

HOUSE OF ASSEMBLY**Thursday 19 June 1997****ESTIMATES COMMITTEE A****Chairman:**

The Hon. H. Allison

Members:

Mr R.P. Bass
 Mr M.R. Buckby
 Mr R.D. Clarke
 Mrs J. Hall
 Mr J.A. Quirke
 Ms P.L. White

The Committee met at 11 a.m.

Police Department, \$293 904 000

Minister for Police—Other Payments, \$1 819 000

Witness:

The Hon. G.A. Ingerson, Deputy Premier, Minister for Infrastructure, Minister for Police, Minister for Emergency Services and Minister for Racing.

Departmental Advisers:

Mr M.A. Hyde, Police Commissioner.
 Mr D. Wall, Manager, Corporate Budget.
 Mr D.J. Hughes, Director, Corporate Services.
 Mr B. Smith, Manager, Administration.

The CHAIRMAN: If the Minister undertakes to supply information at a later date, it must be in a form suitable for insertion in *Hansard* and two copies submitted no later than Friday 4 July to the Clerk of the House of Assembly. Does the Minister wish to make an opening statement?

The Hon. G.A. Ingerson: Yes, Mr Chairman. The police budget has been set at \$320 million, an increase of \$21 million in straight comparative terms on the expected outcome for 1996-97 of \$299 million (those figures obviously have been rounded). This level of funding shows a continuation of this Government's high commitment to law and order in South Australia. It provides for: an increase in 1997-98 of 125 additional staff, 100 police and 25 public servants; the final instalment of the 15 per cent wage increase for police due in November, emanating from enterprise bargaining; the continuation of the upgrade of speed camera operations, including the replacement of existing cameras; and the continuation of extensive road safety campaigns.

Also included is progress with other significant capital projects including: extensions to the Christies Beach police complex; the commencement of the Mount Gambier police complex; the continuation of a radio replacement program; integration and enhancement of police operational computer systems; and other significant funding to enhance and upgrade operational police computing and communications systems, including computer-aided dispatch and telecommunications, and interception capabilities.

Concurrent with the implementation of the funded initiatives I have just mentioned, SAPOL is continuing with a program of major reform. The new Commissioner of Police has announced a major reform program, which is already under way within his department, known as Focus 21. This will encompass a number of specific projects and, in particular, centre on improving service delivery and maintaining high ethical standards for police in South Australia. All sections of SAPOL will be reviewed and, if necessary, re-engineered over the next couple of years to ensure that quality and efficiency of service delivery is of the highest order. The first phase of Focus 21 is aimed at matching police resources to community needs and will involve consolidating services to key areas. This will include the relocation of patrols, based on shifts in population and service demands, as well as opening some new community police offices to ensure that beat police remain in contact with the community in areas of need.

The second phase of the Commissioner's reform program involves the placement of the 125 additional staff funded by the Government in 1997-98. The Commissioner expects to have 100 additional police and 25 operational support staff in place by May 1998. He has announced a major recruiting drive to ensure that this time frame is met, with some 140 new cadets and police aides expected to be taken into the police training program between now and the end of November 1997. The extra police staff will include the appointment of an additional five police aides working out of the Riverland, Oodnadatta and Port Augusta, bringing to 37 the total number of police aides in SAPOL. This shows the Government's commitment to the importance of the police aide role in serving the community and supporting local police.

The training program for recruits has also already been the subject of review by the Commissioner. The new recruits will undertake a revamped, intensive 26 week academy-based course followed by 18 months on-the-job training immediately after graduation. The 26 week course is a recent innovation and another example of the department's continuing commitment to change, particularly where opportunities exist for significant improvements to efficiencies; in this case, through improved training methods. Twelve months ago it took 52 weeks for cadets to complete their initial training course. The whole thrust of these reforms is to get police serving the community in major key areas, and to ensure that trained operational police are not carrying out a range of clerical tasks that can be done by others.

Police have already taken significant steps in relation to reforms over the past three years or so, which has assisted the department to meet budget targets. SAPOL has made a significant contribution towards reducing the State debt by the introduction of a number of initiatives aimed at working 'smarter' and by reviewing and shedding some non-core functions. This has included outsourcing prisoner transport and transferring a range of non-core police functions previously carried out for the Coroner. These duties have now also been either outsourced or handed over to clerical staff working with the Courts Administration Authority.

It is acknowledged that in recent times (since 1993-94) an overall reduction in police staffing levels has occurred. This was necessary due to the extra pressures on the police budget brought about a result of the need for SAPOL to make a contribution to the State budget as well as meet its obligations emanating from the enterprise bargaining wage increase. Whilst a range of non-staffing budget measures has been implemented since that time there is no escaping the fact that

in excess of 80 per cent of SAPOL's budget is in staffing, thus some adjustment to overall staffing levels has been necessary. However, the reduction to police numbers has been predominantly from non-operational areas. The Government's election promise with respect to police staffing was to increase operational police numbers by 200. This budget has addressed the operational police numbers and initiatives to which I referred at the beginning of this statement provide 190 for this purpose.

When the new Commissioner was appointed I asked him what resources he needed to maintain an effective policing service to the community. He subsequently reassessed his needs and, whilst he has assured me that Focus 21 will identify some benefits and efficiencies, the Commissioner identified a need for an immediate injection of staff resources. The Government responded and it has been prepared to provide these resources via this budget. In doing so, the Government recognises the Focus 21 project will take some two to three years to complete. This support is on top of the significant injection of money already provided by the Government in 1996-97 to SAPOL to enable implementation of a range of road safety initiatives. These initiatives aimed at targeting drinking and speeding drivers has required finance for the purchase of equipment incorporating the latest technology and enabling around the clock campaigns to target specific aspects of driver behaviour. As I have previously stated, the Government support to the road safety program will continue in 1997-98 by the replacement, upgrade and provision of additional speed cameras to target speeding motorists with a considerable increase in activity in country areas.

I believe the budget allocation provided by Government to SAPOL in this budget is a responsible one and acknowledges that the community of South Australia must continue to be provided with an effective policing service.

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

Mr CLARKE: Very briefly, Sir. The Opposition commends the officers of the South Australian Police Force for the very outstanding job that they perform on behalf of the community. However, they do it with very stretched resources and in particular being massively under staffed amongst uniform sworn police officers. That leads me to my first question with respect to Program Estimates, page 74, 'Crime Prevention and General Police Services'. This question deals with an incident that occurred in my electorate in Clearview, and in particular what I regard as a totally unsatisfactory response time on the part of police officers. I would like to know the reasons for it. I suspect it has to do with sheer lack of manpower amongst the police.

I refer the Committee to a letter from my constituent. Because the person concerned is a parole officer and deals with a number of different types of people in his occupation, he does not want his name publicly known or his address given. However, I am happy to provide the Minister and the Police Commissioner with a full copy of the letter at the end of this morning's proceedings. The letter states:

I write to you in your joint capacity as my local member and Opposition spokesperson on police. I wish to express my grave concern regarding the long delay in the police response following the fatal shooting at 19 Stafford Street, Clearview on 15 June 1997. Following is a detailed but necessary description of events.

The only thing that I will refer to in this letter is the issue of police response times. It continues:

I am a resident of the neighbouring property along with my wife and our infant son. We were woken by loud noises just prior to 1.10 a.m. and immediately noticed a number of youths on and about the vicinity of 19 Stafford Street. We could hear our neighbour shouting at the youths and as the situation was clearly concerning, my wife decided to telephone the police (on 11444) from our bedroom phone. I recall saying that we should take note of the time, which was by then 1.10 a.m. My wife was talking to the officer about the situation for several minutes while I stood by the window.

At approximately 1.15 a.m. we distinctly heard several gunshots and immediately informed the officer. He stated that a patrol was on its way and the conversation continued. Approximately two minutes later we heard more shots accompanied by a cry of distress. My immediate comment was that someone had been shot and this was again relayed to the officer on the phone (approximately 1.17 a.m.). At about that point my wife went to comfort our son who had been woken by the noise and I took over the discussion with the officer. I recall telling him to get help quickly, as by that stage the group of youths had gathered by the gate to No. 19 and were clearly very agitated and arguing amongst themselves about whether to go back in. The youths then moved away a little and a car was then rammed into the gate of No. 19.

Mr BASS: I rise on a point of order, but not to create a problem. I accept what the Deputy Leader of the Opposition is trying to do, but he is reading from a letter written by a man who might become a witness, and I think that the matter may be *sub judice*. We are treading on dangerous ground.

The CHAIRMAN: Thank you, member for Florey.

Mr CLARKE: Mr Chairman, I took the precaution of having the letter read by a lawyer with that very point in mind, and the lawyer concerned was quite satisfied that there was no *sub judice* involved because it deals only with police response times.

The CHAIRMAN: I heard the Deputy Leader's qualifying opening remark and, for that reason, I refrained from interrupting, but I was of a similar mind to the member for Florey that this may well be substantial evidence at a later date before a court. I do not know. If the Minister or his advisers believe that any of this is likely to be *sub judice*, the rules of court are important in this hearing. I am not in a position to make an assessment. I am not familiar with the way the case has gone.

The Hon. G.A. Ingerson: We do not have a view that the matter is a problem. As long as the Deputy Leader is aware that the issue has been brought up and it is kept in that context, we will deal with it accordingly.

Mr CLARKE: There is another paragraph that I will not read but it refers to incidents at the gate of No. 19 at approximately 1.25 a.m. The letter continues:

I recall asking if the officer had heard the noise over the phone. He again said that police were on their way and our conversation ended. We waited until after 1.30 a.m. by which stage—

they noticed something. The letter continues:

I then phoned 11444 again to inform them of this. Police finally arrived at some point between 1.35 a.m. and 1.40 a.m. This was at least 25 minutes after our original call and 20 minutes after our report of gunshots.

Given the nature of these events I consider the delay in police action to have been totally unacceptable. While I can understand their need to consider their own safety, I feel that they could have at least made their presence seen or heard nearby.

I would be pleased if you would follow up these concerns as a matter of emergency.

At that time of night, Clearview is five minutes' drive from the Holden Hill Police Station, which is the major base in that area, and the matter would come under the coverage of Holden Hill. A period of 25 minutes is far too long for a response time when gun shots have been heard and reported to the police. Why was there such a delay in the police's responding to the call? What were the staffing levels at

Holden Hill Police Station at that time? Where did the officers who attended the scene come from to arrive 25 minutes after they had been advised of the incident?

The Hon. G.A. Ingerson: Clearly, it is a serious issue, and it is an issue of which the Government and the Police Force will make a full investigation. Obviously, at this stage it is impossible for us to answer on the spot the detailed information that the Deputy Leader has requested, because it is the first time we have been advised of the issue. We will get a detailed answer to the honourable member's questions and provide it to the Committee. We need to recognise clearly that, if it is a serious issue—and it has been said that that is the case—it is not acceptable. However, it is something on which a full report needs to be made and I must understand the matter before the Police Commissioner or I make a detailed comment on it. I will ask the Commissioner to make a general comment on response times and indicate how urgencies of that type are handled.

Mr Hyde: As the Committee would be aware, this case is the subject of a serious charge against a person. As investigation is proceeding, I am not in a position to comment without being provided with detailed information; that would not serve any useful purpose. I will take the questions on notice and provide the information the honourable member has requested. Response times are an important issue for police. Normally calls for assistance are prioritised to make sure that the calls get due attention. It is quite clear from the information provided that it would have been a priority offence. Reference has been made to the Holden Hill Police Station being five minutes' drive away. One of the misunderstandings the community has is that police services are generally delivered outside police stations through patrols. A police station being five minutes' drive away generally would have no bearing on the response time, because patrols are not sitting in the police station waiting for a call to which they will attend.

In the metropolitan area, patrols are placed in such a way as to make sure that we minimise response times. Over the years, we have done a lot of work to make sure that we reduce attendance at minor matters in order to focus on major matters—the priority calls. For instance, changes were made involving responding to calls from alarm systems, such that police no longer attend to many of those routine audible alarms. At the time, in 1995, the calculation was that that reduced general response times in the metropolitan area from nine to seven minutes. However, we cannot be too precise about that, because it all depends on what other work the officers are doing.

We do not have a lot of vehicles unoccupied. It is a matter of attending to calls as they are received. In this case, it may well have been that the officers called were attending to another call or task and were not in a position to attend as quickly as they otherwise could. A number of factors ought to be taken into account. Obviously, response to a priority call such as this is a matter of great concern to us, and I am sure that when we make inquiries we will find a reasonable solution.

Mr CLARKE: Obviously, response time is determined by the number of police officers out on patrol duty at any given time. Has the department a policy stating the response time to, say, priority 1 (as I gather this incident would be)? Obviously, it would be as soon as possible, say, no later than five or 10 minutes. If so, what is the staffing level for patrols, whether that be at Holden Hill or other stations? A period of 25 minutes is clearly unacceptable. I brought another example

before Parliament earlier this year, which involved a 25-minute response.

The Hon. G.A. Ingerson interjecting:

Mr CLARKE: It is not wrong, Minister: it took nearly 30 minutes, and the father got home faster than the police could attend. That was because no police were available at Tea Tree Gully. Surely the department has guidelines for certain priorities, such as priority 1 where there are life threatening circumstances, which set response times at a few minutes. What are the staffing levels at these stations to ensure that these types of life threatening incidents can be attended to promptly by police officers?

The Hon. G.A. Ingerson: I think the Deputy Leader is clearly hypothesising and trying to show that in the case of one or two incidents there was clearly a reduction or understaffing of operational police. The Government and the Commissioner have clearly stated that the issue to which he has referred is very serious and will be properly investigated and reported to this Committee. I will ask the Commissioner to expand on those priority operational issues. Clearly, as the Commissioner said earlier, there is a misunderstanding of the location of patrols and police stations, and it is up to the Government and Police Force to better educate the public on how the system works. That will happen as part of Focus 21, aiming at better cooperation between the public and the Police Force. That cooperation has always been good but there is room for improvement in that area. Some of these issues that are currently run up as part of the total picture will diminish to their real size as smaller, one-off incidents that may be caused by all sorts of miscellaneous exercises. I ask the Commissioner to provide further detail.

Mr Hyde: It would be nice if we could set precise targets for different levels of calls and be able to achieve them. The reality is that we provide a statewide service and that some sections of the State are very remote, and it could take a long time to attend the same sort of call, for instance, in the Far North. Across the State there are different geographical areas with different levels of policing and population, so statewide we cannot meet the sort of targets that are being suggested. We are also required to attend to such a large variety of tasks that in some cases it is a matter of judgment as to what is a priority and what is not.

We rely very heavily on the information provided by the initial caller, and sometimes that information does not clearly identify the nature of the incident. I am not suggesting that that occurred in this case, because it was clearly a serious and priority incident. We are not in a position similar to that of the fire brigade, where you know a house is on fire, you have to perform only one function and you allocate the resources to go there in the quickest time. We have a complex set of tasks to attend to and different geographical conditions to contend with statewide, so unfortunately we are not able to give precise response times to different calls.

Mr CLARKE: With respect to staff numbers and response times, in a situation such as I have just described, where gunshots are heard and reported to the police, what does the department consider, given that Clearview is not Marla or Leigh Creek, to be appropriate response times in metropolitan Adelaide?

The Hon. G.A. Ingerson: As soon as possible.

Mr CLARKE: As soon as possible?

The Hon. G.A. Ingerson: Obviously. Clearly, in a serious situation involving gunfire or any emergency, the police must attempt to get to the scene as soon as possible, but one must consider the practicalities of getting to a scene. If it is an

emergency, it is treated as an emergency and the police get there immediately. 'Immediately' depends entirely on all sorts of other exercises. It is not a question of not wanting to get there, which seems to be the inference drawn by the Deputy Leader, or an under-staffing problem.

Mr Clarke interjecting:

The Hon. G.A. Ingerson: That is absolute nonsense. The attempt to attend a scene is an absolute top priority of the force, and it does that to the best of its ability. No attempt has been made to cut back on attendances at major crime scenes because, clearly, it is not only a top priority of the Government but also a top priority of the community and the Police Force. How quickly the police respond is not even an issue.

Mr CLARKE: Does the department keep records of its response times for each of its priority areas so that it can monitor over time whether its response times have blown out in any one year or in any one area compared to previous years? Is there any yardstick by which one can measure the response times for each of those priority areas?

The Hon. G.A. Ingerson: I understand that some response times have been recorded through the communications system. We do not have that information available at the moment, but I will ensure that it is made available.

Mr BASS: Page 78 of the Program Estimates and Information refers to a program of redeployment of police resources and the provision of additional staff. Will the Minister explain these two initiatives to the Committee?

The Hon. G.A. Ingerson: The police budget has been subjected to extreme pressures since 1993-94 through necessity to meet its obligations under enterprise bargaining and the need to make a contribution to the State debt. Whilst a range of budget measures has been put in place since that time, there is no escaping the fact that in excess of 80 per cent of the department's budget is allocated to staffing. This has resulted in reductions in overall departmental staffing numbers since that time. I point out to the Deputy Leader that the issue of staff reduction was agreed to by the Police Association in the negotiations on enterprise bargaining at a level of somewhere between 160 and 180 personnel.

It was the association's view, as a professional organisation representing the employees, that, in essence, it would have no effect on the overall delivery of police services as long as certain priorities changed, and that has occurred. For the same period, a significant amount of redeployment of staff occurred running concurrently with downsizing and a program of civilianisation, as the honourable member would be aware. The benefits achieved from the redeployments were, to some degree, offset by the concurrent impact of the downsizing. What we are currently concentrating on is ensuring that the Police Force has an appropriate level of policing services. In this respect, I have taken the advice of the new Commissioner of Police. Consequently two new significant initiatives are being implemented that will provide an extra 190 police in high priority operational areas.

First, the Government, through the 1997-98 budget, has funded the recruitment of 100 additional police and the provision of 25 additional public servants to release the same number of police to operational duties. So, there is a clear recognition in terms of downsizing and in terms of policy that we need more people in an operational sense. Secondly, the Commissioner has announced an initiative to rationalise police facilities and services in order to release a further 65 operational police to key areas of need. The provision of 190 operational police is in line with our policy decision of having 200 extra operational police and is expected to cost

\$4.8 million in 1997-98. The funding levels will enable the fast-tracking of initiatives in that all additional police will be on the streets by May 1998, and the first of the additional recruits will be in the academy in July 1997, whilst the total 100 will be recruited by the end of November 1997.

In addition to the recruits, there is also sufficient funding in the budget to ensure normal recruitment in advance to cover police attrition. I note that last year about 100 to 140 officers were in that broad band. As well as recruitment taking place we will replace those lost in terms of the attrition rate of about 100 to 140. The Commissioner has established a team to ensure that the rationalisation and redeployments will be progressively put in place from September 1997. Running concurrently with this is the Commissioner's Focus 21 project where it is proposed to review all sections of the organisation over the next two to three years. This review is expected to release other resources to improve the ability of SAPOL to provide an improved operational policing service.

Mr BASS: The Minister referred to Focus 21. On page 87 of the Program Estimates reference is made to the Commissioner's recent announcement about the Focus 21 program within SAPOL. What is the purpose of this program, what are its terms of reference, what approach will be taken and what are the anticipated time frame and outcomes, especially in relation to the issue of service delivery?

The Hon. G.A. Ingerson: Focus 21 has been established as a major reform program to lead, manage and implement key elements of the South Australian Police Future Directions Strategy. The aim of the Focus 21 program is to improve substantially the quality and efficiency of police services and to place SAPOL in a position to provide the best level of police service in the twenty-first century. Focus 21 will initially comprise five projects. The terms of reference include: review and re-engineer services delivered both internally and externally; review all aspects of SAPOL's human resource management; review all aspects of managing and promote ethical behaviour in accordance with contemporary best practice; make the best use of available and emerging technology focused on service delivery; and develop and implement a leadership program.

During the program the following principles will apply (no section of SAPOL is excluded): emphasis to be on providing resources to operational areas; the number of police in non-police positions will be minimised; duplication and unnecessary overlapping functions and procedures will be avoided and/or eliminated; there will be flexible management of resources to meet demands; and decision making will occur at the closest possible point to service delivery.

Focus 21 will be implemented by a high level project group reporting directly to the Commissioner of Police. It will ensure that all projects are coordinated and integrated. The program will be handled in-house by the establishment of a number of project teams to lead and manage the specific projects. These teams will be staffed by both police and Public Service staff from within SAPOL. A steering committee will also be established, comprising senior police and public sector representatives, which will provide advice to the Commissioner of Police. It is anticipated that implementation of the reforms will be progressively actioned over a two to three year period. There will be an emphasis on progressive implementation of improvements to ensure maximisation and the achievement of benefits as soon as possible. This program will be headed by Assistant Commissioner White, who has been taken off-line to specifically ensure that this program is

implemented and reported directly through the Commissioner of Police.

Mr BASS: As an ex-police officer, I am excited about Focus 21. It is an excellent project that will take us into the twenty-first century. Notwithstanding the re-engineering of the way we deliver the service, we do need to locate our police officers somewhere. On page 39 of the Capital Works Program reference is made to the construction of the Christies Beach police complex. Can the Minister provide details of the project, including the need for it, the type of building proposed, its cost and the benefit to the police and to the community?

The Hon. G.A. Ingerson: I acknowledge the honourable member's comment about Focus 21. One of the most encouraging things for the Government is that with the appointment of our new Commissioner, Mal Hyde, a whole series of changes of direction and policy issues have been put before us which will improve a very good Police Force and make it a more efficient and excellent Police Force in the future. Clearly, the Focus 21 direction is a very important change being pushed through our Police Force. It is tremendous that we have had this directional change and that it is now very quickly starting to come through in policy. That is a very important point that needs to be made not only in this Parliament, where games are often played, but in the public arena so that the public of South Australia is clearly aware that we are progressing to a new way of policing in this State under our new Commissioner. It is strongly supported by the Government.

In relation to Christies Beach, the existing Christies Beach police complex consists of a two-storey building attached to the recently constructed police station and cells, transportable buildings, residences converted to office accommodation and storage sheds. These facilities are very dysfunctional and are not sufficient for present day policing, with deficiencies in interview facilities, secure storage, office accommodation and secure car parking. In an effort to resolve accommodation shortcomings, SAPOL has provided several transportable buildings and leased accommodation to counter increases in policing requirements in the Christies Beach area, but the base problem remains with the efficiency of the police operation being minimised.

The proposed approach is to construct a major permanent building extension. Planning is directed towards the demolition of the existing two-storey building, construction of additional accommodation attached to the existing police station and the removal and demolition of remaining transportable buildings and converted residences. Temporary leased accommodation is currently being identified for a CIB function to allow demolition of the two-storey building. Construction is to be approached in two stages: stage 1 involves demolition of the existing two-storey building, commencing in August 1997; and stage 2 involves construction of an additional attached building and civil works, with completion due for June 1998. The total estimated cost in 1997-98 dollars is \$2.75 million.

The functions to be accommodated within the building extensions include: divisional command administration, prosecution services, CIB, general and traffic patrols and support amenities. The building extensions will enable all staff at Christies Beach to be accommodated within the one main building and will significantly enhance working conditions, improve functional linkages and provide a more efficient policing service to the area.

Mr CLARKE: I refer to page 85 of the Program Estimates and draw the Minister's attention to an article in the British newspaper the *UK Mail*, which talks about the tragic death of Paul Jeffries by drowning. The British *Daily Mail* article draws an unfavourable comparison between the massive effort put into the search and rescue of Tony Bullimore in the Southern Ocean and that put into attempting to assist Mr Jeffries. The article quotes Paul Jeffries' father as saying:

My son did everything right. He sent off distress calls, which were received by police. The police said the calls were treated as hoax calls.

The article goes on to describe how, when many hours later a rescue mission was finally organised, the m.v. *Gallantry* was not used. Paul Jeffries' father was again quoted in the article as follows:

Watching the news of the rescue of Tony Bullimore I wouldn't be honest if I did not make comparisons and say that here was a man who had the whole of Australia and its facilities behind him. I know how Tony's family must have felt at the time when he still hadn't been found. The *Gallantry* was built for those waters and should have gone out that night. I just keep going because I am the sort of person who, when I ask a question, I like truth for an answer.

The matter of the use of the m.v. *Gallantry* has previously been raised in Parliament, and concern was expressed in the Parliament last year that, according to a tape of a communications room dialogue, there had been a ministerial instruction not to use the m.v. *Gallantry*. My questions are: have the police completed their investigation into the death of Paul Jeffries and will the matter be subject to a full Coroner's inquiry; and have the police now been instructed to use the *Gallantry* in search and rescue operations, and has the vessel been used in any such operations following a request from the Police Department?

The Hon. G.A. Ingerson: The details of those questions are not available before the Committee. In terms of the use of the *Gallantry*, that question could probably more aptly be brought up in relation to the MFS, and when we have the operations people here we can take it up. In terms of further detail in relation to the police and that matter, we will obtain that information and supply it to the Committee.

Mr CLARKE: Has the Police Minister requested the use of the *Gallantry* in search and rescue missions?

The Hon. G.A. Ingerson: I have not personally requested it but, as far as emergency services are concerned, all vessels should be available to the group in charge of the rescue. If that happens to be the police, then it ought to be available. Again, I will obtain a considered answer for the Committee and give that to the honourable member in the near future.

Mr CLARKE: Of the \$21 million the Minister spoke about as extra expenditure planned for this coming year, how much is attributable to the second and third phase wage increase for police officers, how much is being devoted towards recruitment of the 100 additional police officers and what is the cost of each police officer once they are on the beat, in terms of wages and oncosts?

The Hon. G.A. Ingerson: I will ask Mr Hughes to give details in relation to the \$21 million. In relation to the cost of each police officer, I am positive that we would not have that detail here but we will, if possible, obtain that for the Committee at a later date.

Mr Hughes: The total cost of the wage increase in 1997-98 is expected to be around \$28 million, an increase of about \$8 million on the 1996-97 payments for the enterprise agreement. The \$28 million includes the full year cost of the

second phase of the 4 per cent awarded from 1 November 1996, and the third and final phase of 4 per cent from 1 November 1997.

In relation to the cost of recruitment, I do not have a breakdown of costs as against what we will then be paying those people as they come off stream but, in relation to the staffing part of the \$4.8 million that the Minister referred to earlier as the cost of the overall proposal for the additional staff and the redeployment, we expect about \$3 million to be staff costs, both training and salary costs, as those people gradually come on stream, with all having graduated by May 1998.

The Hon. G.A. Ingerson: The total increase of \$21 million also picks up any further attrition rate costs, so that it is the all-encompassing recruitment plus attritional cost of providing the service for the next 12 months. The Commissioner advises me that the average cost of a police officer is about \$53 000.

Mr CLARKE: By way of supplement, of the \$21 million, \$8 million is for the wage increases that have already been factored in. That leaves \$13 million, and part of that \$13 million is to maintain the rate of attrition (normal retirements and resignations). Do I take it that there are about 115 retirements and resignations a year in the Police Department?

The Hon. G.A. Ingerson: The Commissioner advises me that the attrition is in the base and there is no extra funding required for the attrition rate. The point I was making was that the total funding for the budget includes replacement because of attrition but, because they are already being paid for if they go and you replace them, they are still within the whole base. That was the point I was trying to make.

Mr CLARKE: My next question refers to an appearance before the National Crime Authority by Superintendent Edmonds, who made a number of comments before that inquiry. I understand that he is head of the drug abuse section of the Police Force here, and he commented that the Police Department had discovered that South Australia police efforts had been significantly hampered by the Federal Government's decision to cut the numbers of NCA staff in South Australia and that Adelaide, or South Australia, had become basically the home of the masterminds of much of organised criminal activity in Australia. Will the Minister expand to this Committee on what the Superintendent had to say, because I for one was totally unaware that South Australia is regarded as a major centre for organised criminal activity throughout the rest of Australia? If that is so, what are the reasons for it?

The Hon. G.A. Ingerson: In hearing that news service on one of the TV stations, I was quite surprised as Minister, I would have to say, and in discussion with the Commissioner the next day he made very clear to me that Superintendent Edmonds' presentation had been misinterpreted and that he had made some very general comments about organised crime in South Australia and some other general comments about how he thought things ought to be dealt with. I will ask the Commissioner to give a broader view of what Superintendent Edmonds actually said, and then we can put it in the context of how it was reported by the media.

Mr Hyde: Superintendent Edmonds was misinterpreted in what he said to that inquiry. What he had said was that you should not just look at the level of crime in South Australia when considerations are being made as to the level of resourcing for the National Crime Authority, because organised crime may well have the principal offenders based in one jurisdiction but the crime committed elsewhere. That

was a point he was trying to make to the committee, namely, that there were fairly significant organised crime figures in South Australia and that they do commit crime elsewhere. But each jurisdiction has that problem and I think that is where the misinterpretation came in. People understood him to be saying that organised crime was more identifiable in South Australia than it is in other jurisdictions, and that is not the case.

South Australia certainly has some significant organised crime principals but so do other jurisdictions. It would be erroneous to suggest that South Australia was the organised crime capital of Australia, for instance. We have put many resources into dealing with organised crime. We work very closely with the National Crime Authority. Some reductions in resources by the National Crime Authority have occurred over the past year or two and that has meant a shift of responsibilities to the South Australian Police.

Those matters were raised before the committee of inquiry. But so far as organised crime generally is concerned, we have an organised crime task force into which we have put fairly significant resources. We are putting additional resources into telephone interception capabilities—which is a very useful tool in investigating organised crime—and we are also putting resources into computer forensic investigative techniques, so we think we are well positioned to deal with the problem.

Mr CLARKE: As I understand it, the National Crime Authority staffing levels were reduced from 35 to something like 13. What difficulties and what additional resources did the South Australian Police Department have to pick up because the NCA was forced to abandon the field, so to speak?

The Hon. G.A. Ingerson: I will ask the Commissioner to respond to that question.

Mr Hyde: I cannot quickly produce the figures for you, but the effect is as follows: if crimes are no longer investigated through the National Crime Authority and if they are jurisdiction based, it means that the jurisdictions—whether it is South Australia, Western Australia or wherever—have to include that within their general capacity to investigate crime, and that is what has occurred.

Mrs HALL: My question relates to the Program Estimates, page 87, 'Support Services'. Under '1997-98 Specific Targets/Objectives' it refers to commencement of construction of a new police complex at Mount Gambier. Will the Minister provide the Committee with details of the project, including the cost and benefits to be obtained on completion?

The Hon. G.A. Ingerson: I am sure that the Chairman would be significantly interested in this answer. It is a very important upgrade of the existing Mount Gambier complex. It currently consists of a main two-storey building, residences converted to office accommodation and a cell block. These facilities have provided for the policing need at Mount Gambier for many years but are now not suitable for present day policing with efficiencies and interview facilities, secure storage, office accommodation and cell facilities. The stand-alone cell complex is not in accordance with safe custody standards and is unsuitable for upgrading. In order to provide for the long-term accommodation needs, a significant capital improvement program is required.

Major upgrading of the existing facilities is not considered to be a viable option because of their poor condition and inability to meet the brief of the requirements. Planning is directed towards the construction of a solid building on the existing site with a staged redevelopment which minimises

disruption to the existing police functions and avoids costs of relocating police facilities off site during construction. To date, a feasibility concept design has been undertaken which supports this approach with the designed documentation phase scheduled for during 1997-98. Construction is expected to commence in June 1998 with completion due in August 1999. The current estimated cost of this project is \$7.2 million.

The functions to be accommodated include divisional command administration, police station patrols, cells, CIB and prosecution services, as well as support amenities. The new facilities will improve working conditions and functional relationships for all staff which, in turn, will provide for a more efficient policing service to the local community. In the current budget (1997-98) \$500 000 is being spent to commence that work.

Mrs HALL: Again I refer to the Program Estimates, page 86. Under 'Road Safety' '1997-98 Specific Targets/Objectives' it lists the following:

- To reduce the number and severity of road crashes. . .
- To achieve safer road behaviour.
- To continue to target drink drivers with a concentrated detection program, including increased focus on identified problem areas. . .

Will the Minister provide details of this road safety strategy being adopted by the South Australian Police, and provide an overview of strategies employed and the overall impact on the road toll and the consequential benefits to the community?

The Hon. G.A. Ingerson: The road safety program of Government is one of the major programs and one of which we are very proud, because it is a commitment by Government to recognise that road safety has to be one of the major single issues and promotions of Government. This program is detailed in SAPOL under the traffic strategic plan. The plan defines the objectives and strategies for traffic policing in South Australia to the year 2000. The Police Department's traffic strategic plan supports the Government's road safety program, Road Safety SA, the national road safety strategies and the SAPOL corporate plan. The objectives of the plan are to reduce the number and severity of road crashes, facilitate the free flow of traffic and achieve safer road behaviour.

The broad strategies of the plan are to educate and encourage greater awareness amongst motorists, pedestrians and cyclists of the dangers on the roads and the responsibility they have for themselves and other road users; target road safety and traffic management needs in specific geographical areas; establish strategic partnerships with public and private sectors to significantly advance road safety in South Australia; enhance traffic intelligence, research and analytical capabilities; promote community awareness and understanding of road safety issues and initiatives; conduct speed detection, RBT and vehicle inspection programs; target drug and alcohol abuse by motorists; and maximise the road safety effectiveness of enforcement.

The impact on the road toll is important. Since the introduction of speed cameras, road accident deaths have declined from 226 in 1990 to 181 in 1996, which is an effective decrease of 45 or nearly 20 per cent. I am advised that the number of road deaths as at midnight of last night is 61 compared with 83 at the same time last year. Clearly, the recent activity in this area is giving and is continuing to give significant results. Because of the relatively low number of fatalities per year, casual collisions are regarded as a more appropriate measure of the effectiveness of road safety

initiatives. Comparative casual collision figures of recent years are: 1995, 6 448; 1996, 6 313; and estimated in 1997, 5 280.

Reduced road collision trauma and savings to the community in hospital, property damage insurance and other costs also cannot be overlooked. On the basis of accident data known to police, the rounded cost per person for accidents resulting in death, hospital administration or medical treatment was \$625 000 for death, \$107 000 for hospital admission and \$7 000 for medical treatment. The road safety initiatives taken across Government and in particular through SAPOL strategies have resulted in many millions of dollars of saving to the community.

Much comment has been made in respect of speed detection measures being merely for revenue-raising purposes. It is estimated that 248 124 speeding offences will be expiated in 1996-97, generating \$30 767 376 in revenue, which is put into the State's Consolidated Account. It does not go to the police. That money goes to improving education, health and other programs specifically geared by the Government. Apart from the very real personal trauma suffered by families involved, when the cost savings to the community which result from reducing fatalities are taken into account, the value of speed detection programs cannot be challenged.

Some three or four months ago the Police Commissioner organised a briefing for a range of members of Parliament to look at the new research traffic centre at Ottoway. It was an outstanding morning because the capabilities of research and development of the police, instead of the so-called hit-and-miss view that the community has in relation to black spots, was clearly shown to the members present. It is enlightening to know that our Police Force recognises that research and development must take place if we are to sell to our community the need for safety on the roads and we are able to back up some of these arguments about black spots with research. One interesting by-product of that research is that the traffic accident level in front of Parliament House is considerably higher than it ought to be. I wonder whether it is parliamentarians or pedestrians who are causing the problem.

Mrs HALL: I refer to the issue of support services (page 87) and under 'Services provided' reference is made to statistical services and research and human resource services. Under the 1997-98 specific targets and objectives, reference is made to human resource management. Does the Minister have a view about the gender representation in the South Australian Police Department? For some years there has been concern about what appears to be a gross disparity between male and female representation in some ranks. I understand well that the Police Department is an equal opportunity employer. However, can the Minister advise what steps are being taken to address this issue?

The Hon. G.A. Ingerson: Since 1992-93 the number of women joining the police service has increased. During April 1997, 25 of the 51 cadets were female and undergoing training at the Police Academy. This is an encouraging sign. However, the fact remains that only 453 of a total of 3 450 officers are women. I am also concerned that very few women are represented at commissioned officer level in the police service. Having only three female commissioned officers in a complement of 110 highlights the extent of the problem.

However, this issue is not easily resolved when in reality women will leave the police service at some time to have

children. Some will return and others choose to leave permanently. This is something over which the police service has no control. However, the Police Commissioner, Mr Hyde, well aware that this is an area for improvement, is addressing this priority as part of Focus 21, and I will ask the Commissioner to comment on how he sees the development of women's role in the Police Force.

Mr Hyde: Representation of women in South Australian Police is a very important issue for us. We can recruit sufficient numbers of women. However, that is only a more modern trend, and it is very difficult to be able to translate those numbers through to the senior levels in the South Australian Police. Any improvement cannot happen overnight. Staff need to be properly developed and prepared for senior positions within the police service. We are focusing very heavily on the development of personnel. It is one of the major areas where we have to improve and it is one area from which we will get significant benefit in the future. As part of that, we will be looking for opportunities to encourage women to advance to the senior levels of police.

The difficulty is that many women have different priorities, and it is mainly for that reason that they leave. We are also looking to take down any barriers that may inhibit them from competing on their merits, and we will be concentrating on that in the future.

Mrs HALL: I give notice to the Minister that I will ask the same question next year.

Mr CLARKE: The Commissioner said that the cost of fully training a police officer is about \$53 000. What is the cost of training an officer? Is there much variance between the 26-week course that is proposed for the 100 new cadets and the 52-week course that was previously offered? What is the cost of having a patrol on the road for 24 hours a day? I understand that 10 officers are needed to run a mobile patrol 24 hours a day.

The Hon. G.A. Ingerson: In terms of training, I am advised that we do not have that cost yet. As the 26-week course progresses, we will establish that cost. In relation to patrolmen, it is a very complex issue and we do not have that information readily available to give the details sought.

Mr Clarke interjecting:

The Hon. G.A. Ingerson: The budget exercise is done in terms of overall figures and total numbers rather than the individual cost per person. Obviously it can be done, but it would be a very drawn-out economic model, and we have not done that.

Ms WHITE: I join my colleague the Deputy Leader of the Opposition in praising the efforts of and fine job done by the men and women in blue, particularly in the Salisbury area, where my constituency is. My question concerns policing in Salisbury. Since the new Salisbury Police Station opened, my constituents report to me, and I concur, that there has been a better service from the police. However, I am concerned about the effect that Focus 21 might have in the Salisbury and surrounding areas. Currently, 99 officers are policing the Salisbury/Para Hills area. What will be the net change in staffing numbers for the Salisbury and Para Hills Police Stations under the Focus 21 plan?

The Hon. G.A. Ingerson: Having lived in the Salisbury area for quite some time, I concur with the honourable member that the policing service in Salisbury and Elizabeth over many years has always been considered first class. Obviously there have been occasions when individuals believe it could be better, but those two areas have been serviced well by our Police Force over a long period. I am

advised that, under the new rescheduling of the 190 officers, an extra person will be going to Salisbury itself to complement that number. In the overall district, there will be quite a lot more. I will get the Commissioner to provide more detail on how some of those changes might take place.

Mr Hyde: Some fairly significant changes will be made at Salisbury, where there will be a relocation of staff in a number of stations and patrol bases. Those changes are based on an assessment of population shifts and workload. With those changes and relocations, we will maximise the effectiveness of our service to the community. However, Focus 21 is concerned about re-engineering the way we operate. The first phase, involving the relocation of staff, is based on demand for service and the way we operate today. We would be looking to change the way we operate for the better in the future. The question of how many staff are in the Salisbury area is the one that is being addressed today. In the future, we are looking to reassess the way we do business there. We will also be reassessing staffing levels. If anyone has any concerns about the level of staffing, we encourage them to contact us and talk to us—and we encourage every member of the community to do this—and we will take into account their views.

The Hon. G.A. Ingerson: Importantly, Focus 21 will be community driven in the sense of the services, population base and obviously the workload. As the Commissioner has said, the Government and he are encouraging the community to be part of this change. At the end of the day, the most important thing we do in policing is to have a good community policing service. That will happen only if the community itself is satisfied with the direction in which we are going and, of course, the numbers are part of that whole process. I encourage the member for Taylor to have input into the change, and I look forward to that through the traditional way.

Mr CLARKE: What is the future of the Para Hills Police Station, and for how long would the Tea Tree Gully police staff metro north-east be based there? For what suburbs will the Holden Hill Police Station have primary responsibility under Focus 21?

The Hon. G.A. Ingerson: That detail is an operational issue, and I will ask the Commissioner to supply it. We need to put into context the comment the Commissioner has just made. We are at the beginning of a significant change in how we deliver our policing services. The numbers that are there today and in the near future will be shifting around as we develop Focus 21. The important issue is that it will be done in consultation with the community, recognising that, at the end of day, the service is community based and that we want to give and will give the best community service we can. One thing that has staggered me in the political discussions is the view that, if you do not have a police station located in your district, you do not have a policing service. As we all know, historically, that had to be the case, because we had a policeman sitting in his home in a certain town or suburb.

The reality is that very few crimes occur in the police station: most of them occur in the community. We need to make sure that we are moving to a modern policing service with the community having that service delivered to them out of a control system or some other more modern and effective process. Some of the views of requiring a police station to be in a particular area are outdated not only in South Australia but also nationally and internationally. We need to make sure, though, that if that changes the community is aware that we are not just taking away the service but delivering it in a

different way. The thrust of Focus 21 is to continue to deliver the service but not necessarily out of the same traditional 'fixed building' attitudes we had in the past. That is an important political and community point that needs to be made, because it is easy to drum up the issue of a police station not being there: it is the police service that is important, not the physical structure.

Mr Hyde: The initial planning is to shift the Tea Tree Gully station patrol base to the Para Hills accommodation, because that was initially envisaged to be a more suitable place for those staff to be. However, some further inquiries have to be made with respect to that accommodation. I am not able to put forward the final outcome at this stage.

Mr CLARKE: For what suburbs will the Holden Hill Police Station have primary policing responsibility?

Mr Hyde: Again, I do not have that precise detail available, but we certainly can provide it.

Mr BUCKBY: I raise the issue of child abuse and child exploitation. In recent times, there has been considerable publicity on child abuse. I note on page 79 of the Program Estimates that one of the 1997-98 target objectives for the Police Department is to establish a dedicated unit to investigate sexual exploitation of children. What led to this proposal?

The Hon. G.A. Ingerson: Following the success of the special operation to investigate the incidence of child abuse throughout the Adelaide metropolitan area, particularly in the north-eastern suburbs, two child abuse investigators were placed at each of the major metropolitan CIB branches. Their principal role was to investigate reports of intra-familial child abuse. This initiative was supplemented by other special operations and task force activity directed at investigating reports of paedophile activity which emerged during the course of Operation Keeper and other ongoing investigations into child abuse generally. One such special operation, codenamed Deny, resulted in the breaking up of a small paedophile ring operating in this State but with interstate and overseas connections.

On 16 February 1995, a further special task force, codenamed Operation Torpedo, was established and attached to the Organised Crime Task Force, with the specific intention of pro-actively investigating persons involved in extra-familial child abuse. From the time of its inception to 20 February 1997, this special operation resulted in the apprehension of 90 persons for a range of serious sexual offences involving children. The decision has now been taken to establish a permanent unit to continue the work undertaken by Operation Torpedo. The new unit will be known as the Child Exploitation Unit. It will have an initial establishment of five personnel, and will be attached to the Organised Crime Task Force.

The new unit will be formed by the redeployment of existing resources as a result of the forthcoming amalgamation of the Adelaide and Norwood Criminal Investigation Branches. The telephone interception also covers sexual offences for persons under 16 years. Extra resources will therefore assist in this area as well. It should be noted that some \$750 000 and an extra four officers have been allocated to that special interception unit.

Mr BUCKBY: I turn now to Aboriginal issues, and in particular Aboriginal representation on the Police Force. On page 82 the program papers reference is made to programs to enhance police, Aboriginal and ethnic relations and to a recruiting campaign to attract Aboriginal people into mainstream policing. Will the Minister provide an overview

of the program and what is being done to recruit Aboriginal people?

The Hon. G.A. Ingerson: I thank the honourable member for his question, particularly in the light of public discussion occurring at the moment. A number of programs have been developed by SAPOL to improve Aboriginal and ethnic police relations. Cross cultural training programs form a part of normal recruit training, and SAPOL Multicultural Service members conduct in-service training sessions on multicultural issues. Members wishing to transfer to remote areas with high Aboriginal populations receive training by Multicultural Service members prior to transfer. Members of the northern and southern commands provide a service to Aboriginal people by giving lectures on the role of police in society, which lectures cover the various laws and procedures that can create misunderstandings. They also represent SAPOL on committees and at meetings that relate to police/Aboriginal matters. Sixteen district liaison officers have been appointed by SAPOL to cover the State, and those members are responsible for maintaining communication between SAPOL and Aboriginal people. In addition to the district liaison officers, all police members are encouraged to provide a local liaison service to assist the Aboriginal community.

Recruitment of persons with an Aboriginal background is ongoing, and persons who show interest are encouraged and assisted. The Royal Commission into Aboriginal Deaths in Custody made clear recommendations regarding the recruitment of Aboriginal people in the police forces throughout Australia, and SAPOL has recognised that specific training requirements are needed to cater for Aboriginal recruitment. At present there are 32 police aide positions in SAPOL. Eighteen positions are located in urban areas: Elizabeth, three; Port Augusta, three; Port Lincoln, three; Ceduna, three; Coober Pedy, two; Port Adelaide, two; and Murray Bridge, two. Fourteen positions are in the Pitjantjatjara and Yalata lands: Indulkana, two; Fregon, two; Ernabella two, Amata, two; Mimili, two; Pipalyatjara, two; and Yalata, two. In addition, the Commissioner will appoint a further five new police aides in 1997-98 as part of the 125 additional staff announced by the Government in the budget. Two of these will be located at Berri, one at Port Augusta and two at Oodnadatta.

A recent event in Aboriginal issues is the commitment by the Commonwealth Government to hold a ministerial summit on Aboriginal and Torres Strait Islander deaths in custody, with the cooperation and involvement of the States and Territories. Three key areas will be dealt with at the summit: first, the underlying issues of health, employment, housing, family stability, parenting and school achievement; secondly, over-representation of indigenous people in the criminal justice system; and, thirdly, custodial care and coronial investigations. In February 1997 an indigenous meeting was held which included Aboriginal and Torres Strait Islander representatives from around the country. This meeting produced a lengthy list of issues and recommendations which have been put to the Commonwealth, States and Territories for inclusion in the forthcoming summit. Work has been finalised for the summit agenda, which is scheduled for 4 July 1997. It is clear that SAPOL is making significant progress in dealing with Aboriginal communities and on Aboriginal issues.

Mr BUCKBY: I turn now to the policing of Hindley Street. The program papers on page 78 make reference to the Police Department continuing with programs aimed at reducing the incidence of violence in the community, street

offences and property theft. The incidence of community crime in the Hindley Street area receives a lot of media attention. What police resources are available to Hindley Street, what problems apply to the area, what initiatives are undertaken to address them and what success has the Police Department had in reducing criminal activity in Hindley Street and its environs?

The Hon. G.A. Ingerson: Policing in Hindley Street falls within the responsibility of the Adelaide division. Hindley Street police provide permanent beat patrols and a police station serviced 24 hours a day, 365 days a year. A total of 49 staff work from Hindley Street police station: one inspector, one senior sergeant, five sergeants, 6 senior constables and 36 constables. In addition to the beat patrols out of Hindley Street, mobile patrols and bicycle patrols are provided from the Angus Street patrol base and, as necessary, other personnel are drawn from areas such as Adelaide CIB patrols, STAR Division units, Command Response Division patrols, mounted cadre patrols and other specialist units. Currently six surveillance cameras are installed and operating in Hindley Street. The system is monitored by both Police Security Services Division personnel and Hindley Street police. Also, to assist with policing, lighting has been upgraded in Rundle Mall and Hindley Street.

The street offers a variety of 24 hour liquor licensed premises and other night life activities, including striptease, an adult cinema, tattoo shops, adult bookshops, Harley tour groups, pinball and electronic game parlours, musical entertainment and numerous fast food outlets. Hindley Street therefore attracts a diverse range of people, particularly younger persons who are lured to the excitement of the area. This in turn has a tendency to attract others who prey on the young. Whilst it is recognised that there is some drug activity within the area, there is no evidence to suggest that it is more prevalent than in any other area that attracts large crowds of people. Despite the above, in relative terms Hindley Street can be considered as generally a safe place to visit.

A statistical profile of reported crime in the category of offences against the person, property and public order has shown a steady downward trend since 1994 for Hindley Street and its environs. The policing of Hindley Street and its environs is continually addressed by police in close consultation with other responsible authorities and business people. From a policing perspective, Hindley Street will continue to receive ongoing attention to ensure that the environment is made as safe as possible for all users. This will require cooperation from all major stakeholders, such as the council, Adelaide traders and landlords.

Mr QUIRKE: Complaints have been made to me about problems with roadworthiness checks on trucks. A constituent raised with me an incident where a truck was defected in the normal course of events and an appointment made for the company concerned to rectify the problem. It was an oversight; the company would not normally allow such a thing to happen, and it rectified the problem. It took some time to book the truck into Regency Park to have the defect notice lifted and, after it was booked in, it took about 10 days to get it down there. There was no complaint about the process, because the police in one of the suburban stations issued a permit so that the company could keep operating the truck during that time. However, when the truck went to Regency Park another small fault was found: apparently, the passenger side did not have a seat belt or the clasp was not correct. That did not bother the company, because its insurance policy stipulates that the vehicle cannot carry

passengers in any case. However, the vehicle was then put off the road for a bit longer.

As a consequence of that, no permit was issued and the company seemed to have no recourse. The truck lay idle for some considerable time. The company has a number of trucks so I suppose it was not the end of the world, but one wonders about this whole process when one is dealing with owner drivers who may not be able to meet their payments if their trucks are off the road for a couple of weeks. Some of the infringements which may lead to a truck being declared unroadworthy are quite minor. I wonder whether this whole process could be streamlined somewhat with particular reference to the testing times. Could we guarantee that permits will be issued when faults are clearly seen to have been rectified prior to a truck being given the all clear at Regency Park?

The CHAIRMAN: Is this the responsibility of the Minister or the Department of Transport?

The Hon. G.A. Ingerson: I was about to point that out to the honourable member. In terms of road safety, the police are involved in any detection of unroadworthy vehicles. I understand that the whole program is conducted by the Department of Transport with the police purely and simply providing the policing aspect. I will get some detail on the trucking side of this issue from the Minister for Transport and, if there are any issues for which the Police Department is responsible, we will take that up. I will ask the Commissioner to talk about this general issue of roadworthiness and the program that came to everyone's notice last evening.

Mr Hyde: Clearly, the police have a very important role in the roadworthiness of vehicles, not only from a regulation point of view but from a road safety perspective. From time to time special policing operations take place, similar to that which occurred last night, which focus on roadworthy checks. Obviously, we do not make the laws in respect of road worthiness: we are there only to apply them. The public would expect us to do that with discretion, which means that, in due course, a good process is in place to deal with roadworthiness. Last night's operation was fairly successful. We will continue to conduct such operations because they play a very important part in road safety; and we will look to work with the Department of Transport to see whether there are problems that need to be rectified.

Mr QUIRKE: I have a supplementary question with respect to the issuing of permits for trucks. I understand that the police can issue an exemption certificate after a problem has been rectified, which allows a vehicle back on the road once any problem has been rectified and prior to the Department of Transport giving it the all clear. That is the issue that needs to be addressed. What is happening with the Para Hills Police Station, and when will the refurbishment of that station take place? Will the Minister or the Commissioner tell the Committee what is being considered for the Para Hills district?

The Hon. G.A. Ingerson: In response to the first part of the question, if it is a process issue in which the police are involved we will attempt to sort that out. Having been the shadow Minister for Transport at some stage, my understanding is that the process is a matter for the Department of Transport and that the police have only an advisory capacity. That is an issue that ought to be taken up with the appropriate Minister. In relation to the Para Hills Police Station, we have answered the question but, as it is a very important issue and we would not want anyone to misinterpret or perhaps use it

to advantage or disadvantage in a political sense, we will restate the answer.

Mr Hyde: I am not aware of any plans to refurbish the Para Hills Police Station, so I am not able to comment on whether or not anything will be deferred. Obviously, minor works are continually in process with police stations generally, and that could be the issue to which the question relates. I can only reiterate the answer given previously in respect of the Para Hills Police Station. I also emphasise that this is a time when we are consulting with the community, we are examining the fine detail of the proposal and, in one or two months, we will make a final decision.

The Hon. G.A. Ingerson: It was pointed out that, in the old days, the location of a police station was the prime identification of whether a district had a policing service. We are now moving towards a patrol or community-based police service, so the physical location of police buildings becomes far less important in terms of the provision of a police service. As a consequence, some of the traditional locations and their usage and updating will be reviewed. Part of Focus 21 is to look at how we continue to provide a very modern policing community service out of existing or future locations. If the honourable member looks through *Hansard* he will find that the detail has been provided.

Mr CLARKE: I want to deal with police numbers in the southern districts under the current proposals, either under Focus 21 or what is being implemented already prior to Focus 21 being finalised. I have seen media reports announcing an additional 26 police officers at the Christies Beach Police Station. Does that mean that 26 additional sworn police officers will be stationed at Christies Beach Police Station, or 26 police officers additional to the southern command and, if so, what is the extent of the southern command and where are these extra police officers to be located?

The Hon. G.A. Ingerson: As I said earlier, this is a starting point and there may be more or less but this is the current situation: Christies Beach, redeployed 20, additional police six, additional non-police two, for a total of 28; Noarlunga, additional police three, giving a total of three; and Aldinga, redeployed one, additional non-police one (so, an extra two), giving a total of 33 in the southern area.

Mr CLARKE: As a supplementary question, when the Minister says an additional 33, is that additional new police officers to the current establishment, or is that the total establishment number? The Minister referred to an additional six police officers at Christies Beach, an additional three police officers at Noarlunga and a redeployed person at Aldinga. The total in those three areas amounts to 10 additional police officers to the current establishment.

The Hon. G.A. Ingerson: I will explain the situation again and ask the Commissioner to substantiate it. In essence, 20 persons will be redeployed at Christies, an extra six in addition to that 20, and two additional non-police, giving a total of 28 new people in that area. Noarlunga has three additional police, giving a total of three, and Aldinga has one redeployed and one additional non-police person, making a total of 33 in that area. We are also looking at locating extra detectives in the Christies Beach area. It is a moving directional change but a very significant increase in numbers.

I would not want the Deputy Leader to misunderstand and think that these are the final numbers; that is the ballpark figure. It will be very close to that. It will not be 10 or so: it will be around that ballpark figure. Obviously, as we move through the community and our internal restructuring, those figures will vary. It is important that those figures not be held

as absolutes, but they represent a very significant directional change in terms of 33 plus police officers.

Mr Hyde: I reinforce that. We do intend to redeploy 20 additional staff to Christies Beach. That will depend on the outcome of relocations from other places. For instance, if we do not end up relocating staff from Unley to Sturt, that effects our capacity to shift staff to Christies Beach. So, it is an overall picture. You cannot have your cake and eat it too: you cannot have your staff in Unley and Christies Beach as well.

The Hon. G.A. Ingerson: It is our view that, with the support of the Police Association, which has been involved in all these discussions, the majority of these redeployment programs will occur in totality. Obviously, there will be occasions when for some reason the redeployment program does not fit, but the general direction and thrust, with the support of the Police Association, is to implement the change. It is important and significant that over the last two to three years the Police Association recognised that the old way of doing things had to change and that it had to be prepared to work with the Police Commissioner and the Government to get the outcome the community desired. It is a very important change that occurred. I compliment Peter Alexander and his staff on working with us to ensure that all issues that they have—and there are a lot of them in terms of redeployment—are being considered by the Commissioner and that it is not just a straight-out management change. It is a matter of employees and management working together to get the best outcome in the process for everyone.

Mr BASS: At page 38 of the Capital Works Program reference is made to the telecommunication interception equipment upgrade, \$750 000. Will the Minister provide the Committee with details of the project, including the benefits to be obtained on its completion?

The Hon. G.A. Ingerson: Following the Federal Government's decision to grant telecommunication interception powers to the States and Territories, the Telecommunications Interception Act 1988 was passed in this State in November 1988 and proclaimed in March 1990. The State was declared an agency under the Federal legislation on 10 July 1991, and interception of telecommunications commenced on 9 August 1991. The current facility has proved to be invaluable in major criminal investigations, and a review of cost benefits obtained through interception, including savings in court and trial times, shows that alternative methods would have cost millions of dollars to achieve the same result.

Amendments to the Federal Act in 1995 increased the range of offences for which warrants can be obtained for interceptions and now includes organised crime activities involving theft, handling of stolen goods, extortion, corruption, armament deals, sexual offences against persons under 16 years and money laundering. It is now proposed to upgrade the current telecommunications equipment not only to enable SAPOL to more adequately meet the increasing demands in this area of its operations but to provide the means to adequately address the rapid improvements in the technological equipment which may be subject to interception. The replacement of the five year old system will allow simultaneous interception of phone, facsimile, data and video, provide the capability to allow more intercepts to be performed concurrently, and enhance system and operating security and protection of the integrity of remote and sensitive investigations. The estimated cost of the replacement equipment is \$750 000. Again, the upgrade of equipment was recommended as part of the direction set by the

Commissioner, and it is strongly supported by the Government.

Mr BASS: At page 82 of the Program Estimates reference is made to community policing approaches which encourage public support, particularly in the area of crime prevention. I recall that during last year's Estimates Committee the Crimestoppers program was the subject of vigorous questions by the member for Playford. Will the Minister provide details of the Crimestoppers program and any evidence of its success in the last 12 months?

The Hon. G.A. Ingerson: Crimestoppers was launched in South Australia in July 1996. Crimestoppers South Australia Incorporated is a legal entity registered with the Corporate Affairs Commission. It was set up to market and publicise the Crimestoppers program and to administer the reward scheme. It has a board of management comprising the Assistant Commissioner, Crime and 11 business and community leaders. It is a tripartite anti-crime initiative which involves the police, the media and the community working together to solve crime. Crimestoppers actively seeks information from the public about target crimes which have been featured in the media and about criminals and their activities generally.

Members of the public who call the Crimestoppers free-call telephone number 1800 333 000 and who provide information which leads to the apprehension of an offender may be eligible for a reward. To date, 30 rewards totalling \$7 700 have been approved. Information from Crimestoppers callers has resulted in the apprehension of a variety of criminals, including armed robbers, thieves, three school arsonists, a prolific con man, a heroin dealer and numerous cannabis growers. The most significant arrest was that of the alleged offender in the two execution-style murders at Lonsdale. Corporate sponsorship by BankSA has provided funding for marketing initiatives and reward payments for the first 12 months. Continued funding is essential so that the ability to increase public awareness further and to promote brand recognition does not suffer.

The success of Crimestoppers depends on a high degree of public awareness, and the continued growth of the program requires an ongoing range of marketing initiatives across the State. A recent publicity campaign using the police and local media in Port Lincoln and the Iron Triangle towns has resulted in an excellent response from Eyre Peninsula residents. Similar campaigns are planned for other rural areas. A Crimestoppers Internet site is being developed and is expected to be on line within weeks. This technology will expand the ability to promote the Crimestoppers program generally, and also to publicise specific missing persons and wanted criminals. Since the program commenced 39 weeks ago, the police Crimestoppers unit has taken over 3 400 calls from the public, resulting in over 630 individuals being apprehended for more than 740 offences.

To date, stolen property valued in excess of \$463 000 has been recovered. Offences involving damage to property valued in excess of \$5.1 million have also been cleared up. It is a very successful program in which the police, the community and the media are working together to help solve some of the crimes in South Australia.

Mr BASS: From the Government's side of this Committee, I join the Leader of the Opposition and the member for Taylor in congratulating the South Australian Police Force on the service it gives to our community. I ask the Commissioner to pass onto the members, not only the sworn police officers but the non-police component of the Police Force,

our congratulations for the great job they do in South Australia. We disagree a lot across the Chamber, but one thing that we do agree on is that we have a great Police Force.

Page 78 of the Program Estimates refers to objectives to reduce violence in the community, street offences and property theft. In recent times there have been reported increases in the number of juvenile offenders. Will the Minister provide an overview of the youth or juvenile offender problem and the action the police are taking to address these important issues?

The Hon. G.A. Ingerson: A significant proportion of alleged juvenile offenders are aged between 14 and 17 years, with the majority of them being male. Many young people who offend come from a background of poverty, belong to an ethnic or racial group that experiences discrimination, and reside in urban or regional areas such as Adelaide and Port Augusta. Dishonesty offences, offences of public order and drug offences are the most common crimes by young people. Most young people who come into contact with the youth justice system do not become adult criminals. However, unfortunately, there is a proportion who are not rehabilitated and who do commit further offences.

The mobility of Adelaide's population has contributed to the growth of undesirable groups of youths in suburban or newly developed areas. Group activities include criminal acts such as the illegal use of motor vehicles, property damage, substance abuse/misuse and violence. SAPOL delivers a range of innovative and effective strategies designed to reduce young people's crime and victimisation and to bring about positive change in young offenders. Various programs conducted by SAPOL focus on known risk factors and some seek to create opportunities for young people to become involved in the community. These include: the Blue Light Program, which has been highly successful in providing a range of youth oriented activities, including discos, drop-in centres and camps; the Shepherd Program, which brings together resources of SAPOL, the Department of Education and Children's Services and Rotary International to attend to at-risk children who are demonstrating patterns of delinquent behaviour; and the employment of youth officers by SAPOL to handle many young offenders' cases informally, without the matter going before a court.

Recognising that it is better to prevent youth crime, SAPOL has developed a range of crime prevention programs targeting the causes of youth crime. The recent launch of the Police Youth Development Project has objectives that include the identification of youth who have had minor contact with the justice system or who are at risk of entering the justice system and the diversion of these youths away from the justice system, referring them to appropriate services, supports and programs. As time is limited, I will insert in *Hansard* the remainder of this statement.

Future Options

- In an effort to directly tackle some of the precursors to crime, police can continue to engage in special policing operations and other initiatives in locations that are prone to vandalism and frequently check young people who are at unusual places or about at unusual times, or inspect known haunts such as shopping, malls and transport hubs.
- While inter-agency cooperation and improvement in information sharing are necessary components of a comprehensive strategy to address crime by young people, and special policing operations alleviate crime problems in specific areas for a limited time, more needs to be done.
- The effectiveness of policing young offenders could be enhanced through legislative reform. While SAPOL supports early intervention programs, it also believes in many cases preventive

laws can facilitate the identification of potential serious, habitual young offenders. In this regard the Commissioner of Police has raised the following legislative amendments to the Summary Offences Act, 1953 for consideration:

- requiring a person carrying an offensive weapon or dangerous article to give a satisfactory reason for such carriage upon request by a member of the police force.
- to specify time and distance limitations for people requested by police to cease loitering, pursuant to Section 18 of that Act.
- to require a person who is found in any public place, in circumstances which raise misgivings or an apprehension as to the activities or presence of that person, to provide their name and address on request to a member of the police force.

In addition to special policing operations and legislative reform, an intensive public 'outreach' campaign on effective strategies and to alleviate misinformation and misconceptions about youth crime is needed.

Whilst SAPOL is doing what it can to modify the activities of young offenders it cannot resolve the problem on its own. This has been recognised and SAPOL is joining with other agencies and organisations in a cooperative effort to overcome the problem.

I recently attended with the Star Division at Echunga when they brought together a whole group of young people. The Star Division has done an excellent job in incorporating a program for young people, which also needs to be noted.

Mr CLARKE: I will put these questions on notice; I do not expect the Minister to have the answers ready. Will the Minister itemise within the police portfolio what has been spent in the past financial year on consultants, public relations and any polling? My next question is one that I have had on notice for some time, although it is not exactly the same. It is to do with the total increase in revenue collected with respect to traffic prosecutions. There has been a 70 per cent increase over the past 12 months per 100 000 head of population in traffic prosecutions. What is the total increase in revenue collected, and how much of this increase has been applied as an increase to police or other Government agency road safety programs? And what is the number of speed detection devices that are in service in the State?

The Hon. G.A. Ingerson: We will obtain those answers.

Mr CLARKE: One other question relates to police officers in the far north. Again, I accept that the Minister may not have answers readily available. At Oodnadatta the roof of the sergeant's house has leaked three times over the past two years. I know that it does not rain often, but it has been measured by contractors from Marla and the repair still has not been done. There are only two vehicles, which are Hilux four wheel drives, at Oodnadatta station. Whilst they are great for in and around Oodnadatta itself, they are not suitable for desert work. Will the Police Commissioner have a look at the provision of motor vehicles at that station.

Also, when I was at the Woomera police station recently the observation I made was that it was a two person police station with one officer being redeployed at the time. There was a fear that the remaining police officer would be left on his own for something like several months before a replacement would come. Those two police officers had already gone for two months continuously without one uninterrupted day off from work. I think the staffing issue needs to be seriously addressed.

The Hon. G.A. Ingerson: We will get a detailed reply for the Committee.

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

[Sitting suspended from 1.1 to 2 p.m.]

The Hon. G.A. Ingerson: I would like to correct a situation that occurred earlier today. The Deputy Leader made a statement to the Committee that there was some 25 to 30 minutes delay before police arrived at a scene in relation to a particular response. I have received the following information on the response time relating to the Clearview shooting on 15 June 1997. Mr N.J. McKenzie, Deputy Commissioner of Police, states:

- Five telephone calls were received by Communications Centre that had some relevance to the shooting of an intruder at Stafford Street, Clearview. They were:
- 0114 hours—a call received from 19 Stafford re people in the rear yard. The first police patrol arrived on site on 0119 hours—five minutes later—
- 0114 hours—a neighbour rang re people running through his rear yard.
- 0115 hours—a neighbour rang re hearing fighting in the street and reported that someone had been shot.
- 0116 hours—a nearby resident reported shots being fired nearby.
- 0121 hours—a nearby resident reported a disturbance in the street and hearing gunshots. This call was received probably some minutes earlier but was delayed in being entered due to the workload at the time.
- The first police patrol arrived at the scene five minutes after the first call was received.

South Australian Metropolitan Fire Service, \$6 667 000
Minister for Emergency Services—Other Payments,
\$19 220 000

Departmental Advisers:

Mr R. Hagan, Director, Support Services, SA Metropolitan Fire Service.

Mr T. Norman, Financial Controller, SA Metropolitan Fire Service.

Mr B. Monks, Director, Corporate Services, SA Ambulance Service.

Mr C. Lemmer, Metropolitan Regional Director, SA Ambulance Service.

Mr K. Hosking, Country Regional Director, SA Ambulance Service.

Mr I. Pickering, Chief Executive Officer, SA Ambulance Service.

Mr J. Derbyshire, Chief Executive Officer, SA Metropolitan Fire Service.

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

The Hon. G.A. Ingerson: I will make a brief opening statement generally in relation to emergency services. First, I will cover issues common to all the services and then specify issues relating to each agency. First, I take this opportunity to acknowledge that many of the matters on which I report were initiated by the previous Minister (Hon. Wayne Matthew, member for Bright).

The bulk of this State's emergency services would be ineffective without the invaluable contribution of the many thousands of volunteers on whom we are so fortunate to be able to depend. I often wonder how we could possibly do without them and I take every opportunity as I do now to thank them on behalf of all the people of South Australia.

One of my initiatives since taking up this portfolio last December has been to require a feasibility study to consider options for more collaborative arrangements between our largest volunteer based agencies—the CFS and SES. I am

convinced that by sharing administrative and other support services the overheads of these agencies can be reduced while maintaining services to volunteers and releasing funds for upgrading of emergency equipment. A key element in improving the cooperation between the CFS and SES is the collocation of their headquarters. I am pleased to advise that plans are well under way for both services to relocate at St John House, in Eastwood, in November this year, after the SAAS Headquarters is relocated to the South Australian Metropolitan Fire Service in Wakefield Street.

These moves will establish a centre for the main volunteer based emergency services, and St John will benefit from stable tenancy of their premises and by sharing some of the support services. At the same time, the emergency services which utilise mainly paid staff will be collocated in Wakefield Street, and already SAMFS and SAAS are sharing some support services. This will increase considerably after collocation with significant savings down the track. It goes without saying that the collocation of regional offices and stations is continuing along the lines described in previous years about which I will provide further details in a minute.

Another major development affecting all emergency services and police is the computer-aided dispatch project. Cabinet approved this \$1.7 million project last December to proceed up to contract negotiation, when a final decision will be made. SAMFS, as the lead agency for the project at this stage, is presently coordinating the appointment of a project director. I believe that the CAD system will be an exciting development which will improve our emergency response times and the allocation of resources to provide better services to communities across the State.

Similarly, the Government radio network contract project being coordinated by the Department of Information Technology Services has potential to significantly improve mobile radio communication and paging services for our emergency services and police, who will jointly utilise the bulk of the services to be contracted out. Accordingly, I have ensured that the main agencies affected by the contract will play a key role in the evaluation of proposals and in planning the implementation.

Finally, in relation to emergency services as a whole, I mention a recent initiative which has minimal cost implications but which has had overwhelming support from volunteers in particular; that is, the introduction of the blue and red flashing lights for emergency service vehicles similar to those used on police cars. I was very pleased to support this change as it is seen to be a safety feature and, if it assists in saving one emergency services worker from serious injury, then it will have been worth it.

Turning to our Fire Service, the total value of estimated resources committed by the service for 1997-98 is \$65.794 million, including capital and recurrent expenditure. Major initiatives included in the \$8.708 million for capital expenditure are the common computer-aided dispatch project, which I have mentioned. Recurrent expenditure of \$57.086 million will ensure that the Fire Service continues to provide the range of emergency and non-emergency services to the community of South Australia.

Under the provisions of the South Australian Metropolitan Fire Service Act, the total value of estimated operating costs is apportioned between insurance companies contributing 75 per cent, the Government contributing 12.5 per cent and local government contributing 12.5 per cent. The State Government contribution is \$6.667 million.

Where benefits can be identified the Fire Service and Ambulance Service are continuing to collocate operational services throughout the metropolitan and country areas. In metropolitan Adelaide collocation has occurred at Wakefield Street, Brooklyn Park and O'Halloran Hill, demonstrating and promoting the positive working relationship between these agencies. Plans are being finalised for further collocation at Camden Park and Port Adelaide. Staff at both agencies have been actively involved in the preliminary preparation of designed criteria for new facilities, and this process has recently been undertaken for the two new projects proposed for Wynn Vale (to replace Ridgehaven) and Elizabeth. Capital funding has been allocated by both SAMFS and SAAS, and construction will be able to commence once final plans are approved, with both stations expected to be substantially completed by 30 June 1998.

In country areas collocation is due to commence this month at Whyalla, where the existing facility shared by St John and SAAS was redeveloped to include the staff and appliances from the two SAMFS stations in that city. In Mount Gambier a surplus Government property has been purchased by SAMFS and planning is well advanced. Subject to approval, a new facility should be available in 1998. The review of boundaries continues as a joint consultation process between SAMFS, CFS and local councils, taking into account the impact of urban and industrial developments, fire risks, water availability, and the like. This project is a very important one in terms of coordination of fire services. Senior officers from SAMFS and CFS are currently examining the potential risk areas within the Adelaide Hills. Urban impact within this area has significant effect on the total boundary review concept. A joint report of the Chief Executive Officers is due at the end of this month for critique, with the final report in October.

In terms of the Ambulance Service, the major developments which began in 1995-96 have been consolidated in 1996-97. These initiatives include further collocation with MFS, withdrawal of the St John Priory from the joint venture, paramedic deployment, and total quality management philosophy. I have already outlined the developments of collocation with SAMFS, and I will not repeat that.

In March 1997, the St John property legislation was passed, marking a significant step in the withdrawal of St John from the Ambulance Service. Effectively, the passing of that Bill enables the distribution of properties to occur. I take this opportunity to thank St John for its support and cooperation by helping with a smooth transition. This year the Government provided a grant of \$100 000 to St John for the first time, and the same amount is provided in 1997-98.

The jewel in the Ambulance Service crown is its success in clinical fields. For example, in the past year the success rate in ventricular fibrillation/cardiac arrest survival has at least doubled since the introduction of the paramedic system. This clinical excellence is proof of the quality of the Ambulance Service training college, which is relocating to Flinders. I am proud to say that the move comes as a result of incorporation of the ambulance studies stream into the existing Bachelor of Health Science degree. The Ambulance Service is training a further 18 paramedics next year to fulfil its aim of having one paramedic in every front-line ambulance by the year 2001.

A total quality philosophy, which was introduced in 1995, resulted in a Commitment to Business Excellence Award, which was presented by the Australian Quality Council in 1996. This philosophy has been implemented in the form of

a strategic plan which has involved staff from all areas and levels of the organisation. Building on the success of 1996, the Ambulance Service aims to train and educate staff further with a view to facilitating empowerment and responsible decision making.

To enable the Ambulance Service to continue to provide a total quality service, the Government will assist in funding capital expenditure. In 1997-98 it will contribute approximately \$1.4 million for the replacement of upgraded vehicles. The Government will also assist in funding the upgrade of facilities to enable collocation. Expenditure will also continue on information technology strategy, with improved links to all ambulance stations and particularly volunteers, who form a vital part of the service delivery in country areas.

Government will help to ensure that all South Australians have equal access to the Ambulance Service by providing \$1.2 million for indigent bad debts and \$9.7 million for country and metropolitan pensioner transport concessions through community service obligations. In 1997-98, the Ambulance Service is committed to addressing the role of the ambulance cover scheme and is already implementing an accounting system to provide more details on revenue and costs. This will allow the Ambulance Service to closely monitor costs associated with administering the ambulance cover scheme. In fulfilling its community service obligations, the Government continues to support the scheme with an additional injection of \$2 million in 1997-98. In summary, the public can be proud of the South Australian Ambulance Service, which is a strategic leader in its field.

Mr CLARKE: I congratulate all those involved in the Ambulance Service, particularly the volunteers, on the excellent work they do, and likewise the Metropolitan Fire Service and its staff.

In response to the Minister's opening statement, I point out that the police arrived within the time frame announced by the Minister. However, he might ponder the question why the communications room did not inform my constituent, who was regularly on the telephone to them asking for police attendance, that police were in attendance during the time that he telephoned.

On page 101 of the Program Estimates, I note that staffing numbers have dropped from 877.5 full-time equivalents to 809.5. Was this a result of the enterprise agreement that was certified between the Fire Service and the United Firefighters Union in September 1996? Does the Fire Service propose to cut uniform staffing numbers below those detailed in the estimates?

The Hon. G.A. Ingerson: The answer to the final question is 'No'. It is my understanding that the reduction occurred with downsizing. It was part of the EB agreement and the subsequent reorganisation of the structure of the Metropolitan Fire Service. One of the outcomes of the MFS agreement was to expand the role of the operational firefighters. The reduction of 51 employees occurred during the enterprise agreement process. That was done under the previous Minister as part of the enterprise agreement process. I am advised by the Chief Executive that there are no fewer pumps on the road now than there were although there has been a reduction of 51 fire officers employed. In other words, the service is being maintained.

Mr CLARKE: What funds have been set aside for the collocation program between the Fire Service and the Ambulance Service? Can the Minister provide a breakdown of the stations that will be involved, together with details of

the proposed funding? If there are any projected savings from the collocation program, what are they?

The Hon. G.A. Ingerson: My understanding is that collocated stations are about 40 per cent cheaper than individual stations. The support corporate service amalgamation is still being planned in detail, but there are possible savings of about \$500 000 per year. With the integration of the communication centres, which will not happen before 1999, it is possible that there will be a further saving of up to \$500 000 per year. Collocation also enables the sale of some CFS property, but it will have to be decided where to put those proceeds, and I suspect they will go back to the CFS.

Overall, the coordination of emergency services will be better and, as I mentioned in my opening statement, with the upgrading of the CAD system and the improvement of the new radio network, collocation means that there will be one central system with less duplication. It reflects overseas trends. It also enables the adoption of best practice in each agency, and there is a lot of work where there is a cross relationship that can occur.

In relation to purchasing and the economy of general goods and services, there is some advantage in that. There are obviously some short-term costs in terms of staff reduction, which is also of benefit. With the collocation into Wakefield street, there are some short-term costs associated with building renovations. The benefit is that there is better utilisation of Government owned accommodation. There is a medium/long-term reduced staffing cost and once-off sale of premises. In the Comcen budget it is estimated that there will be a saving of up to \$500 000. The budget includes replacement of some obsolete equipment, and there is an ongoing occupancy cost which equates to the existing costs at Eastwood. There are those changes, as well. With regard to the Ambulance Service, the costs will be: Ridgehaven, \$400 000; Elizabeth, \$400 000; Camden Park, \$230 000; Northfield, \$170 000; Prospect, \$230 000; and Port Adelaide, \$200 000. If you doubled that, you could assume it would be similar. We do not have an exact costing for the MFS, but we can assume that savings will be about the same once the two are brought together.

Mr CLARKE: In the second part of his answer, was the Minister referring to the collocated communication centre at headquarters?

The Hon. G.A. Ingerson: As part of the collocation of the two services into Wakefield street, there will be a single operation serving both sides. However, one part of the service will be in Wakefield street on one side of the road, and the other in Wakefield House on the other side of the road. They will be working together, but as I have indicated they will be located differently.

Mr CLARKE: Does the Minister have the cost of the common computer aided dispatch system?

The Hon. G.A. Ingerson: The cost is \$855 000 each. So the combined project cost is \$1.7 million. One of the significant pluses of bringing together these communication systems is that, as we have to replace the systems in any case—and we will have to do that soon—now is the most logical time to do it.

Mr CLARKE: Has the department given any further consideration to changing the basis for charging the fire insurance levy? As we all know, at the moment we pay a percentage on our premium to help cover the cost of the fire service. I know there has been discussion within the department in respect of changing it, in order to try to eliminate under insurance on a property value basis so that everyone

helps pay for the fire service and not just those who take out an insurance policy. What is the department's view on that matter?

The Hon. G.A. Ingerson: No advice at all has been given to me on that matter. I understand a report was done some time ago which looked at all the options. However, no advice has been given to me, and the Government does not intend to change that position.

Mrs HALL: I refer to page 103 of the Program Estimates. What is the status of collocation between the South Australian Metropolitan Fire Service and the South Australian Ambulance Service? Page 103 refers to the collocation that has already taken place at Brooklyn Park and O'Halloran Hill, and it refers to Whyalla. However, in 1997-98 Specific Targets and Objectives it talks about Elizabeth and Ridgehaven and the metropolitan boundaries being reviewed. What are the projected time lines for new collocation sites?

The Hon. G.A. Ingerson: As I briefly said in the opening, collocation is strongly supported by the Government, the MFS and the Ambulance Service. It is done purely and simply because there are tremendous operational advantages, as well as cost savings. One of the biggest pluses is in an operational sense, because a mutual understanding of how the two services work and a more cooperative spirit between the two professional services seems to be developing over a short period. It is a spin-off that everyone hoped would occur, but it is now occurring at a more rapid rate. In the long term, as people see how they can work together and change the way they operate, that will probably have more beneficial savings than we envisaged at the beginning. Brooklyn Park was done in 1996; O'Halloran Hill, 1997; and Whyalla is now being done. The new projects being planned are at Wynn Vale—which I mentioned—Mount Gambier and Elizabeth.

Relocation of other operational ambulance stations to existing fire stations is being proposed for Camden Park, Port Adelaide, Prospect and Northfield. Collocation of the agencies has also included an enterprise agreement signed by the MFS and the major unions in September 1996. As collocation of the operation has proceeded, considerable energy has also been directed at support and administrative functions. As I mentioned, those things are starting to happen very quickly.

The MFS and ambulance engineering functions have been reviewed by the Asset Management Task Force, and recommendations were made to collocate at Deeds Road. The subsequent examination of the commercial feasibility of the move did not support the recommendation. The Ambulance Service has recently appointed a project director to be responsible for the relocation of the ambulance communications centre from the Greenhill Road headquarters to the Wakefield Street site, and this is planned by September this year.

The amalgamation of the support and administration functions of both agencies has the potential to provide savings, and we will get more detailed information for the Committee on those savings because, as I said, they were just put together. It has also been envisaged that a joint venture be established which will, through a service level agreement, provide the necessary support and administration functions at a fee for service for both agencies. Planning and development of the division designated fire and ambulance support is well in advance. Overall, collocation has been successful. As I said earlier, the employment issues have become an important part of this whole process. On the advice I am getting, and from being present at some of the openings—and

I know that the Deputy Leader was involved in some—there seems to be strong support for both services in this change.

Mrs HALL: Again, I refer to page 105 of the Program Estimates under Issues and Trends, where specific reference is made to the amalgamation of local government council areas. What is the potential impact on the South Australian Metropolitan Fire Service of the amalgamation of local government council areas?

The Hon. G.A. Ingerson: About half the MFS stations located within country towns and cities have prime responsibility for urban fire fighting within respective fire districts. The MFS is also a key agency in road accident rescues and provides mutual aid to all other emergency agencies. The amalgamation of councils throughout the State has created circumstances whereby some new councils need to contribute to both fire services, that is, MFS and CFS. In reviewing this emergency service requirement, it is possible that some councils may wish to see some rationalisation of fire services as a consequence. The MFS and CFS are undertaking a review of their respective service boundaries, and the final report is anticipated in a few months. This report will assist greatly in the rationalisation process, and of course it will take into account clearly the wishes of the councils concerned.

Mrs HALL: I refer to 1997-98 specific targets and objectives on page 105, where reference is made to maintaining a schedule for implementation of the joint IT strategic plan. What is the status of the computer aided dispatch project?

The Hon. G.A. Ingerson: Dispatch systems are critical for emergency service delivery to ensure that appropriate resources are dispatched to incidents as a result of emergency calls or the activation of alarms. The existing MFS CAD system has limited functionality. It is nearing the limit of its economic and operational life and requires urgent upgrading. A Cabinet submission seeking approval for a project to establish a common computer aided dispatch system for emergency services was endorsed by Cabinet on 23 December 1996. It is being funded jointly by police, ambulance and fire services, while the CFS and SES will also use the system on a fee for service basis.

Initial expenditure of \$1.7 million of the approved \$5.1 million set-up cost will progress the project to the contract negotiation stage, at which time accurate project costs will be determined based on whether the CAD system will be purchased or subject to a service contract. A project director is being appointed and will assemble a team to commence writing the performance and technical specifications. At no time has this project had any involvement with the Victorian CAD group Intergraph or Griffiths Consulting. The introduction of the CAD system to the MFS and other services will reduce response times and provide operational staff with valuable information.

Mr CLARKE: I refer again to the insurance issue. After the recent bushfires in New South Wales, the Insurance Council of Australia produced a report, which surprised me because it showed just how many people were either not insured at all or significantly under insured. What advice, if any, has the department been able to give the Minister with respect to making sure that those who benefit from the use of the fire service and not just those who take out insurance are contributing towards its cost?

I will give a couple of examples; I would appreciate the Minister's advice on this. It has been reported to me that some companies take out their fire insurance through Hong

Kong or some other overseas country, thereby avoiding paying any fire service levy to the fire service here in South Australia. I have also been told of confirmed instances where insurance companies themselves do not contribute anything to the fire service; they simply collect the fire levy on the part of their policyholders and pay it on to the MFS but they themselves do not pay anything towards the fire service. It seems to me that the insurance companies are a direct beneficiary of the fire service's preventing losses to them. Has the Government considered expanding the net, so to speak, and making sure that those who benefit from the fire service operation—not just those who take out insurance policies—contribute towards its cost?

The Hon. G.A. Ingerson: In answer to the first part of the question, I have not received any advice, and I understand neither had the previous Minister, in relation to any policy suggestions. Clearly, discussions have been held on this issue, because the point the honourable member makes is accurate. A large number of people do benefit but make no contribution to the system. I am advised that Western Australia is currently looking at implementing a chain system to try to pick up some of the issues the honourable member has talked about. That is an issue of future funding that clearly must be examined, but I have had no advice from the department at this stage.

Membership:

Mr Foley substituted for Mr Quirke.

Mr FOLEY: I ask this question in my capacity as the State member of Parliament for the electorate of Hart. As the Minister would be aware from his frequent trips to the Royal Yacht Squadron in my electorate, we are three-quarters surrounded by water. That is very useful at redistribution times, but we have a lot of industry along the coastal part of my electorate—the Port River—and it is very important for the safety of my community that we have a very efficient and well resourced fire boat and crew. Since the Minister's Government came into office, the fire boat *Gallantry* has been under consistent attack by former Minister Matthew, and clearly the Government has been opposed to my community having the level of safety and security it needs when it comes to the possible outbreak of fire from vessels in my electorate. Certainly Minister Matthew was a strong opponent of the fire boat and tried for many months or years to sell the it.

Mr Clarke interjecting:

Mr FOLEY: Perhaps that is the answer. Is the Minister committed to maintaining the fire boat *Gallantry* and a very significant presence within my electorate to ensure that any sea based fire—or indeed any industry that is located on the Port River—can have adequate fire resources from the water? It is a very important issue in my electorate.

The Hon. G.A. Ingerson: I thank the member for Hart for his enthusiasm for this question. The Government intends to maintain the m.v. *Gallantry*. It has made some very significant changes in its operation in the past 12 months. The cost incurred by the MFS in 1996-97 is estimated at \$826 843. However, the introduction of some initiatives from the MFS enterprise agreements and recommendations from the business plan will reduce the cost by about \$280 000 in 1997-98. For example, one of the significant initiatives is the formalised cooperation between the Department of Transport Marine Safety Section, whereby the emergency response vessel and the crew now undertake an expanded role in

responding to oil and chemical spills in the Gulf waters and Port River environs. It is important for the local member that that be the case.

The *Gallantry* also has a vital role to play in combating the negative effects of accidents such as the toppled oil rig in Gulf St Vincent. The recovery of costs in some instances reduces the operating costs for this appliance, and I would assume that in spite of the honourable member's joviality he would assume that the recovery of costs is a pretty good process. With such initiatives in place the estimated recurrent budget is \$543 600. The costs will be partially offset by revenue from other agencies for services provided. By operating the *Gallantry* the MFS continues to provide a vital State resource to assist in various emergency incidents and the protection of our marine environment. Funds recovered from the provision of services such as those prescribed will continue to offset the cost of the operation, to the benefit of the entire community as well as that of the member for Hart.

Mr FOLEY: Thank you, Minister, for that answer. That joviality had nothing to do with the fire boat because I consider it a very serious issue.

The Hon. G.A. Ingerson: I happened to see the honourable member laughing.

Mr FOLEY: No, we had a joke about something else. It is an important issue for the community, and I appreciate your more constructive approach to issues than that of former Minister Matthew.

The Hon. G.A. Ingerson: That is a bit unfair.

Mr FOLEY: But true. As a supplementary question, some time ago an incident occurred and former Minister Matthew refused to allow the *Gallantry* to be used for search and rescue off the coast of Adelaide. I would have thought that, given the number of boats that come into and go out of the Royal Yacht Squadron and the Cruising Yacht Club, as well as the many aeroplanes that fly over water coming into Adelaide Airport, it is important to use a fine vessel such as the *Gallantry* for search and rescue. Has the policy changed since that last incident?

The Hon. G.A. Ingerson: My understanding is that Minister Matthew denied any such statement. The Chief Executive advises me now that he has not been instructed nor was he instructed by Minister Matthew to not make the vessel available. I am advised that, as part of the overall emergency service portfolio, the m.v. *Gallantry* is available for use to any of the emergency services on an as-request basis and that, if the vessel happens to be at sea, it is automatically available in terms of any emergency service.

Mr FOLEY: If the police requested it, the *Gallantry* would be available?

The Hon. G.A. Ingerson: Absolutely. Police are part of emergency services and, as Police Minister and responsible for all emergency services, I can say that it is part of the emergency service process and will be used accordingly.

The CHAIRMAN: There being no further questions with respect to the Metropolitan Fire Service, the questioning transfers to the SA Ambulance Service.

Mr BUCKBY: I am interested in the performance of the SA Ambulance Service and refer to page 119 of the Program Estimates. Will the Minister provide some information about the performance of the SA Ambulance Service in comparison with other ambulance services interstate?

The Hon. G.A. Ingerson: The SA Ambulance Service is an organisation based on total quality and best practice client service, aiming towards the best ambulance service in the Asia region by the year 2000. With this strategy in mind, the

SA Ambulance Service has begun to make leaps and strides in several areas. The first area that comes to mind is the management commitment to strategic planning and implementation which was embodied in the Australian Quality Council Award presented to the SA Ambulance Service last year for commitment to business excellence.

The SA Ambulance Service was among only seven recipients in South Australia and the only Government agency to be presented with an award. Furthermore, it is the only ambulance authority in Australia officially recognised by the Australian Quality Council. Clinical excellence is another area of which the SA Ambulance Service can be proud when standing among its interstate peers. This clinical excellence can be measured in the rate of successful VF (ventricular fibrillation-chaotic electrical activity in the heart) cardiac resuscitation, where ambulance paramedics are not only leading Australia but among world leaders.

Success is measured by the percentage of survivors released neurologically intact after 21 days. The SA Ambulance Service has an admirable documented result of at least 24 per cent. This excellence is a demonstration of the training and education system undertaken by the SA Ambulance Service, which has now been recognised interstate. The SA Ambulance Service and the ACT have signed a contract for our Ambulance Service to oversee the education and training of ACT ambulance personnel. On average, the SA Ambulance Service is among the fastest respondents to emergencies. The SA Ambulance Service consistently meets response criteria in metropolitan country regions. According to the most recent available figures in 1995-96, the SA Ambulance Service responds more quickly to metropolitan emergencies than all other Australia ambulance services other than that in the Northern Territory. I will incorporate in *Hansard* a statistical table with reference to response times.

State	Minutes
NSW	10.7
NT	8.0
Vic.	9.12
WA	9.51
Tas.	10.74
SA	8.21

Source: Australasian convention of ambulance authorities.

The Hon. G.A. Ingerson: The table indicates that the response time in South Australia is 8.21 minutes compared with the highest response time in New South Wales and Tasmania of 10.7 minutes. Our performance as a leader in ambulance service provision is achieved efficiently with a majority of funds coming from users of the service. Except for Western Australia, Government funding of ambulance services per head of population is lower in South Australia than in any other State, according to the most recent figures available. I incorporate a further table in *Hansard* headed 'Government Funding of Ambulance Services'.

	Population 000's	Government Funding \$000's	Funding Per Capita \$
NSW	5 600	124 041	22.15
Vic.	4 460	57 178	12.82
Qld.	3 277	49 178	15.01
WA	1 757	9 516	5.42
NT	178	3 864	21.71
Tas.	472	10 638	22.54
SA	1 475	10 502	7.12

Source: Australasian convention of ambulance authorities.

The Hon. G.A. Ingerson: The funding *per capita* for South Australia is \$7.12 compared with the highest, again in Tasmania and New South Wales, at \$22.50. I am very pleased

to say that South Australia's Ambulance Service is efficient, world class and a total quality ambulance service.

Mr BUCKBY: I turn the Minister's attention to paramedics within the Ambulance Service. At pages 119 and 121 of the Program Estimates, the descriptions for the metropolitan ambulance service and the country ambulance service indicate that paramedics will continue to be deployed to country and metropolitan stations (lines 7 and 29 respectively). Will the Minister outline the effect of the paramedic program implementation?

The Hon. G.A. Ingerson: The South Australian paramedic program formally commenced in 1995, following positive response from a small trial group, the South Australian Paramedic Ambulance Officers, who joined the New South Wales paramedic students for theoretical training. The program includes 12 months of theoretical and practical training, which incorporates work within major hospitals. The program has provided South Australia with paramedic ambulance officers in both metropolitan and country regions. This program has provided major benefits to the population of South Australia by providing the most advanced and clinically excellent pre-hospital patient care service South Australia has ever seen.

Mortality and morbidity rates have been reduced and the rates of successful cardiac resuscitation speak volumes for the high standards of pre-hospital patient care now offered to the public. The rates of ventricular fibrillation-cardiac resuscitation have improved 300 per cent since the implementation of the paramedic system. South Australia is now among world leaders in successful VF cardiac resuscitation. The paramedic success in South Australia has paid dividends in other areas. Our program has been recognised by interstate and international ambulance and emergency medicine bodies, and the SA Ambulance Service has been approached to share its expertise by providing courses and training.

Indeed, the Ambulance Service expects to have two overseas students in its paramedic course next year, therefore the paramedic program will also generate income for the State. Paramedic ambulance officers provide clinical information and lectures within the Ambulance Service and to other health care professionals. Paramedic ambulance officers will be involved in the Bachelor of Health Science degree at Flinders University as tutors. This will not only ensure that future ambulance officers have first-hand knowledge of the level of clinical care provided to the public of South Australia but also provide positive care development for paramedics.

South Australia should take comfort in the fact that, should they ever need emergency medical attention, they will have access to the best pre-hospital patient care service, which achieves world-class results, just a telephone call away, and the Government is very proud to be a part of it.

Mr BUCKBY: The issue of new ambulances is important in terms of replacement of old stock in either country or metropolitan services or the addition of new ambulances to the service. How many new ambulances will enter service in 1997-98?

The Hon. G.A. Ingerson: The Ambulance Service will introduce 32 new ambulances in 1997-98, involving 30 twin berth diesel Ford F-250 ambulances at a cost of approximately \$118 000 each and two single berth Ford Longreach ambulances at a cost of approximately \$70 000 each—a total of 32 vehicles at a cost of approximately \$3.6 million. These vehicles will be commissioned throughout the State, with potentially 14 vehicles in the country area and 18 in the

metropolitan area. The exact location of vehicles will depend on different variables such as vehicle damage, repairs, maintenance and the immediate need. The Ford F-250 diesel ambulances ensure that the ambulance fleet is fuel efficient and high performance, while the Ford Longreach adds flexibility to the emergency response and routine transport vehicle fleet.

Mr CLARKE: Recently, I was in the Far North of the State where I had the opportunity to meet a number of Ambulance Service volunteers, who do an outstanding job under very difficult circumstances. I congratulate the Ambulance Service on its performance indicators over the years in terms of attendance at priority 1 cases within 14 minutes and priority 2 cases within 30 minutes and its high achievement level. Perhaps the Minister will take on board the way the Ambulance Service records its response times and consider whether, wearing his other hat as Minister for Police, he can provide a better picture in that area. The Minister indicated the benefits in terms of the moneys saved through the collocation of the MFS and the Ambulance Service, an initiative which I agree makes a lot of sense. Do the dollar savings to which the Minister referred in respect of the MFS represent the same savings for the Ambulance Service? If they are different, will the Minister indicate the exact figures?

The Hon. G.A. Ingerson: Because the figures available are not absolutely accurate I assume they would be the same on both sides. As I said earlier, we will get that detailed information for the honourable member to confirm it one way or the other. The savings in relation to the collocation of headquarters are 50/50, because we will split them down the middle.

Mr CLARKE: As I said earlier, I was in the Far North at the Leigh Creek ambulance service station that is staffed by volunteers. They wanted a satellite telephone. I understand that since my visit the purchase of a satellite phone has been authorised. The difficulty in these far northern areas is communication. Basically, the UHF system is not good enough. What provisions have been made in this year's and in future years' budgets for the provision of satellite telephones in remote locations?

The Hon. G.A. Ingerson: I know that the Deputy Leader is very prone to exaggerating. I am advised that it was not as a result of his visit to the Far North that satellite telephones were provided; in fact, the process was started some two years ago. The installation of satellite telephones was delayed because of the issue of how that should fit into the extension of the whole of Government radio network process. Having said that, I point out that the Ambulance Service has installed some satellite telephones and will continue to do so, but it will not progress it as rapidly as it might have wished until this whole radio network system is sorted out. Contracts for the installation of satellite phones could be undertaken fairly soon in the sense that the sourcing is being done at the moment, but the actual implementation of the total satellite system, if it is to occur, could be some time down the track. Currently, there are seven phones at Ceduna, Coober Pedy, Yalata, Roxby, Leigh Creek, Kangaroo Island and Karoonda.

Mr CLARKE: I met with volunteers at Coober Pedy who expressed concerns that a full-time coordinator had not been appointed at Coober Pedy. I understand that this proposal has been shuffled backwards and forwards over a period of time but, nonetheless, when I was up there six weeks ago no resolution had taken place in terms of making a decision to appoint a full-time coordinator. They find that many of the

volunteers in Coober Pedy are Government employees who find it extremely difficult to get time off from their own obligations to undertake training work and a number of other matters which need to be done. Will the Minister provide a report on what, if any, activities are taking place with respect to the appointment of a full-time coordinator? When can the people of Coober Pedy expect the appointment of a full-time ambulance officer to work with volunteers?

The Hon. G.A. Ingerson: I have been advised that there has been a continuing review into this issue. At the moment, the question of appointing a full-time coordinator is considered marginal. The volunteers are supported from Port Augusta, and at this stage there has been an increase in personnel at Port Augusta to attempt to manage the situation in Coober Pedy. It is a continuing review process. If the need for a full-time person is believed desirable, it will take place. So, it is a continuing review. At the moment, it is believed to be marginal and the service is being supported out of Port Augusta.

Mr CLARKE: One thing I noticed when I visited these small country towns was that many of the volunteers supported not only the Ambulance Service but also the CFS—and they were probably also a full-time police officer or a full-time teacher. In a lot of cases they are Government employees. Given the cutback in the number of State Government employees working in these areas, what impact has there been on the level of volunteer services provided in these crucial areas?

The Hon. G.A. Ingerson: I am advised that the service level has not been cut back significantly and that, while the issue of the cutback of Government staff may cause some reduction in numbers, the major change has been the ageing over time of volunteers involved with the CFS, the SES and the ambulance services. Young people do not want to get involved in this service as much as older people have done in the past. It is more a community and attitude issue than it is one about cutbacks by Government in any areas.

Mr BASS: I refer to the South Australian Metropolitan Fire Service and to page 105 of the Program Estimates. What effect has the SAMFS enterprise agreement had on the provision of services?

The Hon. G.A. Ingerson: The enterprise agreements, Federal and State, provide for a 12 per cent pay increase, 6 per cent from 1 July 1996 and a further 6 per cent from 1 July 1997. The agreement is for a period of two years from certification; that is, it will expire on 22 September 1998. The majority of initiatives associated with the first 6 per cent have been implemented and include: a reduction in required shift complement of firefighters-officers from 129 to 117; restructuring in permanent full-time staff at the Port Pirie fire station from 36 to 30, and the introduction of retained firefighting complement; continued progression of operational collocation of the SA Ambulance Service and the MFS, with collocation occurring at Adelaide, Brooklyn Park and O'Halloran Hill, with plans for Camden Park and others. There has been no adverse effect on the emergency service delivery provided by the MFS as a result of the enterprise agreement.

Apart from the removal of one of the fire appliance pumpers at Prospect, in an action not related to outcomes of the enterprise agreement, the exact number of fire appliance pumpers and crews are available today as were available prior to the implementation of the MFS enterprise agreement. Further, as part of a pro-active fire appliance research and development program, the MFS has recently taken delivery

of two fire pumper-rescue appliances. The use of a combined pumper-rescue concept to replace two dedicated non-pumping rescue appliances will actually expand the current availability of pumping resources by two, providing greater operational flexibility and emergency service delivery to the community.

Mr BUCKBY: I turn the Minister's attention to the helicopter contract. The SA Ambulance Service has been given the responsibility for managing the operation of the State Rescue Helicopter Service, as indicated on page 119 of the Program Estimates, through the contract awarded to Lloyd Offshore Helicopters Pty Limited. Will the Minister provide further details about that contract?

The Hon. G.A. Ingerson: The contract was executed on 27 March 1997. The State Rescue Helicopter Service was established in 1980 as a full-time rescue emergency service. Efficiency gains under the contract include: pilot and air crew supplied on a 24-hour standby basis by the selected contractor; medium helicopter that enables the carriage of up to four patients or two stretcher patients with a full medical team; additional pilot brought in to stand by when one helicopter is launched; all training for air crew at the cost of the contractor (note: some training for agency personnel will still be required, for example, health professionals); all specialised equipment to be supplied by the contractor; reconfigured helicopters meet the expanding and more demanding emergency-medical services role; improved and consistent response times; improved command, control and communications systems for the helicopter service; and improved performance reporting and indicators.

The cost over the five years of the contract is expected to be of the same order as the current cost. In relation to the current contract, there is some further updating. With the helicopter fitout, temporary delays have been experienced in the installation and operation of a forward looking infra-red detector due to minor technical difficulties. The device has been sent to the manufacturer to be adjusted, and the SA Ambulance Service is following the progress daily. In relation to sponsorship, SGIC has agreed to extend the old sponsorship until June 1997. The Ambulance Service is presently actively seeking a new sponsor from 1 July 1997. In relation to ongoing management, I as Minister have approved a new management committee established to manage the new contract. This committee includes representatives of user agencies and is supported by appropriate medical and contract expertise.

Mr CLARKE: This question applies to both agencies, and I would not expect the Minister to have the answer at his fingertips. Will the Minister provide information on spending within those two agencies with respect to consultants, public relations and any polling done over the financial year ending 30 June this year?

The Hon. G.A. Ingerson: We will obtain that information and provide it to the honourable member.

Mr CLARKE: My other question relates to the Fire Service. What details, if any, apply to the salaries of senior executive staff, and are performance bonuses applicable to such senior executives, including the Chief Executive? On what basis are those bonuses paid out?

The Hon. G.A. Ingerson: There are no performance bonuses at all; it is just straight salary.

Mr CLARKE: I would like to thank the officers from both services and, in particular, their staff and volunteers for all the work they do on behalf of the community.

The CHAIRMAN: There being no further questions on the Ambulance Service and the SAMFS, I declare the examination of the South Australian Metropolitan Fire Service vote completed.

Country Fire Service, \$6 466 000
State Emergency Service SA, \$1 428 000

Departmental Advisers:

Mr B.F. Lancaster, Director, State Emergency Service SA.
Mr N.J. Cooke, Deputy Director.
Mr S.J. Ellis, Chief Executive Officer, Country Fire Service.
Mr G.S. Weir, Director, Corporate Services.

The Hon. G.A. Ingerson: I am pleased to report that the South Australian Country Fire Service continues to maintain a capacity to provide cost effective, high quality risk reduction and emergency response across the State. This capability would not exist without the dedication of our 18 000 CFS volunteers and a small number of staff who are committed to protecting their local communities. The Government appointed Mr Stuart Ellis to replace Mr Alan Ferris as the CEO, and he took up his appointment in December 1996. Under his leadership the CFS is completing a strategic review, including a detailed analysis of service provision and training needs. Revised standards of fire and emergency cover are being developed and a combined study with the State Emergency Service has identified considerable benefits in collocating the headquarters of the two services and promoting further collocation of brigades and depots.

The CFS provides two essential services: fire prevention services, including risk management; and emergency response and management to minimise danger and destruction of life, property and the environment. The year 1996-97 was a high risk fire season as a result of considerable spring growth, the introduction of the calicivirus and a dry summer. Despite these risks, we had only a small number of major incidents, with no loss of life and no substantial destruction of property.

While persistent commercial pressure was exerted to use the Canadair water bombers, the CFS continued to utilise contracted agricultural aircraft based in the Adelaide Hills and the South-East providing a most effective and efficient initial aerial response service. In line with growing trends the CFS is placing increasing priority on prevention measures and services. This includes continued prevention advice regarding special development plan applications primary to the Adelaide Hills and a building fire safety service provided for country areas. The CFS's emergency response and management is increasing in complexity and capability with almost 50 per cent of CFS call-outs in the past year being for incidents other than fire.

In the coming year the CFS is placing greater emphasis on technology to assist in emergency response and management. The extensive use of foam not only in aerial bombing but with standard appliances reduces the amount of water required and increases suppression effectiveness. Incident activity reporting is being upgraded, replacing a paper based system by telephone, facsimile or a modem transmitted report which will summarise activities every 24 hours. A personal computer based operation and administrative management

system is planned to be introduced across the State in the coming financial year.

The CFS has continued to work in partnership with local government to provide the highest possible standard of service to communities. Extensive consultation is provided for CFS regional officers regarding appliance replacement and fire and station upgrade programs. This has proven particularly important during council amalgamations leading to review of the CFS brigade and group structures. A flexible approach has been adopted to accommodate the needs of the volunteers, brigades and councils in each local area. Five-year management plans have been prepared for appliances in five stations to ensure adequate effective infrastructure is in place to protect the community and enable volunteers to perform their task safely.

Training and development and the safety of volunteers continue to be a high priority with basic training provided by volunteer instructors in regional areas and specialist courses conducted by staff. The CFS is directing additional resources to occupational health and safety and welfare and it has achieved level 1 status under WorkCover standards. Programs are also in place to afford specific support for CFS families and for the prevention and management of stress for volunteers. In 1996-97 the CFS further reduced its debt by \$500 000 to \$13.6 million. Levels for funding for the CFS have increased from the allocation of \$13.02 million in 1996-97 to \$13.445 million in 1997-98. This reflects Government's commitment to ensuring that local communities are adequately protected from fire and other emergencies.

In the current financial year 37 new appliances were provided to brigades across the State. These have been resourced jointly by the CFS and local government funding. A similar number of appliances are planned to be replaced in the coming year. Country fire station upgrades are also continuing with over 10 new stations planned in the coming year. Moore Engineering at Murray Bridge continues to fit out CFS appliances, illustrating the role that regional community businesses can successfully play in the economic development of the State. The Volunteer Fire Brigade Association has been supportive of the direction in which the CFS is heading and is instrumental in ensuring effective communication between volunteers and the CFS.

In summary, the CFS is in a sound position and I am confident that it will serve the State well in the coming year. As the largest emergency service in the State, with 18 000 volunteers protecting over 450 communities outside the metropolitan area, through its volunteer service it continues to maintain a high level of professionalism and achievement.

The State Emergency Service continued to prove to be a very viable emergency service. During 1996-97 it responded to 2 895 tasks involving 59 388 hours to the end of May 1997. These hours do not include the many thousands of hours spent on training, administration, equipment and maintenance. An examination of the range of tasks undertaken by SES volunteers shows how diverse this service is. SES volunteers respond to storm and flooding situations, motor vehicle accidents, land search and vertical cliff rescues, as well as providing support to the police in such instances as those involving missing persons, searches for bodies and the provision of lighting at major road accidents.

In addition, the SES provides support to all other emergency services. It is planned that the SES State headquarters will move to and be collocated with CFS State headquarters at St John House at Eastwood in November 1997. These two services, together with St John Ambulance Australia, will

effectively form the SA Volunteer Emergency Service Centre. The collocation of SES and CFS will enable integration of administration services as well as support service and training. This will see the two services working much more closely together and, at the same time, each service acting autonomously in the operational sense.

Savings will eventually flow from such collocation and integration of administrative and other services. Estimates for 1997-98 see an increase of \$216 000 for the SES. Provision is being made for salary changes brought about by enterprise bargaining as well as a new provision of \$50 000 for volunteer training purposes in addition to the existing staff cost. It has been possible to maintain the level of funding in respect of local government subsidies which support the 65 SES units throughout the State. The increase of \$215 000 to \$422 000 in 1996-97 has had the effect of greater support being provided to the SES units by sponsoring local government authorities and the Outback Areas Community Development Trust. The amount proposed for 1997-98 is \$429 000.

In conclusion, the community of South Australia should be very proud of and thankful for the efforts of all our emergency services volunteers who collectively provide a magnificent service.

Ms WHITE: In leading off on this budgetary line, I pay tribute to the very professional and valuable service offered to our community by the South Australian Country Fire Service, and, in so doing, I make special mention of the Salisbury CFS, which has a very impressive record of achievement and contribution to our community. Besides being a great group of very competent men and women, it provides a very special service to our community. When many people think of the CFS they think of country and grass fire work. The CFS performs a much broader service than that. For example, in my local electorate last year we had a spate of car accidents and the very quick attendance by the CFS at those accidents was very much appreciated and valued by our local community.

My question relates to funding of the CFS. Under an earlier line the Minister mentioned the review being conducted with regard to the CFS-MFS boundaries. It is the issue of the boundaries between CFS and MFS that impacts on the way in which local councils regard their role and responsibility in funding towards Country Fire Services. It seems to me that the amount of local government funding for the CFS depends very much on the negotiating skills of the local captain in presenting the case for a particular CFS unit to a local council. Where there is an overlap of CFS-MFS boundaries the attitude of the council towards what their responsibility is seems to be a little confused or varied.

What does the Government see as the responsibility of local government in terms of financial contribution to the CFS? Does the Minister think that the level of funding from individual councils is appropriate at the moment? Has any thought or consideration been given to overcoming this problem of local negotiations determining the funding level to individual CFS units each year?

The Hon. G.A. Ingerson: I thank the honourable member for her question and her comments in relation to the Salisbury CFS. Having lived in the area for 25 years, and lived alongside the local person who was in charge of the CFS, I was certainly aware of the amount of time that he and his volunteers gave to the community. There is no doubt that that particular division is an example of what happens around the State, and I had the privilege of living alongside this person

and being told how good it was for 25 years, as well as actually seeing the service that was provided.

In relation to the whole area of boundaries, there is a tremendous amount of duplication in the Emergency Fire Service right throughout the State. In looking at that duplication one has to take into consideration how the funding occurs, whether it is for fully professional staff or volunteers. Part of this whole boundary review involves looking at what is the best option in the future regarding this duplication of service.

As the honourable member pointed out, some councils pay less and others pay more and there is a correspondingly different service. If some of the duplication can be evened out, we might end up with a better across-the-State service. That is all part of the review that is currently being done. As far as the Government is concerned, local government never puts up enough funding. If you asked local government, they would say that we do not put enough up. At the end of the day, the issue of funding for emergency services will be ongoing.

As the Minister responsible, I put my hand up every budget time to try to get more money for emergency services, particularly for volunteers, because they put in a tremendous amount of time that would be well recognised if we improved the appliances, equipment and clothing that they use. The central funding option is being looked at to see whether, as part of the evening out of duplication, it can be handled better from a central source. No final decisions have been made on the review and we will have to wait until that occurs.

Ms WHITE: A rumour has been doing the rounds that the State Government is looking at taking over the management of the CFS fleet and moving stock between brigades, depending on local needs. Is it the Government's intention to do that?

The Hon. G.A. Ingerson: No, because 85 per cent of the appliances are owned by local government, and we have no intention of getting involved in that. That is a furphy.

Mr CLARKE: I join the member for Taylor in congratulating the volunteer workers, in particular, in the CFS and the SES on the work they do. Earlier this year I went to Carrieton in the Far North and spoke to the local CFS captain. What concerned him, like it concerns the Ambulance Service in the remoter areas, is communications. Because of quite extensive bushfires in that area in December last year, there was a breakdown in communications, and the request of the Carrieton CFS is to put a repeater unit on the Mookra police tower. It is his view that such a unit for the CFS would enhance communications within the local area considerably.

The Hon. G.A. Ingerson: As I mentioned, we are currently trialling satellite phones with the Ambulance Service, and we are doing exactly the same with the CFS in the northern pastoral areas and on Eyre Peninsula. We have no intention of picking up the old police network because that will be replaced. Whilst it might have been a difficulty yesterday, as we are moving on to the new Government radio network system, we will be implementing a totally new system right across all emergency services.

Mr BASS: I refer to page 95 of the Program Estimates and the broad objective of the CFS board's responsibilities to minimise the impact of fire and other emergencies on life, property and the environment. Can the Minister advise what were the significant differences between the 1996-97 fire season and previous years? How might that impact on future fire seasons?

The Hon. G.A. Ingerson: The 1996-97 fire season was a high fire risk as a result of the spring growth, the introduction of calicivirus and the dry summer. However, we were fortunate that the weather conditions were generally favourable throughout the season. There were a small number of major incidents with no loss of life and no substantial destruction of property. One of the most significant incidents was the Mount Brown/Dutchmans Stern fire, which occurred during the period 1 to 16 December 1996. Extensive areas of Mount Brown Conservation Park were burnt. Crews from around the State, including 934 ground personnel, four bomber aircraft and two spotter aircraft were used to control the fire. Thousands of hectares were burnt in inaccessible terrain requiring extensive use of aerial bombing.

The Seal Bay/Cape Gantheaume fire on Kangaroo Island developed into a major fire over the period 15 to 21 December 1996. 260 firefighters, together with 35 appliances and an aerial bomber, contained the blaze. Very heavy smoke enveloped Adelaide on Sunday 22 December, reflecting the high fuel loads being burnt and as a result of the prevailing weather conditions. The fire was contained in the national park boundary but required ongoing monitoring by CFS volunteers over a subsequent two-week period.

A potentially disastrous fire occurred north-west of Glencoe in the South-East on 5 January in pine plantations. Fanned by strong winds, the fire burnt 169 hectares of pines. Weather changes and the efforts of 250 volunteer firefighters combined with aerial bombing support contained the fire prior to it directly threatening the Glencoe township. On 20 January 1997, a significant fire caused by hay falling on a tractor exhaust burnt 600 hectares at Tooperang/Mount Compass. Fifty-five appliances, two aerial bombers and 320 volunteers fought to control the blaze. CFS efforts directly saved 12 houses threatened by the fire.

These incidents compare with similar incidents in previous years. The major differences of the 1996-97 fire season were the high fuel availability, with its destructive potential, and the increased utilisation of aerial bombing. Despite persistent commercial pressure to purchase or hire the Canadair water bombers, the CFS continued to employ agricultural aircraft based in the Adelaide Hills. These were contracted through Australian Maritime Resources. This three-year contract terminated at the completion of the 1996-97 fire season and a tender will be called for future services during the winter. The CFS adjusted its utilisation of these aircraft in the Adelaide Hills from a measured deployment as a result of specific risk assessment to a standard operating procedure of deploying the aircraft in the high risk areas of the Adelaide Hills and the South-East forests at the first indication of fire. This pre-emptive action best utilised the aerial bombing capabilities and proved most successful.

Mr BASS: I refer to page 95 of the Program Estimates and the broad objective to minimise the impact of fire and other emergencies. Statements have been made by the Minister on the need for closer integration between the Country Fire Service and the State Emergency Service. Can the Minister explain his policy with respect to closer integration between the CFS and the SES? What steps will be taken to achieve closer integration and what benefits are anticipated?

The Hon. G.A. Ingerson: The volunteer and community based culture of the CFS, the SES and St John is fundamental to the success of those organisations. It is their strength. Unpaid professionals have different needs from paid professionals and, to a certain extent, the two cultures are incompat-

ible. Any attempt to mix the two cultures usually poses major difficulties. My approach is to pursue a closer integration between the volunteer organisations of the CFS, the SES and St John to realise cost savings and to service improvements without fixing paid and unpaid professional cultures and incurring unnecessary risk.

A certain amount of the duplication that has naturally occurred over the years can be eliminated. We can do more with the resources that we have available. CFS infrastructure spans the State and provides opportunities for the SES and other organisations to share resources and streamline operations, for example, communications, planning and collocation. There will be no loss of identity, full consultation and cost savings without compromising on operational effectiveness.

With regard to the collocation of the CFS and the SES, I have requested all CEOs to examine options for collocation with other services to provide savings through the sharing of common facilities, as well as providing other opportunities for further resource sharing at a later date. CFS has an in-principle agreement with SES and St John volunteers that, where practical, volunteers will be collocated on joint facilities. The CFS will identify a location where this policy may be implemented as part of its annual planning and budget cycle. A successful example of this policy is the Tumby Bay district council which combined with the CFS and the SES to build a new joint service facility on a suitably located block central to the town. A committee has been formed to manage this facility.

Benefits have accrued to all parties in the facility: it is cheaper and is of a higher standard than stand alone buildings. Further benefits have flowed through the use of common communications and by the SES stowing its equipment on a CFS appliance rather than purchasing a specialist unit. As responsible Minister, I requested that the CEOs of the CFS and the SES review the organisations and services that they provided with a view to identifying opportunities for closer integration and savings to the benefit of the community and volunteers. The feasibility study report was forwarded to me, and I have accepted the jointly recommended option. The CEOs oversaw the review of services and met weekly over a two month period to review the work undertaken by a number of staff.

The study recommended bringing together the services at joint headquarters and linking corporate services, administrative support, executive functions, training functions and operational coordination but keeping separate the service delivery. The two organisations are preparing an implementation plan to achieve the preferred option for my consideration. Savings realised from the sharing of headquarters, corporate services and closer integration will be reinvested to the benefit of volunteers and to the community. I have been advised that specific savings have already been identified, that is, 1.7 FTEs, plus about \$500 000. As I said, the greatest benefit is in operational coordination, administrative benefits and cooperative support, which is important and is of benefit to members of both groups.

Mr BASS: I refer to page 94 of the Program Estimates, under payments of a capital nature. What progress is being made on appliance replacement?

The Hon. G.A. Ingerson: The CFS fleet is a low cost rural fleet of 95 per cent of appliances; it provides 2 per cent of specific urban appliances; it retains wildfire capabilities on all its rural fleets; and it provides about 2 per cent of non-fire fighting appliances. There are 575 fire appliances under CFS

control in South Australia, with the CFS board owning approximately 16 per cent of these vehicles. The average age of the fire appliance fleet is 9 years, following a period of major upgrading after the Ash Wednesday bushfires of 1983. The CFS is in the process of developing a five year replacement program for its fire appliance fleet, with the aim of ensuring that all appliances remain under 20 years of age.

The CFS appliance fleet management is based on imperatives and criteria determined by appliance age, occupational health and safety requirements, appliance wear and tear and high use rates, service delivery needs and changes, design limitations and appliance reliability. Proprietary appliance replacement criteria is summarised as follows: first, the replacement of all petrol appliances; secondly, the replacement of two-wheel drive appliances within the rural fleet; thirdly, the replacement of all rear entry steel-bodied appliances; fourthly, the replacement of light weight appliances at 15 years of age; fifthly, the retirement of appliances from brigades within the top 150 at 15 years; sixthly, the replacement of two specials with purpose-built appliances; and, lastly, the replacement of those appliances that are 20 years old.

The CFS aims to replace up to 40 appliances in the 1997-98 financial year, with a total of 200 appliances for the next five years in accordance with replacement policies, standards of fire and emergency cover requirements, and the above criteria. It is estimated that the CFS will contribute approximately \$2.9 million in the coming financial year towards the purchase of appliances, with a total of \$13.7 million for the next five years. All fire appliances purchased by the CFS have been built in South Australia since 1994, and produced by Moore Engineering at Murray Bridge. This contract is likely to be renewed in August 1997, pending endorsement by the State Supply board. I will clarify an answer to an earlier question. The appliances are not being rotated around the State, but some rotation occurs within the CFS group council areas as a result of differences in use.

Mr CLARKE: I refer to the recruiting of volunteers to serve within both the CFS and the SES. From my experience—which has been somewhat limited, since I have taken over the shadow portfolio only in the past few months—many CFS volunteers are also SES volunteers. There has been a reduction in Public Service numbers particularly in the country areas, and they often form the backbone of the volunteers. What steps have been taken in both organisations to promote volunteerism amongst those remaining in their local communities to be able to serve both the SES and the CFS promotional activities? There may be a variety of other things that have been undertaken by both agencies.

The Hon. G.A. Ingerson: About six months ago, I attended a major seminar on the volunteerism and recruitment issue. It is an issue that is of common concern around Australia; it is not purely and simply a South Australian issue. A range of issues is involved. As I said earlier, one of the prime issues is the ageing of the volunteer population. The second issue is the encouragement of young people to get involved and give up their time in the service when they can be involved in so many other activities. I will ask Brian Lancaster to give some advice on what the SES is doing, and then Stuart Ellis as to what the CFS is doing.

Mr Lancaster: As the Minister indicated, the seminar he attended some six months ago was an initiative of National Emergency Management Australia to get volunteers talking around Australia. Such seminars are being conducted in each State, with a lead being given by the Commonwealth in this

regard to address the overall problems facing volunteers such as equipment, vehicles and those other things that have been addressed today. Of course, the big area involved in that is training and the advent of training competencies. This is also being addressed by the fire authorities, as well as the SES, with the advent of national competencies coming in.

Public awareness and public relations are all important in making the public aware that there is a place for volunteers in their community. The bottom line is that what will bring volunteers to the services is action. I point out that in the SES's case, after a major storm we can always count on being inundated with people who want to join the service. Unfortunately, if we do not get a storm for another couple of years, we tend to lose them. In the country areas, in the rural areas particularly, in our units there are some who are joint members, both SES and CFS. However, we find that many of the SES people do not want to fight fires; likewise, the CFS people in some cases do not want to undertake the activities we do. So, there seems to be a general sorting out of all the volunteers in the country. All in all, I would say that, if there were more action in the areas, we would get many more volunteers without having to drive any public relations.

Mr Clarke interjecting:

Mr Lancaster: Unfortunately, that is the case.

Mr Ellis: The CFS has initiated a specific project entitled 'The Spirit of Community' in this last financial year. It has been directly sponsored by the CFS board and is focused on improving the profile of the CFS and voluntarism. The activities in this program are being planned in full consultation with the volunteers. It includes the appointment of a media officer which has occurred in the CFS this year and which has resulted in a substantial improvement in the CFS media profile, and that is recognised by volunteers. Also linked to this program, increased resources are being directed towards the retention of volunteers, and with that in mind the pantechnicon promotion vehicle is being deployed around the State. We are looking specifically at ways of reducing the administrative demands on volunteers so they can spend more time with their families and, when they are required to conduct CFS action, it is not attending to administrative demands but doing what they joined the CFS to do, namely, responding to emergencies.

Furthermore, we have reviewed our training so that more is directed to regional areas, to reduce the demands of travel and the need for people to move out of their area to gain training. Finally, we are endeavouring to promote with employers as well as individual volunteers the skills and training they are gaining as a result of being in the CFS and that in fact there are benefits to the individuals as well as to the service.

Mr CLARKE: This next question is applicable across all the Minister's portfolios. I am aware that the State disaster plan is regularly updated and that regular meetings are held among the heads of each of the emergency services and the like. I note from Mr Lancaster's comments that, if there is a huge storm, the SES is inundated with volunteers who then drift off. It would seem to me that, if a major disaster occurred in this State, whilst you might get plenty of volunteers on the ground, their lack of training would be a problem, because they would suddenly come to assist and there would be too few people with appropriate training. In the event of a State disaster, how well equipped are we amongst our volunteer services in particular in terms of trained, experienced volunteers who can meet the sorts of

scenarios that the State disaster plan contemplates could occur from time to time in this State?

The Hon. G.A. Ingerson: The State Disaster Group is headed by Fred Fairhead, who sits in the Department of the Premier and Cabinet, and the Executive Officer is Brian Lancaster. In the case of a natural disaster, the Police Commissioner becomes the chief organiser and all the emergency services meet with the Police Commissioner to work out how the plan is to be implemented. I am advised that a major exercise is to be carried out this year amongst all emergency service volunteers in relation to any major State disaster plan. I will ask Brian Lancaster and Stuart Ellis to fill out the details of how they fit into the scheme as it is. It is managed under the control of the Premier and, once it is actually implemented, I then become responsible as Minister for Emergency Services.

Mr Lancaster: The State disaster plan identifies 14 functional services, of which each of the emergency services is part. Each of those services is controlled by a State controller, and that is normally the chief executive officer, chief officer or director of each functional service. The training that is carried out is that which would normally be expected within each of those agencies. Needless to say, if we were to experience a major disaster such as a massive earthquake similar to those that we hear about overseas, there would probably be insufficient emergency services personnel to cope with that incident. Consequently, the trained people within those services would become the nucleus and would gather others around them to undertake the role. This was the original concept of civil defence during the Second World War when it was impossible to train sufficient people.

In respect of the emergency management procedures and principles that would be applied by the implementation of the State disaster plan, the SES has a full-time emergency management training officer located in the State Emergency Operations Centre in Carrington Street as part of the police ComCen building, and he is coordinating training specifically looking at the multi-agency type of coordination activities and the very basic introduction to emergency management training. On average, he would run about 12 to 14 courses a year, putting through people from not just the emergency services but also all the other Government agencies that are identified under the State disaster organisation and plan.

Mr Ellis: The CES is obviously involved in complying with the plan. We are planning to sponsor a major exercise in this respect before the start of the season to help implement the plan. I would say that at the local brigade level the training and experience of volunteers is generally good. Probably the area that needs most improvement is management and coordination, which is tested most during a major disaster. We are aware of that and are focusing training and resources in that area.

The Hon. G.A. Ingerson: One of the major pluses of bringing together the three volunteer services into one volunteer service centre will be in elements such as training at management level, which is the real point of convergence. It will occur and will be some advantage to everyone in the community.

Mr CLARKE: I would not expect the Minister to have an answer to this question readily available. What was the expenditure for both organisations in the current financial year ending 30 June on consultants, public relations or polling?

The Hon. G.A. Ingerson: For the SES, nil; for the CFS in 1995-96, \$120 000 and in the year to date, 1996-97,

\$113 000; occupational health and safety, \$5 577; human resources, \$53 625 and \$4 500; and public education and publicity promotions, \$27 800, \$11 125 and \$7 500. As this is a statistical table, I insert it in *Hansard*.

Consultancies

Use of consultants at CFS—1996-97

Relevant Points:	\$
Total \$ value of consultancies 1995-96	120 000
Total YTD \$ value of consultancies 1996-97	113 000
Occupational Health and Safety	
Halifax House Consulting	5 577
Welfare report	
Human Resources	
Speakman Stillwell	53 625
Strategic HR plan and skills audit	
John Morris Consulting	4 500
Performance management	
Public Education, Publicity, Promotions	
University of South Australia	27 800
Effectiveness of fire prevention	
Downer Koch Pty Ltd	11 125
Visible Management	7 500
Marketing plan to improve profile of volunteerism	

Mrs HALL: I refer to page 96 of the Program Estimates which, under 'Broad objectives', states:

To improve community awareness of fire and other emergency problems, its legislative and prevention obligations and the responsibility of individuals to protect themselves and their property. What prevention and education programs are currently in place, and does the Minister have any data or updates of the results of any such programs thus far?

The Hon. G.A. Ingerson: In line with global trends, the CFS is placing increasing priority on prevention measures, services and education, which includes continued prevention advice regarding supplementary development plan applications, primarily for the Adelaide Hills, and a building fire safety service provided for country areas. Specific prevention and support advisory services for local council fire prevention officers has been relocated from a central location at Stirling to regional centres across the State to be more accessible where they are needed. This will result in an increased awareness in regional areas of prevention issues and increased resourcing to put in place effective risk management strategies.

Project Fire Guard, the education program for schoolchildren in fire, burns and scalds, has been distributed to every primary school in the State. The program was developed in collaboration with the Department for Education and Children's Services and is incorporated within the health and physical education curriculum. It has achieved a reduction in children's mortality and injury from fires, burns and scalds leading to reduced costs through hospital admissions and general costs to the community.

At the completion of the 1996-97 fire season, a comprehensive university survey was commissioned to establish the effectiveness of the CFS annual bushfire prevention program. The results of that survey are currently being analysed by the CFS staff and future programs will target any weaknesses identified. In 1997-98 a program evaluation will be undertaken and the introduction of farm fire safety resource material will occur in primary and secondary schools. In addition, specific material to assist in a reduction of Aboriginal fire and burn incidents will be completed.

Mrs HALL: I refer to page 112 of the Program Estimates and 'State Disaster Planning, Control and Relief'. Under 1997-98 specific targets and objectives it refers to the need to assist the community to be prepared for and cope with

emergency situations and to provide an effective, coordinated and timely response to disasters and major emergencies. The Minister will recall that in February this year considerable flooding occurred in the north as well as flash flooding in the north-eastern areas of the State. To what extent was the State Emergency Service involved in the response to these flood circumstances?

The Hon. G.A. Ingerson: The flooding event occurred over many days in early February in the metropolitan area of Adelaide and in the Far North and north-east pastoral areas. Considerable damage was sustained to the Barrier Highway, East-West and the Broken Hill railway lines. Several houses, outbuildings and fences were destroyed or damaged in the Olary area. Conversely, there have been substantial benefits to pastoral fodder as a direct result of this rainfall, which may occur only once in every decade. The SES provided a considerable response effort to the many areas affected, with 117 flood tasks and 2 062 member operational hours being contributed by volunteers.

In addition, SES divisional officers provided coordination and logistical support to these responses. The SES units involved were Andamooka, Berri, Booleroo Centre, Burra, Maitland, Clare, Cleve, Cockburn, Eastern Suburbs, Enfield, Hallett, Kimba, Laura, Leigh Creek, Metro South, Northern Districts, Port Augusta, Port Pirie, Spalding, Tea Tree Gully and Whyalla. Teams drawn from these units were involved in recognisance, salvage and clean-up and other recovery functions. The efforts of the SES and the volunteers were quite fantastic in the eyes of those people in the northern part of the State and obviously in the city. I put on record the tremendous amount of support the SES, through this effort, has given to the community of South Australia because, without its volunteer support, these sorts of rescue issues and flood clean-ups would never occur.

Mrs HALL: I again refer to page 112 of the Program Estimates and 1997-98 specific targets and objectives. Will the Minister update the Committee on what the Government is doing to ensure an effective marine rescue service?

The Hon. G.A. Ingerson: The director of the SES, Mr Lancaster, was directed to undertake a review into existing arrangements whereby volunteers provide a marine rescue capability throughout South Australia. The purpose of the review, as determined by the previous Minister, was to review existing arrangements and plans, review the deployment and funding of established sea rescue squadrons at present and in the future, and make suggestions that can provide greater future management coordination. The initial report identified the need to develop a comprehensive strategic plan for management and accountability of volunteer marine rescue organisations in South Australia.

It also identified the need to consolidate the administrative and funding functions within one Government agency. It has been recommended that the SES be that agency. The volunteer marine rescue 1997 strategic plan has been completed and work is currently being undertaken to review aspects of funding. At the completion of that phase, the implementation plan will be prepared. The overall review will have considered the following areas: operational management, accreditation of marine rescue units, training standards, and administrative and funding issues. The review has covered all inland water rescue resources, such as the Murray River, as well as offshore rescues. Consultation has taken place with all stakeholders along the way.

Mr BUCKBY: I am interested in the losses of property across the State as a result of fires and other natural disasters

to which the CFS volunteers attend, and they do a wonderful job in attending those emergencies. What are the estimated losses in terms of capital investment to the State?

The Hon. G.A. Ingerson: I do not have the figures, but I ask Mr Ellis to give us some idea of the overall costs involved.

Mr Ellis: Financial losses reported by CFS volunteer brigades for fire and other instances to which they have responded in the areas they protect, which is over 94 per cent of the State, have averaged \$40 million a year. This figure escalates to in excess of \$200 million a year in years of major emergencies such as Ash Wednesday. In fact, the CFS believes that the economic losses are considerably greater than that because not all fire reports received include a specific estimate of loss. Perhaps of greater importance though is the value of the properties saved as a result of CFS intervention and, historically, that has been in excess of almost 10 times that which has been lost.

Mr BUCKBY: I refer to page 112 of the Program Estimates, 'Issues and Trends' and the separation of emergency services from SAPOL. What effect has the separation from SAPOL had and will the SES be able to operate effectively in the future?

The Hon. G.A. Ingerson: I suppose it depends on which side of the coin one looks at. In reality, there has been very little day-to-day difference in activity, and the separation has been deemed to be something that needed to occur. SAPOL has continued to provide administrative support to the SES in areas such as pay, leave, purchasing and accounting so that we have not had to duplicate resources in those areas. However, once we bring together the two emergency services into the new volunteer centre, that area will probably change again. The divisional officers remain located in provisional headquarters accommodation, except at Murray Bridge, where the divisional officer is collocated with the CFS regional manager.

The main difference relates to the position of Chief Executive with direct access to the Minister and Treasury for budgetary requirements. As I said, upon collocation it is anticipated that the CFS and the SES will jointly accept responsibility for those services.

It is unlikely that there will be any operational differences or difficulties with the shift to the new collocated operation.

The CHAIRMAN: I declare the examination of the votes completed.

Minister for Infrastructure—Other Payments, \$900 000

Departmental Advisers:

Mr C.R. Armour, Managing Director, ETSA Corporation.

Mr P. Greeneklee, Manager, Corporate Affairs, ETSA Corporation.

Mr B. Scarsella, General Manager, ETSA Power.

The CHAIRMAN: I declare the proposed payments open for examination and refer members to pages 46 and 145 of the Estimates of Receipts and Payments. Does the Minister wish to make an opening statement?

The Hon. G.A. Ingerson: Since there will be a lot of questions on this line, and with the concurrence of the member for Hart, I insert the following overview in *Hansard*:

The Electricity Trust of South Australia (ETSA) was formed by Sir Thomas Playford in 1946 to provide a cheap and reliable electricity supply enabling the State to develop and prosper. ETSA's business has developed and expanded over this time to cover almost the entire settled area of the State. Today, ETSA provides a vital service to over 700 000 business, rural and residential customers across the State.

When ETSA was established, the structure of the South Australian electricity supply industry was appropriate to satisfy the needs of the State from the post-war years of the 1940s through to the 1980s. However, during the late 1980s the nature of the industry had changed considerably and, as a consequence, ETSA changed to enable Playford's vision to continue being achieved well into the next century.

On 1 July 1995, the Electricity Trust of South Australia was corporatised and ETSA Corporation was born. With corporatisation a new Board was appointed at the helm of the organisation with a Charter which provided it with a clear commercial focus and to improve its performance to more commercial levels. To realise continually improved levels of performance, a performance statement was also developed (which is reviewed periodically along with the charter) and which sets the target performance levels expected of ETSA by the Government.

On 1 January 1997, ETSA divested its generating activities to the SA Generation Corporation and this has necessitated a degree of organisational and financial restructuring. However despite this disruption, I am pleased to report that the very preliminary forecasts indicate that the financial expectations contained in the performance statement will generally be achieved.

SALES AND REVENUE

In 1995-96, sales fell for only the third time since 1977. However with the warmer summer weather of 1997 and the improving economy, sales increased substantially; an increase of approximately \$56 million is forecast.

OPERATING EXPENDITURE AND PRODUCTIVITY

Since 1991, ETSA's controllable operating costs (in nominal dollars) have fallen from a peak of \$499 million to \$437 million in 1995-96. This has been achieved by improving the efficiency and productivity of the business by realising:

- efficiency improvements based on benchmarking of world's best practice;
- improvements in labour productivity caused by improved work practices, many related to enterprise bargaining arrangements;
- the maximisation of imports of electricity at attractive prices from Victoria, facilitated by ETSA's new approaches to managing its energy and fuel contracts.

With the divestiture of generation, the cost of energy to ETSA has increased to reflect market prices and this, accompanied by the recent dismantling of the Interconnection Operating Agreement (IOA), has resulted in ETSA paying substantially higher unit costs for its purchases of energy than under previous arrangements. Furthermore, as a result of the separation of generation and the ensuing capital restructure of ETSA (transferring \$450 million from equity to debt), interest costs have also increased.

EARNINGS AND PROFITS BEFORE TAX

As a consequence of the above-mentioned changes, earnings before interest and tax in 1996-97 will fall only slightly; by around 4.5 per cent in comparison to 1995-96. In addition, depreciation charges have increased in recognition of the higher value now ascribed to ETSA's assets under the new valuation procedures. However, despite these adverse results, the impact on profit after tax will be negligible as it will be offset by the increase in profit gained on the culmination of the IOA.

TAXES AND COMPETITIVE NEUTRALITY

The principles of competitive neutrality are based on the notion that ETSA gains no competitive advantage arising from its Government ownership in competing with private sector rivals. Accordingly, since 1995-96 ETSA has been required to pay all State and local government taxes and charges and, in addition, has paid to the State Treasurer equivalent payments for all Commonwealth company income taxes.

Approximately \$50 million will be provided in 1997 as income tax equivalent payments and around \$1.8 million in sales tax equivalent payments are also expected to be made. In addition, ETSA pays a debt guarantee fee (of approximately \$2 million) to cover the risk borne by the State Government of its financial default.

DIVIDENDS AND OTHER PAYMENTS TO GOVERNMENT

ETSA's excellent profitability has provided the ability to pay substantial dividends. During 1996-97 there are opportunities to

distribute some one-off dividends and other payments arising from several matters including the compensation for the dismantling of the IOA and the financial restructuring of ETSA emerging from the separation of generation. ETSA is pleased to forecast total dividends provided for of over \$600 million in 1996-97. In addition to these dividends, the payment of interest, guarantee fees and tax equivalent payments to the State Government will result in payments of over \$700 million. (N.B. \$450 million of this represented the transfer from equity to debt).

Despite the restructuring of ETSA's balance sheet, the Corporation remains a valuable Government business with assets of around \$3.1 billion.

RESTRUCTURING

In addition to the corporatisation of ETSA effected during 1995-96, ETSA has progressively implemented a new organisational structure based on a holding company and subsidiaries. These subsidiaries became fully operational on 1 July 1996 and on that date consisted of: ETSA Transmission, ETSA Power, ETSA Energy and ETSA Generation (which was subsequently divested).

On 1 January 1997, the generation activities were divested by ETSA to a new generation entity; the SA Generation Corporation. This action will support the introduction of a competitive national electricity market and enhance competition within the electricity supply industry in South Australia. This is necessary to ensure that:

- South Australian customers gain the benefits through lower prices and better service which competition is expected to realise;
- South Australia receives the Commonwealth funds ear-marked for competitive reform.

Interstate the electricity supply industry also is reforming at a rapid rate. It is vital that ETSA continues to improve its performance, both in paying commercial dividends to the State as its owner and in delivering electricity (and associated services) at prices which ensures that South Australian customers are internationally competitive. Recent analysis of the State's competitive position showed that electricity prices were a contributor to businesses in South Australia enjoying cost advantages to those based interstate. To support state development this must continue.

The Government has also moved to ensure that the needs of the community continue to be met in the more competitive environment. It has moved regulatory responsibilities from ETSA to the Energy Division within the Department of Mines and Energy. It has also placed customer service obligations on ETSA through its Charter and Performance Statement in terms of reliability of supply, customer service, safety and community service obligations. These requirements are generally being met despite the hottest summer temperatures experienced in almost 60 years.

There is a significant profit gain by a sale or an involvement of the IOA agreement of about \$77 million. As members would be aware, there has been a general restructuring of the electricity industry in South Australia, dividing it into ETSA and ETSA Generation, now Optima Energy. Those issues are covered in more detail in my opening statement, which it has been agreed will be incorporated in *Hansard* without my reading it.

Mr FOLEY: I would like to begin with some discussion about some internal documents from ETSA that were leaked to the Opposition from sources within Government late last year. They talked about some work being done within ETSA involving transmission assets. Work was being done looking at ways in which we could sell a 49 per cent share in the transmission assets of the organisation to another company, then have a separate company running ETSA. Will the Minister comment on that? What is the status of these internal working documents? What other work is being done within ETSA Power in terms of its positioning for possible future sale?

The Hon. G.A. Ingerson: Yesterday the member for Hart spent considerable time with the Treasurer in discussion on the sale of ETSA and/or Genco, now Optima Energy. There were also discussions with the Premier the previous day on a similar issue. Both those Ministers have stated the Government's position, which is that the assets of ETSA and Optima Energy are not for sale. In the long term, no person in the

Government can predict what might happen, and that long term is expected to be in the five to 10 year range. As the Treasurer clearly stated yesterday, there are significant income streams in terms of recurrent income to Government that are very beneficial to the recurrent expenditure of the Government, and there would need to be significant changes in that area for any sale to be considered.

It might be opportune for the member for Hart to read again what both the Premier and the Treasurer have said, because my position as the supporting Minister for Infrastructure is identical to theirs. In terms of the first part of the question, I will ask Mr Armour to give some details to the Committee.

Mr Armour: My understanding is that the documents referred to were documents discussed in Parliament prior to the amendments to the legislation introduced in July last year. My understanding also is that it was in relation to those documents and that sort of exercise that the amendments to section 47A were made to the legislation last year. Nothing further has progressed in relation to that. No work is currently being done within ETSA or ETSA Power regarding a projected sale.

Mr FOLEY: On 29 March this year the \$100 million interconnection with New South Wales, known as Riverlink, was announced. What is the status of the Riverlink interconnection?

The Hon. G.A. Ingerson: Like the repowering of Torrens Island and like the potential upgrading of any of our other energy developing assets, Riverlink is being currently investigated by a committee set up recently by Cabinet, headed by the Department of Premier and Cabinet, to give advice to the Government, through the Cabinet process to me as Chairman of the Natural Resources Committee, on what priorities ought to be set in relation to all those issues. Clearly, there are some benefits with the interconnection and some significant benefits in repowering Torrens Island.

Because there is a cost of the order of \$400 million for a combined package, the Government wants to get a clear recommendation as to what the priorities ought to be. It is really put in that context of the future connection of the South Australian electricity site into the national market and is part of that whole project.

Mr FOLEY: Was \$400 million the total capital cost of the interconnection?

The Hon. G.A. Ingerson: Yes. It is a bit over \$220 million for repowering of Torrens Island, about \$90 million for the total cost of Riverlink, and there is one that I omitted, namely, the potential upgrade to the interconnection as far as Victoria is concerned. That amounts to about \$400 million. The issue is the priority that we should be looking at as a Government: whether we do the whole lot straight away or whether we do it individually, and which one it should be. That is being put to the committee and we hope to have that advice within the next couple of months.

Mr FOLEY: So, no decision has been taken on Riverlink. It is obviously something that you are pursuing productively in discussions with New South Wales, but you have not made a final decision and you expect one to be made in the next couple of months. Is that a correct understanding?

The Hon. G.A. Ingerson: That is correct. It is a joint committee involving the Premier, Cabinet and some other Government departments along with SAGC and ETSA. The joint committee referencing that whole project to me includes those Government departments, ETSA and SAGC. In this way we can be made aware of what each and every one

believes is the priority because there is a very significant need to do the lot, and that is the issue we want to get into context for any future investment. As the honourable member would be aware, the entry into the national market means that we have to have the ability to buy cheaply from interstate and also to export cheaply. At the moment we have only one interconnect via Victoria: it is obvious that we need two. The only issue is when do we do it and what will be the cost.

Mr FOLEY: Given that the national market will be upon us soon, will the Minister comment on the national market? How is that affecting the organisation at present? Now that Optima Energy has spun off from ETSA, obviously ETSA Power will have the ability to take power from a number of sources. Is the Minister able to comment or is it subject to commercial in confidence and not for this Committee? Obviously Optima will be our major provider of power, but clearly it will have to stack up pretty well against interstate competitors. What is the likely make-up in the foreseeable future of ETSA Power's source of power? Is the Minister able to comment?

The Hon. G.A. Ingerson: Clearly the member for Hart would be aware that entry into the national market is opening up a whole new horizon of expectations and uncertainties. How the market develops in the future will depend on a whole range of issues, but fundamentally it will come down to price at the end of the day. The splitting up of the utility and the creation of the ETSA Corporation, which includes ETSA Power and Optima Energy, has really exemplified the difficulties that may occur in the national market. ETSA Corporation has started to deal with the initial parts of what will develop into the national market. Obviously Optima Energy will not be involved in that until the market develops in about February or March next year.

I will ask Mr Armour to comment on some of the areas which we have entered and which will start us off in the national market. Perhaps Mr Armour will give us a general overview of how he sees ETSA fitting into this new role in the national market.

Mr Armour: It is probably fair to say that it is early days yet. We have been trading in the Victorian market as a customer since 4 May. Based upon that six week period of trading, there is no real noticeable difference between the proportion of Victorian electricity that we have been purchasing and the amount that we were purchasing under the old OIA arrangements that existed prior to 1 May. We are trading against the Victorian pool, but the proportion of electricity that we are taking from Victoria is currently running at about 30 per cent of our total load. For the foreseeable—

Mr Foley interjecting:

Mr Armour: That is right; that is consistent and there has not been very much whatsoever. We are no longer paying the OIA price for it, which is by agreement. We are now buying on pool prices or taking hedges, but currently the proportions are running at about the same rate.

Mr FOLEY: Once the international grid is fully operational, would you expect that relativity to be much the same? I know that that is a bit of blue sky, but I am getting at the fact that the future of Optima Energy is obviously a little more uncertain than the future of ETSA Corporation. I am interested to know whether or not you would see those relativities changing more over time.

The Hon. G.A. Ingerson: I will make an initial comment. The previous question asked by the member for Hart relating to Riverlink has a very big bearing on whether that change

will potentially occur, because if we cannot get any more than 30 per cent across the interconnect—

Mr Foley interjecting:

The Hon. G.A. Ingerson: Assuming that we upgrade both, the answer is that the cost of electricity at the end of the day will be the major factor, but I will ask Mr Armour to respond.

Mr Armour: The Minister has covered it pretty well. Until we expand the interconnection it is not possible to take virtually any more than we are taking now across the interconnect. It will be probably 2½ years to three years at the earliest before any expansion—whether it be Riverlink or augmentation of the Victorian system—could occur. For the next two or three years there will be a constraint on the amount of interstate generation we can access.

Mrs HALL: Given the temperature outside today I am not sure that the Minister would be expecting this question. I refer to page 31, Capital Works Program, under the heading 'Additional Heat Wave Projects'. The amount of \$7 million has been allocated, with \$1.2 million to be spent this year. In light of the electricity supply interruptions during the heat wave of February this year, I ask for the Minister's comments on the criteria for repairs and maintenance of ETSA distribution infrastructure.

The Hon. G.A. Ingerson: During February there was a record breaking period of days above 35°C in mid February during which the electricity demand peaked at 2 398 megawatts, which was up 206 megawatts from the previous peak demand in the summer of 1995. The high ambient temperatures and load conditions did not allow distribution transformers to cool down, resulting in equipment failures. Supply interruptions affected about 8 per cent of ETSA's customers. Other interruptions during this period were caused by such events as motor vehicle collisions with poles and vegetation falling on powerlines.

The ETSA Power delivery system comprises about 70 000 kilometres of overhead mains, over 7 600 kilometres of underground mains and approximately 400 substations. The ETSA Power Corporation applies the ETSA corporate asset management policy, which defines responsibilities and accountabilities and outlines high level asset life management principles and practices. Extensions and additions to the distribution system are defined, planned and designed generally in keeping with the best national and international standards. The planning horizon is 15 years. All capital expenditure proposals undergo rigorous financial and business case evaluation. Extensions to the distribution system are undertaken only on a customer needs and business case basis.

The system is operated in accordance with strict safety standards for the protection of operators and the public. Maintenance is governed by standards which satisfy statutory requirements and business needs and are known to be consistent with or superior to national and international practice. System performance is monitored and analysed from the point of view of safety, reliability, capacity and utilisation. The system performs reliably and is amongst the best in Australia with such a wide geographical spread. However, because of the high peak load of average ratio in South Australia, utilisation is lower than other authorities. Demand and management processes are in place to address this situation. Risk conditions, performance and utilisation are taken into account when assessing the need to rebuild, refurbish and dispose of assets. This is generally in accordance with the principle of extending asset life and reducing

whole of life cycle costs by retaining manageable and acceptable risk.

ETSA's distribution system asset values are as follows: historical cost, \$1.3 billion; and replacement cost, \$4 billion. The current approach in the management of infrastructure assets is to minimise the total lifetime expenditure whilst retaining safety and functional performance. ETSA's asset management plan is to reduce maintenance expenditure by adopting a more effective maintenance practice for asset condition monitoring. Although maintenance activities are reduced, the safety and performance of the assets is maintained at an appropriate standard.

In December 1994 ETSA engaged the services of Siemens Limited, an international engineering company, to conduct an independent review of management and maintenance of the transmission and distribution system. Siemens' maintenance review concluded that in general ETSA's current electricity system performance is as good as or better than the other Australian electricity supply authorities. In recent years, the reliability of electricity supply to customers has been steady.

The indicator generally used to measure the reliability of electricity supply in Australia is system average outage duration. SAOD is calculated by totalling the customer minutes lost during each outage for the period and dividing by the total number of customers supplied by the electricity system. This measures the average length of time that an average customer is without electricity for the period. SAOD results for the 12 months to the year ended April 1997 was 104 minutes, compared with 116 for 1995-96, 118 for 1994-95 and 120 for 1993-94. These results compare favourably with electricity supply reliability in other States and are significantly better than in Victoria.

Mrs HALL: My next question follows in part from that asked by the member for Hart about the national electricity market. In paragraph 6.3.1 in the Financial Statement and on page 28 of the Capital Works Program, reference is made to works in progress. What is the program for implementation of the national competitive wholesale electricity market and South Australia's entry into the national electricity market?

The Hon. G.A. Ingerson: The State Governments of South Australia, Victoria, Tasmania, New South Wales, Queensland and the ACT agreed to the implementation of a competitive wholesale national electricity market in support of competition legislation and micro-economic reform. In May 1996 it was decided to use cooperative legislation to support the national electricity code and the operations of the National Electricity Market Management Company (NEMMCO) and the National Electricity Code Administrator (NECA). The South Australian Parliament passed the lead legislation with the National Electricity South Australia Act in June 1996. The national electricity law is a schedule to that Act. Legislation needed to apply the national electricity law in each of the other jurisdictions is to be introduced in the autumn session.

NECA is coordinating the preparation of regulations for the national electricity law, the development of system reliability panels and the dispute resolution arrangements. The proclamation of the national electricity law will herald the commencement of the national electricity market. The national electricity code has been submitted to the ACCC for approval. Federal legislation changes necessary to enable NECA to apply for an access regime on behalf of the industry participants has been achieved and ACCC authorisation is expected by the end of June 1997.

NEMMCO has established an aggressive timetable to enable the implementation of the national electricity market (NEM) by 1 February 1998. The implementation strategy involves a phased approach to NEM through the harmonisation of State-based markets. The first step, called NEM 1, involving the wholesale electricity markets of Victoria and New South Wales, commenced on 4 May 1997. South Australia will buy and sell energy in NEM 1 as an authorised participant in the Victorian pool.

The NEM trading systems will be implemented in South Australia as soon as practicable to maximise the experience for ETSA Power and SA Generation (now Optima Energy) prior to deregulation of the South Australian market. Queensland will implement a State market base on the NEM system in October 1997 and is expected to interconnect with South Australia, Victoria and New South Wales in the year 2000.

Mrs HALL: On page 31 of the Capital Works Program, reference is made to the PowerLine Environment Committee (PLEC) and its work, with an allocation of \$3.1 million for the total program. Given the recent media attention over the proposal by the carriers to install pay TV cables on ETSA stobie poles, I ask the Minister who is responsible for the make-ready work to enable construction of the broad band cable network? Will the cables affect street trees?

The Hon. G.A. Ingerson: The communication carriers are responsible for this work. Under Federal legislation they are entitled to lay, install and erect cable using ETSA poles for this purpose. The legislation avoids the need to comply with any local planning legislation. At least two companies are proposing to install communications cables in South Australia. Although Telstra's initial plan was to install most of its cables underground, it has indicated that, because of increased competition, it will also use overhead cable. Optus is proposing to install predominantly overhead.

ETSA has negotiated agreements with Telstra and Optus which wish to use ETSA poles for the stringing of overhead communications cables. The carriers have stated that the amount of tree clearance required for the cables is minimal. They have informed ETSA that they require a space of some 300 millimetres through a tree to install a cable and, after installation, they have no need to trim trees for normal operational requirements and therefore are not concerned about their regrowth. However, where tree trimming is necessary, they are required to observe the protocols required of ETSA under the Act. The installation of overhead communications cables does not inhibit the future undergrounding of power cables. The carriers are required to cover their own costs in those circumstances, and they have acknowledged the acceptance of this requirement.

Mr FOLEY: During an earlier session of Estimates Committee A, the Premier referred to the future funding needs of the Optima Generation Corporation in respect of upgrading Torrens Island Power Station, and I will discuss that further when representatives of Optima are present. What are the future capital requirements of the ETSA Corporation?

The Hon. G.A. Ingerson: My understanding is that on average the capital requirement is about \$90 million a year but, if there is to be an expansion of the interconnect via Victoria and/or the Riverland, that sum will increase considerably. As I said in answer to a previous question, because the Government owns both Optima and ETSA, although they are independent operators, the question as to when capital is required for those corporations has to be planned and will be

advised through me to Cabinet over the next couple of months.

Mr Armour: In his answer to a previous question, the Minister referred to about \$400 million worth of additional expenditure. Apart from our usual yearly \$90 million capital expenditure program, and apart from Optima's expenditure on repowering Torrens Island, about \$200 million in total could be required for additional transmission work. There are three areas that could come up for expenditure in that \$200 million. One would be if we were to purchase the transmission line that is being built by Western Mining to go from Port Augusta to Roxby Downs. Western Mining is supplementing our existing line and there is an arrangement between both parties that, if we acquire that from Western Mining, that possibility would involve capital expenditure of about \$60 million.

The Riverlink project involves a total of \$90 million, but our share—the South Australian border side, which would involve the most likely cost—would be about half that cost. There are also the costs—principally on our side of the border—involved with augmenting the existing Victorian interlink. They are the three principal additional projects that would throw our capital expenditure program beyond a normal level.

Mr FOLEY: What is the rationale for wanting to purchase that transmission link? Obviously, you would then lease back the transmission to Western Mining or offer a rental to it that would make it a commercial option, or are there more strategic reasons for it?

Mr Armour: The discussions with Western Mining relating to its expansion have focused on two things: first, electricity supply and, secondly, the transmission requirement. Western Mining had a preference to control the progress of construction of the transmission system, to keep it all under its control rather than have such a vital part of its major investment project subject to somebody else's control. It undertook to build the initial transmission system itself and have it under its own management. That has been a critical requirement—to make sure that installation of the transmission system coincided with the timing of the rest of its project. It was also worried about having cost blow-outs, and so on.

That suits us, and we have cooperated with it. Indeed, in terms of setting the standards of that transmission system, we have provided some advice such that if, at some future time when the transmission system is completed, it wanted to sell it to us and then become an integrated part of our existing transmission system, it would be the biggest single transmission asset in the State outside ETSA's transmission control. It does not have the resources to operate and maintain that system of itself. There is some logic in our acquiring it once it is constructed and bringing it within our system. That is an option that has to be negotiated satisfactorily from the point of view of both Western Mining and ETSA.

Mr FOLEY: On 2 March this year, the Premier announced that \$10 million of ETSA revenue would be committed for upgrading the State's distribution system to avoid blackouts which occurred during the last heatwave. What is the expenditure in this capital works program? What individual works are to be undertaken?

Mr Scarsella: The \$10 million identified shortly after the heatwave forms part of the 1997-98 capital expenditure program. Of the \$90 million referred to earlier, \$60 million will be spent on upgrading or extending the existing distribution system. It is normally \$60 million or \$65 million; this

year it is in excess of \$70 million, because it includes the \$10 million identified. That \$10 million consists of a number of specific capital expenditure items, ranging from about 100 transformers to new substations at Paralowie and Kilburn.

Mr BUCKBY: What arrangements have been established for interstate trading from 1 May 1997 following termination of the interconnection operating agreement and our impending entry into the national electricity market?

The Hon. G.A. Ingerson: ETSA has purchased electricity in recent years under a firm supply contract with Victoria with an opportunity to conduct energy transactions with Victoria and New South Wales under the IOA. Subject to South Australian requirements and the availability of Victorian generation, these arrangements have allowed purchases of up to 500 megawatts of inputs at specified prices at the Victorian border. Prices paid by ETSA in the past had little or no relationship to prices in the Victorian pool. The Victorian IOA trader has previously been responsible for purchasing the energy from the pool and managing the impact of differences between the ETSA price and pool purchase prices through internal Victorian arrangements. The contract expired on 30 April 1997 and, in return for a negotiated settlement, ETSA agreed to terminate the IOA on the same date to facilitate the transition to the national energy market.

As part of this settlement, it was also agreed that, until South Australia enters the market, South Australian and interstate purchases and sales will be made through a single South Australian trader, participating in the Victorian region of the preliminary combined Victorian and New South Wales market. The role of the South Australian trader would be undertaken in system control within the ETSA Transmission Corporation, which will consolidate ETSA and Optima Energy inputs and participate on the State's behalf. The trader will participate in accordance with the national market rules, fitting in demand and offering generation. Purchase prices for imports and selling prices for exports will be the pool prices applying at the Victorian border. Pool prices will be determined on a half hourly basis.

To manage import quantity and pool price risks, ETSA will use separate hedge contracts with interstate parties and/or Optima Energy. These financial instruments will be established completely independently of the South Australian trader activities. The hedge contract has been established with a Victorian party to cover 500 megawatts of potential imports during May 1997. The South Australian trader's primary function is to determine imports and exports. Participation in the national market bidding process will provide valuable experience, particularly for ETSA and Optima Energy. There will be a free exchange of all related information that is not commercially sensitive among system control, Optima energy and ETSA.

Mr BUCKBY: With regard to the Power Line Environment Committee (PLEC), what is ETSA's policy regarding the undergrounding of electricity mains in the context of opposition by some sections of local government who are opposed to the trimming of street trees clear of supply lines and to the overhead roll-out of broad-band cables by Telstra and Optus?

The Hon. G.A. Ingerson: This committee is one of the most progressive committees that does not get enough promotion. I hope that it will get far more publicity as a result of today and as a result of its undergrounding programs. All new housing subdivisions have underground electricity reticulation. In South Australia since the early 1970s councils

have had the power to require reticulations in new land developments to be undergrounded. This, practised with the activities of the Power Line Environment Committee, has resulted in South Australia's being the leader in Australia for the proportion of powerlines being located underground.

PLEC was inaugurated in February 1990 and is directly responsible to the Minister for Infrastructure. The committee has representation from local government, the Department of Environment and Natural Resources, tourism interests, conservation interests, the Department of Transport and ETSA, and two community representatives. The ETSA local government contributions ratio for undergrounding is 2:1.

The matter of vegetation clearance from electricity lines in the greater metropolitan area will be brought before Parliament in the current sitting by the Minister for Energy. The options for reticulating electricity in our non-bushfire risk areas are traditional overhead pole mounted constructions, with uninsulated conductor, overhead construction, using insulated wires. There is tree trimming in these circumstances and underground construction. Underground construction is much more expensive than overhead. The additional cost for underground construction is largely because of the trenching in areas where other services are already in place.

Along with many people in the community, ETSA would be keen to see more undergrounding. The question is where the money would come from. Replacing existing overhead supplies with underground cabling produces no more revenue for ETSA.

The cost to underground the mains in the State's urban areas is estimated to be of the order of \$10 billion. This still leaves rural areas with overhead wires. ETSA is willing to replace its overhead electricity mains with an underground supply if any other party—councils, Government or individual customers—undertakes to meet the incremental cost after allowing discounts for upgrading, avoiding tree cutting, etc. It is inequitable for ETSA to contribute to these costs where there is no or limited community benefit, as this would ultimately reflect on electricity tariffs. Effectively the public of South Australia, including those who have already paid for their own undergrounding, would be subsidising those who wished their streets to be undergrounded.

There is provision in the Local Government Act for councils to arrange these special requirements and for ratepayers who benefit to pay a special rate to cover costs. This has been used by some councils for undergrounding. South Australia has a greater proportion of its distribution network undergrounded compared with other States. South Australia has about 10.5 per cent underground; New South Wales is next with about 8.2 per cent; and the Australian average is about 6.5. ETSA will contribute approximately \$3.6 million in 1996-97 to the funding of the Power Environment Committee. The committee approves projects for the undergrounding of power lines where general community benefit can be demonstrated. Councils can contribute to the funding of projects in their respective areas.

ETSA has contributed approximately \$29 million to PLEC and its predecessor since the early 1970s. It could be expected that, with the expansion of undergrounding arising from the injection of more than \$1 million per annum, funds from the Optus pole rental agreement, the pre-eminent position of South Australia with undergrounding will continue to be enhanced.

Mr BUCKBY: Will the Minister outline the basis of the Osborne co-generation project (page 29 of the Capital Works Program) and progress on its implementation?

The Hon. G.A. Ingerson: A consortium comprising Boral Energy and the Canadian based CU Power International Limited, via a special purpose company, Osborne Co-generation Pty Ltd, Osborne, is building a 180 megawatt co-generation plant at Osborne in South Australia. The plant will generate annually approximately 1 100 gigawatt hours of base load electricity; 1.2 million tonnes of steam, to be purchased by the adjacent Penrice soda ash plant; and additional electricity for peaking. The project provides advantages to Penrice, which can obtain steam at a more competitive price than can be obtained from the old Osborne boilers, thus making feasible various development plans for the Penrice plant that will enable further expansion of soda ash sales into the Asian market. The project also provides generating capacity for ETSA at approximately the time it requires that capacity. The commissioning date is in July 1998.

The privately owned electricity generating plant will provide one of the cleanest and most efficient methods of generating energy in the State. ETSA Transmission Corporation is responsible for the connection of the new generation plant to the existing electricity network. This requires the connection of the 66 x 11 KV substation at Osborne and the replacement of the 9 x 66 KV circuit breakers at Torrens Island at an estimated cost of \$14.3 million. ETSA Transmission commenced work on the substation construction and associated line construction in July 1996. The construction is on target and due for completion by June 1998.

Mr FOLEY: I turn now to an issue that involves my electorate, namely, the old Osborne power station, which I understand is an issue to do with asbestos and claims by the workers at the facility. I raised this matter informally with the Chairman of Optima and suggested that this issue was still ETSA's responsibility. Over the three years I have been a local member a number of constituents have approached me concerning asbestosis and asbestos-related injuries. They believe it is associated with their time as an employee of the Osborne power station, which was significantly lined with asbestos and which has been the subject of a major multi-million dollar removal program, I understand.

What is ETSA's current position with respect to acknowledging liability for that? I raise that issue having in mind one particular worker who has had an ongoing complaint with ETSA and who was paid a sum of \$10 000 by ETSA or Genco or whomever the body was. He was then required to sign a confidentiality agreement not to talk about this matter. That person has not talked to me about this matter, because he is observing his confidentiality agreement. I think the person would be known to the people here. Why has ETSA paid that worker \$10 000 and required him to sign a confidentiality agreement if it is not admitting liability for asbestosis?

Additional Departmental Advisers:

Mr R.P. Morgan, Chief Executive Officer, Optima Energy.

Mr B. Barker, Group Manager, Corporate Services, Optima Energy.

The Hon. G.A. Ingerson: I will make some general comments in answer to this question, then I will ask Mr Morgan to talk about the specifics, or Mr Armour if anything relates to ETSA. Since the inception of the Workers' Rehabilitation and Compensation Act 1986, in October 1987,

the corporation has received a total of 34 claims alleging asbestos exposure. Of these claims, 26 have been finalised, leaving eight current claims which are still to be resolved. The number of compensation claims lodged to date total 3 516. So, it is 26 of 3 516 and eight are still outstanding, not having been finalised. All these claims have been dealt with in accordance with the legislation, and most settlements have been finalised with legal representatives acting for current and past employees. I am advised that Optima Energy is dealing with these claims in a compassionate manner and is doing everything possible to expedite the resolution of outstanding claims. That is a general comment, putting those numbers into context. I now ask Mr Morgan whether there are any further details.

Mr Morgan: I answer that in relation to the specific incident that was raised with the Chairman of Optima. A confidentiality requirement under the Workers' Rehabilitation and Compensation Act applies to the case that the honourable member has mentioned. Optima made an offer, which was accepted by that individual.

Mr FOLEY: As a supplementary question, have you admitted liability for asbestosis?

Mr Morgan: No; Optima has not admitted liability for asbestosis.

Mr FOLEY: Why have you paid a worker \$10 000 and required him to sign a confidentiality agreement? Why pay \$10 000 if you are not liable?

The Hon. G.A. Ingerson: As the previous Minister for Industrial Affairs and having some knowledge of the WorkCover Act, I can say that the Workers' Compensation Act provides for two parties to come together and make an arrangement to pay out any argument, whether or not it is proved under the Act. That amendment to the Act was made about 18 months ago, and it is virtually all-encompassing as far as the Act is concerned.

The confidentiality clauses do not specifically relate to that area: they apply to the dealings between the individual and the employer for all parts of the Act. There is no specific intention to add to or cut out any section of the Act. Confidentiality clauses are there to protect those dealings, full stop. It was a decision of the Parliament to implement a pay-out position where a person could buy out the payment made concerning the contract, which is the compensation, over a period.

Mr FOLEY: If that is the case, I am still at a loss to understand why Optima Energy would pay a worker in my electorate \$10 000. I must say that this worker is in a very desperate plight and is of very meagre means. I do not know why he would accept \$10 000, except to say that he probably felt that it was better than nothing. It seems odd to me that Optima would pay that sum of money if no liability was involved. In terms of the confidentiality agreement, is the Minister saying that if my constituent wishes to discuss with me the full nature of his settlement with Optima he would let him do that? Will the Minister allow my constituent to discuss with me the details of the settlement so that I can take the matter further?

The Hon. G.A. Ingerson: First, it is a no-fault system. Irrespective of the fault, whether there is a potential claim for asbestosis or whether an injury has occurred at work, it is irrelevant because our system deems no fault. The reality is that no-one has to admit anything. Once a worker submits a workers' compensation claim and it is accepted as a compensation claim, there is no further need for the worker to justify whether he has asbestosis or whether he has been injured at

work, or whatever. That was the basis upon which the Act was changed in 1986.

It was a very significant and important change because it removed a range of other issues that were argued at the time and the no-fault system was established. That is the first issue. I do not have the fine detail of the worker's pay-out but I will give the Committee generalities. There is a requirement under the Act that before employees accept any money they are expected to get legal and investment advice, and that is part of the settlement arrangements. The same applies to this particular claim: it is entirely up to the employee to obtain that advice, and that is a requirement under the Act.

It is more specific in relation to large pay-outs, because some argument was advanced that employees ought to obtain some investment and legal advice as to where their funds ought to go. That position was accepted and passed by the Parliament at that same time. The confidentiality agreement, as I said, is all encompassing. Once an employee accepts that he or she is on the workers' compensation system, that confidentiality clause is all-encompassing.

Mr FOLEY: If Optima was holding out, it seems to me that this man, who is no doubt very desperate for money and surviving on meagre means and perhaps fatally affected by a disease, would have taken the \$10 000. I am not satisfied, both as the shadow Minister for Infrastructure and as a local member of Parliament, when 20 or 30 of my constituents come to me concerned about asbestosis-related illness, that Optima or ETSA have no program to address that issue. I would like to know what specifically is being done to address the concerns of my constituents in relation to their possible asbestosis claims against Optima Energy.

The Hon. G.A. Ingerson: My understanding of any workers' compensation claims under the current Act is that there is no such thing as a class action: it must be initiated as an individual claim, and consequently employees would need to take that up with ETSA and/or Optima Energy, whichever is the relevant company. That is the traditional way, because workers' compensation claims are between the individual injured worker and his or her employer. There is no class action provision: matters must be dealt with on a case-by-case basis. Because the honourable member has obvious concerns, this issue should be taken up directly with the Minister for Industrial Affairs.

If the honourable member has any major concerns he should ensure that the individual utilises the Act, which is in his or her interest, and seek legal representation and/or management advice. Knowing the energy area and the strength of the union involved, I am very surprised that the individual has not had professional advice from—

Mr Foley interjecting:

The Hon. G.A. Ingerson: That does not matter: the union still looks after them, on my understanding. If it does not, it ought to. This is a good opportunity for it to do something. If the individual is not a member of that union then the UTLC could perhaps assist with some advice if the honourable member has some concerns. That is the only thing I can suggest.

Mr FOLEY: He also has his local MP on side. I do not know how a person who is dying of an illness, which may or may not be asbestosis related, and who lives at Taperoo in rented Housing Trust accommodation on the pension could ever possibly take successful action against a company the size of Optima or ETSA. It is just an impossibility for those people to be able to offer any successful challenge to a company that will not admit liability. I do not know whether

ETSA or Optima are liable: it is not for me to judge, but it seems to me that people in my electorate who worked for 30 or 40 years at the Osborne power station are literally dying of an illness diagnosed by some medical practitioners as asbestosis.

There appears to be no strategic approach to this by Optima and that worries me. As the local MP it is incumbent upon me to make representation. I understand that Jeff Kennett foresaw this potential problem with some of his old power stations and established a \$150 million compensation fund. I have only heard that; I do not know the specifics. Is the Minister able to comment on that?

The Hon. G.A. Ingerson: I am not at all aware of any compensation fund in Victoria. I understand the honourable member's concern for his constituent, but if an employee chooses not to bail out of the system, in other words, if an employee decides not to take the lump sum, the existing benefits must continue as long as the claim exists. That is a requirement under the Act. The money sits there. Employees cannot have their benefits taken away unless there is an agreement to have them removed. That is how the Act stands, and I think that a range of issues needs to be looked at. I would suggest that the honourable member take up the matter with the Minister for Industrial Affairs.

Mr FOLEY: As a local MP, could I have a session with the management of Optima, without prejudice, to talk through some of these issues?

The Hon. G.A. Ingerson: That is agreed.

Mr BASS: With reference to page 31 of the capital works program and the PABX upgrade, will the Minister advise the Committee of ETSA Corporation's performance in responding to telephone calls from the public?

The Hon. G.A. Ingerson: ETSA Corporation operates a centralised customer service centre located in its headquarters at 1 Anzac Highway, Keswick. The centre incorporates ETSA's switchboard, the emergency service, accounts and general inquiries. Telecom 'Customnet' telephone numbers allow customers from anywhere in the State to contact ETSA Corporation for the cost of a local call.

Service difficulties and the fault emergency service operate 24 hours per day every day of the year. General and account inquiry services are available from 8 a.m. to 6 p.m. on working week days. ETSA currently responds to approximately 5 000 calls per day. Based on the 1996-97 performance, on average, customer telephone calls to ETSA are answered by staff within 10 seconds of placing the call. ETSA is striving to achieve further response time improvement. In January 1997, ETSA Corporation commissioned an integrated voice response system which increased its capability to handle volume calls in storm and disaster conditions. A key feature is the ability to give priority to callers reporting life threatening situations.

Mr BASS: With respect to page 31 of the Capital Works Program and the Power Line Environmental Committee (PLEC), have the claims against ETSA as a result of the 1983 Ash Wednesday fires been finalised?

The Hon. G.A. Ingerson: It was the case that ETSA was limited in its ability to deal with claimants directly while settling its claim against its insurers. Late in 1988, \$105 million was received by ETSA in full and final settlement of its claims, and progress in settling individual claims has accelerated since then. The position as at 12 May 1997 was that, of the 2 249 known property claims, all of which have been quantified and received by ETSA, 2 244 have been settled. There are 199 claims for personal injury, of which

195 have been settled. The total payout to the claimants (including ETSA's costs) as at 30 April 1997 was \$132.51 million.

As to the SEAS-SAPFOR claim, SEAS-SAPFOR collectively describes a group of parties claiming against ETSA for timber and ancillary losses arising from the 1983 bushfires in the South-East. In September 1988, ETSA received claims for uninsured losses including losses paid out by the insurers of the forest company and the milling company. These were settled in November 1988 for a total of \$2.619 million. ETSA has paid to SEAS-SAPFOR \$1.8 million, being our expert's assessment of the true value of their claim. SEAS-SAPFOR continues to argue for a greater payment, and ultimately the matter will probably be settled in the courts.

Mr BASS: With respect to page 6.8 of the Financial Statement and the point concerning ETSA working towards energy conservation and researching and developing renewable energy, what steps is ETSA taking to reduce greenhouse gas emissions?

The Hon. G.A. Ingerson: In March 1997, ETSA Corporation signed a letter of intent to participate in the Greenhouse Challenge Program of cooperative agreements between industry and the Commonwealth. ETSA Corporation intends to enter into a cooperative agreement to voluntarily undertake cost-effective measures which abate greenhouse gas emissions. The focus of achieving abatement will be on continuous improvement in areas such as energy efficiency, process efficiency, sink enhancement and the development of zero or reduced emission energy sources. By entering into a cooperative agreement as part of the greenhouse challenge, ETSA Corporation is indicating its commitment to:

- Prepare and report an initial baseline inventory of greenhouse gas emissions and sinks, and thereafter prepare and report emissions inventories annually, or as otherwise agreed.
- Develop and report specific action plans containing policies and measures that are expected to abate greenhouse gas emissions and enhance sinks, such as capital and operating projects, management initiatives and improvement programs, use of alternative and renewable energy technologies, research and development activities, domestic and international joint projects and measures to adapt to possible climate change impacts.
- Prepare a publicly available statement on ETSA Corporation commitments in the cooperative agreement.

As an initial indication of the kinds of policies and measures that could be undertaken in the Greenhouse Challenge Program, ETSA Corporation has a number of initiatives that are planned or in progress that focus on greenhouse gas reductions. Greenhouse gas abatement measures currently in place within ETSA include:

- Methane gas reduction through electricity production from landfill gas with total installed capacity expected to be 29MW.
- The provision of services to large industrial and commercial customers to help improve their energy efficiency, through a specialist energy services business.
- Residential energy efficiency research programs to extend knowledge of how energy is used in the home and determine the energy impact of a range of efficiency initiatives, including heat pump and solar water heating.
- The availability of an energy audit service to commercial and industrial customers.
- Development of Sequential Waveform Distortion (SWD) technology for direct load control.

· In conjunction with solar hot water heater manufacturers and the City of Whyalla, provide incentives to the local community to install solar hot water systems.

· Revisions to arrangements for parallel operations with private generators to ensure co-generation is not discouraged.

The CUBE project at Osborne due for commissioning in 1998 is an example of the policy in action. Initiatives proposed or under review also include:

· 180MW co-generation plant at Osborne.

· Five to six MW wind farm on the Fleurieu Peninsula.

· 100kW photovoltaic power station in combination with 600kW of diesel generation at Wilpena.

· Investigation of options to reduce losses in electricity transmission and distribution.

· Appropriate pricing policies and forms of price regulation for energy to address the issues of greenhouse gas abatement.

· Development of programs aimed at end users and retailers to overcome financial barriers to increased market penetration of renewable energy technologies, for example, a 'green' tariff.

Mr FOLEY: What is the future of the Osborne power station? I understand the situation in terms of the co-generation plant under construction, but what is the future in that respect? It has been suggested that a Chinese company will set up a copper foundry to make padlocks. Whilst I am all for jobs in my electorate, I am not certain that I want a copper smelter in place of the Osborne power station. What will happen to what remains at the Osborne power station?

The Hon. G.A. Ingerson: Path Line Australia Pty Ltd, the company engaged for the demolition of the Osborne power station, was granted a certificate of practical completion for its work in December 1996. Boilers 10, 11 and 12 and part of the control building in the southern end of the main engine room were excluded from this stage of the demolition works because of the ongoing requirements of Penrice for steam and of ETSA for switch yard operations. The completion of demolition works, that is, the remaining boilers, buildings and switch yards, can commence only once the new Osborne co-generation plant and new switch yard become operational. These final stages of demolition are then expected to be completed in 1999. In the formation of SA Generation (now Optima Energy), responsibility for the demolition works and any environment issues due to past generating activities have all been carried forward into Optima Energy. ETSA remains the tenant of the Ports Corporation for the remaining portions of both the Osborne A and B sites, with the leases of both sites due to terminate in 2002.

The earlier hand-back of land is contemplated as portions become available. Boilers 10, 11 and 12 and associated buildings were leased by ETSA to Penrice on 1 July 1996. Since that date, Penrice has operated this plant using the subcontracted services of Rexco. Some asbestos remains as insulation within the still operating plant and as roofing and wall siding on the remaining buildings. All will be duly removed with appropriate safeguards in the final demolition stages.

Mr FOLEY: So, the bottom line is that there will be no Chinese padlock copper foundry in my electorate?

The Hon. G.A. Ingerson: I am advised that the site will be completely cleared.

Mr FOLEY: And left for posterity as it is?

The Hon. G.A. Ingerson: That is a hypothetical question that we cannot really answer. I am advised that it reverts to the Ports Corporation, and that is an issue that the honourable member should probably take up with Minister Laidlaw.

Mr FOLEY: That is okay: the copper foundry is dead. That is important for those who did not want a foundry in the electorate.

The Hon. G.A. Ingerson: You got the lot today: you got the *Gallantry* and now you've got rid of the copper plant; you're going well, aren't you?

Mr FOLEY: Wait until you read this week's *Portside Messenger*. All I need now is a white horse. This week the Premier said there was a requirement for about \$1 billion to convert Torrens Island Power Station to a combined cycle operation. Will the Minister expand on what that involves and how Optima Energy intends to find such capital funding if it goes ahead?

Mr Morgan: In the Optima strategic forward plans over a five year period we are planning capital cash flow for a repowering project at Torrens Island. The first significant component of that cash flow would be \$4.9 million in the 1997-98 financial year. It is estimated that the total cost of the repowering project over a four year period will be about \$200 million.

Mr FOLEY: In terms of the future of Torrens Island and the power generation capacity of Optima, what are the requirements for the next five to 10 years? What are we likely to see in terms of expanding the capacity as the need arises? The Minister must have forward capital plans for that: what are they and does he intend to internally fund those expansions?

The Hon. G.A. Ingerson: In answering an earlier question I said that the repowering of Torrens Island (along with the Riverlink interconnect and the Victorian interconnect upgrade) was being looked at, along with any other smaller cogeneration operations, as to what should be the long-term capital plan for the Government overall as for the owner. For Optima Energy generally, I will ask Mr Morgan to give a broad overview but, as the honourable member would be aware, I have advised the Committee that the Department of Premier and Cabinet has a special advisory group set up to give us some idea over the next couple of months what the long-term capital requirements may be and the priorities in those areas.

Mr Morgan: In relation to the general operation of Torrens Island, a major refurbishment is under way at A station; that is, the four older 120 megawatt units are currently undergoing a \$42 million refurbishment program, which will prepare those four generating units for an estimated 25 years of future service in the national electricity market. As a general provider of energy, Optima predicts that the generating role of Torrens Island will grow over the next five years. We think that there will be an expanding role for Torrens Island beyond its current level of activity.

Mr FOLEY: When it is all up and running, inter-connectors in place etc., where does Optima Energy see itself as having a competitive advantage in the national market and where would it see itself as having a competitive disadvantage? Within the bounds of what is prudent, is the Minister able to explain where he sees the competitive advantage and perhaps some of the disadvantages?

The Hon. G.A. Ingerson: Optima Energy will be the fourth biggest generator in Australia. Clearly, it sees itself as being able to play a significant role in the generation of electricity within South Australia and, obviously, on a national market basis. In terms of future projects and the pluses and minuses, I will ask Mr Morgan to give the Committee some advice on some of the issues that he sees

will be taxing on the new company as it goes into this very competitive market.

Mr Morgan: In terms of competitive advantage, as the Minister has said, certainly the size of Optima is a very significant feature. Perhaps another very significant feature relating to generating competition in the national market is that we have a portfolio of power stations. Torrens Island B Station and A Station will both occupy a different sector in the marketplace. Northern Power Station at Port Augusta will be targeting another segment of the marketplace. Even the old Playford Power Station will target a particular segment, and then there are the fast response gas turbines. As a generator in that market, that is a unique portfolio of generating facilities that we believe will be of significant competitive advantage. Some of the other major advantages are our fuel mix, where we have gas from the Cooper Basin to fire Torrens Island and the coal field at Leigh Creek to provide coal to Northern Power Station. That gives us a balance of fuels, so that we are not dependent upon just a single major source of fuel.

Depending on what happens in the marketplace over the longer term, gas as a fuel may well turn out to have significant environmental advantages, which in future may also turn into economic advantages in the marketplace. The major competitive disadvantage that Optima faces is the cost of supply of its fuels. Leigh Creek coalfield is very efficiently operated, but the geological nature of that coal means that there is a very large amount of waste material that must be removed to recover each tonne of coal. There are 250 kilometres of Australian National rail line between the coal mine and the power station. They are major natural economic disadvantages of some magnitude compared to the very large and good energy deposits of the La Trobe Valley, which is a great energy source. We would see the cost of our fuels as our major disadvantage.

Mr FOLEY: This question relates to the requirement for electricity in the Flinders Ranges. Some months ago my wife and I had the pleasure of spending a weekend in Parachilna, and I would recommend it. As a former Minister for Tourism, the Minister would no doubt be aware of the excellent facilities on offer at the Prairie Hotel at Parachilna. I would recommend that any honourable member spend a night or two there. No doubt the member for Florey has been there many times on his shooting expeditions.

I have written to the Minister for Mines and Energy about electricity in the Upper Flinders. At Parachilna, roughly \$60 000 or \$70 000 is required each year to pay for its generation capacity. Another similar amount is paid to service a generator at Blinman and another sum of money at Oraparinna Station, and then we have the issue at Wilpena. From my point of view, as the shadow Minister for Infrastructure, it would seem to me, regardless of where the money comes from, that, if we are spending collectively \$200 000, \$300 000 or \$400 000 in that region of the Flinders on supporting diesel generation capacity, we should look at some capital infrastructure—either by ETSA Corporation or whatever—to provide some decent power in the area.

It is a nonsense to pay out these moneys without a concerted coordinated approach to it. I know my colleagues, the shadow Minister for Tourism and the Deputy Leader of the Opposition, have also made similar representations on this matter. It would seem to me, particularly from a tourism point of view that, if we invested in infrastructure for that region responsibly, we could open it up significantly. If we put decent infrastructure into the region, the people investing

their money in hotels such as the Prairie Hotel and so on would be encouraged to spend more. Will the Minister respond?

The Hon. G.A. Ingerson: As the previous tourism Minister I have always been very interested in the development of the Flinders Ranges, and in particular Wilpena. One of the points put to us from an international perspective is that not only do we need to develop unique opportunities for people to stay in and see but at Wilpena and in the Flinders generally we have an opportunity to develop some world class solar-diesel combination energy, and it would be quite foolish if we did not at least exhaust the opportunities to investigate that option. As I said, it is not only from a power point of view but in using the uniqueness of the area as a tourist attraction in its own right. That is why the Government is seriously investigating the issue of diesel-solar energy at Wilpena.

The other obvious reason for looking at the Flinders from a solar energy point of view is that one of the most important pluses of the Flinders is its beauty and the fact that wires are not strung everywhere. Another issue is Aboriginal native title. Placing the energy wires underground will not only add to the cost but will also involve impacting on potential native title claims. To consider erecting powerlines in the Flinders Ranges seems to be looking back at yesterday's technology. At the end of all that, we have to decide whether the economics stack up because, whilst we can theorise about the future, eventually we have to pay for it. A study in relation to Wilpena and solar versus the powerlines is currently being finalised. At this stage it is clear that the difference between the two is very marginal, but it is my view that we should be, along with all the future energy sources, looking at solar energy and diesel for the Flinders Ranges in particular, even if it is only from a tourism perspective.

Mr Armour: As the Minister said, the Wilpena exercise is probably the first test of solar-diesel. If it can be justified, it will provide a model for looking at places such as Parachilna and Blinman. The difficulty is that while the costs of operating in Parachilna and Blinman are high now—and there are many disadvantages, which ETSA recognises—it would involve spending millions of dollars to extend the line into that area.

Mrs HALL: I refer to capital works, page 30, regarding upgrading residential street lighting. We all know that ETSA has installed bud lighting along North Terrace to brighten up this popular part of the city, and it is a great tourist attraction. Are there any plans to extend that project either in the city centre or in other council areas around the State?

The Hon. G.A. Ingerson: As everyone in the city would know, the installation of bud lighting in North Terrace has opened up North Terrace as a new vista, and I take this opportunity to congratulate ETSA and its board for taking the initiative to ensure that our city was not left behind other cities. I understand that negotiations are being conducted with the city council to extend it further down North Terrace. As Minister, I have told the Lord Mayor that I would like to talk to her about that project. It is my view that it would complete the North Terrace boulevard if we were able to extend it to the Royal Adelaide Hospital at least, and I believe that it would make a significant change to North Terrace. There is a budget for this program of some \$200 000 per year for the next three years, and we have a commitment from ETSA to extend it. All we need to do is work with the city council to extend it, in my view, right along North Terrace.

Mrs HALL: The Financial Statement raises the question of the scope of the former South Australian generation company's operations, namely, to conduct an energy supply business by supplying, wholesaling and retailing electricity generated by the corporation and trading in electricity and fuels. Will the Minister advise the Committee of the productivity improvements that have been achieved at Leigh Creek over the past 10 years?

The Hon. G.A. Ingerson: There have been significant improvements in productivity at Leigh Creek, and we have to go back in history and recognise that the management of ETSA Corporation over the past two to three years has made very significant changes in the way in which the mine is managed at Leigh Creek. As a consequence, with the upgrading of the vehicles and general productivity improvements, Optima Energy has benefited from those significant base changes and will continue to improve its own productivity. It is important to note that these changes started two to three years ago and the benefits that are flowing through now go back to the original changes made by ETSA management.

The terrace mining of the over burden has been implemented following extensive study in 1996. It came about after the extensive valuation of nine mining methods, ranging from the existing strip mining method to input crushers, belt conveyors and terracing. Members who have been to Leigh Creek would note that it is a staggering method of mining, and it really opens the eyes. One of the things that we tend not to do as parliamentarians is encourage other South Australians to look at some of the huge mining processes that are occurring in the north of our State.

Terrace mining advantages include a significant cost in over burden removal because of increased haul-cycle efficiency, a more constant level of output over the economic life of the mine and a more efficient and environmentally responsible mine rehabilitation program. The direct economic savings of terrace mining are of the order of 5.2 per cent, representing significant cost savings of \$3.6 million annually or in excess of \$100 million over the life of the mine.

As Mr Morgan pointed out earlier, one of the most significant disadvantages for Optima Energy is the cost of its coal. If the process can significantly reduce that by \$3.6 million annually or \$100 million over the life of the mine, those sorts of efficiencies are very important.

As part of the process, there was a re-fleeting of the trucks and the shovels, and that was a very significant change implemented by ETSA management. The commissioning was for a total cost of \$44.2 million. The study was done on an international basis, with benchmarking right across the world and comparing the Leigh Creek operation. Clearly, some big advantages came from that benchmarking study.

Personnel or employee numbers have reduced from a peak of 736 in 1986-87 to 320. Another most important issue as far as Leigh Creek is concerned has been the very significant improvement in safety performance. The lost time frequency rate has improved from 96 in 1985-86 to 12 in 1995-96. One of the carry-ons that I have been very conscious of in transferring from Minister for Industrial Affairs to this major portfolio has been an encouragement of management to make sure that safety remains a No. 1 issue on all agenda programs. At Leigh Creek there has been a significant improvement in safety. That means an improvement in the health of workers and in the bottom line and the attitude of workers to the way in which they go about their work. Safety at Leigh Creek has

improved dramatically, and we congratulate the board and management on their performance.

Mrs HALL: Demonstrating the diversity of the infrastructure portfolio, given that we have covered bud lighting and productivity improvements at Leigh Creek, I will pursue an aspect of Optima Energy. Page 6.9 states that one of the aspects of its scope of operations is to carry out research to develop greater use of renewable energy sources. This may not come under that line, but I understand that in September 1996 nine yellow-footed rock wallabies were released at Aroona sanctuary at Leigh Creek as part of a cooperative reintroduction project. Can the Minister elaborate on the progress of this most important project?

The Hon. G.A. Ingerson: Optima Energy has worked with the Royal Zoological Society of South Australia and the Department for Environment and Natural Resources to create a habitat for the endangered yellow-footed rock wallaby at the Aroona Dam site at Leigh Creek. More than 40 square kilometres of land around the dam was recently declared a sanctuary, which comprises the dam, wetlands below the dam, mountainous terrain, rocky outcrops, saltbush range lands and creeks lined with vegetation.

After years of cooperative preparation by the project's sponsors and local residents, two male and seven female wallabies were released at Aroona on 26 September 1996. Sadly, one of males died almost a month after release. A post-mortem indicated a heart-lung problem which was not associated with the release. Since reintroduction, the wallabies have been radio tracked twice daily to monitor their position. Readings indicate that they have not travelled far from the release gully and are living within 700 metres of the release site. The first 40 days of intensive tracking are now complete.

An honourable member interjecting:

The Hon. G.A. Ingerson: It always fascinates me that the Labor Party does not care about human interest stories—animals and native species. The fact that a big company the size Optima Energy is prepared to go down this track becomes a bit of a joke to the Labor Party. It is disturbing. I will go on. It frustrates me to think that the Labor Party believes we are interested only in dollars and cents and how many votes you get out of it. Female wallabies have given birth to their next joeys, which are in the pouch. It is expected that, once the yellow-footed rock wallabies have been established, they will form a significant tourist attraction at Leigh Creek. We should appreciate that the wallabies are indicators of land health and their survival is possible because of the reduction in predators and competitors.

Ms WHITE: I refer to the Government's consideration of the solar-diesel option at Wilpena. I recognise that, while Wilpena is an important part of the Flinders Ranges, there is more to the Flinders Ranges than Wilpena. If the solar-diesel option goes ahead in terms of maintenance costs and/or subsidised operating costs, will that same deal be offered to other operators in the region?

The Hon. G.A. Ingerson: The grid price, which is the price at which it would be supplied to Wilpena if it was off the grid, will be the price charged to Wilpena if solar-diesel energy is supplied. There has also been an arrangement through the Tourism Commission to negotiate with other users in the area—for example, Rawnsley Park and others that are close by—that they would not be disadvantaged by any commercial decision made at Wilpena. In other words, a flat price will apply right across the system for all users, depending on the amount one uses. In terms of maintenance,

my understanding—and the honourable member would need to clarify this with the Minister for Tourism—is that the deal is a consistent deal in the area around Wilpena, and Rawnsley Park and Arkaba station are also part of it.

Ms WHITE: Ever since I was elected at the end of 1994, in Estimates Committees and in Parliament I have raised the issue of reliability of ETSA supply to my constituency of Taylor. I have been raising with the Government the inferior, unreliable supply of ETSA power to my constituents. People living in the Two Wells, Lewiston and Virginia area always seem to be the first ones to have their electricity supply drop out when there are overload problems. There are also problems in the Paralowie and Salisbury North areas. I have a letter from the former Infrastructure Minister, the Hon. John Olsen—now Premier—in response to my request for the outage performance in the Paralowie area to be monitored and analysed. There is an admission in this letter that the relative performance of the feeder in the Paralowie area is under performing. It is stated that the substation for the Paralowie area will be completed by mid March 1997. That has not happened; why not? When will we see better power performance in Paralowie?

The Hon. G.A. Ingerson: I have never realised that I would be so generous to the member for Taylor. I will just read this out so that she can take it out and get a good press release out of it. Recently, the supply reliability in Paralowie and adjoining areas has been recognised as being below our average. Therefore, in December 1996, the ETSA board approved a project to build a new substation and do associated work on the distribution system to reinforce supply to the area. The estimated cost is \$2.27 million. The construction of a substation is in progress, and it will be completed and in service by the time the summer load occurs in 1997-98. That is about—

Ms WHITE: It is nearly a year later than was promised.

The Hon. G.A. Ingerson: My dear, it will be there by Christmas, just in time for you—

Ms WHITE: We have to put up with blackouts until then.

The Hon. G.A. Ingerson: Once the work is completed, the reliability of supply to the area is expected to improve to a standard comparable with that achieved by ETSA in a similar area. Based on the system average outage duration statistics for the three year average, ETSA's supply reliability is substantially better than that of the Eastern States, but you would not be interested in that. The work at Paralowie is part of a \$10 million program of work which ETSA is undertaking to reinforce supply following the outages which occurred during the hot summer. So, you can put out a little note that says, '\$2.27 million to be spent; it will be on by Christmas and everybody will be nice and cool in the Paralowie area.'

Ms WHITE: Minister, you said that expenditure on the Paralowie substation was part of that \$10 million. The letter I have from the Premier promising that upgrade is dated July 1995, which is well before the \$10 million was announced.

The Hon. G.A. Ingerson: Come on. Why don't you dry up. In fact, it will be done by Christmas; you are getting something done by Christmas.

Ms WHITE: You are taking this out of the \$10 million promised.

The Hon. G.A. Ingerson: Does it matter where it comes from, as long as you get it done?

Ms WHITE: It means that \$2.7 million less work will be done somewhere else.

The Hon. G.A. Ingerson: Oh, my dear, we will do it for you.

An honourable member: That's so patronising.

The Hon. G.A. Ingerson: Well, this is the most incredible series of questions I have had to put up with. We are doing something; we are extending it. We will produce the goods for her and she complains that it is coming from somebody else.

Ms WHITE: You announced an extra \$10 million; it was not an extra \$10 million.

The Hon. G.A. Ingerson: It is not coming from anywhere else; it was located.

The CHAIRMAN: It is a little like winning an election and asking for a recount.

Mr FOLEY: For both Optima Energy and ETSA Corporation, will the Minister itemise, by respective corporations, all spending within these portfolios over 1996-97 on consultants, public relations and advertising, and any polling related to community attitudes towards the functions of those respective corporations?

The Hon. G.A. Ingerson: I will provide that information.

[Sitting suspended from 6.10 to 7.30 p.m.]

Additional Departmental Advisers:

Mr P. Cain, Corporation Secretary.

Mr C. Wear, General Manager, Adelaide.

Mr G. Haberfeld, General Manager, Finance.

Mr R. Abbott, Manager, Management Accounting.

Mr D. Gee, Executive Manager, Export and Industry Development.

Mr P. Norman, General Manager, Country.

Mr T. Phipps, Chief Executive, SA Water.

The CHAIRMAN: We are still examining the vote for Minister for Infrastructure—Other payments, \$900 000. We have the advisers from SA Water to examine a new section of that vote. I note that the time scheduled for closure this evening which was circulated to members on the timetable is 10.30 p.m. I have to advise members that, although it is possible to extend beyond 6 p.m., it is not possible to extend beyond 10 p.m. because, under Standing Orders of the House, which can only be amended by Parliament itself, these Estimates Committees conclude at 10 p.m. if the morning session starts at 11 a.m. So, we are stuck with a 10 p.m. closure. I invite the Minister to make a statement if he so wishes.

The Hon. G.A. Ingerson: I take this opportunity to provide the Committee with an overview of the performance of SA Water for 1996-97 and an outline of targets for 1997-98. As at the end of May 1997 forecast operating profit before tax for 1996-97 is \$153.7 million compared with last year's result of \$79 million. This reflects the receipt of CSO revenues of \$73.6 million. The main functions and activities comprising CSOs are pricing of water and waste water services to country regions of \$70.8 million, rate concessions to exempt properties of \$2.4 million and administration of pensioner concessions, \$400 000.

While CSO funding from the Government has the effect of increasing SA Water profit, it is important to note that these funds are returned to Government by way of dividend. It also reflects savings from the United Water contract of \$10 million, the treatment of Murray-Darling Basin contributions as dividend rather than cost, which is \$14.5 million, and interest savings of \$16.3 million. These factors are offset to an extent by increased depreciation of \$45.8 million because

of the adoption of a straight line optimised deprival value depreciation.

The total SA Water contribution to Government will be \$104 million, representing an increase of \$60 million on the last year. In the latter part of 1996-97 SA Water pricing issues were subjected to an independent review by the Competition Commissioner. Capital expenditure is forecast at \$66.8 million against a budget of \$74.1 million. This under-expenditure is due to savings associated with competitive tendering of projects of \$500 000 and project timing of \$6.8 million to the extent that on average expenditure has been incurred five weeks later than initially anticipated. During 1996-97, SA Water entered into contracts which involve the private sector in the provision of infrastructure; the provision of treated water to the Adelaide hills, Barossa Valley, Mid North and Murray River towns (total construction costs are about \$110 million); and a waste water treatment plant and re-use scheme at Aldinga at an estimated total cost of \$4 million. The 1997-98 budget provides for an operating profit of \$154.6 million.

The total SA Water distribution to Government will be \$172.9 million, representing a further increase of \$68.9 million on 1996-97. This increase is due primarily to CSO returns of \$73.6 million. The 1997-98 operating budget includes several new initiatives, including metropolitan water quality improvement, \$3 million; country water quality improvement, \$4.7 million; and tariff payment for the Aldinga waste water treatment plant, \$400 000. It is planned to make further significant savings in 1997-98 from the restructure of the finance function, procurement savings from supply function restructuring, additional savings in extra purchases, and electricity tariff savings. Capital expenditure of some \$81 million is planned for 1997-98. SA Water has commenced a \$200 million environmental improvement program. The major expenditure under this program for 1997-98 will be \$11.5 million, to be spent on the EIP improvement program at the Bolivar waste water treatment plant to significantly reduce levels of nitrates and phosphates discharged into the gulf. This is in conjunction with the Virginia pipeline to be constructed by a consortium appointed by the Virginia Irrigation Association and the MFP.

Some \$4.2 million is to be spent in the environmental improvement program at the Port Adelaide waste water treatment plant to reduce the level of nutrients discharged to the river environment. Some \$900 000 is planned to be spent on odour reduction measures at the Bolivar waste water treatment plant. Expenditure of \$1.3 million is planned for the construction of the Middle River water filtration plant, which will provide filtered water to residents of Kingscote. Some \$9.7 million is to be spent on ancillary infrastructure work to support the water treatment plants being constructed by Riverland Water to serve the Adelaide Hills, Barossa Valley, Mid North and Murray River towns. This will ensure that new plants are integrated into the existing water supply systems and maximise the distribution to the largest population as economically as possible. Some \$2.7 million is to be spent on metropolitan and country water quality improvement programs; \$700 000 is to be spent to continue the extension of sewerage infrastructure to the Adelaide Hills; \$800 000 is planned to construct a sewerage plant at Rustlers Gully near Port Lincoln; and \$3.7 million is to be spent on mains replacement.

United Water's first year's appointment has been reported to the Parliament, and that report shows that most of its key commitments have been met and that some them are not quite

to the final stage but very close to it. The United Water contract has been operating for a little over a year, and it is good to see positive signs of a water industry developing in South Australia. There is obviously confidence in what the Government has done through this contract. The recent announcement by Henry Walker in purchasing the Tubemakers Water Process Engineering Group is one such sign. Henry Walker operates the new Aldinga waste water treatment plant on behalf of SA Water, and this contract will not be affected by this acquisition. I think Henry Walker summed up the situation well when it stated:

... we are delighted at securing this opportunity to build our presence in the waste water treatment sector. The technology, employees and product acquired has given Henry Walker the capabilities to be a competitive supplier for a broad range of waste water treatment requirements in Australia and Asia. . .

I also note that Thames Water, a major shareholder of United Water, has just been successful in a contract bid in Jakarta. As Minister for Infrastructure I accept those excellent outcomes.

Professor Hartley has now been actively reviewing the Bolivar waste water treatment plant performance for about two weeks. We anticipate that he will complete the review by the end of June at a cost of \$20 000 to \$25 000. No firmer estimate can be given as reimbursement is based on costs incurred and an hourly charge rate. Professor Hartley has delivered a preliminary set of options through the Environment Protection Authority as of last week. One of those options, the potential for the bypassing of the lagoons at Bolivar to the marine environment, has been rejected outright by Government. Professor Hartley has himself acknowledged that this was never a serious option. Professor Hartley's preliminary work has identified a series of issues for Government to consider which indicates that that current odour issue may have been gradually developing over five or more years.

Government is committed to fixing the problem once and for all. It is unreasonable for Adelaide to live with this situation and this is acknowledged. The issue of odours from Bolivar has been talked about periodically in Adelaide over several years and this Government will be the one that will take decisive action to remedy the impacts of waste water treatment on both marine environment and the general amenity of the people of Adelaide. The issues at Bolivar, as I have suggested, appear to be due to a progressive deterioration in lagoon health, which dramatically declined further when the gate trouble occurred.

These events may raise issues of a need for a general overhaul of Bolivar but it is too early yet to commit to this. We must await Professor Hartley's final report to determine what is necessary from there. However, given the commitment of this Government to enhance the current quality of sewage treatment in this State, as indicated by the EIPs that are in place, I am confident that the works necessary at Bolivar will be manageable. Not only do we have the licence requirements for plant discharges to protect but there is also the developments in the area of re-use that must be sustainable. This Government will not jeopardise these outcomes.

SA Water already has in place this financial year a capital works program of some \$80 million. The Chief Executive of SA Water and I have taken the current issue of odours from Bolivar seriously, and all efforts will be made to urgently restore public confidence in the local capability to manage these types of issues. If necessary, the \$80 million capital works program will be re-prioritised. To date we have been

taking urgent action to rectify the odour issue at Bolivar, and I would like to outline these to the Committee.

Urgent measures have been taken at Bolivar to recover the treatment process within the stabilisation lagoons and stop the generation of odours, including: reinstatement of equipment that was previously unavailable due to maintenance being undertaken; recycling of effluent from the end of the lagoon system back to the inlet in an attempt to reseed algae within the first two lagoons; the dosing of the lagoons with hydrogen peroxide (20 tonnes) and a microbiological supplement in order to reduce the generation of odours and speed up the recovery process; chemical dosing (soda ash) of lagoons 1 and 4 (total 100 tonnes) to increase pH levels within the lagoons in order to reduce generation of odorous gases; daily dosing of soda ash to the lagoon inlets for pH correction (6 tonnes per day); initiation of nitrate dosing to one of the lagoons in order to reduce formation of sulphide levels within the lagoons; and modifying the secondary treatment process within the plant to reduce the loading being applied to the lagoons.

These modifications have included bringing on line more biofilters, changing the rotational speed of the biofilter distributor arms and increasing filter recycle rates, and initiating chemical dosing to the primary treatment process to reduce further the loading being applied to the lagoons. During 1997-98 SA Water will begin the construction of new infrastructure required as part of the corporation's \$200 million environment improvement program for the metropolitan waste water treatment plants at Bolivar, Port Adelaide, Glenelg and Christies Beach.

The \$200 million should be considered the mid point of likely costs that range from some \$170 million to in excess of \$200 million over the next five years. This program of capital works represents a significant financial investment for SA Water but it is mandated by the corporation's legislative obligation under the Environment Protection Act, and by the corporation's commitment to the introduction of best practice. The Environment Protection Act requires SA Water to exercise a general environmental duty to take all reasonable and practical measures to protect the environment and to prevent, reduce, minimise and where practicable eliminate harm to the environment through compliance with specified recurring water quality criteria or the adoption of best available technology economically achievable.

Although Adelaide has enjoyed secondary treatment (including disinfection of treated waste water) for many decades and resultant high level of organic treatment and public health protection, the focus of attention in recent years has turned to the environmental impacts of treated waste water discharged to marine and estuarine environments caused by nutrients. In this regard, discharges of treated waste water, together with stormwater and human impacts, have been implicated in the loss of seagrass along the metropolitan coastline and other environmental impacts.

Nitrogen is recognised as the problem nutrient in marine ecosystems and is therefore the prime focus of the corporation's attention at Bolivar, Glenelg and Christies Beach, while both nitrogen and phosphorous can be important in estuaries such as the Port Adelaide River into which the Port Adelaide plant discharges. The environment improvement programs for the metropolitan waste water treatment plants have been developed by national consultants to address the environmental issues related to nutrients in the discharges as well as odour nuisance caused to nearby communities. The environment improvement program has also taken into

consideration the Government's policy to phase out all waste water discharges to the marine environment where it is 'economically and environmentally sustainable'.

In 1997-98 construction is expected to begin on a dissolved air flotation filtration plant and associated facilities at Bolivar to provide large quantities of treated waste water for irrigation in the Virginia region via the Virginia pipeline.

The CHAIRMAN: Does the member for Hart wish to make an opening statement?

Mr FOLEY: I will make a brief opening statement, Mr Chairman, because it will save a little time in questioning. It would be fair to say that the Opposition has pursued the Government over the water outsourcing contract since the now Premier first brought the water contract to the attention of the Parliament and the public. The Opposition is obviously extremely concerned about the probity of the whole contract-signing process, much of which has been publicly commented on, much of which is the subject of a separate investigation by a parliamentary select committee and some of which will be raised tonight.

Through that process we were concerned about a lack of probity and a lack of professional conduct by SA Water's senior management. We were concerned about a number of issues that reflected on the State, not only in the poor conduct of officers within SA Water but also the State's ability to negotiate successfully such a contract with the commercial sector. However, I should not pre-empt the fallout of those concerns and the outcome of the select committee. Whilst we have a philosophical opposition to the process and policy decision taken by the Government, we are obviously concerned about the professional image of our State in terms of the whole probity of this process.

Equally, we were concerned with the possible fallout from the handing over of the management of our water to a private sector company. I think it would be fair to say that, whilst we have a philosophical opposition, we wanted the contract negotiated correctly and with the utmost probity. We wanted neither any questions raised about it nor the potential for any questions to be raised about it. Equally, we also hoped that the contract would run smoothly and that the public of South Australia would not be in any way disadvantaged or hurt in a real sense by the management of our water by a foreign-owned private company.

It would be fair to say now that the public health of our State and the very quality of life that people in Adelaide enjoy have been significantly impaired and hurt by the performance, or lack thereof, of both United Water and SA Water over the past two months. Never before has there been such a significant incident for such an extended period over such an extended geographical region of our city. It has come within two years of the handing over of our water to a private sector foreign-owned company, it has come as a direct result of a policy decision of the now Premier, John Olsen, and obviously it will be measured by the community's anger and concern at the forthcoming State election.

The Opposition holds this Minister and the Government accountable for allowing this situation to develop, for the Minister's inability to cope with it and for his inability to fix it. Today's *Advertiser* quotes the Minister as saying that he will fix the problem and that it has his top priority. The Minister has not been able to fix the problem to date. He has thrashed around and looked at blaming the problem on every other quarter, and he has shown an inability to decisively act on this issue. It is beyond belief that the Minister not only handed over the private management of our water to a

foreign-owned company and that he blames every other party for this problem, but he has brought an expert from Queensland to advise on the best way to rectify the situation.

In three short years, the Minister, the Government, Cabinet and the Premier have totally thrown away the key in terms of this State's ability to manage what is a very important piece of public infrastructure and what is, next to the health system, the most vital of public services. They have thrown away the State's right to manage it; they have thrown away the expertise to solve problems; and they have now left the State with a significant problem that now affects the very health and, dare I say, attractiveness of our city as a place to live in and do business.

We hold the Minister accountable, and the Opposition will keep him accountable. The Opposition expects the Minister to fix it quickly. If the Minister fails to fix it quickly, it will mean that he can no longer remain Minister in this portfolio, and we will let the electorate judge the Government's performance on this matter at the next State election. Who is responsible for this? Is it United Water? In the contract, which I have read, United Water has a responsibility to ensure odour control is maintained and that the management of our waste water facilities is controlled. Whose fault is it? Let us not have rhetoric or a Jim Hacker explanation: let us have the truth. Whose fault is this?

The Hon. G.A. Ingerson: I have sat through a lot of diatribe in my life and in this Parliament. We thought that we would do a study about action and inaction. We thought we would look at the public record and at the promises that have been made, because we had a fair idea that this would become a political slanging match and a political stunt for the member for Hart—

Mr FOLEY: It is not a political stunt.

The Hon. G.A. Ingerson: Well, you had your say; you listen for a while, because I will give you some facts.

Mr FOLEY: Whose fault is it?

The CHAIRMAN: Order! The member for Hart. The honourable member was listened to in silence. The Minister showed good grace while the honourable member was administering a fair old caning, so he should have the good grace to listen to the Minister's response—otherwise I will have no option but to warn the honourable member.

Mr FOLEY: Sir, you do what you have to do.

The CHAIRMAN: Yes, I certainly will, and it may be quicker than you imagine.

Mr FOLEY: I look forward to it.

The Hon. G.A. Ingerson: There is nothing like a new boy on the block who suddenly has a whiff in terms of getting a political opportunity to become Leader of his Party. This push to get rid of the person who tends to mislead all the time and who takes the opportunity to get in front, seize a political opportunity and run with it is an absolutely fascinating exercise. I have never said that there is no-one to blame; clearly there is.

Mr FOLEY: Who?

The Hon. G.A. Ingerson: I do not know the answer to that. I brought in Professor Hartley to tell me what the problem is and whether there is a group to blame. I can tell this Parliament, as I have told every person in South Australia, that that group will know. We will not need to worry about Labor's grandstanding or that of the member for Hart, because it is a serious issue—there is no question about that. The Government has not walked away from the issue. The previous Government did nothing for 10 years during the 1980s except issue press releases saying, 'We have a stink out

here and we will fix it'. The previous Government spent no money at all in doing anything about it. It had no environmental improvement program and made no attempt whatsoever for 25 years to do anything about that smell. One need only ask the people who have lived in the Salisbury-Elizabeth area for 25 years, of which I am one—and I know the member for Taylor is a new resident—

Ms White interjecting:

The Hon. G.A. Ingerson: Yes, you are still relatively new. You are only part of the picture; you have not become long term yet. The reality is that it is a long-term problem that has arisen as a result of the long-term neglect of the sewerage system at Bolivar. During the 1980s there was no attempt to fix the problem, other than the blustering from then Minister Lenehan in a press release in the early 1990s. She said, 'I will fix this stink', but she did absolutely nothing about it and it is now left for someone else to fix. There is absolutely no doubt that there has been an accident at Bolivar and that the situation is not acceptable. You do not have to be a Rhodes scholar to recognise that the people of this city are upset about it and that they expect the Government to do something. The community expects the Government and the Opposition to sit down, work through this and find a solution—

Mr FOLEY: Why us?

The Hon. G.A. Ingerson: Because if you were really serious about finding a solution, you would not engage in political grandstanding. The member for Hart suggests that it is a public health risk, but there is absolutely no evidence whatsoever to indicate that it is. That is an outrageous public statement to make, because there is absolutely no evidence to support that. The public of South Australia ought to understand that the honourable member is only playing political games. As Minister, I have the responsibility to fix it up, and I will do it. As I said this evening in our peremptory discussion, the Government will reorganise its capital works programs if it has to, unlike the previous Government which made the decision to spend money in this area and then failed to do so. The former Labor Government did not do it because it was frightened that it would lose some safe Labor seats in the southern area and, hence, implemented filtration plants in the southern area in the late 1980s. If that was not political grandstanding, what the hell was it? Let us get a few facts with respect to Labor's political grandstanding on the table, put it aside and then decide what we will do about this problem.

The fundamental issue is that we have ponds that are stinking and rotten, and we have to dose them chemically. We are doing that. We are taking professional advice both internally and externally. I would have thought, knowing the member for Hart's background, that he would expect me as a pharmacist, who has some understanding of chemical process, to get professional advice and not go out there as a pharmacist—and I understand that the honourable member has not been out there yet—and say that I think this is what has to happen. As a Minister of the Government, it would be expected that I would seek professional advice from three sources.

First, I obtained independent advice from the EPA, which appointed Professor Hartley to give the Government unbiased environmental advice; secondly, I obtained advice from my department, the SA Water Corporation; and, thirdly, I obtained advice from the managers of the process, United Water. That is what we are doing. The advice we have been given by Professor Hartley, SA Water and United Water is

that we have to dose the lagoons to try to restore the aerobic and anaerobic balance within the ponds. That is exactly what has been done. The further advice we have is that, whether or not you are a smart-alec Labor politician, the reality is that no-one can fix it tomorrow morning. Whether you grandstand for six months or 10 years, the regeneration and reorganisation of those ponds will take place with chemical dosing and within a time frame to enable the pools to biologically reorganise themselves. I expect to have a formal report from Professor Hartley via the EPA on 30 June. We are receiving daily advice from SA Water and, consequently, from United Water on what they are doing. They are working with Professor Hartley and anyone else whose advice can assist in fixing the problem.

Mr Foley interjecting:

The Hon. G.A. Ingerson: You will have to listen and wait, because I have put up with your grandstanding and nonsense in the public arena for a considerable time. So, you will get a bit of it back tonight. You will have to listen to how Labor Governments let things go, how we now have a problem and how we think that should not have happened. I do not accept it either. We are actually going to do something about it.

Mr FOLEY: Thank you for that, Minister. I accept that the Minister will give me long-winded answers, because he has put SA Water on at 7.30 at night after having originally said that he would have it on at 11 o'clock—but that would have meant the TV cameras would be here. I understand that.

The Hon. G.A. Ingerson: I never said that: the honourable member knows that. The honourable member has never been part of the negotiations. Do not mislead people.

Mr FOLEY: Is the minister accusing me of misleading the Parliament?

The Hon. G.A. Ingerson: I am just asking you to say—

Mr FOLEY: The Minister's office faxed me a timetable that had SA Water at 11 a.m. So, I would be very careful about that. The Minister has said that the pong will not go away until he has gone through this biological process that he has just outlined. When will the pong leave this city?

The Hon. G.A. Ingerson: If I knew the answer to that, I would be a better man than you are, Gunga Din. The reality is that nobody, on any professional advice, will give you or me the answer to that question. That is the greatest bit of political grandstanding of all time. It will go as soon as the ponds are in a stable position.

Mr FOLEY: How long will that be?

The Hon. G.A. Ingerson: Nobody knows that. Professor Hartley has not formally told us that. Our own advisers do not know that. No expert knows exactly what day it will be. We hope that it will be tomorrow.

Mr FOLEY: Are we talking weeks or months?

The Hon. G.A. Ingerson: We are working to get the thing done tomorrow, but we do not know the answer to that. I do not think that the honourable member wants to understand. We are telling him that neither we nor anyone in Australia knows the date when this will occur. This is the greatest grandstand of all time. The honourable member does not know. Let me ask him the question.

Mr FOLEY: I do not know, because I am not the Minister but, if I were the Minister, I would know.

The Hon. G.A. Ingerson: No, you would not.

Mr FOLEY: I would know and I would fine United Water—

The CHAIRMAN: Thank you, member for Hart.

The Hon. G.A. Ingerson: You would not have a clue what to do, because you will not get there.

The CHAIRMAN: Omniscience is given to very few; certainly not on the face of the earth.

Mr FOLEY: Thank you, Sir. I do apologise, but the Minister did ask me a question. I readily accept that I do not know the answer because I am not the Minister—

The Hon. G.A. Ingerson: Neither do I.

Mr FOLEY: What the Minister is saying is that nobody knows. We have the world expert French and British running our water; we are supposed to have the world's best. They are going to take our technology into Asia and make Adelaide the water capital of the Asia Pacific Basin. We have the EPA, we have SA Water with all its staff, and the Minister is telling me that nobody knows how long this will take to be fixed. That is an irresponsible answer from the Minister. He is basically washing his hands of this issue and saying that he has no idea. The Minister said today in the paper that he will fix it. But tonight it is revealed that the Minister has no idea as to how long it will take. I am stunned.

The CHAIRMAN: Does the honourable member have a question?

Mr FOLEY: Are we talking weeks, months, six months? How long are we talking?

The Hon. G.A. Ingerson: I never thought I would have to come into this place and give an academic economist a lecture in science.

Mr FOLEY: I am not an academic, and I am not an economist. That is an insult to the economist over there.

The Hon. G.A. Ingerson: It might take some time. One of the basic things that any scientist will know is that in the biological area there is no exactness, no finite time, and that you cannot tell. As I said to the Committee earlier, what we have done is systematically go through the processes advised to us by Professor Hartley. Professor Hartley has said that we should dose the pools with some carbonate, that we ought to dose them with hydrogen peroxide, we ought to put in some nitrates and continue to monitor the water and, as the pools start to change, we will note that and will be able to tell what the time frame will be. It is very simple and very straightforward, but it is a time consuming process. Professor Hartley, who is a world expert, is not prepared to say what day, what hour or what month it will be ready. So, how can the honourable member expect me as the Minister to make a statement that is different from that?

I can assure the public and the honourable member that we are working to get it done as quickly as possible, and we will not stand by without spending money and getting expert advice to achieve that as soon as practicable. I hope that is tomorrow, but I cannot give the honourable member that guarantee. And I would be totally dishonest and typically Labor Party-ish if I did.

Mr BUCKBY: I will continue the line of questioning on the odours that are currently pervading the metropolitan area. Will the Minister outline recent causes of the sewerage odours and what aspects of the EIPs for metropolitan waste water treatment plants will deal with these odours? Can the Minister outline developments for the sustainable reuse of effluent?

The Hon. G.A. Ingerson: I went through some of this earlier. The fundamental cause has been the overloaded lagoons. Everyone knows that. It came about because of an accident with a gate that jammed closed, there was a bypass action and the overload of primary treated sewage went into the lagoons. That is what happened. One of the issues that is

a concern for everyone is to find out—and this is what Professor Hartley is there to do—how long it was in that position, in terms of the lagoons; whether the overload was too stressful at that time; and what action could and should have been taken at that time. But the reality of all of that is a bit like the Labor Party: they all deal in history. It is not about history: it is about today and trying to fix up the problem so that tomorrow we have the thing back to normal.

It is not about grandstanding in respect of who was right or who was wrong. It is about sorting out a major problem that is not acceptable to the community. In terms of the ponds, in essence what has happened is that the ponds have turned themselves upside down and, instead of having the aerobic section in half the pool, the whole pool is basically anaerobic. That is the issue, and that has to be turned around biologically, using the algae within the ponds and the chemical dosing. If I knew what the time frame was to fix it up, I would be very proud to stand up here tonight and say 'It is tomorrow.' I cannot do that, and it is much better, I believe, to be honest than to be like Labor.

Mr BUCKBY: I turn now to the United Water contract, in particular the performance criteria for general sewage treatment and odours. Will the Minister please explain what performance criteria are in the contract with respect to water and sewage treatment generally and sewage odours in particular, and what is the EPA's view of this approach?

The Hon. G.A. Ingerson: The agreement with United Water contains 69 performance standards of which 19 are related to water and sewage treatment. The water treatment criteria cover the microbiological quality of the water; aesthetic quality, such as colour and turbidity; and chemical quality, such as Ph soluble aluminium, fluoride, iron and manganese concentration. For waste water treatment the criteria cover microbiological quality for Glenelg, Port Adelaide and Christies Beach; effluent biochemical oxygen demand; BAB and suspended solids; and the effluent salinity level for Bolivar only. The contract with United Water has a performance parameter, that is, the response to odour complaints within the waste water network, by contacting consumers and attending to the odour source. Failure to achieve this performance parameter will attract a penalty in the form of performance credit.

United Water is also required to have established odour and overflow control programs in the waste water network—and it has done this. No specific performance standards which would attract the penalty are in place for odour emissions from the waste water treatment plants. However, United Water is required to operate the treatment plant processes and odour control facilities at these plants in an efficient manner so that odour complaints from neighbours in the community are minimised within the limitations of technical constraints and existing infrastructure. It is also required to attend to owner complaints and to liaise with community groups as necessary.

The contract also provides for remedies for any failure to perform which constitutes an unacceptable degradation in service which leads to an increase in consumer complaints and inquiries with a consequent increase on SA Water's resources and operations as well as damage to SA Water's reputation. United Water is also required to undertake its operations to ensure compliance with all applicable environmental laws, protection policies and approvals and the control of odour emissions covered under the Environmental Protection Act 1993. These performance criteria relating to the control of odours are similar to those applying to SA

Water previously. The long-term control of odour emissions from each of the waste water treatment plants is covered under the environmental improvement program for each plant with upgrading requirements specific to each plant, and these proposals have been accepted by the EPA.

Mr BUCKBY: I turn now to the sewerage schemes for Old Noarlunga and the Adelaide Hills, Capital Works Program, page 49. Will the Minister outline developments in the provision of a sewerage scheme to Old Noarlunga and any plans the Government has to continue the Adelaide Hills sewerage program?

The Hon. G.A. Ingerson: In February 1996 SA Water obtained the Minister's approval in principle to develop a sewerage scheme to serve the Old Noarlunga township, estimated to cost \$2.1 million. It was also decided that all property owners served will be required to pay the standard sewer contribution less any rebates for an existing waste water disposal system. In October 1996, SA Water wrote to all property owners advising them about the proposed scheme and in October 1996 a public meeting was held. It was then decided to conduct a poll to ascertain the level of community support. The poll conducted by the Electoral Office resulted in more than one-third of property owners voting against the scheme. As a result, SA Water decided to remove the project from the capital works program.

In view of the City of Noarlunga's support for the sewerage scheme and its concerns for the environment, the corporation has asked the council to produce a budget estimate for a scheme. Council has since advised that it is not prepared to pursue this option. Following the announcement of a 10 year interest free loan for pensioners, the local members, Ms Rosenberg and Mr Brokenshire, wished to poll the Old Noarlunga community to determine the community's current expectations. The proposed polling by local members conclusively indicates that a sewerage system is desired and that beneficiaries will pay the standard contributions. SA Water will be prepared to reinstate this project in the capital works program for 1998-99.

In relation to the Adelaide Hills, construction of the scheme began in 1978. In 1990 priority areas were determined in consultation with the Stirling council, and the construction program has been based on this priority list. On 31 May 1995 a media release by the Minister announced that the next stage of the scheme to be constructed will be in the Piccadilly drainage area, and construction is continuing in this area. The cost to date is \$4.98 million; expenditure in 1996-97 was \$652 000; and the forecast in 1997-98 is \$700 000, with a total plan cost of \$20 million to reduce the pollution of the built up areas of the Adelaide Hills and the reservoirs that provide mains water to Adelaide. These priority orders have been modified slightly over the past few years and are presently Stirling South-West, Piccadilly-Crafrers (under construction), Stirling North-West, Aldgate, Aldgate North, Bridgewater infill, Stirling East and the remaining Hills areas.

Mr FOLEY: In the Minister's opening address he mentioned—

The CHAIRMAN: Incidentally, I point out to the member for Hart that I was just checking with the clerks about the timetable and the two timetables which I received—one dated 10 June and the other issued on the day that Estimates Committees were announced—have been followed quite religiously during the previous sessions and the Minister for Infrastructure precedes the Minister for Racing

on the official House list. I do not know what happened, but that was the scheduled timetable.

Mr FOLEY: What I am saying is that the Minister's office faxed us a copy of the original program and SA Water was down for 11 a.m. It is my impression that it was subsequently altered because they realised that media wise that was probably not the best time.

The CHAIRMAN: No, it is down for 7.30 p.m. on this copy dated 10 June.

Mr FOLEY: No, it is okay. The one I have in my office says 11 a.m. That is inconsequential. The Minister mentioned in his opening address the issue of reinstating equipment that had been off line. What equipment has been off line and subsequently reinstated; and for how long was that equipment off line?

The Hon. G.A. Ingerson: I will ask Mr Wear to advise the Committee on that reference.

Mr Wear: The particular reference is towards gate A, which is in the recirculation control chamber. That gate was closed on 9 April and opened again on 15 April. During that period the gear box for that gate was maintained and also significant maintenance was undertaken in the secondary pumping station on valves and pumps in that area, and that is the reason why the gate was kept closed.

Mr FOLEY: Supplementary to that question, when was the Minister or SA Water senior management aware that gate A had closed; and was the Minister given any advice that the closure of that gate may lead to significant odour escape from the plant?

The Hon. G.A. Ingerson: On 11 April, two days after the actual gate closure, Mr Blight, who works for SA Water, went to Bolivar as part of the normal inspection process. He noticed that the gate was closed and he advised United Water at that time that there was some concern about that issue and whether they had it under control. He also advised them that there may be possible impacts in relation to the ponds and that there should be some concern about the bio filter process at the same time. Two days afterwards SA Water informed United Water in writing—they may have informed them in some other way previously—that there may be a potential problem.

Mr FOLEY: Did they highlight that there could be odour problems associated with this?

The Hon. G.A. Ingerson: Yes, there was a mention that there could be odours. Clearly, as the risk managers for Government, there should be an expectation that as the owner's representative they would be advising the managers of the project that they had some concern. It is exactly the same as if I own a business, for example, a hotel, and I find out that the beer in the lines is going off. I would write to the manager saying, 'I have some complaints about the beer going off in these lines: what are you doing about it?' It is exactly the same process, and that is what has occurred. United Water has said to the operators, 'We want you to ensure that what is happening is under control', and that is fair and reasonable.

Mr FOLEY: From our records, the Opposition raised the issue of the smell on 28 May. You were denying any major role in the odour issue from SA Water. You were talking about air inversions, weather layers and whatever else. I think Geoff Anderson from United Water mentioned car exhaust systems and everything else. But tonight you are saying that on 11 April SA Water was advised by its own officers that there would be additional odours emanating from that plant because of the closure of gate A. On 11 April, SA Water

knew that this problem was emerging, yet it failed to make any public statement, and you, Minister, for weeks thereafter, refused to acknowledge the full extent of the problem emanating from SA Water. Why did SA Water deceive the public?

The Hon. G.A. Ingerson: The honourable member has made an incorrect statement and it is a typical political grab for airspace. The supervisor who went out there noted that the gate was closed and referred it to them, pointing out that there were potential odour problems and asking what would be done about it. There was no suggestion in the whole process or in the memo that there was any fault at that stage. There was absolutely none at all. It was purely and simply part of an observation carried out by the risk managers. As I said, it is exactly the same situation as if I were in a hotel and the beer lines went off. Someone would tell me that something had to be done about it, and I would do something about it. SA Water, on behalf of the Government, started the process at that point of questioning what was going on. That is purely and simply what happened—no more and no less.

Mr FOLEY: The Minister has just said that it was seven weeks before the Minister's statement to the House on 28 May: seven weeks elapsed from when SA Water was advised in memo form that there was a serious additional odour problem emanating from Bolivar. Week after week, SA Water and the Minister continued to say that it was not necessarily the fault of Bolivar. SA Water knew that it was the fault of Bolivar. SA Water covered it up and you, Minister, either were not advised correctly or for your own reasons chose not to advise the Parliament or the public of this serious development. What occurred over that seven week period? Why did SA Water deceive the public?

The Hon. G.A. Ingerson: From 11 April to 11 May is one month, when the press release was made, not seven weeks. I know that the honourable member has difficulty with mathematics but we should get the facts right if we are to go down this track. In the period of notification there was no obvious concern with the pools in relation to smell and/or any general observation that needed to be acted on immediately. Within that period, from 11 April to the press release, the pools deteriorated. It was during that time that the smell started to get worse, and that is when the public statement was made. It was not seven weeks: it was four weeks. It was done under the control and advice of SA Water.

We will get all this information publicly when Professor Hartley independently analyses this on behalf of the EPA and the Government. It is my view that, instead of political grandstanding, we ought to wait for Professor Hartley to put it all on the table, because I can assure the member for Hart that I want to know just as much as he does what went wrong between 11 April and now. I can assure the honourable member that there has been no covering up by me and/or SA Water in this process. The biological breakdown, like the biological fix, takes time, and the development of the smell to its putrid state—and no-one disagrees with that—took that time from 11 April until when we announced it formally in a press release on 11 May.

The CHAIRMAN: I point out to the member for Hart that it is unusual in Estimates Committees for table advisers to be maligned. The Minister expects to be under attack, but a number of the honourable member's remarks this evening have directly accused officers at the table of dereliction of duty. I simply point out that that is unusual, but this is an unusual situation. It is on the nose, I know.

Mr BASS: I refer to the Capital Works Program, page 51. Will the Minister give an update on the project to provide filtered water to Kingscote on Kangaroo Island?

Mr FOLEY: I rise on a point of order, Sir. I bring your attention to an issue that is often made by Government members during Question Time, and that is the inappropriateness of a Government media adviser to be sitting in the press box, as I understand the Minister's press secretary is, and I ask you to enforce the ruling of Speaker Gunn.

The CHAIRMAN: If there are officers in any of the press boxes who should not be there, I advise them to leave. In mitigation of the Chair's behaviour, I point out that I have eyes only in the front of my head.

The Hon. G.A. Ingerson: A three megalitre per day capacity modular water treatment plant is to be installed to provide the township of Kingscote and nearby communities on Kangaroo Island with filtered water of the same quality as that provided to metropolitan Adelaide consumers. The Commonwealth Government has provided a contribution of \$375 000 towards the capital cost through the national Landcare program, with the remaining capital and all the recurrent funding to be provided by SA Water.

Preliminary investigations have been completed, including site inspection and selection, characterisation of Middle River Reservoir water quality, determination of water treatment plant design capacity, analysis of the existing water distribution system, laboratory tests, pilot plant trials, site contour survey work, scoping of suitable modular plants and preparation of a capital cost estimate.

An Aboriginal heritage archaeological survey of plant life has been completed and no impediments to the project have been revealed. Clearance for the project has been received from the Ngarrindjeri and Kaurna heritage committees. Negotiations are proceeding for the acquisition of approximately 1½ hectares of land for the water treatment plant adjacent to the existing Middle River \$4.5 million tank site. Preliminary approval for the project has been received from the Development Assessment Commission.

On 10 December 1996, ministerial approval was received for the Middle River waste treatment project at an estimated capital cost of \$1.96 million and to call tenders for a design, construction and commission contract for the plant. Tenders were called on 15 March 1997 and closed on 9 May 1997. Financial approval and approval to let the contract will be sought when the preferred tender has been selected. The Middle River water treatment plant is anticipated to be commissioned in June 1998.

Mr BASS: I refer to the Financial Statement, page 6.10. I understand that there has been a first-year appraisal of United Water's performance. Will the Minister outline the process following that appraisal and the performance of United Water with regard to exports, industrial development and other key commitments?

The Hon. G.A. Ingerson: When the Labor Party finishes all its grandstanding about the contract, we ought to continually remind the public of South Australia that, if we had not lost massive amounts of money, the peanuts that we are talking about to fix up Bolivar would be an everyday exercise. We were left with a disaster. The \$3.5 billion loss and the billion dollars in interest makes \$80 million to fix up Bolivar a Mickey Mouse exercise. Yet the Laborites in this Parliament have the gall to come into this Chamber and complain about a lack of capital works at Bolivar when, for 10 years, they promised to clean up the odour. Ample public statements were made by then Minister Lenehan that the stink

would be fixed tomorrow, that she would spend \$2 million tomorrow on some new stainless steel rotors—but nothing was done. Why was it not done? Because Labor was living in the land of nod, spending money and not worrying about controls.

I cannot believe the gall of the member for Hart who comes in here, concerned about the management of a water project, when his Party lost \$3.5 billion in just over six months. The disappearance of that money took only that period. It took 10 years to set that up, but the reality is that over about a period of six months \$3.5 billion disappeared. I find staggering the gobbledegook and nonsense coming from the Labor Party's argument about the mismanagement of a water contract. I also find staggering the Labor Party's non-acceptance of the fact that an accident has occurred—an accident that everybody accepts and recognises has to be fixed.

Members interjecting:

The Hon. G.A. Ingerson: How long will it take the Labor Party to accept that it has destroyed this State? How long do we have to keep telling the public of South Australia about the nonsense from the Labor Party over the past six to 12 months? Why do we not get down and try to sort out this practical problem and be straight and reasonable about it? We will do that. In this contract's first year, it generated \$24.6 million worth of export income. One of the staggering things about this whole process is that the Labor Party has never been connected with success, yet when a company makes \$24 million worth of exports for this State, it gets criticised. It is absolutely staggering that a company that is going ahead will be pulled down by exactly the same people who could not manage the State budget. You have to ask yourself the question: why would you ever give anyone with that sort of talent a chance to be in charge of the Treasury again? We are talking about a report that has been audited by three of Adelaide's leading accounting firms who have significant credibility and who say that all the general rules of the contract have been complied with.

Members interjecting:

The Hon. G.A. Ingerson: I am just answering a question from the member for Florey. We have a contract that has been appraised, and we have had good positive outcomes. However, all the Labor Party can do is decide that it wants to bring it down into the gutter where that Party always is. In the past 10 years, it has never done one positive, practical thing for this State, other than destroy it. If Labor had not been chucked out at the last election, it would have totally destroyed the State. Yet members opposite have the gall to come into this place and question a positive contract which has contributed \$24.3 million of export value to this State.

Mr BASS: Is there any potential for the customer service information system, which is being used by the SA Water Corporation, to be marketed outside this State?

The Hon. G.A. Ingerson: The SIS is being marketed outside the State in a joint effort between Tandem Computers and SA Water. I remind the honourable member opposite that it was the Labor Government that happened to bring in Tandem Computers. It is my understanding that the company is considered to be a company of world class. It would be interesting for me to go to Tandem Computers and say, 'Here we have the joke: the Labor Party is laughing about you.' It is an interesting exercise. The Labor Party is now laughing about the very company it encouraged to come into this State to be part of the EWS, as it then was, and to set up the computer system. It is now laughing about that, because it is

actually getting into the business and selling this service system overseas. It is fascinating how everything gets turned on its head and how politics get in the way of reality and truth. A good company called Tandem is being laughed at and being made a joke of by the Labor Party.

The West Australian Corporation was impressed with the way SIS manages the work flow by integrating the SA Water customer water service function. The productivity gains SA Water has shown since implementing the SIS has also impressed the West Australian Corporation. For example, SIS has been a major factor in reducing from 90 to 15 seconds the average wait time for customers who contact the SA Water call centre. In 1996, SIS was presented with the South Australian Information Industries Award Of Excellence, and in 1997 it received the Government Technology Productivity Gold Award. It is a good system, which was put in place by Tandem in conjunction with SA Water. Tandem involves the very people the Labor Party employed.

It really is a joke that the Labor Party is criticising people it employed at SA Water and United Water. It is interesting that these people can now win gold productivity awards, yet the Labor Party laughs about it. It is becoming quite a fascinating exercise. Tandem Computers and SA Water are talking with potential buyers in the Philippines about using the system in the Manila Water Company. It is an important process, and it is an important add-on to the export opportunities for the South Australian community.

Mr FOLEY: With regard to my making criticisms or reflecting on some officers from SA Water, the Opposition was quite comfortable and extremely pleased with the level of operations and abilities of the old EWS. We did not feel that it was incapable of running a good water system. This Government chose to bring in so-called outside experts to run it. We have full confidence in officers of SA Water. I make no apology for any views I may have about some of the issues to do with the contract negotiations with senior management. If those officers are offended by my remarks, quite frankly, that comes with the job. Overall, the Opposition has a good view on the quality of the old EWS and SA Water to run our water system. We wish they still were; we may not have these problems now.

The CHAIRMAN: I remind the honourable member that they are public servants who have no right of reply, and they are honourable people.

Mr FOLEY: The Minister has mentioned the capital expenditure issue and indicated that he will reprioritise his capital expenditure budget. He is reported in today's press as saying he will spend whatever it takes to fix this problem, and we do not know how long that will be and what that will cost us. Therefore, what will have to give? What capital works earmarked for this budget line will have to go to pay for this debacle?

The Hon. G.A. Ingerson: We are comfortable that SA Water will generate about \$170 million in 1997-98, which I mentioned in the pre-report, and that we will be able to reorganise some of that money if funds are left over from the capital works programs and reprioritisation. If we cannot, I will be taking a proposition to Cabinet to get it fixed.

Mr FOLEY: Does the Chief Executive Officer of the Minister's agency have his total, unqualified, unquestioned support in the handling of this matter?

The Hon. G.A. Ingerson: Yes.

Mr FOLEY: And the issues to do with the United Water contract?

The Hon. G.A. Ingerson: Yes.

Ms WHITE: I also want to ask a question about the crisis at the Bolivar waste water treatment plant. My constituents at Bolivar, Waterloo Corner, St Kilda, where I live at Paralowie—and, indeed, half of Adelaide—are sick of the excuses by the current Government for the crisis at Bolivar. They are not interested in the Minister's saying that it is no worse than it has ever been or telling them it is no worse than Bombay or Jakarta, blaming an inversion layer or a previous Government or talking about biological processes. They do not care how many ex-EWS employees he has to bring back to fix the problem. They simply want the Minister to use this State's supposed best practice in state of the art water technology to answer the simple question: when will this disgusting pong cease? The Minister has said tonight that he does not know; he has no idea. How much will fixing this problem in the short term cost South Australian taxpayers; what proportion of the expense of the chemicals, etc., will United Water pay; and how much will it cost SA taxpayers?

The Hon. G.A. Ingerson: About twice the amount of money as if you had done it in the 1980s.

Ms WHITE: How much will this cost South Australian taxpayers? Do you know?

The Hon. G.A. Ingerson: About twice as much money as if you had spent it during the 1980s.

The CHAIRMAN: Members will not conduct a personal exchange.

The Hon. G.A. Ingerson: In excess of 90 per cent of all the odour problems at Bolivar—past, present and in the future—come from the mechanical system itself. If the member for Taylor would like to do some research she would find that, once the pools are cleaned up (and that is the major concern at the moment) to reduce the long-term odour, the only way is to cover the biofilters and clean up Bolivar. If that had happened when it was promised it would be done in the 1980s we would not be worrying about it today. The preliminary cost to cover all the filters in the existing filtration plant and to clean that up properly is about \$75 million. We are waiting for advice from Professor Hartley as to whether he believes we ought to choose that option. As I have said, we have \$80 million in this capital works program. If we have to go to Cabinet to get more money to fix up this problem and that is an acceptable outcome to the community, I will have to take that proposition back to the Cabinet.

Mr Foley interjecting:

The Hon. G.A. Ingerson: The member for Hart wants hypothetical questions and answers. All I am saying in answer to a question is that, if the covers are put on, the cost is estimated to be about \$75 million. The advice I have been given is that 90 to 95 per cent of all odour comes out of that process, and only about 3-5 per cent of the odour comes out of the ponds. At the moment it is quite the reverse, because the ponds are rotten. In the long term, once the ponds are back in a stable condition, we will need to look at the long-term coverage of that plant. That must be done under a long-term plan and within the context of the existing budget. I have said that we will be implementing that sort of proposition as soon as Professor Hartley has reported and as soon as I have had advice from SA Water and United Water.

Ms WHITE: I did ask about the short-term solution now being implemented. What is the cost of 100 tonnes of soda ash and the other chemicals that have been put into the ponds, such as peroxide, and so on; and why is United Water not paying for it?

The Hon. G.A. Ingerson: The soda ash cost at the moment is about \$2 000 a day. I have said to the public that SA Water will pick up the cost of making sure this is fixed, and when it is fixed we will allocate the cost to whoever is responsible for it. I can assure the member for Taylor that, if there is any question about the cost being allocated to United Water, it will be so allocated. It is far more important to find a solution and get the problem fixed than to worry about who is or is not paying. The reality is that either the taxpayer or United Water will pay. As far as I am concerned, it is far more important to work within the advice we are given, pay the bills, get the matter fixed and then sort out the finances at the end of the day. I assure this Committee that if there is any question of a management issue and cost allocation to United Water it will take place.

Mrs HALL: I refer to page 50 of the capital works program, although I am not sure to which program it refers. What is the status of the hardwood irrigation afforestation trial experimental wood lot that was established at the Bolivar waste water treatment plant; what will happen to the site now; and what are the advantages, if any, of this arrangement?

The Hon. G.A. Ingerson: Before I answer the question, I want to correct the matter of the \$75 million. I am advised that the \$75 million is made up of \$35 million for the DAFF plant and \$30 million for the coverage of the filters. I want to make that clear, because I had said earlier that it was \$75 million for the coverage of the filters. In answer to the member for Coles' question, the trial was established in 1990 as a scientific research program to assess the potential for the establishment of large-scale plantations irrigated with reclaimed water as a means of reducing the discharge to Gulf St Vincent.

The trial ceased in 1996 when most of the objectives of the six sub-projects had been successfully achieved. SA Water will now modify the irrigation system so that the site can be used as a resource on an ongoing basis by Adelaide Zoo. Zoo staff will harvest foliage from the trees for the feeding of koalas, giraffes and other animals. Other material will be used for display enhancement and play and nesting material. It is intended that structural timber will be harvested and used to build animal shelters both at the Adelaide Zoo and the Monarto Open Range Zoo. Management of the wood lot for foliage production by the zoo will provide an assured feed supply for the animals.

At present, about 100 tonnes of feed material must be sourced and collected from private houses. This is much more costly, both in time and resources, than being able to regularly go to one site that the zoo controls. Modifying the site for operation as a commercial plantation will increase the benefit of the initial investment. Further review of this whole wood lotting process will take place as soon as practicable.

Mrs HALL: My next question relates to page 6.10 of the Financial Statement with reference to SA Water's commercial operations, that is, to ensure South Australia's water and waste water service delivery is a high quality value for money service to customers and provides adequate financial returns to the Government. Could the Minister inform the Committee about the action that has been taken to improve the waiting time customers experience when ringing SA Water's head office for an account inquiry?

The Hon. G.A. Ingerson: Substantial effort has been given to this area of customer contact as almost 1 000 calls per day are answered. Significant improvement in both service and performance over the past 12 months has resulted in a number of new customer focus initiatives, including

additional and more highly trained resources; development of a projected incoming workload plan to aid the more effective management of resources on a daily basis; the introduction of a new telephone call distribution system; and a state-of-the-art customer information billing system, which won a gold Government technology productivity award in March 1997, as I have already mentioned.

The target response, which is 90 per cent of calls answered by an operator within 60 seconds, has been achieved in the past 12 months. In May 1997, 96 per cent of calls were responded to within 60 seconds compared to 84 per cent in May 1996. The average wait time before a call is answered has improved from 34 seconds in May 1996 to 15 seconds in May 1997. In relation to response times, 90 per cent of calls were answered within 60 seconds; 95 per cent of routine correspondence was answered within 10 working days; 100 per cent of replies to land development applications within 28 days; 80 per cent of land developer contracts issued within 80 days; 100 per cent of costs for minor land divisions provided within 21 days; 100 per cent of metropolitan internal waste water overflows attended to within one hour; the time to attend metropolitan total waste water overflows, 80 per cent within 1.3 hours; and the response time to priority burst water mains attended to within one hour was 100 per cent.

With respect to country water supply interruptions, 89 per cent were attended to within one hour, and 80 per cent of country internal waste water floodings were attended to within one hour. So, there has been a significant improvement in customer service within SA Water, and that is the sort of direction, obviously, in which we want to go.

Mrs HALL: My next question relates specifically to my electorate of Coles and an area of significant importance and of great pride, namely, the Torrens River linear park. Could the Minister outline to the Committee the programmed completion date for the final construction of the Torrens River linear park? Could the Minister also outline what action is being taken to repair the recent flood damage, particularly that which relates to the footbridge at Athelstone? Both issues are very important in the electorate of Coles, and I am sure the Minister has some good news for me.

The Hon. G.A. Ingerson: Work on the final stages of the park commenced in February 1997. When the final two stages between Silkes Road and Riverside Drive, Athelstone and along the Torrens Gorge to the Gorge River are completed, the work will provide a world standard continuous riverside park incorporating pathways and recreational facilities from the coast to the Torrens Gorge, a distance of 31 kilometres. The work will also significantly reduce the risk of flooding in the catchment area and will help in improving the quality of water in the river. Subject to weather conditions, several works should be completed in late June and landscaping should be completed in July-August this year.

In relation to repairs to flood damage, a full assessment of flood damage was carried out in late 1996. In early 1997 Treasury approved funding of repair works. Tenders for design and construction of the repair works were let in March 1997 to ID&A SA Pty Ltd, and work commenced on site in early April. Repair work has been carried out in consultation with riparian councils and has been completed. Tenders for the replacement footbridge at Athelstone and a crib wall at Windsor Gardens will be called by the end of June, with planned completion by the end of August. That is a very positive program, finally concluding in July-August this year.

Mr FOLEY: I turn now from the pong to the contract.

Ms WHITE: Which pong is that?

Mr FOLEY: Exactly; it is hard sometimes to tell the difference. I have in my possession a complete leaked water contract. The contract was provided to me by a person—

An honourable member interjecting:

Mr FOLEY: I do know who leaked it to me.

The Hon. G.A. Ingerson: Then why don't you say?

Mr FOLEY: Minister, where do you think the contract came from? Have investigations occurred within SA Water to see whether the contract might have come from within SA Water?

The Hon. G.A. Ingerson: Shortly after becoming Minister I requested a list of all the people who had copies of the contract within SA Water.

Mr FOLEY: Did you add my name to it?

The Hon. G.A. Ingerson: No, I did not have your name on the list at that stage because you did not have one. I had a list of all the people who had a copy of the contract outside SA Water, which includes United Water, and all the names of solicitors involved as part of the advice given to United Water and to other companies. The list numbered 40 to 50 copies, but not all were full copies. I believe there were only 10 or 12 full copies of the contract, but of the 50 people listed different people had different parts of the contract for different reasons.

Mr FOLEY: I have the full copy.

The Hon. G.A. Ingerson: You say you have, but I have never seen you put it out.

Mr FOLEY: I have it up there; the Minister can come up and have a look if he likes.

The Hon. G.A. Ingerson: The honourable member has never invited me. As far as security is concerned, I have been advised that SA Water is aware of the location of all the copies of the contract. That is the advice I have been given.

Mr FOLEY: What if I have a copy of a copy?

The Hon. G.A. Ingerson: If you have a copy of a copy, that is your good luck.

Mr FOLEY: It seems very poor security. The Minister will recall the controversy surrounding the signing of this contract on 5 October, or whatever day it was, 1995. For the information of those members who would not recall, the successful bid by United Water arrived some three hours after the close-off time, and all bidders had been advised by Mr Phipps that there would be no allowance for late arrival. The video camera screening the internal security room ran out of tape at 4 o'clock, and the probity auditor went home for tea at 6 o'clock and never returned. I think Mr Killick either went home and did not return or was out of the building at the time.

Copies of the unsuccessful bids were opened, photocopied and distributed to a whole series of people, many of whom we found were unauthorised to have copies. In the words of a prominent South Australian, 'It was a bit like the Keystone Cops'. In terms of the very sloppy handling of the contract at the time, our reputation has been damaged. I will quote the Premier, because this gets to the core of the commercial confidentiality of the Government and the professional probity of SA Water. Bearing in mind that I have a copy of the contract, the Premier said:

I also know that the full contract, which was supposed to be faxed to a particular company by a firm of solicitors, was inadvertently diverted to a sporting organisation at the University of Adelaide. The Leader can say it was a Liberal, but the person responsible for supplying this information to the Leader of the Opposition—in fact it was the member for Hart—

could have been a member of that sporting organisation.

So, the Premier of this State has blamed a sporting organisation at the University of Adelaide. The Premier went on to say:

I am simply making the point that I understand this contract was faxed in all directions and was not at all held confidentially.

Why was a contract worth \$1.5 billion not held confidentially within SA Water?

The Hon. G.A. Ingerson: As the member for Hart is aware, the Auditor-General reported to the Parliament in May 1996 on the process in relation to the night of 5 October. The Auditor-General is aware that questioning on this issue is part of a select committee report. Nothing new has been brought out this evening which has not been placed before the select committee and discussed at length. Hundreds of questions have been put before the select committee. Yesterday, I took the opportunity to read what the Premier said to the Committee on Tuesday. Clearly, the Premier said that part of this contract had been faxed to a sporting body at the university, and he used that as an example of—

Mr FOLEY: The contract went everywhere; it went all around Adelaide.

The Hon. G.A. Ingerson: That is absolute nonsense. The Premier made the point that it was an example of how the contract had been faxed incorrectly from one group to another. I understand that that was used as an example by the Premier to show how the contract was leaked. As I said in relation to the Bolivar exercise, I accept that it is not an acceptable process. In terms of this original exercise, the Auditor-General said that as far as he is concerned—and he has reported to this Parliament as an independent officer of the Parliament—at that stage the contract was in no way jeopardised. That is what the member for Hart is suggesting. The Auditor-General, whose view I respect and accept, made a very strong statement to this Parliament in terms of the probity issues and, clearly, they have been taken on board by the Government.

Mr FOLEY: You have not answered my question. The Premier said that the contract was faxed in all directions and was not at all held confidentially. According to the Premier, the confidential contract meeting was held secretly in a secure room with video cameras and whatever else—

The Hon. G.A. Ingerson: A contract that has brought \$24 million into this State.

Mr FOLEY: Let us finish this. Twenty-five pages were faxed—I understand inadvertently—to a sporting organisation at the University of Adelaide. When interviewed, the secretary of that sporting organisation said that one day her fax started buzzing and that 25 pages of a water contract came out. She saw the water contract and thought, 'I do not think this was meant for my machine.' She has advised that she then contacted either SA Water or the solicitor—I am not sure which one—and said that she had received 25 pages of the water contract but that she had shredded them because, clearly, they were confidential documents not for her eyes. She then said that no-one from SA Water or the Government visited her to retrieve the documents, to ascertain whether shredding had occurred or to investigate how she received it. Does the Minister think that that is poor probity, poor effort and a lack of professional conduct from an organisation negotiating the largest contract this State has ever signed?

The Hon. G.A. Ingerson: I am advised that SA Water was never contacted and that, when it found out about it, it contacted the solicitors and that it was fixed up.

Mr FOLEY: Fixed up?

The Hon. G.A. Ingerson: From the advice I have been given I understand that the solicitors used an incorrect fax number and that once SA Water discovered this it was advised that the solicitors attended to the matter.

Mr FOLEY: What if she had not shredded it? What if she had kept it?

The Hon. G.A. Ingerson: I will ask Mr Phipps to give further advice to the Committee.

Mr Phipps: My recollection of this matter is that, on receipt of these pages of information in relation to the contract, the representative of the sporting club contacted the Premier's office about the matter. We were contacted by the Premier's office, and we contacted the sports club. After a quick investigation it became very obvious that this was a communication between the solicitors for United Water and United Water and that because the two fax numbers were very close to one another an error of entry had occurred. As soon as we were made aware this had occurred in a purely commercial exchange of correspondence between United Water and its solicitors, we brought the matter to their attention and the issue was resolved. That is the start and finish of it. That is why the telecommunications law is as it is and why people are required to destroy the material or advise the sender of this.

Mr FOLEY: It does not give you a lot of confidence.

Mr Phipps: This was a commercial transaction between two parties, of which SA Water was not one.

The Hon. G.A. Ingerson: In response to the honourable member's interjections, I point out that there was no attempt by the Chief Executive of SA Water to cover up for incompetence in terms of the Telecommunications Act. He purely and simply made the comment that under this Act people are required to destroy material that is not theirs, and it was done with no intent other than that. The other point the Chief Executive made was that information was not transferred from SA Water: it was transferred from a solicitor's firm where someone pushed the wrong button and sent the material. There was no connection or involvement at all with SA Water. It was outside its property and its control. I will accept—and I am sure the Chief Executive will accept—responsibility for the transfer of information under my control. No-one can be expected to control information from a solicitor's office located outside one's building, and that is what occurred.

Mr Foley interjecting:

The Hon. G.A. Ingerson: You can't prove that.

Mr FOLEY: You want to bet? If I chose to, I could.

Mr BUCKBY: Will the Minister outline to the Committee plans for further improvement to water quality in South Australia?

The Hon. G.A. Ingerson: The new Australian Drinking Water Guidelines were published in May 1996 to replace previous guidelines published in 1987. The new guidelines set more stringent levels for a number of water quality parameters, in particular for microbiological quality. Notwithstanding the significant challenge of dealing with very poor source water quality, South Australia's water supplies will continue to be improved by the Government and SA Water in the context of a statewide strategy of improvement in the quality of water being supplied to both Adelaide customers and regional communities. Processes at the existing metropolitan water treatment plants will be modified, and in the country 11 new water treatment plants are being progressively built and numerous small supplies being treated to meet the health related aspects of the new guidelines.

The estimated project costs are \$3.9 million in capital and \$2.9 million per annum additional operating costs when fully implemented. Improvements have been implemented at the Barossa water treatment plant since July 1996 using temporary facilities. Successful trial work has been completed at the other northern plants (for example, Hope Valley, Anstey Hill and Little Para), with the new guidelines being met while the trial was in progress. It is proposed to run these plants in the enhanced mode from 1 July 1997 while the permanent facilities are being constructed. In the country areas, as people would be aware, a significant contract was let to Riverland Water in 1996 to provide filtered water to over 90 communities in the Adelaide Hills, Barossa Valley, the Mid North, the Upper South-East and along the River Murray.

Ten of these water treatment plants are being financed, designed, built and operated for a 25 year term; \$2 million is going to be spent on Kangaroo Island to provide Kingscote with filtered water; \$1.4 million of work in 25 other country water supplies, to improve the microbiological water quality by disinfection, is being undertaken. The capital cost of providing metropolitan Adelaide's water filtration services was about \$1 000 per service. It is important to point out that, over the past 10 years of Labor, none of this occurred and all the filtration occurred in safe Labor seats in the metropolitan area. The country areas and the metropolitan area generally were not improved. Ours is the first Government that has actually looked at a community wide basis to improve filtration throughout the community.

Mr BUCKBY: I turn now to coastal waste water plant discharges. I understand that the Government has committed significant expenditure to improving the discharges from metropolitan coastal waste water treatment plants. Will the Minister outline these programs, identifying their time frame and expected outcomes?

The Hon. G.A. Ingerson: Again, as part of our environmental improvement program, the Government is committed to spending of the order of \$200 million during the next five years to fund the Environment Improvement Program across the waste water treatment plants at Bolivar, Port Adelaide, Glenelg and Christies Beach. At Bolivar, as I mentioned earlier, \$35 million will be spent on the DAF plant. The project is expected ultimately to eliminate about 75 per cent of Bolivar's discharge to the marine environment. This obviously complements the Virginia pipeline scheme; consequently more may come out of the coastal system as a result of that.

At Port Adelaide, new facilities will be constructed for the treatment of waste water incorporating biological nutrient reduction. The objective is to achieve a reduction of both nutrients of 80 per cent, with the cost envisaged in excess of \$40 million. It is expected to commence in late 1998 and be completed by early 2001. At Glenelg we will see the construction of the BNR upgrade for the existing plant to achieve a reduction in nitrogen of 80 per cent. The cost of the work is envisaged to be between \$30 million and \$40 million, depending on the final design of the culvert discharge. The construction is expected to commence in early 1999 and be completed by early 2001.

At Christies Beach construction of the BNR upgrade also will achieve a 90 per cent reduction of nitrogen. The cost of the work is \$30 million. It is expected to commence in early 1999 and conclude by early 2001. The two major projects, at Bolivar and Christies Beach, have reuse programs potentially linked to them, and there could be a considerable reduction

of outflow of water discharged to sea because of those reuse programs.

Mr BUCKBY: Will the Minister outline developments related to the Lake Victoria Aboriginal burial sites issue?

The Hon. G.A. Ingerson: The chief executive of the Murray Darling Basin Commission has agreed not to fill the lake above EL 23.6 metres, compared with the full supply level of EL 27 metres, approximately 40 per cent full, until the arrangement for the protection of the 6 000 to 16 000 burial sites and a significant number of artefacts has been resolved. Under New South Wales legislation an environmental impact statement is now required before approval can be sought to fill the lake above the interim level of EL 23.6. The EIS will be available in draft form this month for comment by the Lake Victoria Advisory Committee and is expected to go out for public consultation in July.

Work is planned to start on the protection arrangements recommended in the EIS as soon as approval is granted and, subject to the details of the approval, additional water will be able to be stored soon after. The lake is continuing to be used at its reduced capacity to provide South Australia with the best quality water at entitlement flow. The State has not suffered any loss in entitlement flow during the period that the Lake has been operated at the lower level. The large volumes of water held in upstream storage give this State continued security of supply for the next irrigation season should there be delay associated with the granting of approval for the recommended approach.

Mr FOLEY: Will the Minister itemise SA Water's spending within the portfolio area over the year 1996-97 on all consultants, all public regulations and advertising and all polling undertaken by SA Water, Kortlang or any other affiliate or organisation associated with SA Water for the last financial year?

The Hon. G.A. Ingerson: We will supply that.

Membership:

Mr Quirke substituted for Mr Clarke.

Mr QUIRKE: I would like to know when the Minister was told about these covers down at Bolivar that would greatly aid in odour reduction for the general smells that come from there, not those that are coming out of there now in the ponding.

The Hon. G.A. Ingerson: In the first week I became Minister I asked for a full briefing from SA Water of what were the long-term issues in relation to waste water management and what were the potential costs of all A grade outputs and processed plants right across the metropolitan area. At that time I was advised that the long-term plan to clean up Bolivar was the long-term plan that had been advised to the Labor Party in the 1980s, that is, if we did not cover up the plant at some stage, we would never get to the stage of really reducing the odour problem at Bolivar. I think it was right at the very start of my becoming Minister.

Mr QUIRKE: By way of a quick supplementary—and it will not take much response from the Minister, I want to tell the Minister something so that he understands this and I hope that he takes it in the spirit in which it is intended. I have been around Parliament for a fair while and I have had some of the officers around the Minister now appear before parliamentary committees. They were quizzed on this issue. They were quizzed on it in 1991 and in 1993. I was so impressed with the answers that they gave, that there were no long-term cures for it, that I went down and met some of the

young engineers at the Christies Beach plant who told me that SA water (in those days it was the EWS) knew all about the big covers. They had visited New Zealand, I believe it was Auckland, where the same system operated. There are people present tonight who were part of those delegations who came before the old Public Works Committee and others who said, 'No, we do not know anything about any of this sort of stuff.'

I want to finish my time off in this place by putting the bell around the cat and making it crystal clear that a few of us have long memories about some of the things that were said to us and, if necessary, I will name those officers. One of them is not present tonight: I understand he has gone on a package. I remember having a real argument with him and another person who is present tonight on this very issue. Of course, it did not surface until very recently that this is what was going on.

The CHAIRMAN: That was a statement rather than a question.

The Hon. G.A. Ingerson: I think that that was the honourable member's swan song.

The CHAIRMAN: The member for Ross Smith indicated that he would like to ask a question from outside the Committee and, if the line of questioning is concluded, the member for Ross Smith is permitted to do so.

Mr Clarke: It is a fairly brief question and the Deputy Premier's answer will probably determine his length of tenure as the Deputy Premier. It deals with SA Water and its commitment to trying to get accessible water to all residents of South Australia no matter where they live. It deals with Lyndhurst and the agreement between the Lyndhurst Progress Association and ETSA at Leigh Creek. In relation to the water pipeline going from Leigh Creek to Lyndhurst, some agreement was made, apparently 25 years ago, that they would be charged for the water from the meter at Leigh Creek. Then the meter at Lyndhurst records—

The Hon. G.A. Ingerson: Is this a serious question?

Mr Clarke: It is. There is a lot of leakage—

The Hon. G.A. Ingerson: I will get a considered opinion, because it is a very important question.

Mr Clarke: Thank you, and I will finish it off, because the Minister has not heard it yet. There is a \$3 000 difference. There is water leakage. The residents supposedly have to pick up the cost of the maintenance of that water pipeline and there are fewer families living there today than there were 25 years ago, which makes the financial burden on these rural people of Lyndhurst substantial.

The Hon. G.A. Ingerson: If the honourable member had been listening earlier, he would understand that there are things called customer service orders which take into consideration the cost of these issues across the community. The Government has a uniform pricing system across the community other than for specific capital works issues. I will obtain a considered opinion on the answer to back up what I have just said.

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

Minister for Racing—Other Payments, \$3 475 000

Departmental Advisers:

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

Mr J. Barrett, Chief Executive Officer, Racing Industry Development Authority.

Mr A. Frolow, Group Manager, Administration, South Australian Totalizator Agency Board.

The CHAIRMAN: I declare the proposed expenditure open for examination. Does the Minister wish to make a statement?

The Hon. G.A. Ingerson: I insert my opening statement in *Hansard* as follows:

Early last year the Government introduced a number of changes relating to the racing industry.

The changes predominantly related to restructuring the industry and in particular the three racing codes.

Part of that process also involved the creation of the Racing Industry Development Authority and the restructuring of the TAB Board.

The Authority—which has overall responsibility for the State's racing industry—is charged with raising the profile of the sport in South Australia as well as ensuring the industry's long-term survival.

The value of the racing industry to the State's economy is significant, with thousands of jobs and millions of dollars generated every year.

Initiatives

RIDA is currently working on the following initiatives:

- implementation of further stake money increases to the thoroughbred, harness and greyhound racing codes;
- completion of a financial and business review of each of the controlling authorities and all racing clubs, being undertaken by Arthur Andersen on behalf of RIDA;
- completion of a venue rationalisation study;
- development and implementation of an industry marketing and promotion plan;
- development of a five year industry strategic plan.

Racing Industry Boost

The State's racing industry is to receive a \$4.3 million boost during 1997-98. On top of the Government's special allocation of \$2.5 million in the 1997-98 State Budget, RIDA will receive an extra \$1.8 million from the proceeds of the sale of Radio 5AA to be applied to industry development.

The balance of the profits from the sale of 5AA have been assigned by the Government to the SATAB for capital development initiatives.

In total, the Government has committed \$6.8 million to the racing industry through RIDA as part of the two year restructuring program.

The new TAB Board in conjunction with its new CEO and revised management structure has introduced a range of new and creative initiatives which are having a direct positive impact not only on the TAB's performance but which is also having a positive impact on the industry as a whole and the public perception of the industry.

The TAB is now operating with a focused strategic and commercial approach to its business.

The TAB works closely with RIDA and the controlling authorities so as to maximise efficiencies and returns to both Government and industry. These working relationships have been highlighted by the TAB's involvement in events such as this year's Inter Dominion Series, Christmas Handicap and Adelaide Cup Carnival.

The TAB has certainly generated a new interest in racing in this State through its various initiatives and its new approach to marketing not only the organisation but its products and services.

I think that most will agree with me that the TAB is operating in a very competitive environment (both at State and national level) and has been able to demonstrate that it has the ability to meet these competitive challenges.

The performance of the TAB this financial year is currently tracking at a level which will allow it to achieve above budgeted turnover and profit returns.

Ms WHITE: I will not make an opening statement given that there is only 30 minutes allocated to both these budgetary lines. I would say I am disappointed that there is only half an hour, because that does not reflect the importance of the racing industry to this State. My first question deals with the new Racing Industry Development Authority (RIDA) which was established in the last financial year. It has been around for almost a year. What are the administrative costs of the

new RIDA and how do they compare with the administration costs under the old racing function of the department?

The Hon. G.A. Ingerson: I am advised that under the old system, in 1995-96, it was \$1.39 million. Under the new system, it is \$1.325 million, a reduction in cost of \$65 000. There has been a staff reduction from 19.2 to 14.5, which is a fall of 4.7 in staff numbers.

Ms WHITE: In this year's budget the Government announced a \$4.3 million boost to the racing industry, which is made up of the \$2.5 million which has been announced repeatedly plus \$1.8 million from the sale of 5AA. I want to go through some of the figures because there is not a lot of information in the budget papers. The TAB paid something like \$4.5 million for 5AA. When it was going through its period of difficulty, another \$3 million was injected, making a total of \$5.5 million. The TAB wrote off approximately \$3.2 million, resulting in an asset valued at around \$4 million.

In that year, the racing industry had to shoulder its share of the write-off by forgoing about \$1.6 million in funding. Therefore, the \$1.8 million from the sale of 5AA is really only a return of the \$1.6 million forgone in that write-off of the asset. 5AA was sold for \$7.5 million, with an asset value of around \$4 million, giving a profit of \$3.4 million, which I would expect to see on the profit and loss account. The industry got \$1.8 million through the 55:45 per cent legislative share. By my calculation, that leaves \$1.6 million, and the Minister might say if he does not agree with that figure. Where is that money and how will it be spent?

The Hon. G.A. Ingerson: The \$2.5 million which the honourable member said has been announced on several occasions is actually happening. That is why it has been announced. The Government put \$2.5 million into the industry last year and it is putting in another \$2.5 million from general revenue this year because it believes that it is an important industry that needs to be buffeted along. That money has been distributed into stake money for thoroughbred racing (\$1.2 million), harness racing (\$300 000), greyhound racing (\$151 000), industry-wide marketing promotion (\$750 000), and industry restructuring (\$99 000), giving a total budget figure of \$2.5 million. There is projected expenditure of \$2.1 million of that \$2.5 million, so there will be a carry forward of \$400 000 on top of the \$2.5 million that is in this year's budget.

In relation to the TAB, when Festival City Broadcasters was sold, there was a commitment that \$1.8 million would be added to the \$2.5 million and go to RIDA to be distributed to the racing industry. The final decision as to how it will be distributed in the industry will be made by the RIDA board. My view is that it will probably go onto increased stake money, but that decision has not yet been made. That money is available to be distributed directly to the racing industry at the discretion of RIDA.

In terms of the balance of the money which has been maintained by the TAB, I will ask Mr Pitt to advise the Committee as to where that expenditure has gone and, if it has not gone, what it will be used for.

Mr Pitt: The \$1.6 million is held in a special TAB capital infrastructure fund in the Treasury and is accessible with ministerial approval for use on capital projects in the future to improve the performance of the capital structures needed in the TAB.

Ms WHITE: The increase in revenue to the TAB seems to be of the order of \$500 000. If that \$1.6 million has been retained by the TAB, should it not have been applied to the profit and loss account?

The Hon. G.A. Ingerson: The break-up of the sale is as follows: \$4.1 million has been retained by the TAB, and that is on the balance sheet of the TAB; \$1.8 million has been distributed to RIDA; and \$1.6 million has been retained by the TAB in a special capital infrastructure fund. That \$1.6 million is available for use for the upgrade of any infrastructure within the TAB. For example, within the agencies, we are continually upgrading all the hardware and software and a whole range of other capital infrastructure. That money can and will be used, when it is required, with ministerial support for the TAB. There is no loss of cash in terms of the TAB: it is being held in a capital fund by Treasury on behalf of the TAB. It is available for use as required. I hope that the TAB will make a positive decision to use that money in the best interests of increasing turnover and getting better operational facilities so that we can make the TAB grow.

Mr BASS: I refer to page 148 of the Program Estimates. Has each of the codes introduced a breeder's incentive scheme and, if so, has RIDA contributed financially to these schemes?

The Hon. G.A. Ingerson: One of the major decisions made by RIDA in its early days was to recognise that breeding in South Australia had reached an all-time low in all three codes. One of the reasons for that was that there were no incentives for people to breed horses in South Australia, either by standing stallions or by keeping their brood mares in South Australia. The first group to set up the scheme was initiated through the thoroughbred grouping of the industry. It approached RIDA with a proposition on which it had been working for a long time. In conjunction with the Jockey Club, it put a formal position which was accepted by RIDA. Over the next three years, that scheme has a commitment from RIDA of \$1.3 million. There is also a commitment by owners to fund the scheme to the extent of about a third of that—about \$400 000. The scheme enables winning bonuses to be paid for two-year-olds and horses racing later than the 1997-98 season. The scheme provides winning bonuses of up to \$12 500 to owners of horses bred in South Australia. It is an excellent beginning of a whole process in the thoroughbred area.

At the Interdominion this year, it was formally announced that the harness racing industry would set up its own bonus breeding scheme. This scheme will add stake value of bonuses of \$2 400 for races at Globe Derby on Saturday nights; \$1 600 for country racing; and \$800 for restricted races. In principle, it is the same sort of scheme. It encourages breeders to have stallions and brood mares based in South Australia, and it is the start of the rebuilding of the harness racing industry. There is also a joint initiative with RIDA and the Greyhound Authority. The sum of \$177 000 has been contributed from RIDA over three years, and significant bonuses will apply in the greyhound industry. There is a recognition by RIDA that the only way to rebuild the industry is to rebuild interest in breeding in South Australia, and we have to start again at the foundations by creating new breeding stock and developing better quality. In 10 years, we will look back and say that that was the most important single change made to the racing industry over all other changes. The breeding change will have the single biggest effect.

Mr BASS: What developments have RIDA implemented to improve the marketing and promotion of racing in South Australia, bearing in mind the breeders incentive scheme and selling?

The Hon. G.A. Ingerson: One issue that became clear in the initial stage of investigation into the racing industry was that we had a big industry turning over large sums of money that had no young people involved and was not marketing or promoting itself within the community. We inherited the TAB from the previous Government—another one of the disasters of Labor—which had a Government board that had no comprehension that it had to market its product so that it could improve its opportunity in the marketplace, and no marketing money was being spent. It actually took money out of marketing so that it could increase distribution to codes. That must provide a perfect understanding of how Labor mucked up things in this State. For an organisation to turn over about \$500 million and have its marketing budget cut back so that it could distribute increased profits has to be one of the craziest things that has ever happened under any Government anywhere in Australia. It was obviously organised by Labor in its whoopee days, and nobody else could possibly have reached the stage of doing what was done to the TAB.

One of our major projects was to change that whole process and recognise that, if we want to be in the market of entertainment dollars, we have to sell our product. RIDA has made sure that \$750 000 is available to the industry. It went out to tender. It is now using Killey Withy Punshon and public relation consultants Michels Warren to promote the industry and to make sure we get some change. The sort of change that has occurred is that the TAB has increased its turnover by some \$25 million by getting out and better promoting its product. The racing industry, through its promotions of the Christmas Handicap and the Adelaide Cup, has increased crowds at those events. We have to sell our product if we want to go ahead in this marketplace. I congratulate RIDA on adopting this line; it will be an important strategy in the future. It has also appointed Frank Small and Associates as a market strategist to develop a five-year plan for the marketing of the whole industry so that, along with the industry, the breeding and the marketing, the improved outcome of the TAB will turn around another of Labor's disasters.

Mr BASS: There was a considerable amount of controversy in 1995 when TAB introduced its own racing information paper, *TabForm*. I understand that, although the publication is highly regarded as a racing paper, the TAB decided to enter a contract with the *Advertiser* in September 1996. Why did this occur, and what impact has that decision had on the TAB's performance?

The Hon. G.A. Ingerson: The new arrangement with the *Advertiser* commenced on 7 September 1996. The arrangement was entered into on the basis that information in the *Advertiser* would compliment that provided by the TAB's own publication *TabForm*, which was introduced in July 1995 as a means of controlling costs associated with the provision of form guide information to customers.

The information provided in *TabForm* is regarded as a good standard of service to a restricted yet committed market. However, the light, non-regular punter in the marketplace was not being catered for by *TabForm*. By providing both *TabForm* and the *Advertiser* the TAB is able to provide a service to a larger part of the population.

Provision of information with the *Advertiser* has the additional benefit of the paper's high circulation rate throughout this State. The contract with the *Advertiser* not only provides for the provision of racing information but also provides for general advertising and promotion of the

industry. We consider that this provides a positive impact on the industry. Because of the contractual arrangement with the *Advertiser* the contract fee cannot be disclosed. The fee paid to the *Advertiser* is substantially less than was being paid to it under the previous contractual arrangements. The combined cost of providing information in the *Advertiser* and the TAB's own publication *TabForm* is \$2.8 million per year.

The cost benefit analysis was undertaken to evaluate the break-even point required for incremental turnover to cover the new fee. Since the introduction of TAB Guide in the *Advertiser* on Saturday 7 September 1996 total TAB turnover increased by 6.84 per cent to 28 May 1997. That is an increase of about \$20 million. This increase is well in excess of the break-even point. More importantly, turnover in telephone betting has increased 16 per cent over the same period. The telephone betting business sector is particularly reliant on the printing racing information.

Mr BASS: Festival City Broadcasters Limited—5AA—was sold in September 1996. The sale price achieved was approximately \$7.5 million—well above all expectations. The TAB still has racing coverage broadcast on TAB radio, but with the sale of Festival City Broadcasters Limited will the Minister explain what control, if any, the TAB has over TAB radio and over the continued provision of racing coverage broadcasts in this State?

The Hon. G.A. Ingerson: The arrangement is a management contract between the TAB and TAB Radio. TAB Radio is now a wholly owned subsidiary of the Daily Mirror Group. We buy services from TAB Radio. Part of the contract is that we have significant input into the services that are operated and that we get a regular opportunity to question and be part of the development of new services.

The future of the Narrowcast licence has not been established yet with Senator Alston and that issue will be evaluated and decided in the near future.

Ms WHITE: I refer to the rationalisation review of racecourses. In September last year the Minister put out a statement announcing this review and said that RIDA would report to the Government in early 1997 with detailed recommendations and long-term plans for the management and development of racing facilities. It is six months later, so what are the recommendations of the report? If any individual tracks are to close and that means second tracks or upgrades to tracks are needed to occur at any of the remaining courses, from where will the funds for that work come—from Treasury or the industry?

The Hon. G.A. Ingerson: The draft study has been completed and circulated to each of the controlling authorities for comment. Meetings have been held with each of the controlling authorities to discuss all aspects of the draft study. The controlling authorities have been asked to have regard to the statistical data and policy considerations contained in the review and have subsequently advised RIDA of those venues within their jurisdiction that should be promoted, amalgamated or otherwise rationalised. In other words, the racing industry is completely involved in the rationalisation program. There has been no report back from the authorities in relation to the study that has been sent out to them for comment.

One of the reasons for that is that part of the information that was required was the consolidated data from the Arthur Anderson financial review and RIDA's own review. That has only recently been completed and is continuing in the consultation stage. It is running late, but that is partly because of the support from the industry in that it does not want to

hurry the matter too quickly. Rationalisation and changes to programs and properties that have been in place over a 50 year period cannot be rushed; the decision to do that has to be in the hands of the clubs themselves.

Ms WHITE: As a supplementary question: the Minister did not answer the second portion of my question. If tracks were to close and work was therefore necessary to upgrade other tracks, where would the funding come from—Treasury or the industry?

The Hon. G.A. Ingerson: That is a hypothetical question that we have not yet reached, because the report has not been completed. The clubs have not indicated what they believe ought to happen. As the honourable member would know, the most critical people in making this happen are the clubs and, until the clubs and associations report in, no further work can be undertaken and decisions cannot be made. Once a decision is made, clearly, capital money will have to be made available, and there is none in this budget to do it.

Ms WHITE: Before I ask my second question, I remind the Minister that Mr Seymour Smith was reported in September last year as saying that he had an assurance from the Government that such expenditure on upgrading tracks as a result of the review would come from Treasury and not from within the industry.

The Hon. G.A. Ingerson: You have answered that question: there is no removal of that assurance. All I have said is that it is not in this budget.

Ms WHITE: With regard to the marketing strategy, the Minister mentioned the \$750 000 set up with Killey Withy Puncheon and Michels Warren promotion and marketing campaigns. How has the money been applied? If you take out the Adelaide Cup, which had a very high attendance, how much have race meeting attendances risen; how much has bookmakers' turnover due to the marketing strategy improved or otherwise? What has been the effect of that marketing strategy, and how much is spent by RIDA under that strategy? How much on top of that is spent on marketing by each of the codes?

The Hon. G.A. Ingerson: Of the \$750 000 that was budgeted, some \$500 000 has been spent this year. There will be a further rollover of the \$250 000 into next year. In terms of the increased turnover, some of the increase in turnover on the TAB will be due to it, but a very small amount. Primarily, the moneys spent by RIDA have been in promoting people to go to the track. The Christmas Handicap at Cheltenham was promoted and sponsored by the *Advertiser*, the TAB and RIDA. The on course betting turnover increased by 26 per cent for bookmakers and 16 per cent for the totalizator compared with the same meeting last year. TAB turnover was 27 per cent ahead, and the attendance, which was 9 000 (up 105 per cent), was the best attendance at Cheltenham since 1989.

There are a whole range of other events, including the Smoke-free Harness Racing which was, in essence, the Interdominion. The results of that meeting were disappointing. The bookmakers were down 21 per cent. On course was up, as was the tote by 3 per cent, whilst TAB turnover was down 10 per cent, and attendances were down 30 per cent. The numbers at the Interdominion were down, but the relative improvement on the Christmas Handicap was far more significant.

On the other hand, the Greyhound Cup—and this is the third aspect—was sponsored by RIDA and generated crowds that were up 67 per cent. The on course bookmaker turnover was up 8 per cent, the totalizator was up 13 per cent on the

same meeting, and off course TAB was up 6 per cent. So, in one of those three very significant events, the Interdominion, the actual turnover was down. There have been a whole range of other meetings for which we have that evidence. I will get that detail into a sheet and table it for the honourable member.

Ms WHITE: I want to ask about some comments made in January 1996 when the Minister did a broad ranging interview with Dennis Markham of the *Advertiser*. The Minister said:

We have to look long term at whether other sections of the gambling industry should not be included in some major gambling authority to maximise returns to the Government and industry concerned.

Were you suggesting or are you thinking about amalgamating the TAB and, say, the Lotteries Commission?

The Hon. G.A. Ingerson: That was a clear reference to the TABCorp in Victoria where the TABCorp is made up of TAB income and poker machine income. The significant growth in TABCorp is out of the poker machine industry and not out of the racing industry. My comment then was we would have to look at that as a potential issue as we went down the track. The Government is not looking at this stage at any combination but recognises that, if the TAB is to continue to grow and be a viable outlet for the racing industry, change will have to occur.

Since then I have said that, with the changes introduced by the New South Wales Government, which is recognising that the privatisation of the TAB may have to be a major direction that it takes, we will have to consider all options, including privatisation, as far as the TAB here is concerned. We would be negligent as a Government if other competitors are growing significantly by adding other areas of income into their turnover and we are sitting here not prepared to do anything.

It is a matter of looking at all the options available in Australia, and we will look at how you combine a whole

range of issues and whether the lotteries, the TAB, the poker machines or whatever end up as the final outcome is something we have to look at. We do not have any fixed position in terms of where we have to go, other than recognising that we cannot stay as a simple standalone TAB in the future and grow. That is the commercial reality.

Ms WHITE: With regard to the TeleTrak proposal for private racing in South Australia, the Minister has made a statement about the Government's view on TeleTrak. There seems to be some confusion whether TeleTrak can go ahead and operate anyway in South Australia. There seems to be some difference between the Victorian legislation governing such a proposal and South Australia's legislation. Will the Minister clarify that?

The Hon. G.A. Ingerson: It is illegal in Victoria. Propriety racing is not allowed. In South Australia proprietary racing is allowed. However, TeleTrak cannot run a race meeting in South Australia unless betting is controlled either through the bookmakers or the TAB, and that requires support from RIDA, and it does not have that. **Ms WHITE:** Will you be changing the legislation to allow TeleTrak to operate in South Australia?

The Hon. G.A. Ingerson: No.

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

Mr FOLEY: Mr Chairman, before you close off the line, you should ask whether any other members have questions.

The CHAIRMAN: Not after 10 p.m. I have no option. The member for Taylor asked to put one more question to the Minister, and there was one minute to go. It is now after 10 o'clock and, under Standing Orders, I must close the Committee. I have no discretion.

ADJOURNMENT

At 10.1 p.m. the Committee adjourned until Tuesday 24 June at 11 a.m.