risk involved.

Mr FOLEY: I understand that the member for Coles, a member of this Committee, is the chairperson of that committee. What is the make-up of the committee?

The Hon. G.A. Ingerson: The answer to the first question is 'Yes.'

Mr Scott: There are members from the South Australian Soccer Federation.

Mr FOLEY: Can you name them?

Mr Scott: Basil Scarsella, Charlie Caruso and Tony Farrugia. There are members from the Office of Recreation, Sport and Racing—me. We have the Chief Executive of the local council (I forget the name). We have members from the two national league clubs—Adelaide City and West Adelaide Soccer Club. Obviously we have *ex officio* representation from Woods Bagot, which is the primary consultant, as well as from Services SA.

Mr LEGGETT: I refer to the Program Estimates (page 226). What has been the outcome of the management review of the trails network? In particular, what assurances can you give about the continuing maintenance of the excellent recreational trails network that has been developed in this State?

The Hon. G.A. Ingerson: The Outdoor Recreation Unit was established in 1976 following the transfer of responsibilities for the development of walking trails from the National Fitness Council to the Department of Tourism, Recreation and Sport. The development of the trails network escalated to the point where in 1996 the unit is responsible for 3 000 kilometres of well known trails including the Heysen Trail (1 500 kilometres for walking), the Mawson Trail (1 000 kilometres for cycling), the Riesling Trail (86 kilometres for walking, cycling and riding with disabled access), and the Tom Roberts Trail (200 kilometres primarily for horse riding).

A review of the management of the trails' development and maintenance took place late in 1995. The recommendation of this review was endorsed by me as Minister in June 1996. The review proposed a strategic role of the office in line with its new strategy of providing leadership and direction with less emphasis on service delivery. In line with the department's new role of providing leadership and strategic direction and less emphasis on service delivery, the review outlines the role for the office which complements these corporate directions.

The review recommended: that the office cease providing direct services in this area; Tourism, the Department of Environment and Natural Resources, local government, and local volunteer, community and user groups are to be encouraged to arrange for these services to be provided through the use of internal qualified staff or contracting out of the work to the private sector; that there be development of a long-term maintenance plan, a risk management plan and strategies to ensure that the trail network remains an important quality asset to the State and to increase the general participation in active recreation; that the Outdoor Recreation Unit be restructured and reduced in staffing; and that a promotion, publicity and marketing strategy be developed to ensure a broad public awareness of the trails and a walking track network.

The maintenance of the network of trails and walking tracks will be contracted out to a combination of government and non-government agencies. The office has discussed formally with the Federation of SA Walking Clubs the role

of each organisation in maintaining the network of trails and walking tracks with a view to establishing a partnership agreement. The Federation of SA Walking Clubs is the peak body for walking in South Australia and will have an opportunity to obtain funding through the grants programs for maintenance of the trails and walking tracks.

In 1995-96 the office provided \$6 000 for administrative costs to the federation. The office's capital works budget allocated to outdoor recreation will continue to provide funding for maintenance and risk management programs. In 1995-96 that was \$100 000. It is highly likely that the Federation of SA Walking Clubs will, on behalf of its affiliated members, be able to obtain increased funding for maintenance and risk management strategies and administration through the grants program funded through the Gaming Machines (Miscellaneous) Act.

Mr LEGGETT: What strategies are being used to promote the participation of Aborigines in sport?

The Hon. G.A. Ingerson: During 1995 the Office of Recreation, Sport and Racing ran talent identification clinics for Aboriginal athletes in Whyalla, Port Augusta Port Pirie, including surrounding districts, and metropolitan Adelaide. The clinics resulted in selected Aboriginal teenagers participating in a sports camp at the South Australian Police Academy.

The camp and clinics involved the development officers of several State sporting associations, that is, tennis, softball, baseball and basketball. As a result of the camp, four young Aboriginal athletes are now involved in talent development programs in basketball, softball, tennis and baseball at State sporting association level. Further clinics were conducted in the Riverland and Murraylands in March 1996 and in the South-East in April 1996. These will culminate in another sports camp in July 1996.

The Aboriginal Sports Talent Scholarship Program has recently been introduced by the Office of Recreation, Sport and Racing. The scholarship is designed to assist talented Aboriginal athletes to further their sporting careers. The first recipients of the scholarship were three netball players who will use the money to assist in the payment of travel costs for international competition. The South Australian Sports Institute has a number of these Aboriginal students as scholarship holders. Rachel and Kerina Hampton are members of the South Australian hockey team; Leah Torzyn and Alison Tucker are in the netball squad; and Kirsty and Shane Ahmatt, Ronald Garlett and Tim Ewen are in the athletics squad—Ronald recently won the gold medal in the 1995 Australian All Schools Championship in Sydney. Susan Coulthard is a highly ranked female 8-ball player. SASI also has an Aboriginal member on its coaching staff in outstanding volleyball coach Steve Tutton.

Mr LEGGETT: Referring to page 229 of the Program Estimates, what is the representation of women on boards and committees under your portfolio?

The Hon. G.A. Ingerson: We have 98 men and 51 women on these boards. The percentage is not 50-50 as we would like it, but it is moving very quickly that way. In the racing industry, the membership of boards and committees has been predominantly male, and we are hoping that over the next few years we can get a much broader representation of women on those boards and committees in the racing industry.

The overall position of the Government is that it would like to see 50-50 representation so that we could get more women clearly involved in the running of sport, because they

have as much of a role to play in the community at committee level, and the Government will be continuing to encourage that to occur.

Mr FOLEY: Referring again to the Hindmarsh Soccer Stadium program, will the Minister explain the exact role of the committee? He mentioned earlier that it was decided to have a construction management process where decisions are taken to purchase individual construction packages. Is this committee, chaired by the member for Coles, the committee that will make the decisions on who gets what parcel of work?

The Hon. G.A. Ingerson: First, let me make a correction. There are two committees. There is the Hindmarsh Redevelopment Committee, and out of that there is also a project executive. The Chair of the Hindmarsh Stadium Redevelopment Committee is Joan Hall, member for Coles, and the deputy is Basil Scarsella. The members of the committee are, representing SASF, Tony Farrugia, Charlie Caruso and Les Avery; representing the Office of Recreation, Racing and Sport, Michael Scott and Vaughan Bollen; representing State Services, Jeff Browne and, occasionally on the costings side, Kevin Brodie; representing the Woodville-Hindmarsh council, Geoff Whitbread; two representatives from Woods Bagot; Harvey Zacharoyannis representing West Adelaide; and Charlie Zollo representing Adelaide City.

There is a second project executive of which Joan Hall is the Chair and which is made up of Basil Scarsella, Michael Scott, Vaughan Bollen, Tony Farrugia, Les Avery, Jeff Browne and the two representatives of Woods Bagot. Clearly from that, the executive project group is there to make it happen and any of its decisions will obviously need to be ratified by the redevelopment committee.

Mr FOLEY: Are you saying that, if somebody is tendering to supply the concrete for the stadium, that company will submit its tender to the Hindmarsh Redevelopment Committee, and the evaluation and final decision as to who will be awarded the contract will be a decision of that committee?

The Hon. G.A. Ingerson: No. The normal procedure is for the project manager to do that. In this case, it is Services SA. As it does for all Government projects, it will in essence make those decisions. That is done as it has always been done by Government, under the old SACON banner and now under the new Building Management Department, which is a division of Services SA. The inference that any member of that committee, whether a member of this Parliament or any of the other members, might have a role in that decision is incorrect. I thought I would say that in case you were implying it.

Mr FOLEY: I was not implying it; I am trying to understand what appears to be a complex and unusual method of undertaking significant capital works. I say that obviously aware of the fact that everyone is performing their role on those committees with proper intentions, but it seems a very complicated structure. What is the role of the Hindmarsh Stadium Redevelopment Committee and, therefore, the project executive, given that the project manager will be making the final decisions? You do not have the structure for netball and athletics: why do you have the structure for Hindmarsh?

The Hon. G.A. Ingerson: The committee provides for the consultation process between the sport and the user groups. The consultation process is its prime role; in other words, there is a role to play, and in this case the sport involves soccer, which is paying the deal. The South Australian

Federation representatives—Tony Farrugia, Charlie Caruso and Les Avery—are talking primarily on behalf of soccer but the major users—West Adelaide and Adelaide City in a national and international sense—are on the redevelopment committee because they, through their supporters and spectators, will be making the major contribution to the project.

There is a consultation team in netball which is separate from the project management team, as there will be in baseball and as there is in athletics. All the projects have consultation groups set up between the sport and the construction people. It has been highlighted that construction people often build stadiums that do not necessarily fit in with the sport, and the best example of that is the cycling stadium. Whilst it is a magnificent stadium for those who compete, it is a terrible stadium for spectators. With a little more foresight, if there had been better liaison between the cycling fraternity and the builders, a better outcome would have been achieved. That is not saying that it is not a fantastic stadium—because it is—but it could have been better. Our tender to build the new stadium for the Olympic Games in Sydney recognises that problem. A few issues developed during the construction stage about which the sport said, ‘That won’t work.’ This process aims to ensure that there is adequate consultation.

Mr FOLEY: That was a good answer which clarifies a number of issues and which leads to more questions as most good answers do. You used the analogy of netball and athletics: I note that you do not have a member of Parliament chairing the committees for those two projects. I am at a loss to understand why a member of Parliament is put in such a position. I do so, because I am very concerned about the member for Coles—I do not want her to be put in a position with which she may have difficulty. I am trying to look after my colleague the member for Coles.

The Hon. Frank Blevins interjecting:

Mr FOLEY: Exactly; and I consider the member for Coles a friend. I understand that you have Government officers on the committee; I understand that you have members of the association on the committee—and it would be sensible for those people to be there—but an elected member of Parliament is not an officer of the Government or a member of Executive Government; an elected member of Parliament does not have the liability coverage that a member of Government has; and an elected member of Parliament does not have the same rights, role, functions and security of position that a Government official has. If mistakes or poor decisions are made, where does liability stand as far as the member for Coles is concerned? I do not want to see my colleague in some difficulty should some bad decisions be taken. I cannot see that she would have Crown immunity from any difficulty that may arise as a result of poor decision making.

The Hon. G.A. Ingerson: I thank the honourable member for his concern for the member for Coles and I am sure that she would like me to pass that on through the Chair. The member for Coles is my parliamentary secretary. One of the differences between this Government and the previous Government is that, when we invest significant sums of money in the community, we like to ensure that some Government policy role is put before the committees which actually use that money.

The member for Coles is on all three committees. She is on the netball committee and athletics committee and chairs the committee for soccer; she is my representative on that

committee. It is not unusual in a consultation process for a Government to have people on consultative committees representing it. I am very satisfied in this case, and it is singularly the best thing I have done in directly keeping abreast of what occurs with all committees. If any issues are at variance or require Government input at a ministerial level, instead of reading about it in the paper I find out directly, and I think that it is a very good process.

There is no liability in terms of the member for Coles in that area because no financial decisions are made by that committee—nor by any of the committees. All the financial decisions are made between the Government, which involves me representing them as Minister, and the organisation. Therefore, it involves no liability at all. Those committees will not be making any construction decisions of a financial nature and, therefore, there is no liability. I am very happy with the work that has been carried out; as I said, it is much better finding out what is occurring directly from the committee instead of reading about it in the paper as has often occurred in the past.

Mrs HALL: Will you inform the Committee of the various successful activities of the Sports Science Unit at SASI?

The Hon. G.A. Ingerson: This is another of our special heroes in sport which receives insufficient attention, namely, the Sports Institute and its role in sports science. We are happy that it is recognised across the nation as one of the leading sports science units in Australia. Cathy Martin, a sports psychologist at SASI, has been selected as member of the Australian Olympic Team competing in Atlanta. The selection continues the tradition of our sports psychologists being selected in Olympic teams. The previous SASI psychologist, Graham Winter, has again been selected in the team. Dr Peter Barnes, sports medicine doctor, has also been selected as a member of the team. Neil Craig, sports physiologist, is an integral component of the success of the Australian track cycling team coached by South Australian Charlie Walsh.

SASI sports physiologists have had a long involvement in the SASI rowing program, and this involvement has produced a large South Australian contingent in the Olympic rowing team. That is particularly so in the women’s heavyweight eight, where five of the nine women in the squad are South Australians. Tom Stanef is the SASI biomedical team technician whose major role is the development of software and equipment for use in sports physiology. Most other State-based institutes have purchased equipment developed by Mr Stanef.

As I said, SASI is really a world leader. We tend to think that it is just good in Australia, but it is a world leader, and as a Parliament we ought to acknowledge that. Hopefully we can get more parliamentarians to talk up the Sports Institute within our State.

Mrs HALL: I refer to page 229 of Program Estimates and to this sentence in the broad objectives: ‘We want to establish and monitor policies and practices for maintaining gender equity in access to active recreation and sporting activities.’ Will the Minister comment on the wonderful quote ‘Feel the power: see the action’ and outline to the Committee what the Government is doing to promote women’s sport and recreation?

The Hon. G.A. Ingerson: The member for Coles has been one of the long-term advocates in Parliament of the promotion of women’s sport, along with the member for Reynell and others, and it is important that a lot of women’s

sport issues are coming to the fore under this Government. 'Feel the power: see the action' was a double-headed women's promotional event of basketball and netball at the Clipsal stadium on 26 May. It was a fantastic afternoon and evening of basketball and netball.

I understand that it was the first time that a nationally competitive women's basketball team played alongside an A grade netball team, and it was an excellent experience to see these two major women's interests getting together to promote women's sport.

An honourable member: The second.

The Hon. G.A. Ingerson: It was the first time that concept was used, and I thank the honourable member for correcting me. Netball and basketball are two important women's sports. In netball, Menz Fruchoc Cougars played Ansett Matrics and, in basketball, Adelaide Quit Lightning played Perth Quit Breakers. In addition to these major games, selected women's sports provided quality demonstrations during the breaks in play, prior to the commencement of games and at the completion of each match.

A display area provided an opportunity for recreation and sporting associations to distribute resources and information. Picking up on a consultative committee suggestion, a further event is planned for later this year, when two outside women's sports will provide the focus for promotion. Which sports will be featured has not yet been determined, but it could be hockey, soccer, lacrosse, touch, cricket or softball. Sponsorship has been secured from Foundation SA, Laubman and Pank, Clipsal, 5AD-FM, ETSA, Coke and the Office for Recreation, Sport and Racing. Channels 9, 7 and 10 feature the community service advertisement. There is a lot of support, at last, to promote women's sport in South Australia.

Mrs HALL: Referring to page 229, I note that one of the 1996-97 specific targets and objectives is to continue to promote South Australia through the Adelaide Prepared to Win campaign. Will the Minister tell the Committee what strategies are being pursued to maximise South Australia's opportunities, both sporting and economic, arising from the staging of the Sydney 2000 Olympic and Paralympic Games? In particular, what is the State's participation in Austrade's sports promotion in Atlanta?

The Hon. G.A. Ingerson: It is a privilege for me to be able to go to Atlanta, representing the State Government, as part of this Prepared to Win program.

Mr Foley interjecting:

The Hon. G.A. Ingerson: It is bipartisan, and I am sure the honourable member will think of me. It is an excellent program and we are fortunate that Austrade has been able to bring together a very good promotion in Atlanta. Over the years I have had a bit of criticism for Austrade, but in the past few years it has focused its attention on improving its outcomes, and this is a perfect example of bringing together all the States. To be able to promote this program within that structure at Atlanta is a very important opportunity for South Australia. The cost of \$30 000 is being shared equally between our office, MISBARD and the South Australian Tourism Commission, and that will be supplemented by Austrade in Atlanta.

The Prepared to Win program is about using our facilities in South Australia to get economic value and to enable athletes to acclimatise. We hope that, through connections at SASI, a whole range of sports will come here in the next four years. One example of this program is the recent visit of the Chief Executive (Michael Scott) with Tony Farrugia to Japan, and we hope that we have been able to get one or two teams

from the J League in soccer to come to Australia and train in the off season. We were advised yesterday that each team has an expenditure budget of about \$40 million, and we hope that they will be able to come here. That is part of the Prepared to Win scheme.

Whilst the program is not related directly to the Olympics, it is part of the process of exporting opportunities for sport in Australia. The Prepared to Win program enables us to work with all sports to get them to train here in Adelaide and use our facilities. It is a simple exercise. The program has been prepared by the department and it has done an excellent job in putting the promotional material together. We have been advised by our Victorian counterparts, which is a bit unusual, that our program at Atlanta is outstanding and far better than those of any of the other States. That gives me a public opportunity to congratulate our staff and, if that is true, when I come back we will be able to highlight again what sport is doing to improve the economic position of our State.

Mr FOLEY: With respect to the Hindmarsh Stadium, will the Minister clarify the role of the redevelopment committee and the project executive as to tender evaluation and tender selection? The Minister said earlier that it would be done by the project manager. I understand that sponsorship packages are part of the process. I am interested to know who makes those decisions. Is that the contract manager from Services SA, or is it done by the committee?

The Hon. G.A. Ingerson: Services SA will evaluate all the tender documents, and it will make a recommendation to the executive group as to who it believes ought to be the final tender, as happens in all project exercises. The final decision will be made by the executive group on recommendation.

Mr FOLEY: What about the sponsorship issue?

The Hon. G.A. Ingerson: I do not know the answer to that question, but I will get it for the honourable member.

Mr FOLEY: The Minister made a very strong pre-election statement that an incoming Liberal Government would expand the seating capacity of Football Park, the home of the Adelaide Crows and soon to be the home ground for Port Power. Does the Government intend to proceed with that pre-election commitment to fund the expansion of seat numbers at Football Park?

The Hon. G.A. Ingerson: I understand that the agency has received no formal request from the South Australian National Football League for any extension of buildings or infrastructure at Football Park. There has been no attempt to contact me on that issue. However, I have been contacted several times by the South Australian National Football League in relation to the future siting of Services SA on the corner of West Lakes Boulevard and Frederick Road. The league is interested in that property because, obviously, it wants to obtain more land in that area for future development. I have had discussions with the league's president, Mr Basheer, on that matter. There have been no other requests in respect of infrastructure to either me or the Office for Recreation, Sport and Racing.

Mr FOLEY: Is the Minister saying that that election promise is off the table; he does not intend to honour that commitment? If an approach was made from the South Australian National Football League, would the Minister give his support or not? Would the Minister follow through with his pre-election commitment?

The Hon. G.A. Ingerson: The pre-election commitment requires two partners. If the other partner does not make a request—

Mr Foley interjecting:

The Hon. G.A. Ingerson: Let us see what happens if the league makes a request. I have had discussions with Mr Basheer regarding this matter on many occasions, and his preference is to use the land on the corner of the league's block—and, as late as the interstate game, that was the same request. There has been no infrastructure request at all.

Mr FOLEY: Surf lifesaving in South Australia is an important issue. I hold it very dear to my heart, because part of the boundary of my electorate is surrounded by water and two surf lifesaving clubs operate within my electorate—the North Haven Surf Lifesaving Club and the Semaphore Surf Lifesaving Club, which is in Lee, but it is on the border, so I will claim it. I am very keen to ensure that sufficient funding for surf lifesaving is provided. I understand approaches have been made to the Minister and to the Government as surf lifesaving is having some financial difficulties in providing services. As the Minister knows, the taxpayers of this State and the Government receive a very cheap service from the Surf Lifesaving Association in terms of the cost to the budget if we were required to patrol our own beaches. Can the Minister indicate what action the Government is taking to ensure the funding difficulties currently before the Surf Lifesaving Association are addressed by the Government?

The Hon. G.A. Ingerson: I have received a request from the Surf Lifesaving Association to look further at the funding provided by the Government. I am advised that we supply \$145 000 a year to the Surf Lifesaving Association. The review of the poker machine legislation will place \$2.5 million into a recreation and sport fund, and we envisage part of that money being used in this area. I will ask Mr Scott to provide further information.

Mr Scott: As the Minister said, the office provides \$145 000, making it our second largest funding recipient in terms of the dollar value that the organisation provides to client groups. We have had numerous discussions with the Surf Lifesaving Association and have been trying to work with it to address its concerns about the community service it provides. It is important to note that surf lifesaving provides two separate functions: first, the community service function of lifesaving on the beach; and, secondly, the sport function, in terms of the surf lifesaving carnivals. We have been working with the association on two fronts: first, discussions with the Police Department and emergency services relating to their input; and, secondly, as the Minister has outlined, looking at the potential for additional funding from the sport and recreation fund.

Mr FOLEY: Sport SA receives financial support from Foundation SA. I understand that Foundation SA is reducing significantly its financial allocation to Sport SA this year from \$50 000 to \$20 000. Given the important role played by sports administration and the important role of Sport SA, why is the Government allowing this downgrading of support to occur to Sport SA; and will it revise its level of support with a view to maintaining moneys provided previously to that organisation?

The Hon. G.A. Ingerson: The Office for Recreation, Sport and Racing provides Sport SA with \$20 000. Foundation SA's funding responsibilities are not under my control, so I suggest that the honourable member put the question to the Minister for Health.

Ms WHITE: A number of sporting and recreation clubs are currently sited on the DSTO land at Salisbury. The Minister might be aware of a proposal by the Federal Government to sell off that land—it is Federal Crown land—

and to demolish all those club facilities. There is a nine hole golf course which they would like to extend to an 18 hole golf course—and I am sure the Minister is aware of the demand for golf courses in the area. There are a number of clubs, including a bowling club with bowling greens, gymnasiums and a pistol shooting club. The various clubs have a combined membership in the thousands, so the area is a very significant asset to the State. What is the Minister's position? Is the Minister willing to become an advocate for those clubs to aid in the process of ensuring that those facilities are not diminished? What support can the Minister lend to this cause?

The Hon. G.A. Ingerson: As the member for Taylor would be aware, I know a great deal about the golf course and all the other facilities, having lived within 100 yards of that area for most of my young married life. As far as the department is concerned, we do not have any information on the matters raised by the member, except that I am aware that the land is to be sold. Can the honourable member provide a detailed list in terms of the sporting facilities and community clubs situated on that land so we can look at it and have a discussion with the Federal Government? I am prepared to do that, but at this stage I do not have any information at all other than what the honourable member has told me.

Ms GREIG: Some time ago I attended the launch of the national junior sports policy. It was an impressive launch due to the involvement of many students and some of our well-known South Australian sporting personalities. What has occurred since the launch to support the national junior sports policy in South Australia?

The Hon. G.A. INGERSON: The department, in conjunction with the Department of Education and Children's Services, has developed a strategic plan for implementation of the national junior sports policy and has implemented two SAFA sports seminars that have been developed within this policy. However, the situation in other States is interesting. In New South Wales an interdepartmental working party was formed to develop an implementation strategy. In Queensland a junior sports action task group has been formed, and the task force has developed an action plan and implementation strategy. In Tasmania the plan is to employ consultants in a different process. All the Northern Territory has done is circulate it.

In the Australian Capital Territory the Junior Sports Council has assumed responsibility for the implementation and will devise a plan. Victoria has circulated the policy and is developing its own State sports policy; and in Western Australia it has been distributed. Whilst there is an obvious need for a national policy, there seems to be a little slowness to implement it. When I attend the national sports Ministers seminar next week, I will ask what can be done to speed up implementation of the national junior sports policy.

Mr FOLEY: An issue that has been raised with me by a constituent is SASI's ability to supervise and provide support for disabled athletes with varying degrees of disability. I had a particular case brought to my attention, of which I do not intend to raise the specifics, but, clearly, disabled athletes and disabled sport is a very important area. What support does SASI provide for disabled athletes?

The Hon. G.A. Ingerson: The institute aims to assist South Australian athletes to compete successfully in the international arena. To do this SASI cooperates with State sporting associations and other peak bodies to develop criteria by which athletes become eligible for support, through both the SASI sports plan program and the SASI individual

scholarship program. The athletes must meet the selection standard as well as comply with training and competition commitments established by the coach of the particular squad. Individual scholarships are available to athletes nominated by appropriate representatives from sporting organisations. Individual scholarships are particularly applicable to athletes with a disability who do not meet sports plan selection criteria.

Where it can be established that there is a recognised world championship for an athlete with a particular disability, the South Australian Sports Institute will consider awarding a scholarship to that athlete on the endorsement of the appropriate sporting association. An example of this type of situation is where wheelchair athletes are endorsed by the Wheelchair Sports Association of South Australia and awarded individual scholarships. Similarly, athletes with a physical disability, such as amputees, are also awarded individual scholarships on the endorsement of the appropriate sporting association on the proviso that there is a recognised world championship in which they can compete.

There is also an event called Special Olympics. However, Special Olympics do not have rigorous selection criteria as do the Olympics and para-Olympics. The only other criterion for participation in Special Olympics is a statement by a general practitioner that the athlete has an intellectual disability. The Sports Institute would not provide funds to support athletes participating in Special Olympics, as the games are seen to be participation based rather than elite based.

Membership:

Mr Bass substituted for Ms Greig.

Ms Penfold substituted for Mr Leggett.

Departmental Advisers:

Mr G. Pitt, Chief Executive Officer, Totalizator Agency Board.

Mr I. Milne, General Manager, Totalizator Agency Board.

Mr J. Barrett, General Manager, Bookmakers Licensing Board.

Mr D. Endenburg, Company Secretary, 5AA.

Mr D. Wightman, General Manager, 5AA.

Mr D. Harvey, Director, Racing Division, Office for Recreation, Sport and Racing.

Mr FOLEY: This is a slightly changed environment 12 months on from the racing Estimates Committee last year. It is interesting to note the new faces. I will first ask questions relating to the TAB. I appreciate that we have a new General Manager of the TAB, and I do not for one moment expect him to be familiar with everything, but I will expect the Minister to know this information. What are the current TAB actual turnover figures for 1996 and how do they relate to the budget figures?

The Hon. G.A. Ingerson: I do not have the actual figures, but I will ask Mr Milne to give them as of last week. They are slightly under budget.

Mr Milne: The estimate for 1995-96 looks like being about \$495 million. That is approximately \$10 million below budget.

Mr FOLEY: What has been the reason for that below budget achievement?

Mr Milne: There are probably several reasons. One is competition from poker machines, and the second major

reason would be the general downturn in the retail economy in South Australia.

Mr FOLEY: Those issues were before the TAB board 12 months ago. I was given information last year that the budget set for this financial year would be achievable. I am surprised by that answer; what went wrong with the forecasting?

The Hon. G.A. Ingerson: I do not think anything went wrong with the forecasting. I think the previous board put down a budget that it thought could be achieved and there have been some changes during the year. Clearly, the competition from poker machines has been more significant than had been expected. Some budgeting between January and June clearly overestimated the possibility of picking up the budget that had fallen down between July and December, and that was an over-budgeting role which has now come home to roost. The estimation of the effect of poker machines and the lack of a major marketing program to encourage the people we had in the marketplace to continue to bet with the TAB were influences.

I note that Treasury has recently published a statement that it believes that the effect of the pokies on the TAB will be of the order of \$26 million. So, the fact that we have come in at \$10 million less than budget suggests we have done better than expected. I do not think we can overemphasise the fact that we need a strong marketing campaign in this competitive environment. That was not part of the program of the previous board, nor was it within its budget to do that. I hope that there will be significant changes in that area.

Mr Pitt: The other impact that has occurred—and the downturn has been somewhat accentuated in the past eight to 12 weeks—has been that many meetings on the eastern seaboard have been abandoned. Up to about 10 or 12 meetings have been abandoned, and that has caused a significant downturn in the turnover of the TAB. Certainly for next year our budgeting and program show a significant improvement in marketing, and our objective is to reposition the TAB and to increase its profile, because clearly over the past 12 months the TAB's profile has been somewhat lowered in the marketplace at a time when it has been highly competitive.

Mr FOLEY: It had a high profile for a while, until about 12 months ago. A feature that we saw through the beginning of this financial year was the publication of turnover figures in the *Sunday Mail* quite regularly. Does the TAB or the Minister intend to continue or restart this practice of providing the TAB turnover figures more regularly?

The Hon. G.A. Ingerson: No.

Mr FOLEY: May I ask why?

The Hon. G.A. Ingerson: I do not think that a statutory authority deciding to make public every single month's or quarter's turnover so that it can be criticised—usually unfavourably—is in the best interests of enabling that authority to re-establish itself in the marketplace. I can inform the honourable member that no information came out of the Minister's office in the last six months putting forward those projected figures. Those figures were just figures that floated out: some were right and some were wrong. It is my view that that ought to be a decision of the board. My answer is 'No'; the Minister will not be doing that. If the board chooses to do it—and it has not advised me at this stage that it will and I have not asked it—that will be a different matter.

Mr FOLEY: I appreciate the Minister's answer, but I am trying to get some consistency as to Government policy.

The Hon. G.A. Ingerson: You are getting some.

Mr FOLEY: It was the practice of the former Minister and his office to publish, on a regular basis, financial performance data from the TAB. I am interested to know why that occurred under one Minister and is not occurring under another?

The Hon. G.A. Ingerson: It was not the practice of the TAB to do it.

Mr Foley interjecting:

The Hon. G.A. Ingerson: It was not the practice of the Minister. On my information it was not, but I stand to be corrected if that was the case. It is my understanding that that information was achieved through the processes of Government, that it was not necessarily coming out of the Minister's office. My view is that, unless the board makes a formal decision to table it—and I do not have an objection to doing so—it will not be my position to publish the figures of the TAB.

Mr BASS: My question refers to the 1995-96 Specific Targets and Objectives on page 231. The Minister announced, in the first half of 1996, the establishment of a new structure to administer racing in South Australia. What were the reasons for setting up the new Racing Industry Development Authority? What outcomes are you hoping to achieve?

The Hon. G.A. Ingerson: As everyone would be aware, there was a decision for a major restructure of the industry. On 1 July that will be completed with the formal establishment of the Racing Industry Development Authority (RIDA) Board. That will enable three major steps to take place in the industry: first, to get some formal accountability into the three major clubs in the industry to find out the true position as regards their operating and long-term costs and deficits; and, secondly, to establish a committee to quickly look at the venues within the State, particularly in the metropolitan area, to see whether they are the venues that we need to have in the next 15 to 20 years and whether their location is in the best interests of the industry and the community. That is a huge issue that needs to be sorted out because there is a lot of duplication and cost which is absorbed in the existing structures. The third issue is stake money.

Once RIDA is formally set up, we will be able to work on those three major issues. All we have done at this stage is to establish structures, and we have put a lot of new people into those structures. It is important that we now get on with the job of making things happen. This industry is the third biggest employer in this State. It employs a lot of casual young people, and it is very important that we continue to make it a very vibrant industry in South Australia. The first meeting of RIDA will be next Tuesday, 2 July and, in my view, it will be the start of a brand new and exciting era for the racing industry in South Australia.

Mrs HALL: I refer the Minister to page 231 of the Program Estimates. Under 'Broad Objectives' it states:

Recommend and administer legislation to ensure that gambling on racing is conducted in a fair and equitable manner.

Under 'Specific Targets and Objectives' it states:

The sports betting regulations made under the Racing Act were amended to allow for an extension to the list of approved events and approved sporting venues for bookmakers.

What additional sporting events have bookmakers been permitted to bet on? What sporting venues have been approved for bookmaker betting? What has been the impact of bookmakers' betting at approved venues? What additional sporting venues are bookmakers likely to want to field at? Is

the Bookmakers Licensing Board considering increasing the number of sports betting licences?

The Hon. G.A. Ingerson: With the concurrence of relevant sporting bodies, bookmakers are now permitted to bet on any English premier league soccer match, any Australian professional tennis tournament, any Australian or international golf tournament and any world lawn bowls championships. These are over and above Australian Rules football, cricket, basketball, soccer, yachting, motor racing, baseball and rugby. So, as you can see, a very broad range of sporting events are now subject to betting by bookmakers.

The following venues were approved by regulation during 1994-95 to allow the board to issue permits to bookmakers to bet on approved sporting events: the Adelaide Oval for cricket, football, and rugby; Lockleys Bowling Club for lawn bowls; Football Park for football; Hindmarsh Stadium for soccer; and Memorial Drive for tennis. Turnover on sports has significantly increased since bookmakers have been permitted to book on approved venues.

In the auditorium in 1993-94 it amounted to \$429 000 and in 1994-95 it was \$523 000—an increase of 21 per cent. In race tracks in 1993-94 it amounted to \$301 000 and in 1994-95 it was \$300 000—down minus .3 per cent. In other approved venues—which are the ones mentioned above—it was \$240 000, making a total of \$1 million in 1994-96 and \$730 000 in 1993, a variation of 46.5 per cent.

A whole range of issues relates to sports betting. It is the biggest single growth betting in the world. We need to make sure not only that bookmakers are able to bet in this area but also that the TAB is able to do so. I intended to look at a whole range of these issues on my next trip to America but, unfortunately, because of other matters, I am coming back early. However, I will be returning later in the year to look at this issue with Geoffrey Pitt from the TAB, because it is my view that there is a huge opportunity for the TAB in developing new sports betting options for the State as well as the Bookmakers League being able to arrange its niche in this market.

Mrs PENFOLD: I refer to page 226 of the Program Estimates. What has been the effect on turnover with the amalgamation of TAB trifecta and pick four totalisator pools with Western Australia's TAB?

The Hon. G.A. Ingerson: One of the most important changes last year was the amalgamation of the South Australian and Western Australian trifecta and pick four totalisator pools. That commenced in February 1996. The turnover on trifecta betting has increased by approximately \$1.5 million. Trifecta betting previously amounted to 17 per cent of the TAB's business and now accounts for 20 per cent of it. Pick four betting has shown a small increase in turnover. However, this type of betting accounts for less than 1 per cent of all TAB business.

The TAB is more than happy with the increase in turnover since the amalgamation. Commission rates of these types of bets are 20 per cent, which is significantly higher than the normal win and place. Clearly, bigger investment pools have the potential to attract more. If we look at the attraction that has occurred in Lotto since the amalgamation of pools, obviously this is a significant area of growth in opportunity for the TAB.

We are advised that discussions with New South Wales TAB are in progress with respect to the concept of a national superfecta pool, that is, pick the first six place getters. No agreement has been reached with the TAB on the amalgamation of quinella pools. The Western Australian commission

has a 20 per cent bet, whilst ours is currently 14.5 per cent. Those negotiations will probably continue in the future.

Mr FOLEY: Referring to the TAB, the Minister may not recall but this time last year we had some interesting discussions about the TABform publication. Will the Minister provide the Committee with details of the performance of TABform, its circulation and savings to the bottom line budget of the TAB, and comment on the overall performance of TABform in the past 12 months?

The Hon. G.A. Ingerson: The actual details of that question I will take on notice. In relation to the performance of TABform, a major study of the TAB, organised through the Asset Management Task Force, has been carried out by Price Waterhouse. There were many issues shown by that study that needed to be changed for the TAB to become a national performer. The board is aware of those and my advice is that it will pick up those issues.

One of the major issues of that report was the role of TABform in the TAB last year and where it rated in terms of effectiveness. That particular report—admittedly it is only one report—suggested that the TABform was at best marginal and, following the decision to go down that track, clearly more work had to be done on it. The TAB board has advised me that it will be looking at all the marketing outlets it is currently using—its own agencies in terms of marketing the product, TABform, the *Advertiser* and any other marketing medium that it is or should be in—and it will be a major decision for the new board to make on how it not only evaluates the future of TABform but what it should be doing to get its message across best to the punters.

The most important issue in this whole process is not whether TABform is the best medium but how we market our product to consumers. The most important thing we have to do is encourage the existing consumers to spend more with us and, importantly, to get new consumers to come in and bet with the TAB. The TABform, along with all those other issues, will have to be evaluated over the next three to six months. I am quite sure that the board will be advising me on what decision it has made on the future of TABform, the *Advertiser*, TV and whatever.

Mr FOLEY: The Minister may want to take this next question on notice. Has TABform made savings for the TAB, has it added to costs for the TAB, or has there been a reduced turnover as a result of TABform? They are the critical issues that were put forward by the former Minister this time last year, that the world as we knew it would cease to exist. I want to know whether those dire predictions as put forward not only by the Minister but also by the Treasurer and other Ministers through interjections during that period of debate were correct.

The Hon. G.A. Ingerson: The Price Waterhouse report is suggesting that, at best, the TABform project was marginal. That clearly suggests that the costs spent on implementing TABform and the outcomes, because of that implementation, were marginal. That means you would have to question whether it should have been done at that time. I am not at all interested in what happened yesterday.

I see the issue now as one involving the role of the TAB board and the new management in evaluating the effectiveness of TABform, the *Advertiser*, TV marketing and general marketing outside those media: how do we get to our customers and encourage them to spend more money with us, and how do we get those who are not customers of ours to invest with the TAB? After all, our role is to encourage the gamblers, whether they are betting on X-Lotto, flies running

up a wall, the TAB or the Casino, to invest their money with us in the TAB as their first preference.

We are in a marketplace that is absolutely no different from a retail store. It has a certain share of the market and has the job of deciding how it gets a bigger share of the same market. We have to develop a new marketing strategy around that. History does only one thing for anything: it tells you whether the decision you made was right or wrong; it does not tell you what you have to do in the future. You have to actually sit down and plan for that, and that is what we have to do. Whether TABform is part of that future in any way is something that I understand has not been evaluated. It is something that is being looked at. I will ask Mr Pitt to elaborate.

Mr Pitt: The objective of the TAB is to provide information on a timely basis to the marketplace. TABform at the moment is one of those forms of marketing media and we are working to assess the effectiveness of that, not just for the regular punters but for the total marketplace. That is only one of many aspects of the whole medium we are looking at within the TAB at the moment. It certainly has a high priority, but it is only one of many medium mixes we are looking at.

The Hon. G.A. Ingerson: One of the areas I overlooked was 5AA. We have to reassess our position formally, and we are doing so, on how we project our formal voice through radio. The decision to sell 5AA is in line with that. The whole marketing strategy of what we do in selling the message through radio, TABform, the *Advertiser* or TAB is a major program on which this new board will work and advise me accordingly in the future.

Mr FOLEY: I do not have a problem with that approach. In respect of TABform, the Opposition's position has always been that it is a decision for the board. If the board chooses to go with TABform, the board goes with it. If the board chooses for commercial reasons not to proceed with TABform, that is a board decision. Clearly the history is a little more important to the Opposition than it may be to the Government, because on this issue the history reflects well on the Opposition and poorly on the Government.

The reaction of the Government 12 months ago to the advent of TABform was quite hysterical, and clearly many of the dire predictions in terms of the TAB simply have not been sustained. Can I take it from what the Minister is saying that he will as Minister not interfere with the decision of the board? It will be a board decision and the Minister will have no role in any of the deliberations of the board?

The Hon. G.A. Ingerson: At the end of the day I have a role under the Act to be responsible for the TAB. If the board makes decisions which are obviously contrary to Government policy, I have a role to play. We have sat down with the new board and said that the best way to solve any dispute is to ensure that all parties are aware of what the issues are before the dispute occurs. Clearly, I see the TAB being run as an independent statutory authority with which Government meets on a regular basis and which also on a regular basis apprises the board of the Government's policy of the day. In this instance, our policy is to maximise the return to the racing industry and have a very viable TAB with a long-term future. The two can work together. It is impossible for me to tell the racing industry, 'We have a very good medium here through which we can enable you to plan for growth in your industry', if the short and long-term future of the TAB is at risk.

I am not suggesting that it ever was but, if that was the case, it is impossible for me to give them the other answers. I have told the TAB Board that I expect it to be run in a commercial sense, and I expect to be advised of any major political decisions which may require Government input. Apart from that, my expectation is that they get on and run the business of the TAB.

Mr BASS: In May 1996 the Minister announced a major new breeders and owners incentive scheme for the South Australian thoroughbred racing industry. Will the Minister expand on how the scheme is expected to assist the racing industry in this State?

The Hon. G.A. Ingerson: When we looked at the industry and the role that the Racing Development Authority should be playing, we saw that one of the major issues involved was the future of the breeding industry in our State. Clearly, in all three codes the breeding industry is at risk at the moment. We discussed with the industry implementing schemes throughout the three codes that would help them in the future. The scheme that has been put forward is, in essence, a supplementary stake money scheme, but it is geared around giving extra stake money to foals born and raced in South Australia. All other States have that position, and it is our view that South Australia should have at least a complementary system. At this stage we have implemented that scheme only as far as the thoroughbreds are concerned. We have made a similar offer to both the Harness Racing Board and the Greyhound Board; they can have a similar scheme if they wish or, if they wish to have the money put straight into stake money, they ought to advise RIDA (after it is formed) of the compromise they wish to have.

All breeder schemes are only supplementary stake money schemes, except that they are more targeted, that is, to horses bred and raced in South Australia. It is a program that we hope to see expand in South Australia because that will then show that owners and breeders are prepared to reinvest in this State. Almost within days of this scheme's being announced, one of the leading trainers, Colin Hayes, decided to stand a stallion here in South Australia, and that clearly sent a message to many breeders that at least one breeder in this State was prepared to support the scheme.

Mrs HALL: Much has been said about the operations of the TAB over the past few years, and many of the comments have been uncomplimentary. At page 231 of the Program Estimates, under 'Specific Targets/Objectives', it states:

The Racing Act was amended to restructure the TAB board with wide business, commercial and legal experience instead of industry representation.

Will the Minister put on the record details of the restructuring of the TAB that has taken place to ensure that it will become a viable commercial business in the future?

The Hon. G.A. Ingerson: This is an extension of the question previously asked by the Opposition. The new board members are Phillip Pledge (Presiding Officer), Perry Gunner (Deputy Presiding Officer), Vickie Chapman, Janet Grieve, Karen Thomas and Neil Sarah. The wish of the Government and the Parliament has been carried out in bringing people with commercial experience onto the TAB board. It is a \$500 million business. We often tend to forget how big the TAB is; not too many businesses in this State have a turnover of \$500 million or the staff numbers and responsibilities that the TAB has.

Phillip Pledge was the managing partner of Ernst Young; Perry Gunner was formerly managing director of Orlando Wyndham; Vickie Chapman is the prime partner of

a legal firm; Janet Grieve is the managing director of Michels Warren; Karen Thomas is the managing partner of Fisher Jeffries; and Neil Sarah is managing director of Sarah & Sons Pty Ltd, a major building company in South Australia. We have brought together a group of people who have all had success in the marketing and legal fields and in managing businesses. The role of a board is to set policy and let the managers get on and manage and, clearly, this has been done.

We have also been privileged to be able to appoint Geoff Pitt as the Chief Executive. Geoff, who was the former regional manager of David Jones-John Martins retail stores in Adelaide, has brought a raft of marketing and general managing skills to the position. The purpose of the new appointments has been to give the TAB a more commercial focus and allow it to function in a more contemporary business manner to maximise profit. A benchmarking study by Price Waterhouse has already been undertaken by the board, and key aspects of the future direction of the board will come out of that study.

As I said earlier, it is a \$500 million business. We need to recognise that it must be given an opportunity to develop and manage its business. Looking at the reports of the board over the past two to three years, I have been concerned that the racing industry has seen the TAB as a total cash cow and has not seen it as it ought to be seen: albeit as a cash cow but one that can grow and develop a future. Like any business, if you keep taking out all the profits and do not leave it with any opportunity to market itself and grow in the future, you can quickly stifle that business and end up with no business at all.

The reason for making the change which both the Government and Opposition clearly supported was to give new direction and new hope for growth. This board and the appointment of Geoff Pitt has been very important. Since I became Minister, the support I have received from the staff has been fantastic. It is important to note that the original staff are still there helping us to change and to grow. Indeed, without them the past 12 months would not have happened.

It has been a pretty difficult period, and the staff have to put up with all the political nonsense that gets thrown around, from whatever side—it does not matter who throws it. People in statutory authorities, who are trying to run a business, find it far more difficult to operate under political control than they do if they are operating the business themselves. I put on the record my thanks for the support the staff have given me in this short time, and I am sure that the same staff will pick up the challenge of the future and, next time that we sit here, we will have a different and very exciting report to give Parliament.

Mrs PENFOLD: I refer to Program Estimates, page 229, and bookmaker numbers. Will the Minister advise whether the number of licensed bookmakers has declined in 1995-96? Will the Bookmakers Licensing Board issue new licences in 1996-97?

The Hon. G.A. Ingerson: This is an important issue in the racing industry. Because there has been a slowing of growth in the industry over the past five years, bookmakers have declined in numbers. Bookmakers are a very important part of the industry because they do two things: they give competition to the TAB and they also put a large amount of money through the TAB, which helps the TAB in its own transactions. Unfortunately, we have seen a decline in numbers, but that is the marketplace. If the marketplace gets a bit weak, there are always some casualties.

As at 30 June 1995, 58 licensed bookmakers were operating in South Australia. At the commencement of the current racing season on 1 August 1995, only 51 bookmakers renewed their licence. In late December 1995 the board advertised for new licensed bookmakers to service the betting public in grandstand, metropolitan, country greyhounds, the South-East, all racing codes and sports betting. As a result of that advertisement, the board appointed four new licensees, bringing the total number of bookmakers to 55 as at 1 February 1996. In addition, two harness racing bookmakers were promoted to grandstand and one country bookmaker was appointed to service the Southern Greyhound Racing Club at Strathalbyn.

As at 15 May 1996, 53 bookmakers were licensed to bet in South Australia. A review of the number of licences required to service the betting public will be undertaken next month when we seek applications for the renewal of licences. Tomorrow, when I meet with members of the Bookmakers League, I will tell them that they face a huge challenge as a result of the change that will occur in the racing industry over the next 10 years.

As Minister, one of my major concerns has been the reticence in the racing industry to recognise that we are not back in the 1950s and the good old days. Unfortunately, this is 1996 and, if we want to be here in the year 2006 and beyond, we have to gear ourselves to what the market wants. That applies to bookmakers just as it applies to the racing industry. I believe that the industry has a huge future, but no Government can lead the way. Government has to be part of it, and all the players in the industry have to make a decision that they want to be part of it. It is my view that, unless bookmakers decide to change and be part of the next 10 to 20 years, they will bring about their own demise. I see them as having an important role, but they have to change, as do the TAB, the racing clubs and the industry itself. We have got to change so that we attract consumers. Unless consumers are prepared to support the industry, it will be history in the next 20 years.

Mr FOLEY: While I appreciate that no comment can be made on issues impacting on the sale of radio station 5AA, I should like the Minister to comment on the process that is being undertaken and the time line for decision making. Since the Minister's Government has come to power, 5AA has been criticised by a former Minister, at least. It is interesting to note that, at this point, it is rating probably as well as it ever has, and that is an opportune time for the sale process.

The Hon. G.A. Ingerson: As the honourable member would be aware, the Government made a decision that both myself as Minister and the Treasurer, who is responsible for AMTF, would play no role in the sale of 5AA other than announcing it. I understand that the TAB board has recommended that the Chairman of the TAB (Mr Pledge) be Chairman of the sale committee because 5AA is a wholly owned subsidiary of the TAB, and that Mr Roger Sexton should be the Deputy Chairman, representing the Government as far as the Asset Management Task Force is concerned. I am aware of the rest of the committee, but I would have to make absolutely sure of that before I put it to the Committee.

It is my understanding that tenders will be called and evaluated in September, and the public should know about the end of September-early October what the position is. I was interested in the honourable member's comment that it is an opportune time to sell the station, because not only is 5AA rating very well now but it has been rating reasonably well over the past 12 months. It has gone up almost every rating

period. From the TAB board's point of view and from the Government's point of view, it is an opportune time.

The most important thing is not the sale of 5AA. The most important thing for me as Minister and for the industry generally is for us to establish TAB radio as a major broadcasting centre for racing right throughout South Australia. I have approached the Federal Minister to work out how we can extend the coverage of TAB radio further into the country. At the moment, there are only narrow bands around most of the regional cities. As an example, I was down at the Mount Gambier racing carnival recently and, as I was driving in from the airport, the President of the club demonstrated the efficiency of 5AA-TAB radio. As we left the airport, it took about 7 or 8 kilometres before we picked up TAB radio, and it was only in the last 3 kilometres into Mount Gambier that we could understand what was being said. A farmer outside that 3 kilometre limit is unlikely to have a bet because he cannot hear the race. Mount Gambier is only one example.

If we are to have a major broadcasting station, and we want to have that, we need to make sure that we can project that image right around the State. When I spoke to the Federal Minister about this, he was reasonably supportive. All we need to do now is ask the TAB to look at how we would fund that and over what program we should do it. That has to be part of the overall marketing image that we want to project, but that is not my decision—it is the decision of the TAB board.

Mr FOLEY: It is pleasing to see the Government acknowledging the contribution of 5AA, because it has been unfairly criticised in some quarters of Government and in Adelaide. It is good that the Minister is acknowledging the performance of that radio station. I take it from what the Minister said that the decision as to whom the station will be sold will be for the committee and not Cabinet or the Government.

The Hon. G.A. Ingerson: Cabinet in the end has to endorse it. The Asset Management Task Force's role has been to establish the method for sale, to negotiate the sale and ask Cabinet to endorse it. That is the process. Both the Treasurer and I endorse that process and we will be sticking to it.

Mr FOLEY: Will the Minister rule out the privatisation and sale of the TAB?

The Hon. G.A. Ingerson: Before I answer that, I point out that I was fascinated by the honourable member's comments in relation to the ownership of 5AA. I remember vividly being very vocal about whether the Government should purchase it to begin with—

Mr Foley interjecting:

The Hon. G.A. Ingerson: I know we do not deal with history, but the honourable member likes dealing with it so I thought I would remind him. So that there is no confusion about what my stance was—and still is—I indicate that I believe the Government should never have assumed ownership of the station. However, the reality is that the Government does own it, and we must ensure that the business side of the TAB is able to get on with its job with the minimum amount of extra cost. Clearly, the TAB does not need to own two radio stations, but it must have access to a licence, and that is why I have gone down that track.

In terms of privatisation of the TAB, it has never been an option as far as I am concerned. I believe that we need to corporatise the TAB and make it a very strong corporate body. I believe that in the future we will have to consider its position, as we did with the Lotteries Commission. In other

words, we will have to consider joining larger pools in Australia, such as TABVIC, New South Wales, Queensland or Western Australia, or all of them. As we know, the Lotteries Commission gained an advantage by having a huge pool.

Last week my office was approached by a very big punter in Malaysia who talked about betting in very large dollars on our TAB. If he did that and he happened to back the favourite in some of the events, the winner would probably pay only 50¢ all the time. However, if we were linked into a very large pool, we could encourage a person like that to bet through the South Australian TAB to our advantage without necessarily affecting the pool. That is a simple mathematical exercise. That does not suggest in any way that we need to privatise. However, we need to be a corporate model and we need to look at the future role of TABs around Australia.

Ms WHITE: In response to an earlier question from the member for Florey, the Minister signalled the RIDA review of the three racing codes and their venues. I refer to the Globe Derby harness racing track. The Minister would be aware that in this House I appealed to the Minister for Health to assist in combating the mosquito problem in this area because it was affecting attendances. I now give the Minister for Tourism a similar opportunity to contribute to the success of this venue. The Minister would be aware that Globe Derby is hosting the Interdominion next year, and I know that Major Events is contributing to the marketing of that event. However, I am sure the Minister realises that the facilities at Globe Derby are in need of upgrade, particularly the grandstand and surrounds. Will the Minister make a significant financial contribution to Globe Derby to help with the upgrade of those facilities?

The Hon. G.A. Ingerson: As I said earlier, a major venue rationalisation project is being considered. Clearly, that has to be done in all codes—no exceptions—that is, the galloping code, the harness racing code and the greyhound code. The Government will be asking RIDA—and I do not formally ask it to do this until Tuesday—to look at all the venues, calculate what the likely future medium and long-term capital costs are and then come to a conclusion as to whether each venue should be upgraded, scrapped or amalgamated. Until that process is completed—and it will take anything up to six months—there will be no decision by Government in respect of whether we should put more capital funds into Globe Derby, Victoria Park, Cheltenham or Angle Park and the greyhounds.

It is my view—and it has been my view all the way through these rationalisation programs—that you cannot make a decision to rationalise or to upgrade a venue until you know the situation. The member is aware that significant capital expenditure is required at Globe Derby. The question is: should we even consider expending money there in any case? I do not know the answer to that, and I do not believe that anyone else does; and, until we do the research, no-one will. There is a great deal of emotion in not only harness racing but all the codes. However, that must be put to one side while we sit down and undertake a proper study.

The Harness Racing Board and the club will be asked to participate in that study so that we achieve a fair and reasonable outcome. The decision may not be what everyone likes, whatever way it goes. For example, the decision may be that we stay and, if we do, many people will think that is crazy; and, if we shift away, many people will think that is okay. Whichever way it goes, there will be many difficulties.

Before the decision is made we must do our homework and find out what the base is and where we want to go.

In relation to the Interdominion, there will be no change to the venue—that is where it will be held. Any capital works that are deemed necessary to tart the place up to make it look okay next year—and, let us face it, we are only talking about next year—will have to be done as part of the program for the Interdominion. Purely and simply that work will be done on the basis of next year's Interdominion only, because I do not know—and I will not know until the study is completed—what recommendation RIDA is likely to make. I do not intend to guide RIDA's hand in relation to this decision. I will simply ask it to consult with everyone and then come back with some recommendations. I am sure the local member will be one of the first persons to whom it will want to talk—not only about mosquitoes but also the long-term future of Globe Derby.

Ms WHITE: In light of that answer, I signal my strong support for that venue and my belief in the long-term viability of the track, particularly given recent steps towards the multi-use of that facility and recent plans for commercial undertakings to ensure its viability. The Minister said that any capital expenditure would be in respect of the holding of the Interdominion. Is the Minister talking about capital expenditure in excess of the allocation made already by Major Events, or will it be within that allocation?

The Hon. G.A. Ingerson: I am talking about money that RIDA (Racecourse Industry Development Authority) may make in the running of a major event in South Australia. I am not talking about Major Events at all. In the end, it all comes out of Government. There would need to be a very good reason why money should be expended, and obviously an Interdominion, which is an international event, ought to have the best possible facilities available at that time. We will be happy to sit down with the organising committee and work out what is required within reason.

Ms WHITE: I am unsure as to whether that was a 'Yes', 'Maybe' or 'No'. Was there additional money or no additional money for capital expenditure?

The Hon. G.A. Ingerson: I think you got it right asking three questions.

The CHAIRMAN: There being no further questions, I declare the examination of the votes completed.

Industrial Affairs, \$20 911 000
Minister for Industrial Affairs—Other Payments,
\$6 721 000

Departmental Advisers:

Mr M. O'Callaghan, Chief Executive Officer, Department for Industrial Affairs.

Mr P. Case, Director, Human Resource Management Division.

Mr B. Apsey, Director, Regional and Technical Services Division.

Mr N. Wilson, Director, Industrial Policy (Private Sector) Division.

Mr S. Dundas, Acting Director, Occupational Health Division.

Mr B. Cutts, Manager, Finance.

Membership:

Mr Clarke substituted for Ms White.

Mr Wade substituted for Mrs Hall.

The CHAIRMAN: I declare the proposed payments open for examination.

The Hon. G.A. Ingerson: The Department for Industrial Affairs has the objective of promoting and facilitating best practice human resource management in South Australia's public and private sectors. Clearly, the department is directed towards promoting efficiency of human resource utilisation across South Australia so that we can continue the process of economic revitalisation that has occurred under this Government. The department's proposed budget of \$32.614 million represents a \$2.643 million increase on the estimate for the 1995-96 financial year. The majority factor in this increase relates to the establishment of the new workers' compensation tribunal, with a consequent transfer of funds from the WorkCover Corporation to provide for leasing, fitting out and staffing costs of the new conciliation based system, which will report to Senior Judge Jennings of the South Australian Industrial Relations Court and Commission.

In this opening statement I propose first to outline the steps the Department for Industrial Affairs is taking in relation to public sector human resource management issues over the coming year. Secondly, I propose to outline the planned initiatives to assist the private sector. Finally, I will report on steps taken to date in relation to the establishment of the new workers' compensation tribunal. In March this year, the previously separate public sector functions of industrial relations, public sector occupational health and safety and workers' compensation were brought together within the department with the objective of enabling the department to operate on an improved consultancy basis for public sector agencies. The Government has, through its Public Sector Management Act and its policy position, clearly given substantially increased responsibility to chief executives of agencies to manage their agencies in a businesslike and responsible fashion.

The experience of the past year indicates that this strategy has by and large been successful. All but four major agencies have been successful in achieving enterprise agreements. Many agencies are now working with their employees toward negotiation of second round enterprise agreements, which will further link future wage movements with productivity and efficiency changes. We have broken the long tradition of wage movements that are common across the public sector with little or no recognition that agency environments, work functions and initiatives vary substantially.

Last year the Government set a target for its public sector agencies of a 30 per cent workers' compensation claims reduction over three years. We have achieved and exceeded this target to date, with a 34 per cent overall reduction in claims numbers since the program commenced. Expenditure reduction is also exceeding the phased target reduction plan at this stage. The Department for Industrial Affairs is now looking to build on this significant achievement by providing detailed best practice occupational health and safety systems advice and assistance to agency chief executives. Substantial work in this area has been completed and it is expected that the department's best practice occupational health and safety systems will be progressively made available to public sector agencies during 1996, 1997 and 1998. Clearly, these best

practice systems will themselves be subject to continuous review and improvement.

The linking of public sector industrial relations, workers' compensation and occupational health and safety functions within the department is enabling the department to develop, in concert with individual agencies, agency-specific human resource management strategies which take account of the agency direction and which identify central agency contribution to a holistic human resource approach on the part of each agency.

The contribution of the Department for Industrial Affairs to South Australia's private sector growth can be summarised in two broad categories. In March the department launched its Turning Point package. This training program, developed through extensive consultation with the trade union movement and employer organisations, is now providing over 700 businesses with the opportunity to gain vital information on how to go about achieving enterprise agreements.

Clearly, until the new Federal industrial relations legislation takes effect, the South Australian Industrial and Employee Relations Act provides businesses in this State with the best opportunity to reach agreements that are fair and equitable to both employers and their employees. The department's training program has not only been an outstanding success in this regard but it also has provided the Government with valuable feedback relative to the ongoing requirements of industry and workers in this area. Many of the views outlined have been forwarded to the Federal Government to assist in the development of the new Federal workplace agreements legislation.

The South Australian Government is committed to working constructively with the Federal Government to provide employers and employees in South Australia with the opportunity to access industrial relations systems which are not complicated by jurisdictional quirks and complexities. Information strategies adopted by the department over the past year will now be extended in order to give South Australian workplaces the information they will need to optimise their workplace relations under the new Federal legislative basis, which clearly reflects the principles upon which our South Australian legislation is founded.

The past year has also seen continuing development in terms of the ways in which the department inspectorate operates. In traditional industrial relations terms, the department has again moved to recognise the rapid growth of enterprise bargaining within the private sector. Increasingly our staff are now advising employers and employees on both their award obligations and the opportunities available to them to pursue enterprise agreements which best suit their workplace needs. The department does not have a role in the negotiation of these arrangements. However, the reality is that many awards are now hopelessly outdated. The department is increasingly bringing the new enterprise agreement options to the attention of employees and employers.

The targeting of problem industries and areas has enabled many businesses to remedy industrial award compliance issues at an early stage while simultaneously being alerted to the potential of new workplace arrangements. In 1996-97 the department will continue this targeting strategy, improve the information systems within the department and now provide better information about industry areas where award legislative compliance is unsatisfactory.

It is clear from continuing contact with employers and their employees that the commitment to achieving award and agreement compliance through commonsense advisory and

supportive approaches has been and will continue to be well received. In 1996-97 the Department for Industrial Affairs will target 10 key industries to ensure increased award and legislative compliance. In the occupational health and safety area, the department substantially increased its productive involvement in the development and marketing of health and safety regulations. The department has improved its links with WorkCover and, through new information strategies such as the single channel reporting mechanism, the bureaucratic obligations on industry have been reduced by simultaneously improving the information available to the department.

The introduction of the plant registration regulations created a need for a client registration system to be developed within the department. This system, which becomes operative in July, will provide Government and business with an administratively simple arrangement. The distinction of Government clear regulatory responsibility from the traditional consulting function has now been progressively opened up to the benefits of competition. This process will continue over the next year, with businesses being able to access private providers for plant inspection and advisory services with less reliance on the department.

Finally, the Department for Industrial Affairs provides a comprehensive range of administrative and support services to the South Australian Industrial Relations Court and Commission. These services are in the process of being clarified and refocussed. The addition of the Workers Compensation Tribunal to the responsibility of the Industrial Relations Court and Commission adds a further dimension to the administrative services required from the department. There are immediate establishment demands on the department associated with the provision of temporary accommodation for the new Workers' Compensation Tribunal within Hooker House and the development of permanent accommodation and facilities at the Riverside centre.

It is imperative that this new system, endorsed historically by all three political Parties and employer and employee representatives, operate to the best advantage of both employees and employers. Accordingly, the Department for Industrial Affairs is charged with working with WorkCover and the President of the Industrial Relations Court and Commission of South Australia to establish an accommodation system and procedures to minimise delays and achieve agreement on disputed claims at the earliest opportunity. I am pleased to have the opportunity to report on a year of real achievement, which the department proposes to build upon further in 1996-97.

The CHAIRMAN: Does the Deputy Leader wish to make an opening statement?

Mr CLARKE: Yes, Mr Chairman. I will be fairly brief so that we can spend most of the time asking questions of the Minister. My opening statement will stand in stark contrast to that of the Minister, who rounded off his statement by saying that last year was a year of great achievement for his ministry and his department: we know that in fact the Public Service is in a complete and utter shambles in so far as industrial relations is concerned. I cannot recall any year when so many employees of the Government have been so offended by their own employers.

We have seen the very long-running dispute with the police; the dispute in the prisons, which is still going on; the ongoing sore of the teachers' pay dispute; the nurses' dispute during the past 12 months, which has been concluded only recently; the unresolved salaries claim; and industrial bans

and limitations being applied amongst our emergency services, fire fighters and ambulance officers. Basically, this Government has been about industrial disputation with its own employees for the past 12 months. It is an unenviable record: I do not believe that any other Government has put off so many of its own employees in such a short period of time in the whole history of Government in this State.

Enterprise bargaining, which was trumpeted by this Government when it introduced its Industrial and Employee Relations Act 1994, was to bring forth a whole host of non-union registered enterprise agreements because, according to the Minister and this Government, it was only the intrusion of third parties—namely, trade unions—that prevented this profusion of enterprise agreements throughout the State of South Australia. As will become more apparent during the course of questioning, the fact is that that has been an abject failure by the Minister's own benchmark. Overwhelmingly, large and small employers in this State prefer to work under the established industrial relations and awards system.

I also refer to the debate that is going on nationally at the moment with the proposed changes to industrial relations at a Federal level. This Minister has said on a number of public occasions, both in this House and outside, that he wants to harmonise industrial relations between the Federal and State legislation. Given that, for two years of his ministry, the Minister sought to distinguish himself as an ardent States' rightist who believed that there should be a unique set of South Australian industrial legislation under his wing and who objected at all costs to more of the Public Service being brought under Federal award legislation and the like, it is ironic that, because of the change of political flavour in Canberra, this Minister and this Government are now only too willing to hand South Australian industrial relations over to the Howard Government by introducing what I take from the Minister's public statements to be complementary legislation to that introduced by the Howard Government.

That is the hallmark of rank hypocrisy on the part of this Minister and this Government, but then, that is what we are used to. I am happy to go straight on to questions, after that relatively friendly introduction. Who is in charge of industrial relations in this State? Is it the Minister's Department for Industrial Affairs that is charged with representing the Government in its disputes with teachers, prison officers and emergency service officers, or the relevant Minister?

The Hon. G.A. Ingerson: I thank the member for Ross Smith for his usual niceties in the way in which he commenced his remarks. If he asked the Federal Minister whether there have been any soft option discussions in the last few months he might get a different answer than he is portraying. As a States' rightist I believe in the State industrial system, and the only reason I am prepared to harmonise is that the people within the present Federal Government happen to have the same view we as ours, and clearly harmony can occur.

The only interest the previous Government ever had was how to destroy the State system and industrial relations generally. It was what is called a one-sided horse race: if you happened to be Labor and Left and belonged to a union, you had 100 per cent of the circus. We happen to believe, in our State, that there ought to be a 50 per cent option, that the employer ought to get the same options and same rights as the employees. It ought to be a fair system, not a one-way circus.

That is why we are prepared to harmonise and to work with the Federal Government. But there are some differences that ought to be maintained within the State system. You will notice those when you see the complementary legislation that

will come down after the Federal Act has been passed, because there will not be a 100 per cent agreement in all areas. That is why I argue very strongly that there ought to be two systems.

As far as industrial relations in this State are concerned, it is the responsibility of the Department for Industrial Affairs to represent in the commission all departments and statutory authorities in this State. Having said that, our role is also to work with the chief executive of a department to make sure that we have the intricate details that apply to that department. One of the big changes made in industrial relations by this Government is to recognise that there is a difference and that you need to sit down with all the players in the game—the chief executives, their staff and the union that happens to be involved in that department—and work out what the industrial solution is, because there are different solutions within every department. The Department for Industrial Affairs is the central agency and works with all the department heads.

Mr CLARKE: Thank you for enlightening us, Minister. We now know that the shambles is down to you. Do you know whether all the recommendations made by Commissioner Stevens in the prison dispute have been complied with in their entirety by both the Government and the prison officers?

The Hon. G.A. Ingerson: I would like to work through the current position with the honourable member so that there is absolute clarity as to what is the position. Following the hostage situation at Yatala Labour Prison on 6 May this year, during which four custodial officers were injured, custodial officers imposed a lock down on the installation. The lock down has gradually been lifted, with Yatala Labour Prison management agreeing to vary, temporarily or permanently, or review some work practices.

Following a number of conferences in the Industrial Relations Commission of South Australia and meetings between the parties, Deputy President Stevens, on 11 June 1996, issued recommendations that all bans and limitations imposed be lifted by custodial officers. Custodial officers did not comply and, as a consequence, Deputy President Stevens issued orders on 12 June, on application of the Department for Industrial Affairs, that bans and limitations be lifted. Custodial officers complied with those orders.

Yatala Labour Prison had been operating under temporarily varied work practices since the hostage incident, but the DCS advised the PSA that it intended that these temporary arrangements would cease from 24 June 1996. Although there has been significant discussion and consultation concerning this matter, it was considered that there was a possibility of industrial action on 24 June and both the Minister for Industrial Affairs and the Minister for Correctional Services were advised that it was intended to direct employees to perform their full range of duties and, if they refused, they were to be advised that they would not be paid on any day or days they refused to perform their full duties.

In a letter to the Department for Correctional Services on 21 June, the PSA requested that the department not cease the temporarily varied work practices and staffing arrangements on 24 June. The Department for Correctional Services responded to the PSA advising that there had been significant consultation and that it intended to proceed on 21 June to implement the preferred arrangements. Consistent with the approach taken by the Government over the last 15 years—I repeat: the last 15 years—various Department for Correctional Services custodial officers at Yatala on 21 June were

given a lawful direction to perform their full range of duties, and those who refused were advised that they would not be paid until they were prepared to perform their full range of duties as provided for in section 47 of the Public Sector Management Act.

The power to apply the provisions of section 47 of that Act have been delegated to the Chief Executive of the Department for Industrial Affairs by the Commissioner for Public Employment. The Chief Executive of DIA formally directed that the employees of Yatala Labour Prison, who in furtherance of industrial action refused or failed to carry out duties which they had been lawfully instructed to perform, should not be paid whilst they continued to refuse lawful direction to carry out duties. On 24 June, approximately 13 custodial officers refused the lawful direction and the majority of other officers avoided the direction and left their usual workplace and gathered in another area of the institution.

The PSA was advised that those officers who had left their usual workplace and, therefore, were not performing their normal duties would not be paid. Deputy President Stevens, at the request of the PSA, convened an urgent compulsory conference of the parties on 24 June and made recommendations that those employees stood down be paid, that the working arrangements in place on 21 June be reverted to until 25 June and that parties meet to resolve the issues in dispute prior to a further compulsory conference on 25 June.

The Department for Industrial Affairs' advocate advised Deputy President Stevens that his recommendations, other than that the parties meet and for a further compulsory conference to take place, could not be accepted as it was considered that the commission would lack the power to make the orders in terms of the recommendations. Deputy President Stevens was also advised that the actions taken by the Department for Correctional Services supported and were consistent with his orders of 12 June that custodial officers lift and impose no bans or limitations.

At the compulsory conference hearing on 25 June the PSA sought orders in terms similar to the recommendations made on 24 June. Department for Industrial Affairs and Crown Law advocates submitted that, on merit and lack of power of the commission, such orders should not and could not be made. Deputy President Stevens was not satisfied that he had the power to make the orders sought but made orders that the parties meet to discuss and attempt to resolve the matter, and that the parties attend a compulsory conference on 2 July 1996. Deputy President Stevens also extended the life of his previous orders against the imposition of bans and limitations from 27 June until 3 July.

A meeting of prison staff this morning determined to return to work and were willing to perform their full range of duties. On the understanding that the employees were prepared to perform all their duties as directed, management allowed the employees to return to work this morning (26 June). However, on entering the prison the employees indicated that they were prepared to perform only a limited range of work. Accordingly, management has moved to reimpose the 'no work as directed—no pay' direction. It is understood that, as was the case on 24 June, some employees left their post of their own volition. The State commission has called a compulsory conference at 4.15 p.m. today at the request of the PSA to discuss how the commission's order to recommence negotiations might be implemented.

Mr CLARKE: Clearly, what the Minister has put out in his statement is an absolute admission of a total shambles in

conducting industrial relations in this matter. The Minister has admitted that his department and this Government is flouting the recommendations of a Deputy President of the State Industrial Relations Commission who has formulated a proposal to try to get prison officers back to work and provide an avenue through which this dispute can be resolved.

I remind the Minister that this is not a pay dispute but a dispute over a riot that happened a few weeks ago where hostages were taken and lives were threatened, including one of my own constituents who was threatened with death on a couple of occasions in a prison cell and was held hostage for the entire duration of the riot at that prison. This Government, through the Minister, is prepared to say to the State Industrial Relations Commission, on a technicality, allegedly, that there is a want of jurisdiction for the commission to be able to order it to do certain things, and the Minister then turns around to the independent industrial umpire and says, 'Up you for the rent, Jack.'

The Minister knows full well that there will be a time when he will be looking to that industrial relations commissioner to get him out of a fix when a union may turn around and say, 'You don't have the technical jurisdiction, Commissioner, so we won't comply with your recommendation.' The Minister has long railed against unions in this State, both as a shadow Minister and as a Minister, objecting against their flouting, as he saw it, of recommendations or orders of the State commission, and he is guilty of the self-same thing in a vital Government service. On what grounds does the Minister justify flouting the recommendations of the Deputy President of the Industrial Relations Commission in trying to settle this dispute, and how will he fix it?

The Hon. G.A. Ingerson: I never cease to be amazed at the Deputy Leader. He used to be able to tell everybody that he went into the commission and he understood the processes. I can understand now why he got himself into so much trouble in the commission. If you disagree with a ruling of the commission, the standard procedure is that you can go back and say you disagree with it. It is then up to the commissioner, in this case the Deputy President, to decide whether or not your argument is in fact correct.

Obviously—and I read it fairly slowly because I knew I did not want to go too quickly for the Deputy Leader—we went back into the commission and said to Deputy President Stevens that we believed he did not have jurisdiction, and he agreed with us. The reason I can say he agreed with us is that he reverted to the original decision he made. Clearly that is the right of anyone who goes before the commission.

At the end of the day, if the commissioner had not agreed with us, he would have brought down different orders. But he did not do that: he actually agreed with our submission and said that what he had put in place 10 to 12 days before ought to be carried out. I never cease to be amazed at the Deputy Leader. He calls himself an expert in industrial relations but does not even know how the process works. In this case, we have followed the process and we will always follow it. There has not been a case since I have been Minister when the final decision of the umpire in the Industrial Commission has not been adhered to by this Government. There have been many times when we have not agreed with it, but there has not been any time, nor will there be with me as Minister, that we will not uphold the final decision of the commission.

I would hope the Deputy Leader would never suggest that, if we do not believe the commission has made the right decision, first, we should not say it is wrong and, secondly,

we should not have the right to appeal. That is the fundamental basis of operation of the Industrial Relations Commission.

Mr CLARKE: The Minister knows what I am talking about. He has an industrial relations crisis on his hands at the prison. The Industrial Commission is trying to get him and the prison officers out of a jam. It often happens in industrial relations, whether it be with Government—Federal or State—or private employers, that the neutral umpire, that is the commission, uses its good offices to try to find grounds upon which the normal conditions of work can be restored to allow the merits of the case, if you like, to be argued out at a later date and in a calmer atmosphere.

The Minister's very actions prolonged this dispute, and since he has admitted that he is the director of this shambles he must bear ultimate responsibility. It is not something about just tea money or a \$2, \$10 or 15 per cent pay claim: it is about genuinely held fears by these prison officers concerning their safety and what they witnessed only a few weeks ago. Yet, the Minister is prepared to stand on a technicality about the powers of the commissioner who has made recommendations which the Minister is flouting.

That is absolutely abandoning his responsibility, and I would ask the Minister to reconsider his decision in light of that and of the gravity of the situation and accept the recommendations of Deputy President Stevens as announced on 24 June so that normal restoration of work can continue and allow the commission to assist the parties to work their way through these difficulties to resolve the dispute once and for all.

The Hon. G.A. Ingerson: I find this sort of argument quite amazing. The employees agreed to go back to work. When they got back to work, they decided that they were not happy with the decision they made. That is their choice. Surely management, which is prepared to sit down, negotiate and try to sort out the process, cannot be expected always to back away and say, 'We're obviously wrong.' By admitting that they ought to go back to work, surely that is the first step in admitting that they ought to sit down and negotiate.

Management is prepared to negotiate but is not prepared to be held to ransom. Clearly, management has to sit down with the employees' representatives, the PSA, and attempt to negotiate a solution. That is really what the commissioner said we ought to do, and the Government is prepared to do that through its department.

The Government has been attempting to negotiate since early May. We have actually been sitting down saying, 'We recognise there are some problems and issues out there, but if the employees, through their union, are not prepared to sit down and negotiate, that is not the Government's fault.' The Government is prepared to sit down and work through it, and if there are areas on which there cannot be agreement and they are prepared to go into the commission and have them fairly looked at and accept the ruling of the commission at the end of the day, we are happy to do that too. We have always been happy to do that.

The CHAIRMAN: The Chair has just been examining the possibility that this matter may be *sub judice*. Whilst debate has been allowed in Federal Parliament on matters subject to conciliation and arbitration, the ultimate question which has to remain in the Chair's mind is whether anything which is said in debate in the Committee is liable to either influence or prejudice in any way a judgment or decision of the court. I just ask members to consider that matter if they extend the argument any further. The Chair has allowed the debate to continue, obviously.

Mr BASS: What plans are in place to develop training programs and introduce information technology in the department with respect to inspectors?

The Hon. G.A. Ingerson: The area of training in the inspectorate is the most important issue for the department and the Government. We believe that there is an absolute necessity to develop and continue to develop training programs in this area. There is a changing role as far as the inspectorate is concerned from, purely and simply, a policing function (as it was in the past) to having a regulatory role and, most importantly, being able to now work with business to help them improve their occupational health and safety, and assist with any other legal aspects. We need to introduce a range of new products that fall in line with information technology expansion, and we will be working with the inspectorate to ensure that inspectors are trained in programs like Word Excel, Power Point and Schedule. Training will be further developed and provided in software that supports the administration of legislation; the three major systems currently in various stages of development are plant registration, petroleum products and single channel reporting of accidents.

A major initiative in 1996-97 is the commencement and development of a database for inspectors to assist in the undertaking of key operational and planning functions. In addition, other training and development issues completed or scheduled to occur before the end of the financial year include the following major items:

- advanced investigation course;
- advanced investigation course appreciation for managers;
- cultural diversity;
- presentation skills;
- cross border exchange of inspectors; and
- tertiary study assistance.

The training and development planned for the financial year 1996-97 comprises the following:

- dangerous substances coordinators;
- dangerous substances competency;
- major hazardous facilities;
- expert advisers role in emergency;
- transcript typing courses for photographic training;
- national inspectors conference; and
- tertiary assistance conference.

In addition, some \$40 000 will be used in the development of inspector competency training modules which will be used to enhance the role of the inspector within the new legislative framework. Thus a broad range of training has been provided for the 1995-96 financial year with ongoing training planned for 1996-97.

Mr WADE: Will the Minister advise of the work being undertaken by the Department for Industrial Affairs with respect to enterprise bargaining?

The Hon. G.A. Ingerson: I thank the honourable member for his question and his long-term interest in industrial relations. In fact, we have a couple of Government members who understand industrial relations, having worked in that area in a practical sense rather than a negative sense. Over the past year, industrial relations consultants in the Department for Industrial Affairs have continued to work with public sector agencies to achieve enterprise bargaining outcomes. A further 34 enterprise agreements covering 27 300 employees have been concluded in addition to those reported to the Committee in 1995 as having been approved.

Approximately 15 900 employees are covered by enterprise agreements approved in the Industrial Relations

Commission of South Australia under the provisions of the State Industrial Employee Relations Act 1994. Unfortunately, it has not been possible to reach agreements in a number of agencies: the Department of Education and Children's Services, Employment Training and Further Education, Correctional Services, the South Australian Health Commission—other than the nurses and doctors—and the Metropolitan Fire Service. Notwithstanding the difficulties being experienced in these agencies, work is still continuing to arrive at a satisfactory enterprise agreement.

In the private sector, we have seen the publication of the Turning Point materials, which include a 15 minute explanatory videotape, enterprise agreements for business success, a booklet aimed at giving small-medium business reasons why they should participate, and the booklet 'Innovative Agreements' which analyses the first 150 agreements up to 31 December 1995. Since commencement of the Turning Point workshops, 28 have been conducted so far with 528 individuals attending; a further 10 are to be conducted, with another 215 suggesting that they will attend.

Mrs PENFOLD: Will the Minister advise what the Government is doing to improve diving in the tuna industry?

The Hon. G.A. Ingerson: I thank the member for her question and her obvious special interest in tuna farming at Port Lincoln. Port Lincoln farms have recorded over \$800 000 worth of claims and 22 decompression injuries in the period August 1993 to April 1996. Ultimately, it is the responsibility of employers in the industry to ensure that diving operations are safe. Nevertheless, the Government has put enormous effort into assisting the industry to improve in this area through a joint DIA-WorkCover program which has included:

- four on site audits of diving operations;
- running training sessions for employers, divers and supervisors;
- providing information on diver safety to divers and employers, the Tuna Boat Owners Association and manufacturers;
- providing extensive feedback on the industry's diving operation manual and assisting in the development of safe operating procedures for diving tasks;
- identifying the need for research into safe diving operations; and
- brokering and financing a partnership between the industry and a research group.

During the course of the above strategy, March to December 1995, the number of diving injuries reduced to four, compared with 32 injuries for the same period in 1994—all of which we were relatively minor. While the industry appeared to be turning the corner, the death of a diver in March and an increase in serious incidents indicate that improvements have not been sustained by all employers in the industry.

The Government is therefore introducing a package of further measures. The introduction in some six months of an approved code of practice covering diving in the tuna farming industry and investigation into the establishment of an organisation in South Australia will provide the aquaculture industry with occupational diver training. This package of measures will provide the necessary support for this important industry and will ensure that its economic success is not marred by work related industry fatalities.

Mr CLARKE: In the Minister's past statements concerning the harmonisation of industrial relations between the Federal and State legislation, and the apparent happy

relationship with his Federal colleagues, as a policy position of the Government does the Minister rule out any changes to the current State legislation with respect to the retention of the role of the State Industrial Relations Commission oversighting all enterprise bargaining agreements before they come into force and the retention of the 'no disadvantage' test that currently applies in the State legislation?

The Hon. G.A. Ingerson: Hypothetical questions are always difficult to deal with. Usually you have to look at the reason for the question being asked. I would have thought the purpose of asking the question is purely and simply one of political comment and not based in reality. As Minister, I have attempted to deal with existing problems. Since there is no Federal Bill before us, and since I have clearly said that it is not the intention of the Government to amend its legislation, other than in a minor way depending on issues as they arise, I think that it is a hypothetical question which deserves no more than general comment.

Once the Bill has been through the Federal Parliament and we have seen what that Parliament has decided should be Australia's industrial relations direction, we will then be in a position to compare the Federal legislation with our legislation. We will then determine whether any further decisions are necessary in either area. Until we see what comes out of the Federal Bill, the question is highly hypothetical.

Mr CLARKE: I have a supplementary question. That is so much bilge and the Minister knows it. In the Minister's opening statement he said that he intended to harmonise industrial relations. The Bill is already before the House of Representatives and the Federal Government's intentions with respect to that legislation are not hypothetical. Either the Minister has not turned his mind to the policy position of the State Government on some very basic industrial relations policies, in which case he ought to resign and get out of the place, or he has. If he has, he must have made a decision as to whether or not he supports the retention of the supervisory role of the State Industrial Relations Commission oversighting EBs and the retention of the no-disadvantage test. That does not require a lot of mental gymnastics. Either the Minister supports it or he does not.

The Hon. G.A. Ingerson: Last week at a meeting of the Industrial Relations Advisory Committee (IRAC), which was set up under the Act, and which, as the Deputy Leader would know, constitutes employees, employers and Government—it is a statutory council—it was decided on my recommendation to set up a committee to look at the harmonisation of the State and Federal systems once the Federal Act was known.

Obviously the unions have not told the honourable member, but the reason the employees agreed with it was that they saw a fair amount of sense in knowing what the comparisons could be based on. I would have thought that the Deputy Leader understood that, just because a Bill passes one House in a certain form, that does not guarantee that it will pass the other House in the same form. Any Minister or shadow Minister who stated publicly what would happen before it went through a House over which they had no control would be a dill. I do not intend to put myself in that position.

I also point out to the Deputy Leader that the United Trades and Labor Council (UTLC) happens to agree with the approach of IRAC. It looks like the Deputy Leader has not been to South Terrace and asked for his riding instructions; otherwise he would have known full well that the council supports the position that I have put to IRAC.

Mr CLARKE: I can understand the Minister's embarrassment on this point. This Government either has a basic philosophical point concerning the maintenance of the Industrial Relations Commission, the no-disadvantage test, the preference for collective agreements over individual contracts, the maintenance of the State jurisdiction over a whole range of issues that the Federal legislation seeks to exclude—such as spread of hours, retrenchment pay, rostered days off and the like—

The Hon. G.A. Ingerson: That is all theory.

Mr CLARKE: The Minister says, 'That is all theory.' Let me put this question to the Minister. You and this Government are operating in a policy vacuum over industrial relations issues that are vital to hundreds of thousands of ordinary workers in South Australia. The very best that can be put on the Government's position—and I put this to you quite seriously—is that on key industrial relations issues facing this country and this State, in particular, under your control, you are a policy vacuum.

The CHAIRMAN: The member for Ross Smith is addressing the Minister directly in a somewhat antagonistic way. I suggest that the honourable member can defuse the situation by addressing the matter through the Chair.

Mr CLARKE: Mr Chairman, I put it to the Minister, 'You are a policy vacuum.'

The CHAIRMAN: No, the honourable member must put it to the Chair. I call the Minister.

The Hon. G.A. Ingerson: I am really excited and upset by this attack. I can see that it will be a prolonged and difficult night, but I will humour the Deputy Leader. The Government supports the Industrial Relations Commission. It would not have put that proposal before Parliament when we totally rewrote the legislation in 1994 if it did not believe that. We clearly support our State industrial system. We fought fairly hard to get to get the legislation rewritten, and Parliament amended the Bill. The Government accepts that. We are working within it. It is a form of law that we work with.

We have a lot of criticism of the Federal Act, but we have to work with it. It just happens to be the law of the day. Tomorrow, if the Federal Parliament decides to change the legislation, we will work with that and we will make some complementary changes to our legislation as we see fit. The Deputy Leader is asking me to look into the future and to predict what the Democrats, the Greens and the Labor Party might do with the legislation. The Labor Party might do something forthright and agree with the Bill. I would not be game to predict that it would do that because that is too far fetched, but it might see light at the end of the tunnel and say, 'This Bill is not too bad after all.'

For me to suggest that the Labor Party would do that is a bit bold. I have never sat in a Labor Party meeting, I am not likely to and I do not know how its members think. To suggest that I could possibly make a policy decision when I do not know the outcome of the Federal legislation is quite ludicrous. I understand that the Deputy Leader is trying to score political points because his deputy leadership is under threat and the member for Playford is beating down on top of him.

The Hon. Frank Blevins interjecting:

The Hon. G.A. Ingerson: The honourable member is not well enough to be a threat. If he had been well enough, he would be sitting there. This is just a game and I understand that, but it would be nice if we got onto some serious questions.

Mr BASS: I refer to page 216 and the broad objective and goal to ensure that premises where dangerous substances are handled are suitably designed, constructed, maintained and operated; to minimise unsafe conditions and potential risks in accordance with the legislation; and to promote and encourage effective practices for the safe transport, storage and handling of dangerous substances. What measures have been taken by the Department for Industrial Affairs in respect of the regulation of dangerous substances and their transport, in particular?

The Hon. G.A. Ingerson: I thank the member for Florey for his positive question. The department's occupational health and safety inspectors are also appointed as inspectors under the Dangerous Substances Act. Statewide they attend to licensing matters and deal with complaints, spills, storage and transport issues. In a typical year they carry out some 3 000 visits and inspections under the Dangerous Substances Act.

In conjunction with other agencies, including the police and the Department for Transport, the department conducts periodic audits known as truck stops. Commercial vehicles, trucks and tankers are stopped at weighbridges and checks associated with the carriage of dangerous substances, pressure vessels, etc., are carried out. Other agencies attend to their specific areas of concern such as roadworthiness, etc.

Of 1 750 commercial vehicles checked at truck stops during February and March 1996, 320 were found to be carrying dangerous goods. Approximately 60 per cent of the vehicles transporting dangerous goods were in breach of the requirements of the dangerous substances legislation. Key Department for Industrial Affairs objectives in relation to truck stops are to educate consigners, transport companies and drivers about dangerous substances transport issues and improve understanding of the Dangerous Substances Act and the Occupational Health and Safety Act.

Where necessary, improvement prohibition expiation notices are issued. In the case of serious breaches, inspectors may take evidence for legal action. This is the sort of issue that I would expect a leading edge Opposition to bring up, because a significant number of employees who are traditionally represented by members of the Opposition drive these vehicles, 60 per cent of which carried dangerous substances in which there was a breach of requirement. I would not have thought that this is the type of issue about which the Government would be put on the line and expected to do something. I would have thought that it would be in the best interests of employees and employers to sort out these issues. I thank the honourable member for bringing it to the attention of the Committee.

Mr WADE: Will the Minister provide more detail for the benefit and edification of the Committee on the Turning Point workshops and what success they have had in promoting enterprise agreements across the State?

The Hon. G.A. Ingerson: Of all the programs the department has undertaken in the past two years this has been one of the most successful. It is set up to encourage people to better understand enterprise bargaining. It takes the process out to the employers and the employees; in other words, we are going out into the field instead of sitting in the office and saying, 'We know what has to be done and we know how it ought to be done.' We are getting people to attend workshops to run through the issues and to try to get outcomes at the end of the day.

More than 28 workshops have already been held. The workshops, which have been held mainly in regional South

Australia—and they are now being held in the metropolitan area—have been attended by more than 528 employers and employees. A further 10 workshops have been scheduled and we expect to attract another 200-odd people. Based on the current registration, it means that 740 people would have attended departmental workshops since they commenced shortly after Easter this year.

The workshops were also intended to be aimed at employers and employees within small and medium enterprises and we have been successful in achieving that goal. Originally, we sought to attract 500 people: we have had a 50 per cent increase. Participants in the workshop each receive a full package of materials for their enterprise. This package includes the enterprise agreement video 'Turning Point' and also a series of booklets developed by the enterprise agreement unit. These materials have been developed as a resource to assist the South Australian employer and employee community in developing agreements. Both employer and employee associations and consultants have been encouraged to use the material in their own programs free of charge, other than a nominal fee to recover the direct costs of material.

One of the major issues in enterprise bargaining that needs to be resolved is the understanding of it by the business community at both employer and employee level. One of the disappointments—and it is an issue that I want to continue to take up—is that the employer and employee associations have failed to get this message across, yet both groups are the prime movers in having enterprise agreements as the basis for future negotiation. The department is encouraging this. At the IRAC meeting last week we put on the line that we want to work with both groups to achieve better outcomes for both employers and employees. It is my view that the department ought to be out there as the catalyst but not as the long-term provider of these operations.

Mr WADE: Do these workshops have a defined life span or will they continue until the department is happy that it has covered enough of the State and enough of the employers?

The Hon. G.A. Ingerson: The program is scheduled to go to mid July of this year. As I have said, we want to hand these programs over to both the employer and the employee associations to continue the process, because Government should not be in the business of running these seminars. We want to encourage the employees and the employers to upgrade their knowledge of enterprise bargaining and improve the process. If we have to do it, we will get out there again and jolly a few people along, but it is the role of employer associations and unions to conduct this process. We talked about that at length at IRAC this week.

Mrs PENFOLD: What does the Government intend doing about concerns held by business, and small business in particular, regarding the termination of employment laws?

The Hon. G.A. Ingerson: To small and medium businesses, the termination of employment laws are rather like death and taxes: there are certain unpleasanties necessary to them all. South Australia has had termination of employment laws in place for over 20 years and it has had considerable experience through its Industrial Relations Commission in conciliating and arbitrating claims of wrongful dismissal. Our legislation consistently has been found on 'a fair go all around concept' which is now being picked up by the Federal Government in its proposed changes to the unfair dismissal laws. However, many small and medium employers, as well as employees, have difficulty in understanding how they can easily avoid the problems associated with wrongful dismissal.

As a Minister and member of Parliament I consistently receive feedback from constituents asking for something to be done to make the system easier to use: I am sure that is the situation with all members of Parliament.

I am pleased to advise that the department has commenced the development of a project aimed at better providing information to employers and employees about their rights and obligations in an unfair dismissal case and also the development of some easy pointers to avoid a wrongful dismissal claim in the first place. It is almost exactly the same as the safety issue: if you carry out the right processes, you do not have accidents; if you carry out the right employment procedures, you should not have a wrongful dismissal claim.

I advise the Committee that it is intended to have a package of materials available for public distribution early in 1997. This package of information is likely to contain a short information video tape, workshop materials and supporting explanatory booklets aimed both at employers and employees. The department is likely to develop different levels of information materials with different levels of inquiry. These materials will be aimed directly at employers and employees and will help in reducing the fears held about the dangers or complexities of the termination of employment laws. We will be emphasising to managers that they should treat their employees in the same way as they would wish to be treated themselves.

[Sitting suspended from 5.58 to 7.30 p.m.]

Membership

Mr De Laine substituted for the Hon. Frank Blevins.

Mr CLARKE: Has the State Government put any submissions to the Senate committee of inquiry that is looking at the Federal Government legislation on industrial relations and, if so, what is contained within those submissions? If not, why was no submission made?

The Hon. G.A. Ingerson: The answer is 'No', but it is our intention to do so. The closing date is Friday, and we will be doing it then.

Mr CLARKE: By way of supplement, presumably the Minister has given instructions as to the Government's position with respect to the legislation before the Senate. What is the Government's position on issues that will be covered in that submission such as the role of the Industrial Relations Commission in overseeing enterprise bargaining agreements and the retention of the no disadvantage test?

The Hon. G.A. Ingerson: I have not read the final report and suggested application to go to the Government and, until I have done so, it is just a theoretical question and a theoretical comment that I might make. In principle, we have supported the general thrust of the legislation. We have suggested that there are many areas in the South Australian legislation that ought to be picked up and run with, and we would suggest that our unfair dismissal process, which has worked for 20-odd years, is a process that ought to be used federally instead of the biased process we have had in the past.

As someone who worked in that commission, the honourable member would accept that there was a fair amount of goodwill on both sides in the unfair dismissal process. Obviously, we will support the process of the Australian workplace agreements. In terms of having the general award structure made more practical and brought down to the

suggested 20 parts of the award, we support that. I have not seen the comments on any other section.

Mr CLARKE: Prior to the dinner break we effectively wasted three-quarters of an hour. I should have asked the question about the Senate inquiry first because, rather than dealing with hypotheticals, clearly the Government does have a policy.

The Hon. G.A. Ingerson: I have not seen the policy document.

Mr CLARKE: Who is in charge of policy, Minister; you or your advisers?

The Hon. G.A. Ingerson: The policy document will be signed off by the Minister and, until I have seen that, it will not go. I have given the honourable member a very broad overview of the issues that we support. Some comments were made by the department in terms of different areas, which I have not formally seen, and there have been discussions between the Chief Executive and me in terms of what he thought ought to happen. It is a very common exercise for departments to write their view as departments and to ask the Minister either to agree with it or to review it.

I have not seen the position as it relates to any other matters. When I do, it will be a very public document. The honourable member will not have to worry about the position of the Government, because it will go before the Senate select committee. But I have not seen the document. I am not prepared to comment on things that I have not seen. I have advised the IRAC that, when the Government makes its submission, it will be circulated. There is nothing to cover up; it is just that I have not seen the document and it has not gone in. When both those things are done, IRAC will get it and I am quite sure that, within 20 minutes, the Deputy Leader will have a copy, too.

Mr CLARKE: I am astounded. Is the Minister saying to this Committee that, on something as fundamental as the most radical changes to the Australian industrial relations system since 1904, he has not given any directions to his department as to the policy position of this Government in relation to critical issues such as the no disadvantage test and the oversighting of enterprise agreements by the Industrial Relations Commission, and that he is waiting for his department, less than 48 hours before the closing date for submissions, to read the first draft to decide the policy position of this Government? If that is true, that is a complete abrogation of your responsibilities as a Minister and turning over the running of industrial relations to bureaucrats who come from the Employers Federation.

The CHAIRMAN: I remind the Deputy Leader that it is inappropriate to offer insulting comment to any member, particularly to advisory staff.

Mr Clarke interjecting:

The CHAIRMAN: No, it is not accepted parliamentary practice to do that. The comments are addressed invariably to the Minister and then I call on the Minister to respond.

The Hon. G.A. Ingerson: One of the unfortunate things in this debate is that the Deputy Leader has never had the privilege of being in government and, as a consequence, does not understand the process of putting together these reports. Of course the Minister and his advisers sit down and talk with the department in terms of forming the report, but there are many occasions on which the department writes reports in good faith that the Minister does not necessarily agree with.

I have just been advised that the report will not be ready until tomorrow. I would be quite happy to answer these questions tomorrow for the honourable member but, since I

probably will not be here, he will need to wait until we come back to Parliament. As I have said in a previous reply, three members of IRAC are members of a union: I said that 20 minutes after they get it the honourable member will but, if he is a bit quicker than that, he might get it as it gets around there. He will have the opportunity, as the union representative in the Parliament, to get a copy.

Mr Clarke interjecting:

The Hon. G.A. Ingerson: I do not question that you are proud of it; it is a factor.

Mr BASS: On page 219 of the Program Estimates, 'Specific targets/objectives', it is stated that an objective is to continue to provide industrial relations support to the Office of the Crown Solicitor in opposing union applications to move public sector employees to Federal awards coverage. How many such awards have been made and how many applications have there been in this area?

The Hon. G.A. Ingerson: Federal logs of claims have been served on the South Australian Government and various Government authorities by a number of unions seeking Federal award coverage for public sector employees presently covered by awards in the Industrial Relations Commission of South Australia. There are currently 25 active logs of claims, involving 10 unions. All moves to Federal awards are being opposed, as they have been since we have been in Government. Over the 2½ years since we came into Government no Federal awards covering public sector employees have been made, reflecting the success of our strategy.

A decision of the Australian Industrial Commission on 14 March this year in respect of health ancillary workers has the potential to change the situation as it opens the way for those employees to transfer to a Federal award. The Government, however, has instituted proceedings in the High Court for a judicial review in respect of the decision of the IRC in this matter. In view of the pending Federal legislation changes and expectation that Federal awards will be confined to minimum rates of pay and standard conditions of employment, it is likely that some unions will desist from the Federal push and may pursue enterprise bargaining outcomes within the State jurisdiction.

Mr WADE: I refer to occupational health and safety in the public sector, referred to on page 215 of the Program Estimates. What steps have been taken by the Department for Industrial Affairs to prevent workplace injuries in the public sector, and what future strategies are planned for 1996 and 1997?

The Hon. G.A. Ingerson: The department recently reorganised its public sector industrial relations and health and safety activities into one division. This new division is now identified as the Human Resource Management Division and pulls together similar functions that were previously located in different divisions of the department. Prior to this reorganisation, the department had supported health and safety initiatives within the various agencies using a hands-on approach to facilitate health and safety outcomes. This Government is committed to achieving quality outcomes in all its activities, and there is a strong quality thrust throughout the public sector. There is a need for the management of health and safety to reflect quality management principles and to adopt a continuous improvement philosophy, leading towards best practice standards. The approach to the management of public sector occupational health and safety is currently being redeveloped within the Human Resource Management Division of the Department for Industrial Affairs. This development will reflect best practice outcomes

and as a follow-on will also better define the department's support activities in the future.

It is envisaged that a peer group review mechanism will be instituted to oversee agency activity. Cabinet will regularly be apprised of agency performance. Detail of this current initiative is under development and a detailed Cabinet submission will be presented for Cabinet's consideration. Further, the projected number of new claims recorded by the Government's Workers Rehabilitation and Compensation Office for 1995-96 reduced by 550, or 12 per cent, from the claims experience of the previous year. This is the sixth successive year that claim numbers have reduced, and this trend is in advance of the Government's stated target reduction of 30 per cent over three years to 30 June. Net claims expenditure, that is, total expenditure less third party recoveries, is projected to decrease by \$4.4 million or 9 per cent to a base of \$42.7 million. This is the lowest level of expenditure since 1990-91.

Average cost of claims in 1995-96 reduced by 2.6 per cent against the background of reduction in overall numbers of Government employees. Average time lost from work as a result of compensation related injury decreased in 1995-96 by 5.5 per cent, indicating the effectiveness of the rehabilitation process within Government. The results outlined have been matched by improvements in the prevention area. In 1991-92, 50 per cent of companies audited against the WorkCover prevention performance standards were rated at level 0. Only 8 per cent were rated at level 2. There has been a progressive improvement since then so that, in 1994-95, for comparative purposes, 8 per cent were in level 0 while 54 per cent were rated at level 2.

I also take the opportunity to advise the Committee on a matter that we discussed earlier in relation to the Yatala dispute. At 4.15 the compulsory conference in the commission was held before Deputy Stevens. The outcome was that the Department for Correctional Services agreed to meet correctional officers' representatives at 9 a.m. at Yatala tomorrow morning to continue negotiations on matters in dispute. Correctional Services officers have returned to work tonight and have agreed to work within the department's requirements. Our expectation is that correctional officers will work tomorrow in accordance with the Department of Correctional Services' requirements and, if not, no negotiations will occur at 9 a.m. Further, the compulsory conference in the commission will be on Tuesday of next week. So, the Government is very good at negotiating, Mr Chairman.

Mrs PENFOLD: I refer to page 215 of the Program Estimates, relating to training and development. How is the Department for Industrial Affairs addressing the need to develop a highly skilled and customer focused work force?

The Hon. G.A. Ingerson: One of the things that we are trying to do in the work force is make sure that there is a much better relationship between employers and employees. To achieve that sort of outcome we must make sure that we work continually on the skills that we need to develop in the department through the training programs that we provide externally. The department established a training and development committee in 1995 consisting of the Director of the department and staff representatives from each division. The committee has worked with managers and staff to identify training needs and to mount suitable programs.

The committee also identified the need to adopt the strategy of quality management to underpin the training initiatives. In the next 12 months the committee will introduce a system of quality advisers to run action learning

programs with the work groups. This will ensure that training is continuous, customer focused and relevant to the work group involved. Expenditure on training and development more than doubled in the year 1995-96 to \$260 000 from \$115 000 the previous year. Much of this expenditure was undertaken in the Occupational Health and Safety Inspectorate to improve service delivery and to equip inspectors for their new role, which emphasises evaluation of activities and a partnership with industry in addressing particular issues. Training was also supported by the establishment of the position of Principal Consultant Quality Development, who acts as an executive officer to the training and development committee and ensures that training initiatives relate to this quality program.

Mr CLARKE: With respect to enterprise bargaining, what did the Minister spend last year and what is his projection for 1996-97 in terms of his travelling road shows to promote enterprise bargaining under the State IR legislation? That includes such items as Turning Point, videos and the salaries of departmental staff such as his policy adviser, Mr Wilson, in promoting EBs in the private sector. What budget line is this under?

The Hon. G.A. Ingerson: The Turning Point enterprise agreement workshops have been an enormous success. The cost associated with the delivery of this statewide program has been \$64 397, which includes resource materials, venue hire, catering, advertising and travelling expenses. Considering the registration income of \$26 005 (\$35 per participant), the actual cost to date has been \$38 392.

Mr Clarke interjecting:

The Hon. G.A. Ingerson: No, that is part of it: \$64 000 is the cost; \$26 005 has been paid (at \$35 a head), giving a cost to date of \$38 392. The cost of attending a workshop is \$52 per participant, and it reduces as we continue to receive registrations. At this stage the Government is subsidising the cost of attendance at the rate of \$17 per participant in view of our promotional obligations to the business community.

The cost of the video, which was put together as part of Turning Point and the launch of which the Deputy Leader attended, for the South Australian Film Corporation was \$50 000; for the Department for Industrial Affairs, \$37 500; for the Department for Industry, Manufacturing, Small Business and Regional Development, \$7 500; and for the Office of Employee Ombudsman, \$5 000, totalling \$100 000. Obviously there are no wage costs for the attendance of DIA staff because they would be paid to carry out their work irrespective of this. These are the costs, over and above the time cost (if you wanted to put that into those programs), totalling \$138 000.

Mr CLARKE: What is your estimation of cost for that next financial year? Staff were identified in last year's Estimates as being specifically designated to encourage EBs in the private sector. What is their salary line?

The Hon. G.A. Ingerson: In this year's budget we do not have a projected amount because we expect to finish the program in mid-July, and that cost was budgeted for in last year's program. In terms of the staff, we would have to take that matter on notice and supply the answer.

Mr CLARKE: You have said that this has been an enormously successful exercise, but I do not know whether you have taken the trouble to collate figures on enterprise agreements that have been registered since the Act came into force in August 1995. I have obtained figures from the State Industrial Registrar to mid-June this year showing that there were 250 agreements either certified or awaiting certification,

and for 108 of them there was no trade union party to those agreements. Those 108 non-union agreements covered approximately 6 500 employees out of some 33 000-odd employees covered by EBs. If you deduct the number of non-union enterprise agreements involving Government agencies, that reduces it by 2 639, leaving a grand total of non-union private sector EBs covering 3 886 employees or just over 1 per cent of the State's award-covered work force after two years of operation of this legislation.

The position that the Opposition adopted at the time the legislation was introduced was that there was not this almighty bursting hurry by private sector employers wanting to get into EB agreements and were being stopped from doing so because of the intrusion of third parties, such as trade unions, but that they were basically happy with the award system and wanted to keep it. You have just said that you have spent \$138 000, plus whatever the departmental officers' time is dedicated to pursuing private enterprise EBs, and we have a grand total of 3 886 employees covered by non-union agreements—and, I might add, maybe 70 per cent of them work for 10 employers in the private sector. It has been an enormous waste of money and is based on a false premise. What do you have to say to those facts?

The Hon. G.A. Ingerson: I am glad that you do not run my business or my bank account. For \$1 000 per enterprise agreement we have been able to cover some 33 000 people. To use your logic, I would have thought that that was pretty good economy.

Mr CLARKE: Some 3 000 employees in the private sector, just over 1 per cent of the State's work force—it's a joke and you know it.

The Hon. G.A. Ingerson: It is 10 000 employees, three times what you said. You are always 300 per cent out and again today you are 300 per cent out. You have no idea of maths. As I said, I am glad that you are a union rep and not managing my business.

Mr CLARKE: Just look at the statistics.

The Hon. G.A. Ingerson: You can't add up. I will put them on the record for you so that you can work it out later. An amount of \$1 000 a pop is a pretty good outcome.

Mr CLARKE: It is an enormous waste that is based on a false premise, and you know it.

The Hon. G.A. Ingerson: During the 1995-96 financial year so far, 125 enterprise agreements have been approved by the Industrial Relations Commission in South Australia covering 22 769 employees. When compared to the previous 12 months there has been a 37 per cent jump in the number of enterprise agreements approved, with the number of employees covered more than doubling. Of the 125 enterprise agreements approved in 1995-96 under the Industrial Relations and Employees Act 1994, 61 per cent involves private sector agreements with an employee coverage of 5 752. Some 39 per cent of medium size businesses (fewer than 100 employees) are involved and the number of employees covered is 622; some 61 per cent of large size businesses (more than 100 employees) are involved and the number of employees covered is 5 130. There are 26 per cent public sector agreements with an employee coverage of 16 195; 13 per cent are local government community service agreements with employee coverage of 822; 38 per cent have been negotiated directly with the employees; and 62 per cent have had the involvement of the union movement.

It is fascinating that the Deputy Leader goes off his head about the cost when 62 per cent involves the union movement. If two-thirds of the agreements are supported by

the union movement and you are supposed to be the union rep in the Parliament, you ought to go back and ask the people on South Terrace which argument you should put. Some 46 per cent have had the involvement of the Office of Employee Ombudsman.

As at March 1996 there was a 3.8 per cent wage increase per agreement and a 4.1 per cent wage increase per employee. Enterprise agreements in this State have given bigger increases to employees than the standard CPI increase. I find it staggering that the person who says that he wants to represent employees is disagreeing with the system when there has been a bigger increase for employees than there was under the old system. You are a funny ex-union rep when you do not want increases larger than CPI increases to go to the employees. I would not care if it was one employee. If I got a better deal as the employee rep than I could get under the old system, I would have thought I had done a pretty good job.

Considering the fact that the budget for the promotion of enterprise agreements was \$199 000, promotional expenditure in 1995 has been \$1 592 per enterprise agreement. This does not include the cost of employee consultancies. In a total budget of \$31 million, I would have thought that spending \$199 000 on getting employees a bigger increase than they had obtained through their own union representatives was a fairly cheap price to pay.

I am staggered that the union representative in the Parliament should go crook about employees getting more than they could get under CPI. That is quite amazing, but I do understand that the Deputy Leader needs to make a few political points, because I know that John Quirke is right behind him. In the corridors tonight, we heard that John Quirke was snapping at his heels. It is only because Frank is still here that he got the job. If Frank was not here, he would not have the job.

In terms of industry training, the turning point quote from the industry was, 'This is the best thing the Government has ever done for me.' That was the response from employers and employees. I find it quite amazing that, other than the fact that the Deputy Leader is under siege, he would be asking these sorts of questions.

Mr CLARKE: By way of supplementary, the Minister well knows that the industrial agreements come under the old Act in any event. The reality is that the figures from the Industrial Relations Commission as at 17 June 1996 show that 33 085 employees are covered by enterprise agreements certified over the past two years. State Government agencies account for 19 739 of those employees, or 60 per cent. A total of 10 per cent of the work force under State awards are under EBs in South Australia, with 60 per cent of them being State Government employees. In other words, 4 per cent of the total work force in the private sector under State awards are covered by EBs, of which pure non-union agreements account for just over 1 per cent. As I said earlier, the Minister cannot run away from these statistics. The whole premise upon which he based this legislation, which was to exclude trade unions as much as possible from the enterprise bargaining negotiations, has been an abject failure.

The Hon. G.A. Ingerson: I just find it amazing that the Deputy Leader, when this legislation went through the House, did nothing but say, 'This is the worst single piece of legislation that has ever gone through the House, and it affects every union member.' However, the Deputy Leader is now saying that, because it has not affected union mem-

bers, it does not work. The Deputy Leader's approach is hypocrisy at its best.

One of the things that the Deputy Leader does not seem to do well is his homework. There are 144 certified agreements that have not been changed in the past two years, and they cover 40 000 people. Of the 222 agreements that have been filed, 204 have been approved. The 204 approvals are all new agreements, so 40 000 people are covered under agreements in this State, certified agreements from the old process, plus the 33 004 under the new system—a total of 73 000.

As the honourable member would be aware, I have signalled that we need to bring in some further legislation to extend the time for certified agreements until Christmas, because the Industrial Commission has not been able to change those agreements in the two year time frame. It is highly likely that a large number of those people will transfer to enterprise agreements. We have been very honest in this area, because we have not included any of those people in the figures. I would have thought that, to have 33 000 employees covered in two years, is a fairly successful move.

As I have said many times, we could do a lot better, but 33 000 is a lot better than none—which is what happened under the previous Government. It was often promised by the previous Government that we would have enterprise agreements, but nothing ever happened. So, we are very comfortable with what is happening. We see the turning point in other programs improving the position in the future.

Mr CLARKE: I refer the Minister to page 158 of Financial Paper No. 2, under 'Program 7—Industrial Policy (not elsewhere covered), Grants—Consultancy'. Last year \$100 000 was paid to the Minister's mates at the Employers Chamber, and \$90 000 was set aside for 1996-97. Will those grants just go to the Employers Chamber? Presumably, on last year's basis, it was to promote enterprise bargaining in the private sector. Will it apply on a dollar for dollar basis with the United Trades and Labor Council?

The Hon. G.A. Ingerson: In 1995-96, the UTLC was asked whether it wanted to apply, and to this date it has not. I do not think we can help that. The UTLC did not take up the offer, but the Chamber of Commerce did, so this is what happened. On 27 September we entered into a contract with the South Australian Employers Chamber of Commerce and Industry for the provision of employer consultancy services for the development of enterprise agreements, particularly amongst small and medium size businesses. Services to be provided under this contract commenced on 1 September 1995 and are due to run out on 31 August this year.

The contract provides funding of \$75 000 as follows: salary for one FTE employer relations consultant for 12 months, \$50 000; on-costs calculated at 25 per cent of salary, \$12 500; and promotional expenses, \$12 500. The method of delivery of the project work is through various of the South Australian Employers Chamber employee relations staff providing assistance to businesses that need help in developing an enterprise agreement.

The contract with the South Australian Employer Chamber stipulates that a third of the funding is to be directed to businesses which are members, a third to businesses which are members of other employer associations, and a third to businesses which are not members of any employer association. The reason for creating the grant includes the fact that many small businesses are unable to afford to proceed with enterprise bargaining without some seed funding. Partial counterbalancing of the funding is given to employees

through the establishment of the Office of the Employee Ombudsman. The grant was directed to the South Australian Employers Chamber because, as South Australia's peak employer association, it has many smaller industry association affiliated members, and the department had a need for the immediate provision of these consultancy services.

The comment I made earlier about the UTLC is not correct. We did not specifically invite it to apply. However, we have told it that, if it or any other union wished to apply, it would be considered, but it has not done that—so there is a slight difference. It was aware of it, and it has not done—

Mr Clarke interjecting:

The Hon. G.A. Ingerson: I would be very surprised if the union representative did not let it know. Government funding for the Employer Chamber is \$75 000, and funding for the Employee Ombudsman, who fundamentally represents employees, is \$360 000. So, clearly, whilst it does not go to any union association directly, employees by the thousands are approaching the Employee Ombudsman, and as a result the Government is spending \$360 000 to provide them with an advisory service.

Mr BASS: I refer to page 215. Following on with occupational health and safety, in what ways is the Department for Industrial Affairs targeting industry in respect of occupational health and safety?

The Hon. G.A. INGERSON: In the last quarter of 1995, the department completed a review of its targeting approach under the occupational health and safety legislation and developed new approaches in concert with WorkCover. Key points now influencing the 1996 audits include:

- procedural improvements which are providing high quality client service during the audit program;
- regional manager responsible for the conduct of specific targeting program is the focal point to resolve any difficult client concerns or problems as a back up to the inspectors conducting the audits;
- target teams assist employers to achieve compliance with the legislation by means of advice, assistance and information and by educating employers and employees of their responsibilities, rights and obligations;
- advice and assistance is necessarily reinforced by the issue of improvement and/or prohibition notices;
- letters of statutory obligation or recommendations of legal action are instigated by inspectors where appropriate;
- follow up of specific problems found during an audit is seen as an essential part of the targeting process for client service in order to ensure compliance.

Using WorkCover data, which has identified problem areas in a safety sense, six priority industries are being targeted by the Department of Industrial Affairs. They are: salvage and recycling; battery manufacturing; motor vehicles, bodies, and trailers; iron casting; non-ferrous casting; and demolition. Occupational health and safety issues are also addressed in two additional work plans targeting restaurants and allied industries and the commercial transport of dangerous substances. In addition, arrangements have been set up to target public sector agencies with two areas already identified, that is, the Adelaide Convention Centre and TAFE.

Mr WADE: The Premier has announced the Government's commitment to encouraging agencies to improve services to the community through a 'quality' program. Does the Department for Industrial Affairs have its own quality program?

The Hon. G.A. Ingerson: The department has committed itself to a quality program which commenced in 1995 with a workshop for executives. Since that date the department has collected data from staff by means of a staff survey; conducted a self-assessment process to identify priority areas for action; endorsed seven priority projects; held a seminar for all staff to involve them in implementation plans for the project; and developed a framework for implementation of the project.

The project aims to improve the areas of communication, leadership, knowledge of departmental values, customer service and staff development. The other projects involve systematic development of skills and strategies to allow staff and managers to work together to improve the services provided to the community. Expenditure on this initiative in 1995-96 was \$48 000, which was an allocation from the training and development budget; the estimated expenditure for 1996-97 is \$60 000.

Mrs PENFOLD: What does the budget allocation of \$360 000 to the Employee Ombudsman cover; what other resources have been given to the Employee Ombudsman; and what are the major issues with which he is dealing?

The Hon. G.A. Ingerson: The Office of Employee Ombudsman was created under the Industrial and Employee Relations Act 1994. Mr Gary Collis was appointed to that position on 8 August 1994. The budget allocation for 1995-96 was \$360 000 to cover the employment of four staff (\$170 000) and goods and services (\$183 000). Mr Collis is funded separately by a special Act. The proposed 1995-96 expenditure totals \$370 000—an increase of \$10 000 to cover the cost of employing another part-time staff member. This amount is required to cover the greater than anticipated workload arising from increased awareness by employers and employees in various country and metropolitan areas.

The 1996 budget provision is \$418 000, which represents an increase of \$48 000 on the 1995-96 budget and covers the full year cost of an additional project officer (\$38 000) and goods and services (\$10 000). The additional resources enable the Employee Ombudsman to be better represented in both the private and public sectors when dealing with enterprise bargaining and providing advice on conditions of employment.

As part of his original charter, the Employee Ombudsman is required to also address the issue of outworkers and home based workers. The project for 1995-96 is to better inform outworkers through the distribution of various pamphlets at shopping centres.

Mr CLARKE: I refer to Financial Paper No. 2 at page 159 and Financial Paper No. 1, Program Estimates, at page 210 in relation to intra-agency support service items. I note that on page 159 salaries have increased by \$400 000, and add on expenses for the same item have increased by \$440 000. At page 210, the original estimate for the Minister's office for 1995-96 was \$846 000, and actual expenditure was \$934 000. The estimate for next financial year is \$976 000. There appears to be virtually no change in the number of full-time equivalent employees. Why is there such a variance?

The Hon. G.A. Ingerson: Salaries in 1995-96, expenditure savings achieved as a result of unfilled vacancies maintained throughout the year; the 1996-97 budget returns to previous base, plus provision for enterprise bargaining; and a salary increase adjustment of \$93 000.

Mr CLARKE: Are we looking at page 159?

The Hon. G.A. Ingerson: Intra-agency support services—salaries, wages and related payments. I will ask the Chief Executive to expand on my response.

Mr O'Callaghan: I believe that the question relates to the change in this year's salary figure compared with the previous year.

Mr CLARKE: I am looking at page 159 of Financial Paper No. 2.

Mr O'Callaghan: Which line?

Mr CLARKE: Salaries, wages and related payments. In 1995-96, the figure was \$2.3 million, and the estimate for 1996-97 is \$2.6 million. Under 'Goods and Services', administration expenses increase to nearly \$6 million. The Minister's office, on page 210 of Finance Paper No. 1, shows the estimate for 1995-96 as \$846 000, increasing to \$976 000 for this year, yet the number of full-time equivalent staff remains unchanged.

Mr O'Callaghan: The change in figures can be explained as a result of the additional costs associated with enterprise bargaining wage increases agreed within the department. Those costs relate to an amount of some \$93 000. In addition to that, a number of staffing changes are reflected in those changes to figures as would be expected in a department of this nature.

The Hon. G.A. Ingerson: In relation to the Minister's office, the \$88 000 over expenditure reflects increased salaries of \$35 000 and administration of \$90 000, offset by savings in overseas visits of \$30 000 and accommodation and service costs of \$7 000. The administration over expenditure is mainly due to increased costs associated with interstate and intrastate travel, publication and printing purchases, use of employment agencies and general operating costs.

The other reason for the over expenditure is that, midway through the year, the Deputy Leader would remember that I took on the responsibility of recreation, sport and racing and the budget line that applied to that under the previous Minister was not transferred to my office. About \$40 000 that was left in the recreation and sport budget in the previous Minister's office was not transferred. The picking up of extra staff to manage recreation, sport and racing for that six months is part of that extra cost, plus the extra administration expenditure, which I have just explained.

Mr CLARKE: I refer to the Estimates of Receipts and Payments, page 164, 'Other payments' and, in particular, the Leader of the Opposition's budget, which the Minister will see has been set at \$559 000 for 1996-97. In 1993-94, the then Leader of the Opposition, now Premier, had a budget of \$542 000. Now three years later, when we likewise have had to deal with wage movements, although nowhere as significant as in some other fields, and other cost pressures, since 1993-94 there has been an increase in the Leader of the Opposition's budget of only \$13 000. Is the Minister prepared to discuss the size of the budget allocation with respect to the Leader of the Opposition's office with representatives of the Leader of the Opposition to take into account some of the considerable additional expenses that the Leader's office has incurred over that time?

The Hon. G.A. Ingerson: We do not have the fine detail of that, but we will supply a considered answer to the Committee. We are prepared to sit down with the Deputy Leader and the Leader to discuss the issue as soon as practicable.

Mr CLARKE: With respect to the State Government's opposition to the making of Federal awards, be that for its own employees or in support of private employers who are

seeking to avoid Federal award coverage, can the Minister say what that has cost the taxpayers since his Government came into office?

The Hon. G.A. Ingerson: Based on the advice from the Crown Solicitor's Office, the legal costs for outside counsel for the period to the end of May 1996 for defending Federal award applications and other industrial matters was \$355 298. A full breakdown of the cost of outside counsel is detailed in the covering response from the Crown Solicitor. The actual cost of outside counsel for some of the high profile matters to this stage are: the teachers' Federal award application, \$164 862; SPS-CPSU Federal award application, \$72 719; nurses' special case, \$35 041; and correctional services' productivity, \$13 834.

It is estimated that approximately 50 per cent of the Crown Solicitor's industrial section budget of salaries and related costs has been dedicated to Federal award matters involving public sector employees. The remainder is dedicated to industrial affairs matters in the State and other Government agencies. The department is responsible for the costs of outside counsel in the correctional services' matter. I will supply the full breakdown.

Mr CLARKE: Can the Minister provide the total cost for the past two years?

The Hon. G.A. Ingerson: The two costs were \$355 298 to May 1996 and, for 1994-95, the figure was \$390 144.

Mr CLARKE: I do not mind the Minister's supplying me with that breakdown.

The Hon. G.A. Ingerson: I will supply that information. Government involvement in this area is part of the industrial relations cost. As a Government, we have argued very strongly that all our employees ought to be directly involved under the State industrial system. There is absolutely no justification in terms of fairness in getting results out of the State commission, one way or the other. The opportunity for employees and their unions to put a case in the State commission is exactly the same in terms of potential outcome as it is in the Federal commission.

The unions concerned have argued that they believe they would get a better deal, and they have a right to argue that. As the employer, we believe that, if we are to maintain our own State system, we ought to be able to argue very strongly that our employees ought to be covered under the State system. From the Government's point of view, money spent on arguing that case in the Federal system is justified. I know that the Deputy Leader supports the maintenance of the State system very strongly, and we ought to be able to argue—and as a consequence of that spend the relative money—to keep our employees here.

Mr CLARKE: I refer the Minister to pages 213 and 215 of the Program Estimates, in each case to the performance indicator listed on those two pages. Page 213 refers to the number of prosecutions. I note that in 1992-93 there were 458 prosecutions and then progressively, particularly since the Minister's administration of the department, it has decreased to 57 prosecutions under the awards as at 31 March 1996.

Page 215 refers to occupational health and safety inspections: in 1992-93 there were 11 695 general inspections and, in 1994-95, 8 500. Plant inspections have reduced from 6 500 to 4 200 in 1994-95—and members can see what the estimate is up until 30 June this year. It seems that there has been a marked reduction in the level of award enforcements. One could argue that there is more compliance under the award, but I would doubt that. In terms of the number of general inspections, unless there are fewer plants or business houses

to inspect, the level of inspections by the Minister's department has decreased dramatically. Is this because there is now a more general policy in the Government for inspectors to act in an advisory way rather than as an enforcement agency and, if so, what is happening regarding occupational health and safety and compliance with award obligations?

The Hon. G.A. Ingerson: I will provide a detailed reply for the honourable member in relation to awards. The annual reports in the past three years show that the number of improvement notices has fallen from 711 in 1991-92 to 446 during 1992-93; a further fall to 327 occurred in 1993-94; and there was a further fall to 193 in 1994-95. As at 31 May 1996, a total of 139 improvement notices had been issued. The number of prohibition notices issued fell from 88 in 1991-92 to 72 in 1992-93; 64 in 1993-94; 47 in 1994-95; and 29 to 31 May 1996. The most important issue is the number of convictions recorded in 1993-94—that is, the number of people who were found guilty of an offence—and that was nine; in 1994-95, eight; and to 31 May this year, seven. So that whilst the number of improvement notices and prohibition notices has dramatically reduced, the number of convictions has almost remained static.

The decreasing trend in the number of improvement and prohibition notices has continued. This situation is being kept under review and evaluation by the department in relation to the utilisation of improvement of prohibition notices to ascertain the effectiveness and compliance. This is of particular importance as we proceed to a new era of fewer prescriptive regulations. It has been recognised that a number of factors impact on safety in the workplace and the significance of notices in this context requires assessment.

I have indicated in the strongest possible terms to the Chief Executive that inspectors must have the support they require to take appropriate steps to ensure that serious hazards in the workplace are immediately addressed. Inspectors have been given my assurance on a number of occasions that, if they need to issue improvement or prohibition notices, where this is necessary and appropriate they will have the full support of the Government.

Further, major steps have been taken to upgrade training and improve investigation procedures. In the past 12 months two advanced investigation courses have been provided for 40 departmental inspectors at a total cost of \$44 000. A further nine inspectors are scheduled to attend the next course. This course runs for two weeks and is provided by the Australian Federal Police. The principles taught throughout are rapidly becoming nationally uniform and there is every likelihood that in the near future the Industrial Court of South Australia will require prosecution briefs utilising these principles. This training coupled with the necessary equipment will facilitate the capacity of staff to meet these new standards. Short advanced investigation appreciation courses have also been provided for managers. Investigation guidelines and procedures have been reviewed and finetuning of procedures with the Crown Solicitor's Office to resolve issues and expedite prosecutions at the earliest possible instance has occurred.

Further, the department is reviewing the appropriateness of the range of sanctions available to inspectors, including the possible use of expiation notices pursuant to occupational health and safety. These notices are currently available under the Dangerous Substances Act. New South Wales, Queensland and Victoria have introduced, or are planning to introduce, these notices to improve occupational health and safety compliance.

Mr CLARKE: As the Minister may be aware, a decision was handed down today by a Full Industrial Relations Court dealing with an application by the United Trades and Labor Council to seek a new award, a general workers' award. The thrust behind that application was to cover anyone who is not already covered by an award, the purpose being, as I understand it, to provide a minimum standard on which enterprise bargaining could take place so that the no disadvantage test would apply to persons who are award free. That was rejected unanimously by a Full Court today based, as I understand it on the very quick reading of the decision, on jurisdictional grounds, and the UTLC has indicated that it would like the Government to consider introducing legislation as soon as possible with respect to allowing the jurisdictional arguments to be overcome through an amendment to the Act, and therefore allowing the merits of the case to be argued before a Full Bench of the State Industrial Relations Commission.

Has the Government given consideration to this decision and, in particular, would it be prepared to support an amendment to the industrial legislation which would clear the way—on jurisdictional grounds only—to allow the matter to be debated and argued on the merits before the Industrial Relations Commission?

The Hon. G.A. Ingerson: I understand that the decision was made yesterday and it determined that there was no jurisdiction for the Industrial Relations Commission to create an award in the terms applied for by the UTLC. I understand also that the decision clearly suggested that by implication there are other ways for the UTLC to go. It is the Government's position that it is not opposed to award coverage for these groups of people. In fact, it was demonstrated there were problems being faced by these people in creating awards and the department can provide basic assistance enabling them to establish the award as the basic safety net.

We recommended that the UTLC should explore specific award coverage for these groups if there is a problem for them, and do that on a group basis. But there are things called enterprise agreements into which they could be encouraged to enter, and I am quite sure that the commissioner would look poorly upon an enterprise agreement that did not reasonably reflect general, across the board award conditions. Knowing the commissioner and the decisions he has been making so far, one would not be able to put in an enterprise agreement that was grossly unreasonable in terms of payment of wages and conditions. So, I encourage the UTLC to use the process on an individual grouping basis instead of trying for a general award, and the Government would support it in that area.

It seems to me that it could have been done in a way that would have given a better outcome for all the people concerned. It does not suggest in any way that we are opposed to a general award, and I want to make that clear. But in future, particularly if we look at what may happen in the Federal arena, general awards of this type are not likely to be there; they would have a basic safety net process and you would develop your enterprise agreement from that. Considering the positive attitude that the UTLC has had towards enterprise bargaining, I am surprised that it has not taken that line instead of undertaking this theoretical exercise. I think everyone involved in industrial relations in this State suggested that it was a bit of a charade to no great purpose. Unfortunately, the commissioner has agreed with that.

Mr CLARKE: My last question relates to staff of MPs. I am not referring to the particular circumstance but, as a result of an answer the Premier gave to the member for

Napier last week about a staffer of a member of Parliament who was transferred from the MP's office through the Public Service and with a four year contract, I have been approached by a number of electorate staff who work for MPs. The Premier indicated that that was normal practice, but the electorate staff who have approached me—and many of those staff were members of my own union when I was its Secretary—would like to know whether they can access the same rights.

I am sure that the electorate staff on the Minister's side would like it on the same basis: that they can as of right seek access to the Public Service, be granted their wish and be able to sign a contract for, say, four years and, if it does not work out, be paid out for the balance. Will that be the norm?

The Hon. G.A. Ingerson: The Premier and the Commissioner for Public Employment put down the complete detail on this case. The question relates to the normal practice of Government and, since we have been in Government, our practice as the employer—and in this case we are the employer of all the electorate secretaries—has been to ensure fair and reasonable employment conditions and opportunities for any of our employees. This was a special case, and I am quite sure that the Deputy Leader would recognise that, in special cases, as the employer the Government ought to attempt to make a placement if at all possible. That does not mean that there would be any future obligation on the Government to do it in any other case.

As the Deputy Leader would be aware, there have been numerous examples over the years, on both sides of Parliament, of reasons for employees not to continue their working relationship with Ministers. In most instances, Governments have attempted to resolve those issues in the most practical way. On this occasion, that was thought to be the case. Unfortunately, it did not turn out that way in the end.

The CHAIRMAN: There being no further questions, I declare the examination of the votes completed.

Additional Departmental Advisers:

Mr S. Coulter, Manager, Agent Operations, WorkCover.

Mr G. Davey, Acting Chief Executive Officer, WorkCover.

Mr G. Dayman, Ministerial Executive Officer, WorkCover.

The Hon. G.A. Ingerson: The Workers Rehabilitation and Compensation Corporation began operations when the 1986 Act came into effect in September 1987. It was established to support the economic and social well-being of all South Australians by reducing the extent and cost of work related injury and disease. The scheme replaced the previous lump sum arrangements where injured workers negotiated through the legal system to get financial recompense for their injuries. Prior to WorkCover, workers compensation premiums in South Australia were escalating at an extraordinary rate. In 1994, the corporation was reconstituted under the WorkCover Corporation Act 1994 as the WorkCover Corporation of South Australia. Significant reforms of the Workers Rehabilitation and Compensation Act were passed and proclaimed in May 1995. A major focus for WorkCover in 1995-96 was the implementation of these reforms. In addition, 1995-96 saw the outsourcing of WorkCover's

claims management function to nine private insurers, who commenced operation on 1 August. The introduction of private insurers as claims management agents has been a major task and has absorbed a considerable amount of WorkCover's energy in 1995-96.

I turn to the financial results for 1995-96. The final financial results for WorkCover are heavily dependent on an actuarial assessment of the corporation's long-term claims liability. The final actuarial assessment of the corporation's outstanding claim liability, together with an audit certificate from the corporation's external auditors on the corporation's financial results, is expected to be presented to the board in early October 1996. A preliminary assessment of the scheme's liability has indicated that there has been an improvement in the scheme's funding position, due largely to the implementation of legislative amendments and higher investment returns.

The total estimated number of incurred claims for 1995-96 to the end of March is 27 970, a decrease of 8.1 per cent compared with the same period in 1994-95. It is estimated that claim numbers for 1995-96 will be about 36 500, compared to 39 510 in 1994-95. At the end of March 1996 the actuary provided a preliminary assessment of the impact of the payment of redemptions after two years of incapacity. This is estimated to have reduced the scheme's unfunded liability by approximately \$22 million. The effect of other factors, including the implementation of other components of the legislative amendments, will not be known until the final assessment is completed in October 1996.

Key achievements and events in 1995-96 were as follows: nine private insurers were introduced into the scheme as claims management agents on 1 August 1995; the May 1995 legislative amendments were implemented; the self-managed employers pilot involving 20 employers managing their own claims was implemented; the new dispute resolution legislation and rules took effect on 3 June 1996; and the SABS scheme (safety achiever bonus scheme) continued to achieve success in 1995-96, with 281 employers participating in the scheme.

Regular stakeholders' consultation meetings have been established to provide an avenue for discussion and consultation on current issues with employer and employee associations and agents. A small business forum has been established for occupational health and safety; and claims numbers have been steadily decreasing with a reduction of 8.1 per cent in total claims and a 37.5 per cent reduction in compensated days lost claims. The average cost per claim at 12 and 24 months duration has reduced relative to one year ago. Development has commenced on a major revision of the approach to rehabilitation, to be implemented in 1996-97. A facility was introduced to enable employers to pay their levy by a direct debit from their bank account and to provide a discount for levies paid in advance. An occupational health and safety resource centre offering hundreds of publications and materials to the public was opened.

I turn to the corporate plan for 1996-97. The plan and budget were prepared within the context of the Government's overall vision to lead South Australia towards an increasingly safety conscious future, in which employers, workers and unions are committed to working together to reduce the level of workplace injury and disease. WorkCover's mission is to improve workplace health and safety for workers, employers and the community by coordinating and supporting the delivery of prevention, rehabilitation and compensation services. Performance targets for the scheme continue to be

challenging. The corporation has set the challenging task of achieving full funding within four years. WorkCover is accountable for its performance and will continue to report on performance on a quarterly basis to increase stakeholders.

The corporate plan acknowledges the challenging tasks that await the corporation in 1996-97. Achievement of the scheme targets will not happen without the commitment and involvement of all parties working together to make South Australia the safest place to work in Australia. In 1994-95 the WorkCover board approved a four year budget strategy of achieving a reduction in the corporation's administration costs to a level of .46 of total non-exempt remuneration, after allowing for abnormal costs and other income, by 1998-99.

The four year budget strategy is aimed at providing a competitive administration budget which is sustainable and which provides the funding for the services that WorkCover clients demand, but at a level the community can reasonably be expected to pay. In today's climate, a requirement to demonstrate international and national competitiveness in both costs and services is essential. The board established the administrative budget of .46 per cent through benchmarking between similar workers' compensation schemes in other States and in Canada, after adjusting for economies of scale. There is a need to secure cost savings in administration to achieve this target by 1998-99 without jeopardising the overall corporation performance and losing control of claim costs, which represent 82 per cent of the corporation's total expenditure. The corporation is currently going through a major restructure to reposition itself to meet its future challenges as a customer focused organisation in 1996-97 within this competitive administrative budget.

The CHAIRMAN: Does the Deputy Leader wish to make a statement?

Mr CLARKE: Given the hour, I will waive my opening statement. The monthly report issued by WorkCover for June 1996 (page 2, third paragraph from the bottom) states:

Legal payments were high again this month for the third month running compared to previous months. This is due to the influx of accounts from lawyers resulting from referring out of all disputed claims by the corporation to legal firms rather than in-house representation by corporation advocates at the time of outsourcing.

Can the Minister supply the details of legal fees that have been paid by WorkCover to lawyers for the past 12 months, including the names of the companies and the amounts paid to each company for legal bills, whether they represented the corporation, the agents or the worker?

The Hon. G.A. Ingerson: One of the issues that concerns me in supplying names of companies is that there is often misinterpretation on both sides, from both the worker's and the employer's point of view. I think that we would be prepared to consider disclosing the total sum, but I would like to take further advice in terms of supplying the names of the individual legal firms. If my memory is correct, we did that some 12 months ago; when we supplied a report on the use of lawyers, I think we rated them on an usage basis. However, there has been some rethinking of that issue for all sorts of reasons. I will take the question on notice and discuss it with the Deputy Leader later. We can definitely supply the bulk amount broken up into firms, which I think would provide the information sought without naming the firms.

The legal costs for the corporation for the period 1 July 1995 to 31 May totalled \$9.9 million, compared with \$11 million for the same period in 1994-95. The reduction of \$1.1 million is due to a decrease in workers' compensation costs of \$2.6 million and an increase in the corporation agent

representation costs of \$1.5 million. A decision by the corporation to refer all dispute matters to a legal provider prior to outsourcing so as to ensure continuity of representation and to assist claims agents in the first month of the handover is responsible for the increase in legal costs and was expected.

If present trends are maintained, in June the corporation's agent legal costs will be nearly \$2 million greater than 1994-95, while workers' legal costs will be nearly \$3 million less, resulting in a 1995-96 outcome of \$1 million less than in 1994-95. The increased cost is one of the transition costs of outsourcing claims management to agents. The corporation has written to all claims agents emphasising the need to limit referrals to law firms. I think we can obtain a more detailed breakdown for the Deputy Leader, and we will forward that information to the Committee.

Mr CLARKE: What is the corporation's policy on the amount it pays to lawyers acting on its behalf with respect to claimant's or agent's legal fees and review matters, whether that be through the WCAT or the Supreme Court? Does the amount exceed that paid to workers' representatives as provided in the regulations under the Act?

The Hon. G.A. Ingerson: I think it would be easier for us to obtain that detailed information and supply it to the Committee later. We will do that as required.

Mr CLARKE: Will that include the amounts?

The Hon. G.A. Ingerson: Yes, whatever you have asked for.

Mr CLARKE: Last year I recall that WorkCover withheld in excess of \$1 million in payments to public hospitals because of what it believed were excessive charges; and there was also publicity, I think in November last year, as a result of a letter from the Chief Executive Officer urging claimants not to use public hospitals but to go to GPs because that was cheaper. Given that the cost of the WorkCover scheme has caused the Government to significantly change the benefits that are payable to workers in terms of the two year reviews and the cut-out of journey accidents, what is the Government or the Minister doing to ensure that hospital charges levied by public hospitals against injured workers under WorkCover are brought back into line and not used as a milch cow for the Health Commission?

The Hon. G.A. Ingerson: My advice is that the difference of about \$1 million has been negotiated by WorkCover and the public hospitals, and only a small amount is still to be resolved. It was a negotiated outcome in terms of that amount. I do not recall the result of the negotiated outcome, but I will obtain that information for the Committee.

As far as the Government is concerned, the Government sets policy in terms of charges at public hospitals, and it expects corporations like WorkCover to enter into formal corporate contracts with the public hospitals. WorkCover does not get a special deal unless it negotiates for it with a public hospital. Clearly that is a whole of Government decision versus a decision that would apply specifically to a corporation.

As far as I am concerned as Minister responsible for WorkCover, I have requested the board to maximise the opportunity for discounts we can get through any system, whether it be in the public sector or the private sector. It is my understanding that WorkCover does attempt to negotiate with the public sector to get the best outcomes.

Mr CLARKE: What does that mean in terms of expected hospital costs?

The Hon. G.A. Ingerson: That means we attempt to get a better outcome than if we were dealing with only a single patient. I will have to obtain a reply for the honourable member on what that means in actual dollars as an ongoing exercise. In the past it meant that, for the \$1 million that was outstanding, there was a negotiated outcome.

Mr BASS: Will the Minister inform the Committee of the progress on the changes to rehabilitation following the legislative changes of May 1995?

The Hon. G.A. Ingerson: In May 1995 amendments saw the Government take up the challenge to introduce the right balance to rehabilitation and the return to work processes for injured workers. In accordance with the legislative framework, WorkCover consulted widely prior to introducing progressive regulations and standards and supporting practices.

The major change process is under way to ensure that injured workers who are not back at work are brought into appropriate and targeted rehabilitation and return to work plans. Where a worker cannot return to their pre-injury employer, and following extensive consultation with stakeholders, rehabilitation providers and claim agents, the corporation has developed a return to work planned strategy, driven by a new employment targeting service. This service will identify what work the worker is capable of doing and, importantly, whether that work is reasonably available. Return to work plans assist by requiring workers to find work that is appropriate and available.

WorkCover is using leading edge technology in labour market analysis to support the identification of available work in South Australia. Rehabilitation and return to work plans also focus on the early identification of work capacity and are integrated into existing successful programs that provide incentives, particularly for small businesses—for example, the RISE scheme. The whole focus of the changes to rehabilitation and the return to work process is early assessment, and the involvement of key direct parties—employer, worker, doctor and case manager—so the earliest return to work is achieved. If that does not eventuate, the alternatives and their consequence are understood by the worker and the employer.

Mr WADE: Have the staffing numbers at WorkCover Corporation decreased since the outsourcing of claims management; if so, how many of these employees were retrenched?

The Hon. G.A. Ingerson: At 31 December 1994, which was prior to outsourcing, the corporation had 702 staff. A total of 257 staff were associated with the claims management function and were redeployed, with a significant number being employed by the claims agents. I am advised that it is estimated that approximately 150 staff went to the claims agents. As at 30 April 1996, corporation staff numbered 444; the reduction in numbers was achieved without retrenching any staff. The process of outsourcing, as agreed by the Parliament, required the corporation to ensure that all staff who wanted to remain within the system—that is, either in the outsourcing of claims management or by redeployment within the corporation—would take place. However, the option of taking packages was offered and anyone who wanted to do that could do it at that time. In essence, that is what has occurred.

Mrs PENFOLD: Many of the small businesses in my electorate would like to know what WorkCover is doing for small business.

The Hon. G.A. Ingerson: Support for small business, particularly in the safety area, is one of the major concerns

of the Government. Through WorkCover we are currently implementing a targeted industry sector approach. The 10 industry occupation-small business sectors which contribute the greatest number of workers' compensation claims have been identified. A number of these—particularly the retail food and beverage manufacture, construction, community service and metal products manufacturing sectors—are to receive targeted occupational health and safety services from WorkCover.

The approach will be to provide practical information, advice and assistance to small business owners and employees on how to manage the risks of health and safety in the work place. Research conducted by WorkCover has identified that this practical hazard based approach is necessary to have an impact on small business and that face to face delivery of advice and information is desired by small business. That is why the existing industry networks and associations, such as employer and small business associations, are being approached by WorkCover regarding forming a partnering role to improve the occupational health and safety experience of small business in these industries.

One of the major targeted groups about which the member for Flinders talked earlier is the tuna industry. Most of those businesses are relatively small to medium size businesses. Obviously, there are some very large businesses but most of them are small to medium. The opportunity to help these businesses improve their safety from both the employers' and employees' point of view is a very significant issue for WorkCover. The sum of \$2 million is put aside each year to improve occupational health and safety in the work place and small business receives a significant amount of those programs.

Mr CLARKE: I understand that there has been a significant organisational change to WorkCover. I believe that there were 22 managers and that has been reduced to seven. What was the basis of that change? I appreciate that with outsourcing there would have been a need for thinning out, if you like, some of the senior management, but on what basis were the seven managers placed into the positions that they currently occupy and what expertise do they have to fill those positions?

The Hon. G.A. Ingerson: When I became Minister, I decided that, if you appoint a board to run policy decisions, that board should work with management to sort out how the management of a particular corporation ought to take place. Consequently, I as Minister do not have any direct role, nor do I believe that I should have any direct role, in the management structures or the people employed within the management structures of any corporation unless there is a specific instruction by Parliament for me to do that. Whilst I now know the detail of it, which was reported to me by the General Manager, I would ask Mr Davey to explain the process as he understands it in terms of management change.

Mr Davey: The management change that the honourable member referred to was a conscious decision of the board of the corporation post-outsourcing when we had moved out a significant number of staff in the organisation to review the direction and purpose for WorkCover and also to look at the structure to take it forward into the late 1990s.

After an exhaustive review of the processes and business of the corporation, the board set about looking at the most appropriate organisational management structure for the corporation. Prior to outsourcing, and in the transition of outsourcing, we had a divisional structure and the board decided that it wanted to move to a much flatter structure

where the business or management of the corporation focused very much on people management.

Subsequent to the review, the board established a structure of the Chief Executive Officer with seven managers reporting to the Chief Executive Officer responsible for seven business functions, and I can provide that detail if it is required. The Chief Executive Officer conducted a process of selecting from the existing management group within WorkCover, of which there were 22, those seven managers, based on the primary competencies of management of people and strategic management of an organisation. Those people have now been appointed and that will be the management structure that takes the corporation forward over the next several years.

Mr CLARKE: I understand that Mr Gary McDonald has been appointed as a manager in charge of the occupational health and safety unit, which came about as a result of the merger of WorkCover and the Occupational Health and Safety Commission. This is no reflection on Mr McDonald, but my knowledge of his background within WorkCover is that his expertise is with levies and other financial matters rather than occupational health and safety issues. I would have thought that the head of the occupational health and safety area would need a high degree of specialised knowledge about occupational health and safety issues rather than a background in finance, accounting and levy rates. What was the thought process behind his appointment?

The Hon. G.A. Ingerson: As I said when I introduced this subject, it is not my role to decide who should be in which position, and the answer to the question is that Gary McDonald has been appointed to that position. It is the General Manager's prerogative to make those recommendations to the board and the board has made the decision to support the General Manager.

I have been advised that the basis on which the general appointments of all the managers have been made is that they are managers of divisions and the expertise lies within those divisions. Those managers have been appointed to manage the division. That is no different from many general managers employed in businesses in the private sector; that is, a specific manager is brought in and the aim is to ensure that the expertise is available to the manager; in any case, good managers will ensure that there is expertise under them. That is the way in which I have been advised that it occurred.

Mr CLARKE: Last year we talked about WorkCover's proposals to target the worst 100 performing employers, in so far as the incidence of injuries occurring at their work sites is concerned. There was a debate between us concerning whether WorkCover, or the Minister, should reveal their names—and the Minister had the numbers and won on that basis. Has WorkCover prepared a report showing what it has found in measuring those 100 worst performers? Has there been an improvement in their performance and, if there has been no improvement, what steps are being taken to try to encourage them or force them to adopt better health and safety practices?

The Hon. G.A. Ingerson: I will take some of those points on notice. I will answer what I can and supply the other information to the Committee. I do not have information on the detail of the success or failure of the program, but I will obtain that information for the Deputy Leader. The program is designed to target high risk employers and to assist them in improving their claims performance. Assistance is provided in the form of consultancies and in-training services. The strategy has a goal of achieving a 10 per cent reduction in claims incidence rates from 1994-95 and a 70 per cent

participation rate is required for 1995-96. The target employer program selection criteria is based on identifying those employers with a higher than average number of claims who are not actively involved in any other WorkCover occupational health and safety program.

In providing the assistance, the consultants review the employer's claims history to identify the most prevalent accident types; conduct an on-site audit designed to assess whether the client has a basic management system in place and to identify hazards; provide the employer with a written report of its strength and weaknesses; develop an action plan in conjunction with the employer; and monitor the employer's performance and offer further assistance if the claims performance deteriorates. From June to December 1995, 142 locations participated, with a further 105 added from January 1996. WorkCover is developing the program for 1996-97. It is being designed as a self-help program with WorkCover staff assisting the employer to identify and evaluate the controlled hazards.

Sanctions in the form of section 67 penalties and referrals to the Department for Industrial Affairs are being considered for those high risk employers unwilling to establish methods to reduce the incidence of work related fatalities and injury and disease. I am advised that the penalty would only apply to very few employers who have a significant number of claims and who, over time, demonstrate that they are unwilling to take any action. That is a general comment and I will supply answers to the specific questions asked by the Deputy Leader.

Mr CLARKE: Again I refer to the June 1996 monthly report from WorkCover. On the very last page under the heading 'June 1996 board outcomes' it states:

Agent performance—the board agreed to revise some of the performance standards for 1995-96 and noted the results of the first evaluation of agent performance for remuneration purposes.

What revisions to the performance standards took place? What were the results of this first evaluation of the agent's performance, and can it be made public?

The Hon. G.A. Ingerson: Originally, there was no exact model set up nationally and the corporation set up what it believed were reasonable agent performance standards. They were reviewed towards the end of this year and there have been some changes to those standards. The reason for the changes was not in any way to reduce the pressure on agents but to recognise that we needed to have standards which were more practical and which could be achieved. Some of the standards were very good in theory but really had no hope of being achieved. Legal advice was sought on the viability of changing the standards without the need for amending regulation, and this advice clearly stated that standards in detail were actually conditions of a contract and minor amendments to them were quite legal provided they were agreed between the parties to the contract.

We expect very high standards from agents. The standards set were in fact higher than those being provided previously by the corporation, and they were set deliberately high. The standards that have now been agreed to are still at the high end in relation to standards either set by the corporation here or set anywhere else in Australia. As I noted earlier, some of the standards were impossible to measure, and that came about from the experience of having to measure them.

Mr CLARKE: Is the evaluation of the agent's performance for remuneration purposes?

The Hon. G.A. Ingerson: Those evaluations are required to be reported in the annual report. It is not normal for

WorkCover to supply me as Minister with that information, but there is a requirement that they will be in the annual report, and that statement will be made by the board at that time. The annual report is normally tabled in Parliament around the end of October or early November.

Mr BASS: What action is the Government taking to promote greater community awareness of occupational health and safety?

The Hon. G.A. Ingerson: The main vehicle for the Government's program of providing high standards of occupational health and safety through the corporation has been the corporation's high profile 'Stop the pain' campaign. That was developed and is run by WorkCover. On the campaign's launch in 1994 it quickly established very high levels of public recognition, using a mix of TV, radio and bus panel advertising. Probably the most commonly seen bus around town is the WorkCover 'Stop the pain' bus, which has probably been a very effective reminder to many motorists as well as to people who are involved in work accidents.

The campaign's key theme is that workplace injury and illness is preventable and employers and employees have a shared responsibility to make South Australian workplaces healthier and safer. That is probably the most important single issue that this Government, WorkCover, employers and employees have to accept: that it is a shared responsibility. It is not just an onus on the employer to have a safe workplace: there is an onus on employees to recognise that there is a partnership and a responsibility on both the employer and the employee to be part of this program. WorkCover spent \$350 000 on the 'Stop the pain' campaign in 1995-96 and is proposing to spend a further \$120 000 on the next phase of the campaign in 1996-97.

As the Committee can see, very big sums of money are required to try to turn consumer attitudes around in terms of workplace accidents but, as with the campaign that has been running for years on alcohol and driving, these campaigns are required to be long term and need significant amounts of money to get the message across. The next phase of the campaign will introduce more specific information on how employers and employees can work together to prevent workplace injury and illness. It will target specific high risk industries which show the most potential to increase prevention awareness and reduce workplace injuries. The importance of early return to work for injured workers where possible will also continue to be addressed.

There is no doubt that, in terms of cost to the employer, one area of significant savings is where we can get workers back into the workplace in a safe way, much faster than we have done in the past. Again, it requires the support of the employee but, importantly, it also requires employers to recognise that, if we are to return people to work quickly, they need to make special dispensation for people in the return to work process. Again, it is very much a partnership exercise, but the companies that are working in this way are clearly getting a much better cost saving as far as their company is concerned and, more importantly, they are getting a very good worker-employer relationship, which gives the company a much better productivity outcome in the end.

Mr WADE: I refer to page 220 of the Program Estimates concerning claims agents and their selections. When can an employer choose to change their claims agent?

The Hon. G.A. Ingerson: One of the most important things that has happened in the outsourcing of claims management to the private sector is the opportunity once a year for an employer to make a decision as to whether or not

they stay with the same claims agent. That decision offers a lot of competition and, more importantly, it puts a lot of emphasis onto the agent to ensure that they provide a better services than purely and simply managing claims. The deadline for employers to inform WorkCover of a decision to change agents was 7 June 1996, and it would be about that time each year.

Employers were informed of this opportunity by a letter which they received regarding their levy rate and which was sent in late May 1996. In addition to this, claims agents have marketed their services to employers. Employers will be able to inform WorkCover of their decision to change agents by letterhead or standard forms developed by the claims agents. We think this little bit of competition and the ability of an employer to decide what is the best safety program that they might be able to get out of the other claims agents is an excellent bargaining tool for us to get the claims management done at a better rate and also done better in terms of safety. It also gives an employer the opportunity to make sure that the agent they choose stays on line and looks after them—a very important competitive issue.

Mrs PENFOLD: My question relates to injury rates. Further to the answer given to the member for Ross Smith, what effect is WorkCover having on the overall workplace injury rate in South Australia?

The Hon. G.A. Ingerson: I think the reductions in claim numbers and the amount of time that people spend in the system have been the two most exciting issues this year. In 1994-95 there were 39 500 claims. In the first 10 months of 1995-96 the claims numbers were 6.7 per cent below those for the same period in 1994-95 but, after averaging a 10 per cent increase in the first six months of 1995-96, the rate of decrease dropped to 4 per cent versus the March quarter of the previous year, 1995-96.

Therefore, the result for 1995-96 is likely to be between 37 000 and 37 500 claims, which at that highest level still shows a reduction of some 2 000 claims over the year. The journey recess break claim legislation reduced the number of compensable injuries by about 2 000 in 1994-95. The reduction in 1995-96 is over and above that level. It is not possible to determine how much the reduction of injuries in 1995-96 is due solely to occupational health and safety intervention.

The reductions coincide directly with the start of the private insurance management of claims and the five to 10 day change in excess payable by employers, which is effective reporting and claiming of minor injury costs. I think that that is a very important issue. Whilst the number of claims has reduced, the overall cost of compensation to the employer may not have reduced because they are now picking up five to 10 days. It is important for the scheme that those numbers have come down, but in terms of the overall cost of compensation in this State it may not have had the effect that we hoped for.

Mr CLARKE: In a debate in Parliament in March this year on a private member's Bill, which I sponsored (clause 43, payments to employees who were injured and suffered a mental injury), Government members said that it was hoped that agreement would be reached between the State Government and the Federal Government in respect of an exemption from the Commonwealth Disability Discrimination Act. Has the State Government applied for this exemption? If so, when did that take place? What is the current status of any such application?

The Hon. G.A. Ingerson: The application was made not by me but by the Attorney-General. It is my understanding that we still have not had any resolution of that case—and by 'resolution' I mean that we have not yet received a formal reply. I will take up the question with the Attorney-General to see whether I can obtain a more up-to-date answer.

Mr CLARKE: In relation to the medical protocols that WorkCover has been seeking, can the Minister advise what protocols have been entered into with various medical practitioners to try to limit medical expenses? What difficulties, if any, has the corporation experienced with any group of medical practitioners in arriving at an acceptable solution?

The Hon. G.A. Ingerson: Two major protocols—that of stress and back injuries—have been agreed with the AMA, but at this stage they have not been formally put into regulation. Those areas are still being negotiated with the AMA as to how they should be formally regulated. The management protocols in those areas have been agreed to. The legal protocol of putting them into regulation has not yet been agreed.

It is my understanding that the protocols, whilst not regulated, are in fact being used widely by the medical profession. They are being recommended quite strongly by the AMA, but the legals of it have not been established. I agree with the honourable member that we should look at hurrying those up and I am quite happy to take up that issue with WorkCover to see what the problems are in terms of hurrying up the process.

Mr CLARKE: Has the Minister apologised to Santa Claus—and, if not, why not—for that scurrilous attack on Santa Claus last year when we were debating amendments to the WorkCover legislation and he was highlighted by the Minister as being a rorter of the system?

The Hon. G.A. Ingerson: No, I have not, and it is important that I put on the public record the actual position and leave it for the Deputy Leader to play the politics of the situation, as I am sure he will. The payment received by the worker relates to past weekly payments for the period December 1991, which was the date of the injury, to May 1995, which was the date the worker turned 65 years of age. This related to a period prior to the main changes to the legislation made by the Government last year.

The payment resulting from the tribunal decision was awarded on the basis of a legal technicality and arose as a result of bad claims management by WorkCover in 1991-92. That goes back to the period in which the claim was initially placed with WorkCover. When the matter was raised in Parliament last year, and as the honourable member rightly pointed out, it was among a number of examples of workers with a low level of disability claiming full weekly payment entitlement.

Those cases were used to highlight the problems of the scheme that would continue unless action was taken to put in place an effective second year review assessment to take into account the worker's capacity for work. Clearly, the decision of the tribunal is a decision that recognises the position of the Act prior to change, and it is my view that the outcome probably would be different following implementation of the Act.

Mr BASS: I am aware of WorkCover having done a lot of consulting with employers recently on the issue of

secondary disabilities and their exclusion from levy calculations for the employer. What is this about, and why is WorkCover so actively pursuing this issue?

The Hon. G.A. Ingerson: A secondary disability of workers compensation is one that results from the aggravation, acceleration, deterioration or recurrence of a prior disability. The cost of secondary disabilities is excluded from the client's history when WorkCover calculates the employer's bonus or penalty. Employers therefore have an interest in ensuring that as many claims as possible are classified as secondary disabilities. Some go to extraordinary lengths to do so, and an industry of consultants has grown up which advises how employers can make all claims for secondary disabilities.

The result is that secondary disabilities now make up 30 per cent of the total cost of claims and it is increasing. There are employers whose cost of secondary claims alone exceeds the levy they have paid. As these costs are not included in the bonus and penalty calculations, these employers get a bonus, a reduction in levy, and also a levy rebate under the safety achiever bonus scheme.

If this situation continues, the bonus penalty scheme will be in jeopardy. Without the incentives it provides, employer commitment to safety and good claims will decrease and levy rates will rise. It is for this reason that WorkCover is currently lobbying employers to agree to the inclusion of secondary disability claims cost in bonus and penalty calculations, as occurs in all other States of Australia. To date employers are resisting this proposal as individually they see that they benefit by the current exclusion even though these costs must be paid by their industry so affecting the levy rate of the industry and the overall cost of workers' compensation in South Australia is likely to increase without this change.

There is also concern that, without the cost of claims due to aggravation being included in an employer's claims experience, previously injured workers would not be employable. However, that has not been the case in other States or the 40 per cent of the workers employed by self-insurers in South Australia who have to carry the full cost of all claims.

WorkCover continues to consult widely on this proposal to gain employer and union support for it. However, for different reasons key stakeholders are against this change, although some associations can see the long-term impact on the scheme if it is not made. This change is a linchpin to other changes that WorkCover wishes to make to provide an experience rating scheme that will better reward good performing large employers and penalise poor performance. WorkCover is looking at other changes if this change cannot be achieved.

I support very strongly the move to include these factors in the general cost of the scheme and will be working with the corporation and the board to convince employers and all other people that we ought to do it in the best interests of the scheme and of safety under the workers' compensation scheme.

The CHAIRMAN: I declare the Committee's examination completed.

ADJOURNMENT

At 9.58 p.m. the Committee adjourned until Thursday 27 June at 11 a.m.