

HOUSE OF ASSEMBLY**Tuesday 29 June 1999****ESTIMATES COMMITTEE A****Chairman:**

The Hon. D.C. Wotton

Members:

Ms L.R. Breuer
 Mr J.D. Hill
 Ms A.K. Hurley
 Mr R.J. McEwen
 Ms E.M. Penfold
 Mr M.R. Williams

The Committee met at 11 a.m.

Department of Primary Industries and Resources,
 \$100 712 000
 Administered Items for Department of Primary Industries,
 Natural Resources and Regional Development,
 \$74 340 000

Witness:

The Hon. R.G. Kerin, Deputy Premier, Minister for
 Primary Industries, Natural Resources and Regional Develop-
 ment

Departmental Advisers:

Mr D. Mutton, Chief Executive, Department of Primary
 Industries, Natural Resources and Regional Develop-
 ment.
 Mr R. Stevens, Deputy Chief Executive.
 Mr B. Windle, Director, Agricultural Industries.
 Mr R. Wickes, Director, Sustainable Resources.
 Dr G. Morgan, Director, Fisheries.
 Mr R. Lewis, Executive Director, SARDI.
 Mr B. Smith, General Manager, Policy and Strategic
 Development
 Mr K. Freeman Director, Corporate Services.

The CHAIRMAN: I am sure most of us are aware by now that the Estimates Committees are a relatively informal procedure. The Committee will determine an approximate time for consideration of proposed payments to facilitate the changeover of departmental advisers. I presume that the Minister and the Opposition spokesperson have agreed on a timetable for today's proceedings, and I will ask the Deputy Premier to advise the Committee on the agreed timetable at the conclusion of my remarks.

Changes to the composition of the Committee will be notified to the Committee as they occur. I ask members to ensure that they provide the Chair with a completed request to be discharged form.

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 must be submitted to the Clerk of the House of Assembly no later than Friday 16 July.

I propose to allow the lead speaker for the Opposition and the Deputy Premier to make an opening statement, if they desire, of about 10 minutes' duration, but certainly no longer than 15 minutes. There will be a flexible approach to giving the call for asking questions, based on three questions per member, alternating sides. Members may also be allowed to ask a brief supplementary question to conclude a line of questioning, but any supplementary question will be the exception rather than the rule.

Subject to the convenience of the Committee, a member who is outside the Committee and who desires to ask a question will be permitted to do so once the line of questioning on an item has been exhausted by the Committee. An indication to the Chair in advance from the member outside the Committee wishing to ask a question is necessary.

Questions must be based on lines of expenditure as revealed in the Estimates Statement. Reference may also be made to other documents, including the Portfolio Statements, and I would suggest once again (although we did not have much success last week) that it would be appropriate if members identified a page number of the program and the relevant financial papers from which their question is derived. Questions not asked at the end of the day must be placed on the next day's House of Assembly Notice Paper.

I remind the Deputy Premier that there is no formal facility for the tabling of documents before the Committee. However, documents can be supplied to the Chair for distribution to the Committee. The incorporation of material in *Hansard* is permitted on the same basis as applies in the House of Assembly, that is, that it is purely statistical and limited to one page in length. All questions are to be directed to the Deputy Premier, not to his advisers, and the Deputy Premier may refer questions to advisers for a response if he so wishes.

I also advise that for the purposes of the Committee some freedom will be allowed for television coverage by allowing a short period of filming from the northern gallery. Does the Minister wish to make an opening statement?

The Hon. R.G. Kerin: Yes, Mr Chairman, I will take up your invitation to make up an opening statement, in order to highlight a few things that are going on across the portfolio. I am pleased to present the 1999 Estimates for the Department of Primary Industries and Resources SA (PIRSA). PIRSA is a key economic development agency, focused on delivering services which increase the prosperity of South Australia and ensure the sustainable development of the resource base of South Australia for future generations.

PIRSA works with and delivers a wide range of services to the agriculture, aquaculture, national resources, fisheries, minerals and petroleum, research and development and energy sectors, as well as to regional communities and Government through 57 locations around South Australia, with a total agency staff of 1 500. We are serving and helping develop a range of industries which are underpinning economic development in South Australia, and particularly in regional South Australia.

South Australian grain growers continue to generate income for the State with improved crop yields. With the joint university and government investment in biotechnology, the \$1 billion grains industry could generate another \$200 million in export income within 10 years from biotechnology alone. Improvements derived from adoption of known technology should generate an additional \$250 million in export income over the coming five years as well.

South Australia's horticultural industries are continuing to experience strong growth. While the excellent expansion and development of the wine industry has received much publicity, significant growth is also occurring in the almond, olive, stone fruit, apple, cherry and vegetable industries.

Expansion is occurring in plantings, as well as in value adding enterprises such as the two high-tech potato packing plants that I had the privilege of opening in the past year. These horticultural enterprises are emerging as major employers in rural regions and are helping give South Australia a competitive advantage in national and international markets. Farmgate value of horticulture production is expected to be close to \$1 billion in 1998-99.

In relation to fisheries, aquaculture continues to grow strongly in South Australia, with this State now being the second largest aquaculture producer by volume in Australia and the highest by value of product. In addition, South Australia is now internationally recognised for its abalone and tuna aquaculture industries. The value of production from South Australia's aquaculture industry increased substantially in 1997-98, reaching over \$100 million at farmgate price, and those figures will be surpassed this year.

Sectors of the fishing industry continue to provide both sustained growth in value of product while maintaining the long-term sustainability of the fish stocks on which they are based. Management plans are now in place for all of the major fisheries industries, and these management plans provide clear performance indicators to ensure this long-term sustainability of our fish stocks, while maintaining and enhancing the economic performance of the fisheries that are based on them. The annual value of our commercial fisheries is now over \$200 million, and the management arrangements which have been put in place in South Australia are now being recognised internationally as providing the basis for long-term assured supply of quality seafood.

During the year, arrangements for the long-term management of the pilchard fishery were finalised, in consultation with the industry, and the resulting scheme of management will form the basis of the future management of that fishery. The implementation of the scheme of management was delayed pending the report of the Environment, Resources and Development Committee of Parliament. This ERD Committee's report was welcomed and, whilst questioning the ability of the pilchard fishery to participate in management decisions to the same level as other fisheries, the report debunked much of the incorrect information about the pilchard fishery.

During the year another major pilchard kill occurred. The Government was proactive in its approach to this event and has been instrumental in establishing a nationally coordinated approach to researching the cause of these mortalities. The Government was able to negotiate a total funding package of over \$2.2 million from the Commonwealth and other State budgets to support important research into the cause of the deaths. A pilchard herpes virus has been implicated in the mortalities and there is now in place a well coordinated research program to provide diagnostic tools for detecting this virus. To date, there is no known record of this virus occurring in any other pilchard stocks around the world.

Following exhaustive testing, a scientific link has yet to be proven with imported pilchard stocks. AQIS is preparing an import risk assessment on imported bait fish, salmon and salmon products and aquarium fin fish and will be making recommendations on quarantine requirements for imports early in July. Another key area in the agency is industry

development. The Food for the Future initiative has gained momentum over the past 12 months. This significant cross-portfolio effort is a strategic approach to developing the food industry of South Australia and aims to increase the food industry's contribution to the State's economy from \$5 billion to \$15 billion by the year 2010.

The Premier's Food Council, its working committees, the industry development boards and the Premier's Food and Fibre awards are all important components in the success of this strategy. FarmBis is a program supported by both the State and Commonwealth, which is targeting South Australia's primary producers to improve their business skills and appreciation of the challenges of an ever increasing global marketplace. The three year program is about encouraging farmers to learn how they can take greater control of their business and market environments. The program supports the delivery of training through grants and the network of regionally based coordinators who work with farmers.

In a Sustainable Resources area, the natural resource program continues with significant support from the people in regional South Australia. Over 6 000 people are now involved in the program assisting in land care, land management, revegetation and animal and plant control. Increased growth of the minerals and petroleum resource industry is a major focus of this portfolio. A resources task force has been established to develop a State resources plan, which will identify priority actions for Government and industry. The membership of the task force emanates from the resources industries. Members were chosen for their recognised business skills and the task force is supported by resources from the departments of PIRSA and DIT and is another example of the successful cross portfolio collaborative effort by Government towards economic development.

The four year targeted exploration initiative South Australia (TEISA) that I announced in 1998 has been under way for one year. Achievements to date include the completion of aerial geophysical surveys over five areas, with flying of another eight areas and a ground gravity survey in progress. The data that has been returned to date is stunning in resolution and, as a consequence, mineral prospectivity has been significantly enhanced. The commissioning in the first quarter of 1999 of the expanded Olympic Dam mine and plant was the final step in this huge undertaking. The final cost of that project totalled \$1.94 billion—certainly a major investment in this State.

Also in the north of the State, Heathgate Resources has obtained all of its approvals and the mining lease has been granted enabling it to proceed with the full-scale development of the \$40 million Beverley Uranium *in situ* leach operation, with a planned annual capacity of 1 000 tonnes. Onshore oil and gas exploration expenditure by industry has increased from \$38 million in 1993 to \$89 million in 1998. Petroleum development expenditure in 1999 is expected to be \$380 million up from \$360 million in 1998, bringing the cumulative total in 1998 to \$8 billion since 1964. The South Australian Primary Industries Research and Development (SAPIRD) Board was established in 1998 to manage the annual research priorities setting process for the State-funded component of the Primary Industries portfolio.

The SAPIRD Board has established linkages with the industry development boards which will ensure that the research and development needs of industries are taken into account when determining priorities for research investment. These linkages also help the board to consider research and development that would be consistent with the Government's

Food for the Future strategy. Biotechnology is emerging as the basis of a worldwide industry. By the year 2000 the global market for biotechnology is projected to be approximately \$60 billion.

On 27 May 1999 the South Australian Government endorsed \$2 million towards the establishment of a biotechnology centre. With contributing funding from the University of Adelaide and a number of commercial interests, it is proposed to establish a biotechnology centre located on the Waite Research precinct at Urrbrae. The Committee will be aware that the Government established a Regional Development Task Force in August 1998 with specific terms of reference. Following the receipt of the interim task force report on 3 March 1999 the Government announced the establishment of an Office of Regional Development and a Regional Development Council modelled on the successful Food for the Future Council. The Government has provided funding of \$723 000 to establish the office and has also provided funding of \$4.5 million for a regional infrastructure fund as recommended by the task force. The final report of the task force was received on 15 April 1999, and I expect the Government to respond to all the recommendations in July this year. The Government clearly recognises the contribution of the primary industries and resources sector to the South Australian economy and will continue to work with key stakeholders to encourage and promote sustainable development.

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

Ms HURLEY: I would like to turn immediately to the omnibus questions. In relation to all departments and agencies for which the Minister has responsibility, will the Minister list all consultancies let during 1998-99 indicating to whom the consultancy was awarded, whether tenders or expressions of interest were called for each consultancy and, if not, why not, and the terms of reference and cost of each consultancy?

Which consultants submitted reports during 1998-99, what was the date on which each report was received by the Government and was the report made public? What was the cost for the financial year 1998-99 of all services provided by EDS, including the costs of processing of data, installation and/or maintenance of equipment, including the cost of any new equipment either purchased or leased through EDS and all other payments related to the Government's contract to outsource information technology to EDS?

During 1998-99 were there any disputes with EDS concerning the availability, level or timeliness of services provided under the whole of Government contract with EDS and, if so, what were the details and how were they resolved? Which of the Minister's agencies are buying new desktop computers prior to the year 2000 and, if so, how many, at what cost: what is the manufacturer of the product and what models are being purchased? What is the hardware and software that has been replaced or identified for replacement due to achievement of Y2K compliance and at what cost? Did or will these replacement purchases go to tender?

How much did agencies within the Minister's portfolio spend in contracting the services of Internet providers during 1999-2000 and which Internet providers are involved? Detail how many FTEs are employed by agency in 1998-99 for information technology services and detail the figures for 1995-96, 1996-97 and 1997-98. How many officers have been given use of laptop computers and unlimited Internet access? What are the names and titles of all executives with

salary and benefit packages exceeding an annual value of \$100 000? Which executives have contracts which entitle them to bonus payments and what are the details of all bonuses paid in 1998-99?

What are the names and titles of staff who have been issued with or who have access to Government credit cards? For what purpose was each of these cards issued and what was the expenditure on each card for 1998-99? What are the names and titles of all officers who have been issued with Government owned mobile telephones? What arrangements apply for the payment of mobile telephone accounts and what restrictions apply to the use of Government mobile telephones for private purposes?

What was the total number and cost of separation packages finalised in 1998-99? What is the target number of staff separations in the 1999-2000 budget? How many TVSPs have been approved by the Commissioner for Public Employment for 1998-99 and what classifications of employee have been approved for TVSPs in 1999-2000?

How many vehicles by classification were hired in 1998-99 and what was the cost of vehicle hire and maintenance in that year? Will the Minister list all employees with use of privately plated cars in 1998-99 and outline what conditions are attached to the use of the car by the employee?

Did any of the Minister's agencies rent vacant and unused office space during 1998-99 and, if so, what was the cost of rent or lease of this unused office space to the taxpayer? Are there any Government-owned premises within the Minister's portfolio that are not currently occupied? What is the cost of holding these properties and where are they located?

Will the Minister detail all executive and staff development exercises undertaken by his agencies during 1998-99? Will he list all occasions during 1998-99 on which the executive staff of the agencies under his portfolio entertained guests at taxpayer expense, all those present on the occasion, the purpose of the occasion and the cost to the taxpayer? How many staff originally from within the Minister's portfolios were on the redeployment list in 1998-99? For how long have they been on redeployment and what are their classifications?

How many public help lines did the Minister's agencies operate during 1998-99, which were located in South Australia and which were operated from interstate? Will the Minister provide information about what issues each help line was intended to provide and what was the cost to the taxpayer of operating each help line?

What are the names of the public servants in the Minister's portfolio and which, if any, of his ministerial staff currently serve as Government representatives on boards of management of other bodies? What is the category of the board in question? What is the remuneration paid to these individuals for service on each board and at what level of classification are these employees? Will the Minister detail all interstate and overseas travel undertaken during 1998-99 by members of Government boards, their destination, purpose, cost and all individuals who travelled?

Will the Minister detail all advertising and promotional activities and campaigns undertaken by all agencies within his portfolio for 1998-99? What issues were the concerns of these activities? Of what did these activities consist? How much did they cost and what activities are planned for 1999-2000?

Will the Minister detail all local, interstate and overseas conferences attended during 1999-2000 by him, his staff and public servants within his portfolio, including the cost, location and purpose of the conference? Will the Minister

provide the names of any former member of State or Federal Parliament within his portfolio currently serving as a board member, a member of the Minister's staff or a public servant, and detail their duties and remuneration?

Have any agencies within the Minister's portfolio rebadged or otherwise made presentational changes during 1998-99 through changes in letterheads or other stationery, signage, etc? What was the reason for the change and what was its cost?

Has there been any refurbishment of the Minister's office or those of any of his CEOs during 1998-99? What was the reason for the refurbishment and what was the cost? Since the 1997 State election have any of his ministerial staff taken up permanent employment in the SA Public Service? Will the Minister name the individuals concerned and indicate the vacancy for which they applied? Were these positions advertised and, if so, when and where?

Will the Minister name all his ministerial staff and their classification and remuneration? Will he name all staff attached to junior Ministers and their classification and remuneration, and advise whether they have any ministerial cars with drivers, cars without drivers or access to ministerial cars or drivers, and on what basis?

During 1998-99 what Government land or other real estate has been disposed of? Where were these properties located? Did the sale involve a tender process? For how much was each property sold? Who purchased the property and who acted as agent and/or legal adviser to the sale?

The CHAIRMAN: I might point out to the Deputy Premier that he is at liberty to answer any of those questions now if he so wishes, or before the close of business today; otherwise they will be taken on notice.

The Hon. R.G. Kerin: Obviously, I will take the questions on notice. They are questions that have been asked of different Ministers. I do not know which programs we will have to drop to put in the resources to answer the questions, but we will do our best.

Ms HURLEY: On the subject of budget presentation generally, the PIRSA budget papers provide no breakdown of expenditure within the major constituent parts of the department such as Fisheries, Mines and Energy, Agriculture, SARDI or Regional Development. The Outputs Operating Statement divides the department's activities into four output classes, with a total of 13 subclasses. As an example, compliance services include such diverse functions as Fishwatch, fruit fly checks, agricultural product inspection, certification and disease surveys and monitoring of the Olympic Dam and Beverley uranium mines.

These compliance functions are undertaken by a number of different administrative units within the department so that the cost of this output does not directly relate to any easily identifiable and measurable section within the department. Is it the Government's intention to reorganise the administrative units of the department to reflect these output classes and, if not, how is this new system of budget outputs presentation supposed to benefit the department, the Parliament or the public?

The Hon. R.G. Kerin: If the Deputy Leader would like more detail on any specific area, we can get those figures for her. The whole budget direction with this is very much that the department is very focused on outcomes. We are taking the track of a certain amount of flexibility. Primary Industries and Fisheries are areas where each year, because of seasonal conditions and a whole range of reasons, priorities shift across the board, and we are a very flexible agency. I can

provide any specific figures that the Deputy Leader would like.

Ms HURLEY: I specifically asked whether the administrative units would be changed to reflect these outputs. Is the department that flexible? Will it change the administrative units to reflect the output classes and put the monitoring of the Beverley uranium mine with fruit fly checks, or will the department remain the same? Why has the Government decided to reduce dramatically the amount of information available about the department in these budget papers?

The Hon. R.G. Kerin: I do not know whether the word 'reduce' is correct. Certainly there has been change. We acknowledge that the whole budget process has changed, and we are getting better at providing the information that is contained in there. With regard to our changing the administrative units, the answer to that is 'No.' While there is quite a bit of flexibility within the department, for example, compliance is part of Fisheries, for instance, and it needs to be part of that administrative unit. So, the answer to that is certainly 'No.'

Ms HURLEY: The Minister offered to provide details if required. I will turn to compliance services which is Output 2.3. That includes product inspection, certification, investigation and surveillance, enforcement and prosecution services. Will the Minister provide the end of year estimated results for 1998-99 for the performance indicators noted in Output 2.3 (page 2.33, Portfolio Statements)?

The Hon. R.G. Kerin: With compliance services, 1998-99 expenditure came in at \$19 338 000 and the reduction to which the Deputy Leader refers is 1999-2000 expenditure of \$18 096 000. The expenditure in 1998-99 includes carry-overs from the previous year, principally in the area of energy regulation within the Office of Energy Policy, and expenditure for 1999-2000 reverts back to normal levels. Expenditure for energy regulations is incurred for the purpose of ensuring the reliable and safe production and distribution of energy in the State.

Ms HURLEY: I am referring to the activity levels.

The Hon. R.G. Kerin: Is the question 'How are the targets reached?'

Ms HURLEY: Yes, and what were the targets for last year?

The Hon. R.G. Kerin: I will hand over to the Chief Executive.

Mr Mutton: The fundamental issue is that during 1998-99 the information in regard to the level of implementation and the targets that have been identified under 1999-2000 were not measured in that category and in that way. These are new targets being progressively developed as part of the budget reform initiatives. They are targets that have been developed by various parts of the organisation and summarised in the detail on that page. They are then broken down to a further level in each of the group activities within the various areas of compliance, including the issues mentioned at the top of the page on prosecution services, surveillance and disease surveys.

Mrs PENFOLD: The Eyre Peninsula Regional Strategy has done wonderful work, including an education program to promote profit and best practices. Will the Minister explain what the strategy has achieved and what work has been done to promote clay spreading as part of that strategy?

The Hon. R.G. Kerin: I thank the member for Flinders for her question and her support, along with the Hon. Caroline Schaefer, for the delivery of this program. The Eyre Peninsula Strategy is now entering its fourth year. Projects

funded through NHT conclude in December 1999 while the rural adjustment scheme component of the program concludes in December 2000, so the program always had a given life. The detail of the rural adjustment scheme program as of 18 June 1999 is as follows: 12 re-establishment grants were approved and one declined, giving total funds of \$781 000 with an average of \$65 000 (there are two further applications in process at the moment); the interest rate subsidy component included 223 subsidies approved for a total of \$3 million (with 62 further applications, and a whole range of areas into which that money has gone); there have been 36 clay spreading subsidies; 40 fencing subsidies; and quite a few subsidies for farmers to go into minimum tillage, which environmentally and sustainability-wise is very important with some of the fragile soils on the Eyre Peninsula.

Recent feature activities from the regional strategy include the Eyre Peninsula in Concert at Minnipa, attended by over 4 000 people; direct drill field days at Wirrulla and Ungarra, at which about 400 farmers attended; and, a *Landline* feature on the strategy that appeared on ABC television. The honourable member asked about clay spreading. That had not been adopted anywhere near enough on the Eyre Peninsula, but has major productivity gains. It is used to overcome problems of water repellents of soil, hence increasing productivity and reducing the risk of water erosion. PIRSA is currently mapping areas of clay spreading on Eyre Peninsula and estimates that more than 8 000 hectares were spread over the past 12 months, which means that there has been a big uptake. Although it is expensive—up to \$300 per hectare—it is estimated that increased productivity can repay the initial cost within three to five years and leave far more productive land behind.

A consultant has been engaged to assist with the evaluation of the regional strategy, and initial appraisals have occurred, indicating a significant impact of the program on the communities of Eyre Peninsula. The strategy committee, led by Jeff Pearson, is currently identifying mechanisms to ensure that sustainability of the outcomes are achieved by the strategy. This will ensure that maximum benefits are obtained from the investment made by the State Government, the Commonwealth Government, the Eyre Peninsula farmers and the communities of Eyre Peninsula.

The recently implemented FARMBIS program will assist in this process by consolidating the directions set through the strategy for a continuous learning ethos and the improvement of farm business skills. Certainly, the strategy has been a big success on Eyre Peninsula, and it has been helped by seasonal conditions over the past couple of years. It really has had an enormous impact. The strategy has had an enormous impact with respect to the rate of adoption of some of the programs that are relevant to improving farming on Eyre Peninsula. So, overall the program has been very successful.

Mrs PENFOLD: My next question relates to commercial net licences. There is concern by recreational fishers that more commercial net licences could be issued in a restructure of the sector. Is that the case?

The Hon. R.G. Kerin: I thank the member for the question; this seems to be one of those stories that float around. The process of the restructure of the marine scale fishery started earlier this year and we hope to finalise it during the second quarter of the new financial year—so, hopefully, by the end of the year. The emphasis of the restructure is about improving the long-term profitability of the sector within the very important confines of ensuring fish

stock sustainability and making sure that we do what is best for the rural coastal communities.

Extensive consultation with licence holders and the community is very much an important part of the restructure process. As part of the process, a joint industry, recreational sector and Government subcommittee is examining allocation issues between commercial and recreational sectors. This subcommittee is expected to finalise its recommendations over the next few months.

Although the allocation subcommittee has not yet completed its work, it is highly unlikely that, as part of this process, additional commercial net licences will be issued. As the honourable member is aware, over the past few years we have closed off some of the more popular tourist spots at the bays around the State, and this has reduced the amount of area where net professionals can fish. So, in doing that, it really means that we need, if anything, to rationalise the amount of net effort. Certainly, with respect to the viability of those who are left, to allow more licences would be very much against the current direction in which we are heading.

Mrs PENFOLD: Can the Minister advise the Committee of the new management arrangements for the scallop industry and, in particular, the scallop fishery in Coffin Bay?

The Hon. R.G. Kerin: I thank the member for Flinders, who has shown a lot of interest in this topic also. The review of the scallop fishery has recently been completed, and a number of new initiatives are to be implemented that improve both the commercial viability of the existing operators and the access by recreational fishers. Each of the existing holders of a miscellaneous fisheries licence endorsed for scallops will, after 1 July, have access to all scallops in State waters, with the exception (in the interests of the member) of Coffin Bay and other areas under marine reserve protection. This expands the area of operation of all commercial licence holders.

In addition to this improved access for current licence holders, two further miscellaneous fishery licences are to be offered by tender under the regulations to provide new opportunities for harvesting and processing scallops, particularly in the region of the West Coast, and this should result in a small increase in employment.

In regard to Coffin Bay, the one commercial licence holder who has had access to the bay will not have access after 1 July 1999, but will gain access to all other State waters. The decision was made to reserve the Coffin Bay scallop fishery for recreational fishers in the future because of the important social activity that the fishery represents in the area, and it is certainly important to the many people who spend time at Coffin Bay each year. The new management arrangements, effective from 1 July 1999, will reduce the conflict between commercial and recreational interests and add value to the licences held by the existing operators.

Ms HURLEY: With respect to compliance, Mr Mutton said that the activity levels were put together from all the separate sections. Can the Minister provide a breakdown of the backdown of the compliance service budget for 1998 into discrete functions, such as fruit fly checks, fisheries compliance, Olympic Dam and so on?

The Hon. R.G. Kerin: I will take that question on notice and I undertake to provide an answer to the Deputy Leader.

Ms HURLEY: A total cost of \$18.096 million is assigned to compliance services in 1999-2000 compared to \$19.338 million in 1998-99. Given that the budget for this output class has been cut by \$1.24 million (or 6.42 per cent), which areas of compliance will feel this reduction most

significantly, and what impact will the cuts have on compliance activity in each of the sectors of the department's responsibilities?

The Hon. R.G. Kerin: The monetary difference relates principally to changes in the area of energy regulation within the Office of Energy Policy, where there was a delay in putting the regulators in place with respect to expenditure for energy regulation. I am informed that it refers mainly to that area. I do not have that detail with respect to the rest of compliance, but I am assured that the level of compliance outside the energy area is very much the same as it was last year.

Ms HURLEY: The target for the change in non-compliance rate is a decrease of 15 per cent. Will the Minister inform the Committee of the current rate of non-compliance?

The Hon. R.G. Kerin: That is rather difficult, because it is across such a range of areas, from fruit fly to—

Ms HURLEY: That is exactly my point. That is why these budget papers are so difficult to read: because it is across a number of areas and you cannot get anything out of it—not even the Minister can do so.

The Hon. R.G. Kerin: I can supply those figures to the Deputy Leader.

Ms HURLEY: Can the Minister explain the variation between the target for the number of prosecutions for 1999-2000 (141) and the target for the number of prosecutable cases noted (253)?

The Hon. R.G. Kerin: I will obtain details of how that figure has been arrived at and the reason for the difference between 141 and 253—which I understand is the nub of the question.

Mr McEWEN: Deputy Premier, I am interested to note that under Administrative Items the State Local Government Reform Fund appears within your area of responsibility, on page 2.2. Whether it does or not, I am interested in how you manage to justify the funding of the South Eastern Water Conservation and Drainage Board out of that fund, given that I think it is a very long bow to draw to argue that there is either structural or functional reform associated with the South Eastern Water Conservation and Drainage Board. Are you responsible for the fund, and, whether you are or not, can you tell me why you fund the drainage board out of it?

The Hon. R.G. Kerin: The answer to the first question is that the fund as such I am not responsible for but there is a component of the fund which, as the member correctly identified, goes towards the funding for the South Eastern Water Conservation and Drainage Board. The funds are used for the operating component of the board, and the budget for 1999-2000 indicates \$1.152 million for board staff and operating funds, and \$335 000 for capital, including bridge replacement and machinery required for drain cleaning. There are other funds managed by the board and these are the collection of the levies for the Upper South-East Dryland Salinity and Flood Management Program, and various projects funded by various sources, including the NHT, and the Local Government Reform Fund has been used for that purpose for some years now.

Mr McEWEN: I repeat the question: why? If you want to know the history talk to Dale Baker. But we would like to know why.

The Hon. R.G. Kerin: The question of why pre-dates me. The member for Gordon obviously through his local government background is aware of this one. It pre-dates me, but, on the advice that I have received, apparently from negotiations at the time the LGA signed off on this being funded out

of the fund. As I said, I was not involved at the time; but I am quite happy to receive the funding.

Mr McEWEN: The Deputy Leader of the Opposition's observation that a number of the tables are vague is, I think, a very fair one. For example, in Table 2.35 there is but one figure on the whole page; at the bottom of the page it tells us that we are going to spend \$5.172 million, but, as for any performance criteria, forget about it. In a similar manner I am interested in page 2.41 'Output: 4.3'. Again, there are no output targets, either quantitative or qualitative; there are simply a number of inputs. It tells us that a bit over \$3 million is going to be spent, producing 46 000 hours. The question is: are we going to see some output figures and are we going to see comparative data, so that we can actually establish whether or not this is cost effective?

The Hon. R.G. Kerin: The member is probably somewhat justified in what he is actually saying. As far as the measures go, a decision was taken across all portfolios that further work is required to establish the measures for the next budget in 2000-2001. The member is correct in saying that there are quite a few gaps in this, but that is part of the change in setting up a new system and obviously a lot of those gaps will be filled in when we have figures done on the same figure basis. The problem is that when a previous year is done on a different basis the figures become somewhat meaningless as far as comparisons go. I wear that criticism in the short term, but I would be confident that the budgeting format that we are actually going to of recognising outputs is a way of actually driving some value. However, I acknowledge that during the change actually happening it can be somewhat confusing and a bit short on some information that members might like to see. I call on the Chief Executive to make an additional statement.

Mr Mutton: I have just a couple of additional comments. In regard to the outputs that are being developed in Government at the moment, they are separated into quantity issues, quality issues and timeliness. The member is quite right in saying that those related to quantity are about measures of what has been achieved in numbers terms, and they are output numbers. These are the ones that have been delivered; not the ones that are proposed to be delivered. So they are in output terms in regard to quantity. In regard to quality, it is a matter of determining an output performance on the level of satisfaction, and I am sure a number of people in this room would have been involved in programs where they were making assessments at the end of the program as to level of outcomes that people were able to achieve and where we are using that as a measure of performance. The timeliness ones are very much related to specific individual projects and programs of training and they are specified in a timeliness sense as to when they will be delivered.

Mr McEWEN: I move on to the subject of sea urchins. I was entertained yesterday afternoon on my travelling to Adelaide with a very good interview about sea urchins and I think it came over particularly well. I understand that six experimental licenses have been issued. I would like to know a bit more about how people got those licences and where those people will operate and what other opportunities there are in the short term to participate in this experimental and quite exciting fishery.

The Hon. R.G. Kerin: I thank the member for Gordon for his question and his interest in the matter. There is no doubt that, as we have become more and more export focused, there are resources here in South Australia, particularly marine resources, in relation to which we have not realised the value

they can have both to the economy and to some regional communities. To be more specific on sea urchins, I think it is an exciting area and I would ask the Director of Fisheries, Gary Morgan, to give some more detail to the member.

Dr Morgan: The developing sea urchin fishery was recognised as a potential for development some 12 months ago, and an expression of interest was advertised in both regional and local papers, seeking interest in six permits, which have a validity of two years. The process involved seeking those expressions of interest through public advertisement. The applicants were then judged by an independent panel against criteria, which included the ability of applicants to develop the industry in an integrated way, everything from catching through to processing through to marketing. That selection process was undertaken and the six permit holders were notified of their success. There is one permit holder allocated to each of six zones within the State, and at the end of the two year period a review will be undertaken to ascertain the success of the development of that industry within the sustainable limits of the sea urchin population, and there may be the possibility of additional licences, depending on that review.

Ms HURLEY: I will return to the point made by the member for Gordon about the format of the budget. In the 1997-98 budget Program Estimates the following performance indicators were proposed for fisheries: checks of fishing vessels, 450; checks of catch disposal records, 650; Fishwatch response, 2000; checks of fish catches, 500; and education and extension presentations, 50. This compares with the following indicators for compliance in this year's budget, which include Fishwatch disease surveys, Olympic Dam, Beverley, and so on: the number of person days, 5 762; number of inspections, 2 156; number of audits and incident investigations, 2 563; and number of prosecutions, 141.

The Minister may recognise the value of outputs but does the Minister seriously believe that these aggregate indicators are more useful indicators than those sector specific indicators that were previously provided? For example, how is a Fishwatch inspection comparable to an inspection of the Olympic Dam operation?

The Hon. R.G. Kerin: This question raises two points. In terms of the high level of output classes, the first round of specifications last year required a relationship between outputs or services to achievements, which was not fully developed. With the benefit of another 12 months' work and a review by the whole of government's Output Advisory Panel, PIRSA has developed a set of output classes and outputs better aligned to the agencies' outcomes and more sharply focussed on their business. Certainly the honourable member is correct as far as the day-to-day management is concerned and knowing those individual figures as a break down of the operations of the department.

Those figures are certainly still used for internal management. Some of those figures went to the honourable member but, as far as management is concerned, no doubt there will be further refinement of the output classes for the budget.

Ms HURLEY: I do not understand. If the figures are still being collected and are available (the Minister says for internal management), why is the public of South Australia not allowed to know these criteria? Why is it aggregated into the number of person days, for example, which means almost nothing to anyone?

The Hon. R.G. Kerin: We can make those figures available. I suppose that, at the end of the day, it comes down to the level of detail one puts into budget papers and how

bulky one makes them. We are going through a process of change. We hope to come up with the best system to show that the taxpayer is getting value for their dollar spent. Those figures are available; it is just a matter of how much detail we put into the budget papers.

Ms HURLEY: On the more detailed subject of compliance, it was reported in the *Advertiser* on 23 June 1999 that a Port Lincoln man has been charged in Tasmania in relation to a fraudulent operation involving understating catches of orange roughy fish. It was reported that the offences allegedly occurred at Hobart, Port Lincoln and other places in 1992 and 1993. Given the allegations that such serious offences have occurred at Port Lincoln, has the department increased its compliance service activities at Port Lincoln, or is this going to be a victim of the budget cut?

The Hon. R.G. Kerin: The orange roughy fishery to which the Deputy Leader refers is a Commonwealth fishery and therefore comes under the jurisdiction of AFMA, which is the Commonwealth fisheries management body. I saw the article and it certainly does not refer to a fishery under our control: it is a Commonwealth fishery and it is therefore not appropriate that we be involved.

Ms HURLEY: I return to general budget areas and page 10.6 of the PIRSA budget. In the 1998-99 budget the Government stated that it would focus its efforts in six key result areas from 1998 to 2000 to achieve the outcomes. Those key result areas were managing the future through responsible and sustainable development, building a globally competitive business environment, accelerating industry growth for wealth generation, delivering integrated customer focus services, providing strategic policy advice and support for Government decision making, and achieving high standards of organisational performance.

Those key result areas are not included in this year's budget. Can the Minister explain the reasons for the changed format for the 1999-2000 budget given that the KRAs named in the 1998-99 budget were not intended to be achieved until the year 2000?

The Hon. R.G. Kerin: Again, that situation refers to the change in the focus of the budget. The Deputy Leader needs to understand that some of the other indicators to which she has referred have not appeared in previous budget papers as far as the upwards are concerned. Previous budget papers concentrated very much on dollar figures, which gave no indicators. We are certainly heading down the output track, and the fact that we have changed some of the parameters between last year and this year is really a search for what is the best way of delivering information. As to the specifics, I will ask Brad Smith from the department to make a couple of statements.

Mr Smith: The key result areas are all captured in the department's 'Outcomes' in its current strategic plan. The key result areas were seen as an unnecessary further layer of outcome specification. If one now looks at PIRSA's updated strategic plan for 1999-2001, all of the content of those KRAs are captured in the five major outcomes for PIRSA and reflected in the corporate objectives that were contained in the previous strategic plan.

Ms HURLEY: Is it simply a change in the jargon of the budget—

The CHAIRMAN: Is this a supplementary question?

Ms HURLEY: Yes, Sir—designed to cloud the outcomes that we were given so that we are not able to compare like with like from only last year?

Mr Williams interjecting:

Ms HURLEY: Not like this.

The Hon. R.G. Kerin: I can assure the honourable member that it is not meant to cloud anything. When we talk about outcomes, or 'jargon' as the Deputy Leader refers to it, there is nothing to hide in any of it. It is really about ensuring that the agency is focused on what it needs to deliver to the community, which is better outcomes in the primary industries area and, certainly, the department is working towards that. We are searching for the best possible way and a way that is consistent with the strategic plan and the way the department needs to work on a day-to-day basis.

Mr WILLIAMS: My first question concerns the Struan Research Centre. A comment in last year's budget is:

There is restructuring of the livestock research activities in PIRSA, which includes consolidation of resources at the Struan Research Centre.

It has come to my attention that, since last December, the livestock group at Struan has lost three technical officers. Apparently, one officer has taken a package and not been replaced, one officer has been moved to Roseworthy—and I will mention Roseworthy in a later question—and one officer is on long service leave without pay for 12 months. Those three technical officers have not been replaced. My understanding is that morale is a little lower than it should or could be at Struan. Could the Minister give the committee some indication of the future of the Struan Research Centre?

The Hon. R.G. Kerin: I thank the member for MacKillop for his question and I certainly acknowledge the honourable member's interest in the Struan Research Centre. I will provide some information and then ask Barry Windle from Agricultural Industries to make comment on a couple of the specifics raised by the honourable member.

My understanding of the staffing situation at Struan is as follows. A veterinarian has been relocated to Kangaroo Island for 12 months to help address what is a significant problem with Ovine Johnes disease on the island. The position is to be filled on a temporary basis until the return of the officer. A field crops officer has taken up a position at Mount Gambier. The vacancy was advertised but no suitable applicant was found for Struan. The vacancy was readvertised, which resulted in a greater number of applicants, and the selection process to fill that position is currently under way. A new position has been created for a sheep industry consultant. The first call did not attract any suitable applicant and the position has been restructured. It is proposed to engage a trainee in that position.

One position has been lost from Struan. This was a technical officer position funded by industry to undertake embryo transfer research, which I know the member is aware of. The project has been completed. However, the person concerned has been transferred to another project based at Turretfield. This project will be important in supporting a statewide genetic improvement program, part of which will be linked to a new initiative at Struan and Kybybolite. The utilisation of Struan and Kybybolite for research and development has been the subject of review and strategic priority setting over the past 12 months. The South Australian Primary Industries Research and Development Board, to which I referred in my opening comments, has recommended an increase in research resources to support the meat industry.

The following progress has been made in implementing that recommendation. First, projects are being negotiated with Meat and Livestock Australia and other industry sectors. Secondly, the Beef Cooperative Research Centre has been funded with a significant contribution from South Australia;

and, thirdly, redirection of State resources has occurred with the appointment of a program leader for meat and wool with expertise in meat research and reallocation of support services.

An alliance, the integrated livestock management initiative (ILMI), has been forged with the University of Adelaide, Primary Industries, TAFE and industry to deliver improved research and education programs to South Australia's animal industries. As part of this initiative the State Government and the university will provide funding for new infrastructure at Roseworthy, and some upgrading of facilities at Struan is also planned under that initiative.

The meat R&D program under ILMI is based at Struan Research Centre, reflecting the production of 60 per cent of South Australian meat in the South-East. Projects being negotiated with Meat and Livestock Australia, the beef CRC and industry would see the appointment of five new research staff based at Struan. These include a PSO3 research scientist in meat science, with an emphasis on sheep meat; a PSO1 research scientist in beef; a TGO3 technical officer to establish parasitology and biochemistry capability to service meat programs; and a TGO2 technician in meat analysis. The final position will focus on soil health in high rainfall/irrigation systems.

Specifically, the new programs include a national central progeny test project to assess prime lamb and merino sires for meat production. The beef CRC will provide \$250 000 per annum for seven years to support projects in the effect of production systems on eating quality. A two year project with \$280 000 from Meat and Livestock Australia will evaluate the feed efficiency aspects of beef production. There is a significant injection of research effort which will require refurbishment of Struan and include the retention of Kybybolite in the short term development of new feeding systems, improved irrigation systems and office upgrades. These will be funded by both industry and Government as part of the new initiative. I am sure the member for MacKillop will welcome those new initiatives. I ask Mr Lewis if he would care to make some more specific comments.

Mr Lewis: There is little to add, as the Minister has covered it admirably. This may pre-empt one of your next questions. It all comes under the integrated livestock management initiative, which is a collocation and collaboration involving the university, the Government and TAFE to deliver integrated services from research through to delivery to the industry. The initial focus, similar to the Waite, will be at Roseworthy but there is a significant component of regional research and agricultural centres, of which Struan and Kybybolite are two of the integral parts. The Minister has been working hard to develop programs and to springboard off ILMI by attracting funding. The Minister has outlined the programs which have been successful and there will be considerable additional effort going into those regions as a result.

Mr WILLIAMS: Kybybolite Research Centre was mentioned several times in the answer. There were plans to sell the centre and utilise sale funds to upgrade Struan. Is the long term future of Kybybolite now assured, and what will be that long term future?

The Hon. R.G. Kerin: The long term will depend on what happens with funding into the future, but I ask Mr Lewis to comment.

Mr Lewis: As part of the development of these initiatives we have reviewed the need for research and agricultural

centres and we are proposing that, with the additional programs, we need to utilise Kybybolite and are proposing for at least the next five years to utilise Kybybolite to service those programs. The ongoing need will be determined on the basis of how successful we are in attracting additional research funds.

Mr WILLIAMS: It was suggested that some of the answers may have pre-empted one of my other questions, which I alluded to earlier, that is, the integrated livestock management initiative. I understand it will be mainly driven from Roseworthy through collaboration with the University of South Australia. Have we missed an opportunity to have some decentralisation by moving more of that program to somewhere like Struan? Over 60 per cent of our sheep and cattle in South Australia are in the South-East and the Lower South-East, and a large proportion of the dairy herd is down there; in fact, much of the growth of the dairy industry is in that area. Have we missed a golden opportunity to move some of our research industry away from Adelaide and into the regions?

The Hon. R.G. Kerin: Much of what the honourable member says is true, although I do not think we have missed any opportunity here. In the rural industry one of the issues raised with me constantly over the past three or four years concerns the lack of a centre for hands-on agricultural education in South Australia. The downgrading of Roseworthy came about for several reasons. Roseworthy was identified for many years almost as a centre of excellence for that type of thing. People coming out of Roseworthy were extremely industry friendly and were able to pick up and run with things quickly. As we saw with the change involving the amalgamation of various tertiary institutions, much of that tended to disappear. As to cropping, we have seen enormous success with the Waite Institute.

Many people would say that it is in the wrong place, and some of us would probably agree with that, but we cannot change history. There is enormous infrastructure out there. The Waite Institute is well regarded across Australia as a centre for excellence where you have a range of research providers but also an educational institution, and having them together creates opportunities to get well trained people going out who will carry the industries to the next stage. That is what we would like to see with Roseworthy. While we are putting some research programs in the South-East, as we are doing with cropping by placing more emphasis on Minnipa, as there had been in the past—and we opened the refurbished Minnipa facility last year—it is also important to make sure that we provide educational opportunities.

Roseworthy brings together a range of the livestock industries. If we can base more of our research at Roseworthy where the students who are doing those courses are located, then the benefits for regional South Australia outweigh the benefit of civil research jobs in a particular area. Also, Roseworthy is in a bit of a different climatic zone from the South-East, so there is no doubt that we need both. Whilst acknowledging that in some ways what the honourable member says is correct, the overall benefit of the build-up of Roseworthy as a joint educational and research centre is pretty important to the future of all our livestock industries across the State.

Ms HURLEY: In Portfolio Statements Volume 1, page 2.51, the Budgeted Operating Statement for the department indicates that the estimated sales of goods and services at the time of the last budget (1998-99) were \$28.18 million, whereas the estimated result for the year is \$16.723 million.

What goods and services comprise the reduction in the estimated outcome and what is the reason for such a large reduction (of the order of 40 per cent)?

The Hon. R.G. Kerin: The reduction in that line is mainly due to rural industry research grants to SARDI that are now being shown under Commonwealth Grants and Payments. About four or five lines down under Revenue from Government, Commonwealth Grants and Payments, the honourable member will see that the 1998-99 budget was only \$10 million and the estimated result is \$25 million. If the Deputy Leader reads those two lines together, whilst one is \$12 million under, the other line is nearly \$15 million over. So, the explanation for that is the area of reporting of that money that has come as rural industry research grants to SARDI.

Ms HURLEY: On Portfolio Statements Volume 1, page 2.51, interest receipts for 1998-99 are estimated to be \$7.859 million, a significant proportion (19.3 per cent) of the total operating revenue (\$40.741 million) of the department. What is the capital on which this interest is earned, how is it invested and with whom?

The Hon. R.G. Kerin: Two items are included in that: one is the interest on our cash reserves and there is also a component that would include interest coming from our loans to producers. So, it is not just money that we have invested, it is also money that is on loan through a variety of programs of loans to producers, which have been around for some years. The interest that they are paying on those loans is reported in that line.

Ms HURLEY: What is the breakdown of that?

The Hon. R.G. Kerin: We can take that on notice and provide those figures to the Deputy Leader.

Ms HURLEY: According to Portfolio Statements, Volume 1, page 2.5, the estimated value of plant and equipment at the time of the 1998-99 budget was \$35.569 million. The actual outcome is now estimated to be \$28.611 million for 1998-99 and \$42.692 million in 1999-2000. What is the reason for the lower than expected value of plant and equipment in the current financial year? Why is this not reflected in the depreciation and amortisation expenses for the department, which is \$5.177 million budgeted and actual, and what new plant and equipment will be acquired during 1999-2000 to increase the value of the department's plant and equipment by one-third?

The Hon. R.G. Kerin: There is probably a whole range of factors within that, but I will obtain the detail for the Deputy Leader.

Mrs PENFOLD: Will the Deputy Premier comment on the progress being made with changes to the regulations under the Fisheries Act in relation to aquaculture?

The Hon. R.G. Kerin: The aquaculture regulations have been somewhat of a thorny subject over recent months, but with the help of the member for Kurna and others we hope to work towards a good resolution. The aquaculture management regulations were revoked in their current form on 25 May after consideration by Cabinet. Consultation with stakeholders is currently under way to resolve a number of issues.

Those issues are concerns over the potential removal of opportunities for public input into the development process, specifically the right of appeal against development approval; and the composition of the Aquaculture Management Committee established under the regulations, including details of the expertise and organisations to be represented on the committee. The regulations are an attempt to ensure the

ecologically sustainable development of a structured and orderly aquaculture industry into the next century, taking into consideration the broad range of community views. The regulations are not an attempt to deny the public the right to question aquaculture development proposals.

The Government wishes to address issues of representation before implementing the proposed legislative changes. With officers of the department I am consulting key stakeholders in the community to ensure that suitable management structures are in place. These discussions are ongoing and we hope to achieve agreed outcomes in the near future. It is hoped that amended regulations will be introduced to Parliament later this year and that they will be supported by all. As everyone knows, the aquaculture industry is of great importance to the State; there is a lot of potential there. It is important that we find a way ahead that is sustainable ecologically but also sustainable community-wise and politically.

The industry deserves our support, and we need to ensure that we do not make it too difficult for investors to have to handle appeals at the late stage. We need to create an environment within the aquaculture industry whereby Government does a lot more community consultation and works through the problems at an earlier stage, so we are not embroiling private investors in the courts. I look forward to working with the Opposition and the various other bodies to try to find a set of regulations that are more acceptable to everyone.

Mrs PENFOLD: Will the Deputy Premier inform the Committee on the status of the pilchard fishery in South Australia and give details of the development of a management plan for the fishery as mentioned in the opening statement?

The Hon. R.G. Kerin: It seems that I have answered a lot of questions on pilchards in this House over the past 12 months. On 27 November 1998, the Pilchard Fishery Working Group provided advice to the Director of Fisheries that, based on the stock assessment for the fishery and the observed impact of the pilchard kill, the total allowable catch for 1999 should be 6 000 tonnes. This was then set as an interim figure to be revised by the working group when information on the following year's assessment became available around July 1999. To date, the fishery has taken approximately 2 450 tonnes of the possible 6 000 tonnes. Fishing did take a while to resume after the kill, and fishers have been travelling further from Port Lincoln to locate commercial schools of fish.

Recent catches of large pilchards have been taken along the West Coast, but that does not diminish the serious impact that the recent kill has had on the entire pilchard stock. A detailed quantitative report on the impact of the kill has been completed by the South Australian Research and Development Corporation and should be available shortly. It is anticipated that the quota for the year 2000 will be reduced because of the mortality event. However, we need the scientific evidence before those decisions are made.

Mrs PENFOLD: Will the Deputy Premier advise the Committee of any plans to provide new premises for the Tree Centre currently housed at Brookway Park? Is it still intended that the centre should be relocated at the Waite Campus and, if not, why not?

The Hon. R.G. Kerin: If you travel along Fullarton Road, you will see that the new TAFE college is nearing completion on the Urrbrae site at a cost of about \$16 million. Previously, it was the Government's intention to redevelop the old

technology centre, which was basically an old 1960s style classroom, on that site for the Tree Centre, and we committed \$575 000 for the project. However, recent estimates indicate the redevelopment cost to be about \$900 000. So, following a review of suitable Government accommodation, it was decided to purchase a former Western Mining exploration complex at Pasadena, and it is our intention to spend over \$100 000 to upgrade the facility. Whilst it is disappointing not to be able to consolidate the centre at Urrbrae, PIRSA has shown significant budgetary responsibility in evaluating other options which has led to the purchase of the Pasadena facility. I am convinced that PIRSA, along with the State Tree Centre occupants—Greening Australia, Trees for Life, Australia Trust for Conservation Volunteers and the urban biodiversity program—will soon establish a community facility for the benefit of the whole State, and particularly for those involved in revegetation and other environmental work. Once again, I point out that we changed this decision because the agency felt that for budgetary responsibility we needed to meet our initial commitment of funds for the project.

Ms HURLEY: I refer to the Portfolio Statement (page 2.29), Output 1.1, which includes the provision of information services, with a focus on services for generation, synthesis and dissemination of information and technology. Will the Minister provide the end of year estimated results for 1998-99 for the performance indicators noted in Output 1.1?

The Hon. R.G. Kerin: That being statistical data, I will have to take that question on notice and get back to the Deputy Leader with the best figures we can provide.

Ms HURLEY: How were the targets for 1999-2000 calculated?

The Hon. R.G. Kerin: We would have met that by looking at past performance levels. However, programs have changed, and the targets as listed under Output 1.1 would have been calculated with the programs and the priorities for this coming year in mind.

Ms HURLEY: Will the Minister provide details of the specified targets for 1999-2000 for timeliness? The notation in the budget is 'as specified at project levels'. Will the Minister provide details of what they are?

The Hon. R.G. Kerin: I will ask the Chief Executive to provide that detail.

Mr Mutton: That detail can be provided in excruciating detail from the point of view of every specific item that we might be developing as part of a communication program. That is about leaflets that we would be providing on on-farm systems. It would provide a whole range of individual components that we would be producing under a project system which will have a time line of when they are expected to be completed. That is a very significant level of information on an item by item basis of when they will be produced in any part of the organisation. We can provide you with that, but it is a significant amount of information. However, it is there, and it is part of our individual projects. If you want that information, we can provide it, but it really gets down to the minutia of when we will provide a leaflet for diseases in clover.

Ms HURLEY: I refer to the Portfolio Statement (page 2.31). Output 2.1 states that its focus is on services that are required to regulate the use of and protect the State's natural and productive resources. What are the end of year estimated results for 1998-99 for the performance indicators noted in Output 2.1? Will the Minister provide details for the specified targets for 1999-2000 for quality and timeliness?

The Hon. R.G. Kerin: Whilst we can provide some detail on the last question, I am not so sure that these matters would have been measured last year under the same categories. I do not think we can provide that information because they were not measured under those categories.

Ms HURLEY: What would be the specified targets for 1999-2000? You are saying that the quality and timeliness in the budget are as specified at project level. Can you provide details of the targets for those projects and what those projects are?

The Hon. R.G. Kerin: That may be a large job, but I will ask Brad Smith to comment.

Mr Smith: As the Chief Executive pointed out before on the issue of timeliness, it is the same issue of going down to the minutiae of a project level: it is an enormous amount of information we would have to supply, but it can be supplied. We can break down quality for 1999-2000 into two groups.

Mr McEWEN: The Minister would be well aware that section 36 of the Animal and Plant Control Agricultural Protection and Other Purposes Act 1996 sets out how boards are to be funded and basically says that councils may contribute up to a maximum of 1 per cent of their urban rate and 4 per cent of their rural rate towards running their board. It then goes on to say that a budget is constructed and finally goes on to say that once a budget is approved, for every dollar the councils raise, 50 cents will be contributed by the State Government. That is the theory. Why is the practice and the theory a long way apart? As Mr Wickes and others will know, the practice is that the commission determines how much money it will contribute and, irrespective of whether local government wants to raise to a maximum of 1 per cent of urban and 4 per cent of rural, it is told what it will do by the commission. Is the Minister prepared to operate under the Act rather than by the rules of the commission?

The Hon. R.G. Kerin: It is a very good question. I will get the Director for Sustainable Resources, Roger Wickes, a very good director who has been involved in this area for some time, to answer the question within the restraints of his budget.

Mr Wickes: The honourable member is right: the commission does set a budget based on how much there is per officer and that allocation is then given to the groups. We have changed some of those arrangements recently where we give a subsidy to councils that cannot provide a proper service because of their level of rate revenue. We have done some adjustments over the past year and put all the councils on to a fairer base. We are doing the best we can with the budget we have to maintain those boards.

Mr McEWEN: When will the Minister amend the Act?

The Hon. R.G. Kerin: I will take the honourable member's comments into account when we finalise the review of the Act.

Mr McEWEN: I refer again to boards. Boards are allowed to run their own spray operations, which should only relate to either vertebrate pest or pest plants. If they run these boards they should run them totally quarantined from their other budgets under which the authorised officers operate. What is the Minister's view on boards running these spray operations, particularly where they seem to be going well beyond either controlling vertebrate pests or pest plants and in some instances competing unfairly with private operators?

The Hon. R.G. Kerin: This is an issue that I recently raised with the board and the member for Gordon raised with me recently, as has another community member from the South-East. Some of the issues with this refer back to national

competition policy and how it affects the operations of the boards. On the surface it appears that they are operating under competitive neutrality guidelines, but an officer is currently examining the financial aspects of it to ensure that that is the case. Some of these decisions are very much made at a local level. I certainly understand where the aggrieved person is coming from. If it is not competitively neutral, I share the concerns of the member for Gordon. I do not think Government and semi-government bodies should be out there competing in an unfair way with the local businesses. A component has occurred sometimes in the State where commercial operations have not been available and that has led to some of the boards supplying these services. The member for Gordon and I would agree on most aspects of this case. We are looking at the case he has raised with us at the moment. If there is no market failure, the board does not need to be in it. Even under those conditions it should only go into these commercial arrangements on a competitively neutral basis.

Mr McEWEN: I refer to dorothy dixer No. 21. Will the Minister give an update on the rabbit calicivirus issue?

The Hon. R.G. Kerin: I thank the member for Gordon for his question. It is strange that he should raise the issue after the member for Ross Smith enters the Chamber.

The CHAIRMAN: I point out that the member for Ross Smith is not a member of this Committee.

The Hon. R.G. Kerin: Final reports on the initial two year research program on the impact of the rabbit calicivirus on rabbit populations, agricultural production and the environment and on how best to integrate use of the virus with conventional rabbit control techniques indicates that rabbit numbers are being kept at about 95 per cent below the levels prior to the rabbit calicivirus days. While the impact of the virus in higher rainfall areas has been variable, rates of mortality do not consistently match those in range lands, but good results have been seen in some areas. The reduced need for 1080 baiting to control rabbits in agricultural districts has been estimated to save landholders between \$300 000 and \$500 000 per year since the virus became widespread during 1996 and similar reductions to that have been recorded in other States.

There is now evidence of two year periodicity in outbreaks of RCD at some sites, although this pattern requires further confirmation. The CSIRO is continuing epidemiological studies in collaboration with States to determine why calicivirus has had more variable impact in cool wet areas of south eastern Australia than in arid inland sites and whether additional virus releases can be used to overcome that variability. Trials to investigate the spread of RCD by offering rabbits virus contaminated food and bait were delayed by NRA permit requirements in 1998 but are planned for this year.

PIRSA's commitment for 1998-99 and 1999-2000 is a budgeted \$54 000 each year. The total funds for continuing the national program have been reduced for 1998-2000, with the withdrawal of financial support by both DPIE and Environment Australia. South Australia received \$70 000 for collaborative research with CSIRO on virus persistence in the field. Anyone who travels into the north of the State can see the benefit that calicivirus has been to the native vegetation in those areas, where many species that have not been seen for many years are starting to reappear in good numbers.

Ms HURLEY: I refer to Portfolio Statement page 2.32, Output 2.2, which relates to the issuing of licences. Will the

Minister provide the end of year estimated results for 1998-99 for the performance indicators noted in Output 2.2?

The Hon. R.G. Kerin: With respect to the detail that is required regarding the quantity aspect, those figures certainly should be available, because they probably just need to be collated. With respect to quality and timeliness, once again, they may be harder to quantify into meaningful data that can be pulled together quickly. Mr Smith probably has had more to do with collating the targets for 1999-2000, so perhaps he can comment.

Mr Smith: With respect to quality, we do not have the figures for 1998-99, because that is a new category that we are trying to measure. We have the estimates that we can break down for 1999-2000. The same applies with respect to time limits. As previously stated, it has to be broken down to project level, which involves a lot of detail. However, we can give the honourable member quality figures for 1998-99.

Ms HURLEY: This Output states that 412 licences will be issued in 1999-2000. Can the Minister detail the breakdown of those licences into specific areas—for example, fisheries, petroleum, mineral exploration, and so on—and can the Minister detail the estimated revenue from each of these areas? I would be very interested if, on the way through, the Minister could explain how the total number of licences depicts any reasonable measure of activity within PIRSA.

The Hon. R.G. Kerin: Yes, I can supply those figures now. The 412 licences to which the honourable member referred is the new licence figure. I will call on Mr Smith to provide some more detail.

Mr Smith: With respect to the category of agriculture, for example, the breakdown number of new licence registrations is 57; the number of licences for fisheries aquaculture is 20; for mineral resources 300; for the Office of Energy Policy 5; and for petroleum 30.

Ms HURLEY: That does not add up to 412, but it is close to it, I suppose. I now refer to page 2.11 of the Portfolio Statements, Priority Objective 4.3. One of the aims of Priority Objective 4.3 in the 1998-99 budget was to implement a quality management system program trial in the Riverland, to be completed by the end of 1998. All reference to this aim has been removed from the 1999-2000 budget. Why has reference to this aim been removed from the current budget?

The Hon. R.G. Kerin: The honourable member was quoting last year's budget, was she not?

Ms HURLEY: Yes. Last year it was 10.15. I refer to 4.3, to promote adoption of food quality and safety systems, and the second dot point was to implement quality management system, which is very important, given the recent food scares that have occurred, yet there has been no mention of it in the current budget.

The Hon. R.G. Kerin: My understanding is that food safety, quality control and HACCP are all priorities. The Riverland is a major area where there has been a focus on ensuring that its produce meets both domestic and export requirements. That would have appeared last year in the way in which it did but does not now appear because that quality program regarding food safety for the Riverland is picked up as part of the Riverland regional strategy. In this year's statement, Strategy 6.2 states, 'To promote and support rural partnership programs such as Eyre Peninsula, Riverland and Mallee', and to implement those programs in the Eyre Peninsula and the Riverland, and the food safety aspect is part of that Riverland rural strategy.

Mr WILLIAMS: I draw the Minister's attention to capital projects on page 2.49. With respect to the Loxton

irrigation district rehabilitation scheme, my understanding is that, at the moment, we are waiting for an announcement or a confirmation of funding from the Federal Government. Can the Minister inform the Committee of the current situation with respect to that scheme?

The Hon. R.G. Kerin: The Loxton irrigation district rehabilitation scheme is a program that this Government has seen as high priority for quite a while. The Loxton scheme is, basically, a Federally owned scheme. In the past, with respect to State schemes, the Federal Government, the State Government and the irrigators have formed a partnership to upgrade those schemes. Loxton is left as a scheme that is badly in need of rehabilitation. Some 18 months or two years ago, the State Government committed to the upgrade of that system and has put aside its 40 per cent for the rehabilitation. The growers are to put in 20 per cent and, for some time now, we have been waiting for a commitment from the Federal Government, which we have asked for the other 40 per cent.

There was a commitment for stage one of the project which, financially, was on the small end of it. We are hopeful—and talks continue with the Federal Government—that funding for the project will soon be forthcoming. We remain somewhat anxious about whether the Federal Government will commit to the full financial extent that we need to enable the project to be completed. We also want to ensure that the funding is new funding and is not taken from somewhere else—from projects that are beneficial to South Australia. So, we await with some anticipation for an announcement from the Federal Government, hopefully in the not too distant future, that it will commit to a program which is very important for both the viability of the irrigators in the Loxton area and also for the sustainability of the Murray River because, at the moment, with the outdated irrigation system at Loxton, not only is water being wasted but there is also an unacceptable load of salt going back into the river, and this funding is needed to ensure that that does not continue.

Mr WILLIAMS: Referring to the same page, the next item under the 'Capital Projects' heading is the Upper South-East Drainage Project. I have a considerable interest in that project, particularly as I spent a little over 12 months as a member of the South-East Water Conservation and Drainage Board prior to being elected as a member of Parliament, and I have considerable knowledge of this project. I note that one of the works scheduled for this year in this budget is the design of the Currawong outlet and the construction of Marcollat drains.

I am particularly interested in the design of the Currawong outlet. Many of the landowners in the area who are also contributing quite extensively to this project are not overly happy (to put it mildly), because they have started paying contributions and have not at this stage received much service in relation to having drains running past their doorstep. I think that the previous Minister inflamed the situation several years ago when he made a statement that landholders should not be paying their levies until they saw the drain coming past their backdoor. Can the Minister give an indication of when the landowners in that area can expect the northern outlet of that drain scheme to be completed and when indeed he expects the major works, the major drains, to be completed?

The Hon. R.G. Kerin: I thank the member for his question, and certainly he has had an enormous interest in this program, first as a land-holder and then as a member of the board, and since as a representative for a lot of the drainage area. The northern drainage route has received enormous

attention over time. A great deal of work has been undertaken on water volumes, heights and drainage routes, and a lot of this work almost needs the holes in the ground before we can accurately assert what is going to happen. The major issue is to pass through the Currawong Hill, through to Salt Creek. The board considered the results of the analysis and found that there were four options. One was too far south and would not provide a service to some of the people in the highly degraded Mount Charles area, so that was unacceptable for that reason. The other three options have been investigated. One passes through the Messent Conservation Park, which has its own problems; one through pristine heritage scrub; and one through farmland.

The negotiations on where we go from there are the subject of legal proceedings at the moment, so I will not flesh them out here. In the meantime, significant design work is occurring in the central catchment and the development of a drain at Tilley Swamp to Salt Creek. But obviously there are still some issues that remain. I am told that the previous Minister when he made the statement about not paying until it goes past your front door was no longer Minister when that statement was made, but I am told that he has also claimed that the statement that was attributed to him was not correct.

So, it is a magnificent scheme. It has its problems, as the member knows. It has been a very difficult scheme because it is extremely expensive and there are many logistical problems along the way. It is dealing with something which is under the ground which makes it very hard for survey work. But certainly the advantages of this, both viability-wise for the farmers of that region and environmentally, are enormous. However, at the end of the day it is a project which will be worth the enormous amount of money and also the logistical headaches that many of us have had en route.

[Sitting suspended from 12.58 to 2 p.m.]

Mr WILLIAMS: I refer to the International Centre for Crop Biotechnologies (page 2.49). In his opening remarks the Minister talked about the commitment to put \$2 million into a biotechnology centre at the Waite Institute, and I wonder whether the Minister can expand on that a little bit. Specifically, I understand that the Queensland Government has recently committed \$60 million to biotechnologies in that State. Can the Minister give the committee a commitment that, as we are moving into this new area throughout Australia, we will actually be coordinating the approach with other States and other agencies, and not, indeed, competing in the same areas?

The Hon. R.G. Kerin: I thank the honourable member for MacKillop for what is a quite important question. It is true that there is an unavoidable amount of competition across Australia as to States lining up to try to get the best share of the biotechnology industries that they possibly can. It is probably a bit different from what we have with traditional research in that this is shaping up into something which is far more competitive because of the fact that, at the end of the day, a lot of the intellectual property with biotechnology will actually be owned by companies. So we have the possibility of attracting commercial companies to come and join with government or to set up in biotechnology within a State.

It is true that a couple of States are throwing large amounts of money at it. We were involved in the early 1990s and up until now, both through the spending of a lot of capital investment out at the Waite Institute, and also with the quality of people and the amount of cooperation that there has been

between SARDI, PIRSA, the University, CSIRO, and the various CRCs on the Waite campus. The Waite campus has built up an extremely good reputation. It has extremely good infrastructure already out there, which really puts us in a position whereby some of the other States are having to come up with enormous amounts of money to match what we would have to do.

Ms Hurley interjecting:

The Hon. R.G. Kerin: That's right, and let's see who wins at the end of the day. We need a clever way of doing it. We do not have \$80 million that is available. This is a very important area, and obviously it needs to be resourced. Further work is going on at the moment. This is not just about throwing money, because, at the end of the day, throwing money does not lock away the contracts and whatever else with groups such as the Grains Research Development Council (GRDC), and with private enterprise, which you need. Let us face it, at the end of the day if a Government throws \$80 million at something and does not actually attract any partners it has not done very well with its \$80 million.

It is a situation whereby we identify the benefits of this. Certainly, with plant biotechnology, there are enormous benefits for the producers in South Australia. They will probably be picked up more quickly if the biotechnology work is actually done in the State. But it is also an enormous industry possibility that we are talking about, with a lot of jobs for graduates and an opportunity to employ a lot of bright young South Australians and keep them here in a great industry. But we will be pulling out all stops to try to make sure that we attract pretty good funds. The GRDC has earmarked money for biotechnology and we are very keen to get that here, and we are doing everything in our power to lock that away. At the end of the day it will not just be money; it will be what we already have there and the commitment shown by Governments to work with funding bodies and private enterprise that will attract the jobs at the end of the day.

The CHAIRMAN: Given that the question I ask is a joint responsibility between the Minister and the Minister for the Environment, what consideration has been given to the need to reconstitute the Mount Lofty Ranges catchment program and the board to provide a greater opportunity for the board and program to consider integrated resource management issues? I am aware that a proposal was put to both yourself and the Minister for the Environment in July last year (1998) to reconstitute the program as the Mount Lofty Ranges Natural Resources Program and to replace the board with a Natural Resources Committee. I am aware that the same board has been reappointed but I would like the Minister's thoughts on that matter.

The Hon. R.G. Kerin: Thank you, Mr Chairman, for a question about an issue that has an enormous impact in your area. I applaud the work the board has done in the past. Certainly my communications with it have been very good. The board has been extremely successful in attracting an amount of NHT and other funding to the region, which is very important. We are presently undertaking negotiations with DEHAA as to the future composition of that board. A whole range of factors are involved and certainly the Mount Lofty area will require the coordination of the various functions of natural resource management. I will ask Roger Wickes to comment because he has been involved in the discussions.

Mr Wickes: The Mount Lofty Ranges Board, as indicated, has been reappointed. Some new members have been

appointed to the board. We are considering how we pull together the bigger issue of integrated natural resource management before we put in place a new body. The board has been successful in obtaining funding. It is operating at the moment and, given the level of its funding, has made some changes to its program. It is a very successful program and I am hoping that, towards the end of the year, we can sort out what those boards will look like. I am referring not only to the Mount Lofty Ranges Board but boards across the State: SELGA is already operating quite well in the South-East and Kangaroo Island and the Eyre Peninsula are now starting to operate. They are tied up in that bigger scene of what we envisage the integrated natural resource management bodies will look like. The current group is operating well. It has moved into new premises and is pulling the program together.

The CHAIRMAN: As a supplementary question, can the Minister inform the Committee of the direction that is being taken by Government towards the introduction of integrated resource management legislation in South Australia?

The Hon. R.G. Kerin: By the department?

The CHAIRMAN: Yes, by the department.

The Hon. R.G. Kerin: Again, considerable work has been done because a couple of Acts fall within the framework of what we would like to see in place. Progress has probably not been as swift as we would have liked, but certainly we are negotiating with DEHAA and talking to SAFF and other groups about the future direction.

Ms HURLEY: I refer to page 2.9 of the Portfolio Statement and 'Priority of Objective' 3.6, which states:

It is the Government's intention to facilitate restructure of inefficient industry sectors, e.g. marine and scale fish.

Can the Minister provide any information as to the immediate impact and long-term impacts on the pilchard population in South Australia as a result of the 1998 pilchard fish kill?

Mr Williams interjecting:

Ms HURLEY: He did not specifically say.

The Hon. R.G. Kerin: Does the question relate to the long-term impacts of the kill?

Ms HURLEY: The immediate and long-term impacts.

The Hon. R.G. Kerin: Certainly, the immediate impact, as I said in my opening statement, has been that numbers are down. Fishermen have had to move farther from the more traditional grounds to catch fish. So, there has been an immediate impact and that is unfortunate for all concerned. As a result of the previous kill we have some idea about the long-term impact. We would be very cautious about predicting what level of quota is sustainable for next year. I will call on Gary Morgan, Director of Fisheries, who has been involved in the science aspect of the situation, to give what might be a little less of a layman's view on this matter. Certainly it is hard to predict what will happen in the future.

Dr Morgan: The immediate impact of the kill was, of course, significant. The biomass was reduced by approximately 60 per cent resulting in, first, a moratorium on catching pilchards while the mortality event was taking place. The 1999 quota was set as an interim quota, which is currently 6 000 tonnes down from 11 500 tonnes in 1998. That interim quota is being revisited in the light of additional research and survey work that is being done on the biomass of pilchards. It would be expected that the longer term impact, taking into account the 1995 kill, would mean that the pilchard stocks will recover. To what extent they will recover is yet to be determined, but annual surveys of the biomass are

being undertaken as part of the research that underpins the management of the fishery.

Ms HURLEY: The Minister, during Estimates last year, stated:

I am sure that, at the end of the year if research came back that we had to reduce it [the pilchard allocation] by a lot, it would make for a hard but necessary decision that we would just have to tell those people [new ATBOA entrants to the fishery] that they could not go fishing the next year.

Given the impact of the fish kill, why did the Minister not take the hard and necessary decision to return the fishery to the original 14 participants?

The Hon. R.G. Kerin: A couple of issues are involved: first, the committee looking into the situation set an interim quota. My belief is that the decision of the working party was that the interim quota be pro rata amongst the previous participants. I will relate the history of the matter. The working party reached a decision—it was not my decision—to set the quota for the 14 ongoing participants and the Tuna Boat Owners Association fishermen.

One issue I raised at the time was that, if we had to wind back the fishery because of a pilchard kill, it was my preference that the first 3 500 tonne be quarantined to give each of those 14 participants their 250 tonne as they had had previously. That decision was conveyed to the committee. The committee came back to me with the unanimous decision that that not be the case, that it be one in all in and that the cuts be pro rata to the allocations they were given. In effect, all the interests around that table were represented. When I put to them that I would like to see the 3 500 tonne quarantined for the 14 participants I was told in no uncertain terms that if the industry felt that it should be pro rata across the board then that is the way it should be. That was their decision.

Ms HURLEY: So, the Minister is saying that, despite his comments in *Hansard* last year that we would have to tell these people that they probably could not continue fishing, you obviously decided that that was not the case and you did not have to tell the working group that. In response to another question during last year's Estimates the Minister stated:

A recommendation of the working group was that 2 500 tonnes of the annual total allowable catch for the fishery be available to boats nominated by the ATBOA. I have accepted this advice as part of the 1998 management arrangements only.

The Minister will be aware that the pilchard quotas are based on the egg count data by SARDI, which was alluded to by Dr Garry Morgan and used by his department to increase the allocation to 11 500 tonnes in 1998, including the additional 2 500 tonnes to the ATBOA members. This was based on a biomass estimate of 117 000 tonnes. As Dr Morgan also said, this data was found to be faulty and new estimates for the biomass were halved. In light of these facts, can the Minister explain why the practice of allocating additional quota to the ATBOA has continued into 1999?

The Hon. R.G. Kerin: It has been extended in 1999 as a decision of the Pilchard Fisheries Working Group. With the benefit of hindsight it was found that some of the scientific data was or may well have been wrong, but that was covered by the fact that we had taken a very conservative attitude to it, anyway. I have heard it suggested that someone deliberately fudged the figures so that I could make a decision to give extra quota to the ATBOA, which is totally and utterly incorrect. First, it was a scientific error. I knew nothing about it and the department knew nothing about it until well down the track. Secondly, it needs to be remembered that it was the

Pilchard Fisheries Working Group that had all the stakeholders on it, including representatives of the 14 fishermen, who made the decision: it was not I.

Efforts to point that decision back to me are totally unfounded. The correspondence, which has been FOId and FOId, clearly shows that I had a different preference about how we handled the allocation, but the Pilchard Fisheries Working Group, with all the stakeholders there (industry members) said, 'No, Minister, we know best. In other fisheries it has worked extremely well.' They wanted to do it a certain way if all the industry agreed, which they did. Claims made subsequently are great with the benefit of hindsight, but at the time they all signed off on a letter to me that that was how they wanted it to be. I ask Dr Morgan whether he cares to make any further comment on the allocation for this year.

Dr Morgan: What the Deputy Premier has said has covered the issue adequately. My only additional comment is that we need to remember that the allocation for 1999 is an interim allocation and an interim quota which was a stopgap measure put in place for two reasons, one of which was a proper assessment of the impact of the pilchard kill and its effect on the pilchard biomass. Also, there was the recent report of the Environment, Resources and Development Committee of this Parliament.

Ms HURLEY: It is interesting that Dr Morgan raised the issue of the Environment, Resources and Development Committee report. Also interesting is the Minister's response indicating that he thought the industry had allocated their quota against the best interests of the fishery but he was prepared to let that happen. That is how I interpreted his statement. Coming back to the ERD report, what response can the Minister make to the fact that, on the same day that the pilchard allocation was gazetted, the long awaited ERD report into the pilchard fishery was released recommending, among other things, that the original 14 pilchard fishers should be given priority in the allocation of additional quota?

The Hon. R.G. Kerin: I was not aware of that timing. It was a rolling thing happening month by month. The fact that the date for tabling here might have coincided with one of those rolling authorisations is something of which I was not aware. We have a very unfortunate situation concerning the pilchard fishery, and why it has occurred is an important question that needs to be answered. Over time this matter has taken up an inordinate amount of my and my agency's time. There has been considerable misinformation which has constantly been put around by people who have agendas that have nothing to do with the good management of the fishery or the best use of resources. People have constantly chosen to go back on decisions to which they were party.

Frankly, what has happened with the pilchard fishery has been unfortunate. The pilchard kills have made the whole situation difficult. One of the Deputy Leader's colleagues went on radio and said that the ERD report was highly critical of me, but I challenge anyone to find one word in that report that is critical of me. Anyone who knows anything about fisheries management will read the report in a different way. The report's recommendations say that we should have been more hands-on with the decision making concerning the allocation. In terms of the way we manage every other fishery—and fisheries management in South Australia is held in high esteem around Australia—the report basically says that the pilchard fishery in this State is not capable of making decisions that the other fisheries are capable of making.

Basically, it urges the Government to interfere in what should be the industry's management decisions. Anyone who actually understands the industry would know that that is somewhat critical of the maturity of the industry. That is unfortunate and we need to work with those people to get the industry to a stage where it is working towards viability, sustainability and ultimately the marketing of its product. We are willing to work with them on that. However, we seem to be getting constantly dragged backwards with the pilchards fishery because some of the agendas being run are not in its best interests.

Ms HURLEY: The Minister sounds surprised that pilchards have taken up so much of his time, but we have had a pilchard kill that has affected South Australia badly, as well as other parts of Australia. No wonder it has taken up so much of his time. Does the Minister accept that, in spite of the fact that he was not aware of the incidence of the timing, his actions in gazetting allocations on the same day that the ERD report was released directly contradict his earlier statement as quoted in a letter by Dr Morgan and referred to on page 12 of the ERD report? The letter from Dr Garry Morgan to Mr W. Zacharin, Principal Manager, Shellfish, PIRSA, of 15 December 1998, states that the Minister:

... advised he is maintaining the *status quo* regarding access and setting an interim quota so as not to pre-empt the recommendations of the pilchard fishery report from the ERD committee of Parliament.

That seems to be a direct contradiction of what the Minister has just said. Now that the Minister has seen the ERD Committee report, does he intend to act on its recommendations?

The Hon. R.G. Kerin: I am not too sure in which way it contradicts it. Without our gazetting it, they are not licensed and could not actually fish.

Ms HURLEY: But on the same day! Why did the Minister not find out that the report was going to be released? It would not have been too hard to ring up one of his colleagues and find out.

The Hon. R.G. Kerin: What do you do in that case? Do you stop them from fishing? If that was not gazetted on that day, they could not fish.

Ms HURLEY: And now we are going to implement the recommendations of the report?

The Hon. R.G. Kerin: We will respond to the recommendations of the report, but we will do so in a way that is good management. I read that report at great length, and much of the evidence that was given. Much of the evidence I find questionable and in some cases extremely contradictory. There were some points where I was mentioned that I found quite amazing and almost laughable, because they just were not correct. Things were related that were verging on fantasy, I suggest. But to suggest that there is anything sinister about a gazettal on the same day as the release of the report—those gazettals were going on month after month, and I have absolutely no control over when the Environment, Resources and Development Committee tables its reports. If they are on the same day, so what? I cannot see any problem with that.

Ms HURLEY: I am not suggesting that there was anything sinister in the coincidence. I just thought that the Minister may have fulfilled his undertaking about listening to the recommendations of the ERD Committee. So, the Minister is saying that he was not aware of the recommendations of the ERD Committee on the pilchard fishery prior to the tabling of the report on 3 June?

The Hon. R.G. Kerin: That is correct. I went and talked *in camera* to the committee and we went through a whole

range of issues, but I am not aware of the recommendations of the committee. Even if I had been, I am not going to stop the fishery by holding back a gazettal. The gazettal was necessary to allow them to continue to fish.

Ms HURLEY: The pilchard quotas were gazetted on 3 June 1999, I believe in contradiction to the undertakings previously given. The original 14 fishers received approximately 4 700 tonnes, which is 335.9 tonnes each, and about 1 300 tonnes were allocated to the ATBOA. Of this 1 300 tonne additional quota that the Minister had issued despite the unanimous and bipartisan ERD Committee recommendations, one tuna farm operator who was not a member of this fishery prior to last year has received a quota of 915.88 tonnes, almost three times the quota issued to each of the original fishers. The remaining ATBOA quota has been issued to ATBOA members among the original 14 fishers.

Thus, the outcome of the Minister's pilchard allocation decision is effectively to increase the number of fishers from 14 to 15 and to increase the proportion of the catch allocated to ATBOA members from 50 per cent to 60 per cent. How does the Minister believe that this outcome—giving one new entrant a quota almost three times that of existing fishers at no extra cost to that person—complies with the letter or the spirit of the Fisheries Act 1982, in particular, section 20, which provides:

In the administration of this Act, the Minister, the Director and management committees have as their principal objectives. . .

(b) achieving the optimum utilisation and equitable distribution of those resources.

The Hon. R.G. Kerin: Once again, it was referred to as my decision: that I made the decision to give the ATBOA that quota. That is not the case. That was not my preferred stance. If the honourable member wants us to go across fisheries and remove all decision making from the industry and take it back into Government, I would suggest that that will take away all ownership of fisheries in this State from the stakeholders and will be on an absolute road to nowhere. I will take note of what the ERD Committee has told us now, because it has identified that some of the decision makers could not stick with what they made up their minds about, but the problem here is that it was not my decision.

It was like all decisions that are made by fisheries management committees in this State. They make the decisions and I then should have a good reason to go against what the industry is actually suggesting. I cannot do anything about the industry making one decision and then going back behind and changing its mind, giving information and framing questions for the Opposition, the Democrats and whoever else, to try to change the balance of the argument. The industry has to be involved in these decisions, and it is a very sad day when the ERD Committee is saying to me that this industry is not capable of being involved in the decision making.

Ms HURLEY: I think the Minister just said that he did not agree with the decision.

The Hon. R.G. Kerin: No, I said that it was not my preference.

Ms HURLEY: Did the Minister have any discussion with the Premier prior to the issue of this million dollar gift of pilchard quota to the tuna farm operators?

The Hon. R.G. Kerin: That question just shows where the agenda of some of this is actually running. It all goes back to some people who claim that they did not know of the existence of an MOU, which was well and truly publicised in the media in Port Lincoln before I was even in Parliament.

Ever since, a couple of people have been trying to create a link between me and the MOU and have been involved in decisions which they have then changed their mind about, and then tried to link those decisions back to me. That is not correct. If they want to make decisions and then blame someone else, they should not be involved in that decision making to start with.

That is hindsight; we know that. But I am not aware of any discussion with the Premier about the allocation within individual fisheries. I do not go and talk to the Premier about the allocation of how many days fishing we will give the northern zone rock lobster people, how many tonnes we will give the southern zone rock lobster people, what the individual quotas within abalone are. And, certainly, we do not discuss the allocations within individual fisheries. That is a matter of fisheries management, which comes to me from there. To say that there is a gift of a million tonnes I find quite amazing. I well remember some of the statements made to me when I met with a large contingent of the pilchard fishermen who were telling me that whatever extra allocation they got they would still battle to make themselves viable.

I also remember statements made last year, including one that I actually saw on TV, in which a spokesman for the fishermen said that he would probably have to go and get another job, and that was unfortunate. But at that stage the pilchard fishery had caught most of its quota, which was a large figure. If you start talking extremely large figures for what this fishery is worth, that is inconsistent with what the pilchard fishery people tell me about their income and costs. It is totally incongruous to say that when we catch it we cannot make any money out of it yet when someone else catches it they are millionaires, all of a sudden.

Ms HURLEY: In the *Government Gazette* of Thursday 3 June 1999, a number of fishers were granted quotas of pilchards. On Tuesday 8 June 1999 two of these allocations were amended, with one fisher gaining 50 tonnes on his quota and another fisher losing 50 tonnes. What is the process by which the Minister is informed of transfers between participants or nominations of new ATBOA entrants into the fishery?

The Hon. R.G. Kerin: I am totally unaware of that. I will ask Dr Morgan whether he can comment. Once again, the pilchard fishery is not only the fishery or primary industry in this State, and it is not really a large decision in the State when there is a small redistribution within quota. I am not sure why I should even be notified of that.

Dr Morgan: I understand that the gazettal referred to was an internal quota transfer. The quota to the Australian Tuna Boat Owners Association is to ATBOA as an entity, and it was a recommendation of the pilchard working group that the ATBOA allocate that quota among its members in a way that would provide for the most efficient use of that quota. Without having the details in front of me, I suggest that that gazettal was part of that process of an internal rearrangement of quota.

Ms HURLEY: I refer still to priority objective 3.6 but in relation to tuna. The Minister will be aware that section 53 of the Fisheries Act provides for the licensing of fish farms. When were licences issued for existing tuna farms in South Australia, and what conditions apply to each of these licences?

The Hon. R.G. Kerin: There are a lot of conditions. However, I am not sure of the exact date. We can take that on notice and get back to the honourable member.

Ms HURLEY: Perhaps the rest of these questions might also be taken on notice. How are the quantities of fish at each site regulated? What licence fees are payable for each tuna farm site, and how are payments determined?

The Hon. R.G. Kerin: I undertake to get those answers for the Deputy Leader.

Ms HURLEY: In July 1997 it was reported in the *Port Lincoln Times* that tuna farmers were operating illegally near Louth Island. When were the Minister and his department first made aware that tuna farms were operating illegally near Louth Island?

The Hon. R.G. Kerin: This has certainly been a major issue this year. I could not say that there was not something back in 1997. I am not aware of any but, obviously, the department might have known more. I cannot vow and declare that there was not a memo or a mention to me of it. It certainly was not a big issue at the time. After the tuna kill, we had to relocate cages into quite a few different areas, and I saw those from the air several times. However, I am not 100 per cent sure of the areas, and I certainly have no intention of misleading the Committee. I would not therefore have a guess as to when I was told.

Dr Morgan: Again, without having the specific dates and times in front of me, there have been a number of instances where tuna farms (which, of course, are not fixed structures; they are towed around the ocean and located in various positions) have been located in areas that are not subject to approval under the Development Act. In each case that this has happened—and there have been a number of those instances over the past several years—compliance officers of the fisheries and aquaculture department have warned the farm operators that they were in an area for which they did not have development approval. In each case, those farms have been moved. I get back to the point that these farms are not fixed; they are mobile. Our compliance officers have reacted at each occurrence that has been brought to their attention of farms that are located in areas that do not have development approval.

Ms HURLEY: I must say I find it absolutely amazing that this report of illegally operating farms appeared in the media in Port Lincoln, where a lot of the fisheries personnel live and work, yet it seems that the Minister and his department were not informed, did not react or did not regard it as important and just left it alone. When the department decided to take notice of the existence of this farm, what follow-up action did it take to ensure that directions were complied with, and can the Minister provide the dates of inspections of any illegal tuna farms?

The Hon. R.G. Kerin: Obviously, I would have to take on notice the question regarding dates, because I have no idea. On the other side of it, the Deputy Leader alluded to the presence of this illegal tuna farm. Having asked for briefings over time, my understanding of it is that a bit of a perception has been created that an operation has been sitting there for two years. I have actually seen statements printed that it has become the belief of some journalists or whatever that there have been tuna farms or a tuna farm sitting in an area illegally for two years. My understanding is that that is not the case and that over the past two years there have been incidents where tuna farms have been incorrectly sitting in areas and have been told to move. I believe that in most cases they have actually moved and then later there has been another incident. So there has been a little misunderstanding—and obviously I have not been standing on Louth Island looking at this. Over the past couple of years there have been incidents of farms

illegally or incorrectly being in certain areas, and this has led to a perception that a farm or farms have been illegally sitting in an area for two years, and to my knowledge that is certainly not correct.

Dr Morgan: That is certainly the case: there have been farms operating in areas that do not have development approval and, as I indicated earlier, each time one of these instances is made known to us or when our compliance staff become aware of this during the normal course of their duties, the farms have been warned and, in each case, they have moved.

Ms HURLEY: Then I must ask about the quality of compliance. Mr Morgan said that whenever it was brought to their attention or when compliance officers discovered it action was taken. Obviously, an article in the *Port Lincoln Times* is not enough to bring it to the department's attention. What does bring it to the department's attention? Given that there seem to be a number of instances of non-compliance near Louth Island, why were more strenuous efforts not made to ensure that there was no recurrence of this illegal fish farming?

The Hon. R.G. Kerin: Some of the publicity about this over time has led people to believe that a heinous crime has been committed here and that something has been existing there all the time. We are not talking about just one operator who kept moving back to the area or anything like that. To look at it from the other point of view, the argument has certainly been put to me that, in the early days of looking at some of these sites, virtually no objections were raised about the use of them. It was the belief of a lot of tuna farmers, correctly or incorrectly, that these sites would be approved for this year. If some of the opposition had been flagged earlier, rather than coming along at the last moment, the whole thing would have been a lot more controllable. You get to a situation where at the end of the day there are three choices: first, to allow them into the area that was okayed for tuna farming. Environmentally that would have been irresponsible and would have gone over the limits allowed for the area. Secondly, we could allow them in the illegal area, to licence them to sit in another area for the time being or, thirdly, to let the fish go.

It is unfortunate that we got to that situation, but it is certainly claimed with some veracity that it was the belief of some of the people who had caught tuna and put them into cages that there would be no problems with the areas actually okayed. Much of the opposition that came along did so late in the piece. It is interesting to note that it has been well and truly put forward on several occasions that the residents of Louth Bay did not want the tuna nets off Louth Bay. When we talk about being 'off Louth Bay' we are talking about being six kilometres off. If you read the reports it sounds as though they are not far off the beach, but six kilometres is a fair way.

In the *Port Lincoln Times* there was a letter at one stage on behalf of residents of Louth Bay disputing that they were the ones against the development, and that only a couple of residents of Louth Bay were opposed. The issues of the bulk of the residents of Louth Bay were cleaned up reasonably early. As far as appeals go, there is only one remaining from a Louth Bay resident. That was also misunderstood. There was a perception that it was close to Louth Bay and, secondly, that all the residents of Louth Bay were up in arms about this: both were wrong. The other perception was that the farms had been sitting there for two years with nothing happening and that was also wrong. There has been an

unfortunate lack of information that has led to the belief that this is a lot worse than it has been.

Ms HURLEY: It is not good enough for the Minister to take such a relaxed attitude. He is saying that innocent tuna farmers were not aware that this was a problem and that there were no complaints about it, yet his Director of Fisheries was just telling me that the department was right on to the problem, getting on and telling tuna farmers to move on, which they did. The Minister cannot say in his answer that the tuna farmers were not aware that this was a problem. They had been told to move on, according to the Director of Fisheries.

The Hon. R.G. Kerin: I need to clarify that. I did not say that it was not a problem, but that they had been led to believe that approvals would go through for those sites in that objections had not been raised earlier. It is a different issue to whether they were legal on any particular day of the week. They had gone ahead, done their fishing, and bought their nets in the strong belief that the sites would be approved. It was very late in the stages of bringing them in that the objections to the sites were raised. They were told to move on because objections to the site were raised. Once the appeals had been raised, the sites were not legal.

Ms HURLEY: The objections were first raised in July 1997 in the *Port Lincoln Times*.

The Hon. R.G. Kerin: They are different instances.

Ms HURLEY: In what way different?

The Hon. R.G. Kerin: They have not been there all the time.

Ms HURLEY: Separate instances, but there is a problem.

The Hon. R.G. Kerin: There is a misunderstanding. I am referring to the expectation of people in the tuna industry that in early 1999 approval was to be granted for other sites and because of appeals that did not happen. Remember that the Louth Bay site was approved and it was only because of an appeal that they could not stay there. That is as of early 1999.

Ms HURLEY: Did the department advise Planning SA of the problem that was arising?

Dr Morgan: The department and Planning SA maintain close contact on all elements of aquaculture development and in this incident the department kept Planning SA fully aware of our compliance activities and the fact that we had located tuna farms that were in the Louth Bay area, which was subject to the development application. Following the appeals we had asked those tuna farms to move to other areas. This entire process was done in close consultation with Planning SA.

Ms HURLEY: Has any tuna farm operator ever been charged with an offence under the Fisheries Act?

The Hon. R.G. Kerin: I take it that the question does not relate only to this issue but overall. We will undertake to get detail for the Deputy Leader on that.

Ms HURLEY: Do fish farm licence fees and lease charges represent full recovery of the department's compliance, administration and research costs and will the Minister provide information as to how those costs are calculated?

The Hon. R.G. Kerin: I will get Dr Morgan to comment in a moment, but I remember well in my early days as a Minister in Cabinet a decision being made that the aquaculture industry held enormous potential for South Australia and that aquaculture as a fledgling industry should be given assistance in the early years to try to get the industry up and running. There was strong representation from the oyster industry at that stage about not going to full cost recovery. Through the aquaculture committee and in consultation with

industry talks were held over time about a way to move towards full cost recovery over a period of time. Dr Morgan could give more detail.

Dr Morgan: The Government has been proactive in providing significant funds to assist the development of the aquaculture industry and the effectiveness of the use of those funds has been reflected in the growth we have seen in the industry over the past few years. However, there is a recognition that that initial support has a limited time span and processes have been put in place through the aquaculture licensing arrangements where the industry is currently paying for the full cost of compliance activities and will be moving in 2000-2001 to full recovery of other costs currently being funded through the Government's farmed seafood initiative.

Ms HURLEY: Has the SARDI report on the southern bluefin tuna farming environmental monitoring program been accepted, and when will the first details of that program be made public?

Dr Morgan: The monitoring program for tuna that was being undertaken by SARDI is due to be reported at the end of June (tomorrow) and, once it is received, it will be considered by both the department and by the Aquaculture Management Committee.

Ms BREUER: Following questions in Estimates and in the House last year, the Minister took action to protect the sport in cuttlefish near Whyalla. The Minister is aware that the ban extended beyond cuttlefish to include squid. To my knowledge, squid are not at risk. I have been approached by members of the professional fishing fraternity who catch squid in False Bay as a by catch when netting for fin fish. The sale of the squid generates additional income for these professionals. Is there any way that the taking of squid by net could be allowed in False Bay without compromising the compliance regime for cuttlefish?

The Hon. R.G. Kerin: I thank the honourable member for her question and her recognition of the movement with respect to cuttlefish. My understanding was that this was to do with the gear that was used, but I do not pretend to be a scientist and I will call on Dr Morgan to answer that question.

Dr Morgan: This issue was discussed at length within the Marine Scale Fisheries Management Committee, and two difficulties were raised: first, the issue of gear, as the Deputy Premier indicated; and, secondly, the definition of what the ban extended to—and, essentially, it was a cephalopod ban. A considerable amount of effort was put in by the Marine Scale Fisheries Management Committee in order to try to provide access to squid stocks while protecting cuttlefish stocks, but the additional costs, particularly of compliance, in putting in place these sorts of management arrangements were prohibitive. However, I am more than happy to take this matter back to the management committee to see whether we can make some progress on this matter.

Mr HILL: My question is about the Fisheries Research and Development Corporation funding. How much money did SARDI apply for from the FRDC and for what projects, and what has been its success or otherwise in the past 12 months?

The Hon. R.G. Kerin: Obviously, I do not have the full detail. I call on Mr Lewis, the Chief Executive of SARDI, to make a general comment. He might even have some of that detail.

Mr Lewis: I do not have the full details, so I will take that question on notice. Basically, SARDI and the marine research community in South Australia apply to the FRDC through the South Australian Fisheries Research Advisory Board, which

is the advisory body to FRDC for State-based activities. Last year, we were very successful: I believe that we got five out of eight applications for—

Mr Hill interjecting:

Mr Lewis: This is 1998-99. The priority setting this year is for the period 1999-2000 onwards. I know that we were not as successful this year as in previous years, but I will have to get the details and bring them back to the honourable member.

Mr HILL: Is it true that this current year SARDI has not been at all successful and, in fact, has received no money from FRDC, and that there been something of a crisis meeting in your organisation to consider it?

Mr Lewis: I do not believe that that is correct. I believe that we did get some funding. I am also aware that there is a continuing discussion with FRDC on some projects that did not get funded the first time around, and we are hopeful that they will get funded. I will obtain the details for the honourable member.

Mr HILL: My question this time relates to Ocean Rescue 52 (known as Project OR52). What is the status of OR52; who has copies of the report; what recommendations does it make regarding MPAs; and when will action occur in relation to those recommendations?

Mr Lewis: The OR52 two-volume report has been completed. The current status of it is that it is at the printer being printed. There were 20 pre-print copies printed, and a number of those have been provided to Sustainable Resources in PIRSA, which had the contract for the OR52 from Canberra. In addition, some months ago, a number of draft copies were provided to Canberra. When the final print is available, it will be distributed to Canberra as a final copy.

Mr HILL: What recommendations does the report make regarding MPAs, and what action will the Government take in relation to those recommendations?

Mr Lewis: I will answer the first part of the question. The report makes no specific recommendations about MPAs. The OR52 report looked at the biogeography of biota across southern Australia against a number of criteria. It contains some connotative assessments of the conservation value of those biota, but the report itself makes no recommendations. As to how they should be applied in consideration of MPAs, that is a policy matter and this report will obviously be an input into it. However, it has a number of other aspects in developing that policy as well as the reports.

The ACTING CHAIRMAN (Mr Williams): For the sake of *Hansard*, can someone tell us what an MPA is?

Mr Lewis: It is a marine protected area.

The ACTING CHAIRMAN: And an OR52?

Mr Lewis: Ocean Rescue 52.

Mr HILL: My third question relates to SARDI. I understand that SARDI received a grant of \$63 000 from the Federal Government for the development of a spatial database for marine biodiversity conservation and management in South Australia. Its purpose, I understand, was to finalise the spatial habitat mapping conducted as part of the SARDI Benthic Surveys Project into a GIS. I also understand that SARDI has not taken up that funding. I ask why not, and what it is planning to do in relation to that funding.

The Hon. R.G. Kerin: I will take that question on notice.

Mr HILL: My next question relates to native vegetation. How many native vegetation clearance applications for marine areas has the Director of Fisheries considered this year and how many approvals have been given; what

resources are allocated to this matter by PIRSA; and what resources are dedicated to the proper assessment of the task?

The Hon. R.G. Kerin: I am informed that there have been no applications to the Director of Fisheries: they are referred to an officer within Fisheries for comment and then go to the Native Vegetation Council. Apparently, the process is that the Native Vegetation Council sends them to the Sustainable Resources Group within Primary Industries, where an officer with a lot of experience in fisheries undertakes an assessment and sends it back to the Native Vegetation Council.

Mr HILL: Minister, my advice is that the Native Vegetation Council delegated the role of native vegetation clearance approvals in the seat of the Director of Fisheries, and activities which should be applying for a clearance approval include: aquaculture, off-shore mining, etc., as they can include, in effect, clearance of seagrass, which is native vegetation under the Act, and through an FOI a while back it was found that the Director of Fisheries has not actioned this role at all; that is, no marine based activity has been required to apply, and certainly no approval or otherwise given. I also understand that the Native Vegetation Council is currently inquiring into the matter. Is that a true understanding of what is going on, or have I got it wrong?

The Hon. R.G. Kerin: I am unaware of this, so I invite Dr Morgan to comment.

Dr Morgan: Certainly, the delegation has been made to the Director of Fisheries, but there have been no applications that have come to me for consideration of clearance of native vegetation in the marine environment. We do have a process for handling this, which, as the Deputy Premier indicated, involves consultation with the Sustainable Resources Group within PIRSA, and one particular officer there who has experience both with marine native vegetation and also in the fisheries area. He provides advice back to me on any applications that are received.

Mr HILL: From what you have just said then, Director, can I take it that if any clearance has happened it has happened without approval?

Dr Morgan: I am not aware of any clearance that has happened. The procedure is that any clearance that is planned needs an application for that clearance.

Mr HILL: I would ask the Minister to have a very close look at this, because I think those answers were unsatisfactory and somewhat contradictory. I would like him to spend some time having a close look at how the Native Vegetation Act does apply to seagrasses and whether there is proper process in practice.

The Hon. R.G. Kerin: I will undertake to do so. I am not aware of any clearance of vegetation that has occurred, but I will undertake to follow it through.

Mr HILL: Many of the things that happen at sea do involve clearing native vegetation. The sand dredging down the coasts at various times, for example, would have to involve some clearance of native vegetation. I refer to the Fisheries Act review. Can the Minister say what resources have been dedicated to this activity, what community consultation process has been initiated and what work has been done in PIRSA as a basis for the review, and has this work been released to the public as part of the community consultation process?

The Hon. R.G. Kerin: I will ask Dr Morgan to give an update on the process.

Dr Morgan: The review of the Fisheries Act is a very important activity which is receiving significant attention within the department. We have a time line of the end of this

year for completion of the review. The current status of it is that a comprehensive internal review has been undertaken of changes that might be required under a reviewed Fisheries Act. Two technical reference groups have been established, one for fisheries and one for aquaculture. Neither of those technical reference groups has yet met, but as soon as the internal review process is completed, which I expect will be within the next few weeks, those technical reference groups, which include wider community consultation processes, will be convened, with a view to meeting that 31 December deadline.

Mr HILL: Will the Minister guarantee that appropriate representation from the conservation movement be included in the public consultation?

The Hon. R.G. Kerin: I have absolutely no problem with that. That is part of our process. They are on the reference group, so that will be looked after.

The ACTING CHAIRMAN: Minister, I meant to ask this question earlier this morning following the Opposition reading out its omnibus list of questions—and I have asked one other Minister; and I would like to ask all Ministers in the Government—but would it be possible for the Minister to provide the Committee with details of the cost of answering those questions? I would point out, Minister, that I would not insist on your doing that work if it is going to cost too much.

The Hon. R.G. Kerin: I will take that question on notice.

The ACTING CHAIRMAN: Minister, I draw your attention to page 2.22 of Budget Paper 4, Volume 1 and the specific targets for 1999-2000. Strategy 3.8 is to:

Develop integrated approaches to natural resource management and allocation

- Increase sustainable water yields from groundwater systems.

I have a considerable interest in this area of groundwater, and I am wondering whether the Minister can explain to the Committee how his department intends to increase sustainable water yields from groundwater systems.

Mr McEwen interjecting:

The Hon. R.G. Kerin: As the member for Gordon acknowledges, we are pretty powerful; but rainfall is not one of the issues. We would like to have a lot of rainfall to recharge, particularly in the South-East which needs a wet year. But there are a couple of ways. One is supplementation of moving water, such as the Bolivar water, into an area which traditionally uses groundwater and which has seen a lot of drawdown of that resource. So that is one way. But the other way which is becoming a lot more feasible nowadays, and there has been a lot of very good work done in South Australia, is through aquifer recharge, whereby water which may well have run to sea or been wasted in other areas can actually be put down into the ground to increase the resource down there, which will increase the sustainable yield out of those aquifers.

The ACTING CHAIRMAN: The only other question I have is on page 2.11, under Priority Objective 4, Strategy 4.3 (from last year's budget):

Promote adoption of food quality and safety systems.

The result was:

Full compliance by all meat producers in South Australia with meat hygiene standards.

Meat Hygiene Unit of PIRSA obtained quality certification in terms of ISO 9001.

It has always been my understanding that AQIS has the responsibility for meat hygiene standards. Can the Minister

assure the Committee that there is not an overlap or a duplication of those meeting those obligations?

The Hon. R.G. Kerin: The responsibilities with the Meat Hygiene Units lie with the domestic meat markets, particularly a lot of the country meatworks, whereas the export works work with AQIS. In many ways, I suppose, what we would like to see is that we could take over the whole lot, but, of course, that has to be acceptable to the markets on the other end, and particularly with the US and the EU there is a problem with that actually occurring.

While it is not an ideal system there is no intentional duplication. It is really an issue that requires AQIS to be there for export accreditation as a result of the demands of markets at the other end. We fully identify that the people of South Australia also deserve very high quality food standards and the Meat Hygiene Unit has done a very good job. I must say that the slaughterhouse industry, as it is often referred to, has come an enormous distance. Five or six years ago you could not convince that industry that it could ever achieve its present position. I believe that the commitment shown by that industry and the people who work within it has been commendable. It has not been easy but that industry is now on a safer and more solid footing than it was a short five or six years ago.

The ACTING CHAIRMAN: There being no further questions, the Committee will move to the next line, relating to minerals, petroleum and energy.

Additional Departmental Advisers:

Mr Cliff Fong, Executive Director, Office of Energy Policy.

Mr Neville Alley, Acting Director, Mineral Resources.

Mr Terry Aust, Chief Engineer, Petroleum.

Mr McEWEN: In picking up the first three questions, I acknowledge the fact that we offered some extra time to the Opposition in terms of concluding the earlier segment. I am interested in an update on a number of fronts in terms of the potential in the minerals area in South Australia. Can the Minister provide an update in relation to mineral sands? What has been the outcome of recent exploration activities and what are those potential deposits?

The Hon. R.G. Kerin: The State should be pleased with the current exploration for mineral sands that is occurring within the Murray Basin. Exploration has increased in the face of reduced gold and base metal exploration worldwide due to poor commodity prices. With the projected increased demand for titanium pigments, political problems with major overseas deposits and decreasing resources of Western Australian deposits, South Australia is well placed to become a major supplier of heavy mineral sand. It is an opportunity we do not intend ignoring.

Heavy mineral sand exploration within the Murray Basin recommenced during 1997-98 with moderate levels of expenditure of about \$500 000, but that is expected to rise substantially this year to in excess of \$2 million. During 1997 RGC Mineral Sands Limited discovered the Matilda prospect, which is located west of Lameroo. Follow-up drilling will commence there shortly. Murray Basin Minerals reported encouraging grades from Mindarie, Mercunda and several other sites. Regional and infill drilling is currently taking place. The recent Murray Basin Mineral Sands Conference

was a major success in attracting exploration companies and Government survey geologists to discuss the geology and economic potential of the Murray Basin.

As part of the targeted exploration initiative, joint company and Government expenditure will result in 400 metre line spaced aeromagnetic data flown over prospective areas to delineate heavy mineral bearing strandlines. Following recent discussions between the mining industry, the Bookmark Biosphere and Government further land has become available for exploration while at the same time making sure that we protect the core part of the Bookmark Biosphere, which has been a very positive outcome for all stakeholders involved.

All the signs are that the Murray Basin will become a major mineral sand producing province. South Australia is certainly well placed to supply heavy minerals that have significant economic benefits to the State's economy, not only in the Riverland area but in my own electorate, where the Port Pirie Regional Development Board has done a lot of work in relation to the shipping of sands from that area.

Mr McEWEN: Could the Minister provide an update in terms of the Otway Basin? I understand that, in addition to some significant gas finds, we now have reports of significant deposits of liquid hydrocarbons—what was reported to be the biggest oil flow in the Otway Basin in a recent drilling.

The Hon. R.G. Kerin: What has occurred in the Otway Basin in the past couple of years has been quite encouraging. There is certainly a resource in that area. The gas finds in that area are certainly very useful as far as the future for industry in the South-East is concerned. I will call on Terry Aust to give an update on the latest oil strike in that area.

Mr Aust: It is very interesting that oil discovered in an earlier well was, unfortunately, the sort of oil we did not want to find. It had a very high temperature which meant that it was basically solid—it did not flow. This discovery is much more promising. It is larger and probably technically easier to recover. It does continue the steady progress of the Otway Basin as a very significant although not world-class oil and gas province. The gas discoveries have been fairly steadily coming on stream and almost matching the development in the market. An electricity generation plant started with a 40 megawatt peaking plant and then, because more gas was discovered, was rapidly expanded to 80 megawatts and that is still on stream.

It is very important to the local economy that the gas discoveries are used locally. In a sense it has been very lucky for the local economy that discoveries have not been big enough to be exported to either Adelaide or Melbourne. It is an ill wind that blows no-one any good. However, it is not an easy area for explorers. It is fairly obvious that the difference is that the basin is quite faulted up. You think, 'Okay, now I understand the basin and the next well I drill will come in,' but it does not come in. Nevertheless, it is progressing quite steadily and we have great hopes that it will continue that way for a number of years.

Mr McEWEN: Just to emphasise the exciting potential in this for South Australia in, if anything, an area that I believe is being under-resourced in terms of exploration, I believe that much of our future will be in terms of value-adding to our mineral wealth and, obviously, our liquid hydrocarbons. In that regard can the Minister provide an update on aeromagnetic surveys and how matters are progressing in the Gawler Craton?

The Hon. R.G. Kerin: I thank the member for Gordon for his interest in what is a very important project for the State.

Additional flying has been taking place recently. Both that and further work on the initial data is really providing some extremely good mapping for potential explorers with which to work and, combined with some of the infrastructure work that is happening in the Gawler Craton to determine what we need in that area, the future looks promising. I will call on Neville Alley, Acting Director, Minerals, to give the Committee a quick update.

Mr Alley: That survey is well advanced and probably should be completed over the next few weeks. There has been substantial company interest as well as a lot of collaboration and infill by companies, so the results are excellent. Some of the preliminary information I have seen, remembering that the Gawler Craton also covers the Eyre Peninsula and Yorke Peninsula, is most encouraging and has given us a much better view of how positively we should view the potential of those areas.

Ms HURLEY: The 1998-99 budget appearing on page 10.1 states that it was expected that industry and the Commonwealth would signal joint venture funding in the mining industry. Has this occurred and in what specific programs?

The Hon. R.G. Kerin: There probably have been a couple of instances of which I am aware where this has occurred. Recently the Federal Minister and I received a report on the infrastructure needs of the Gawler Craton which not only takes into account needs of the exploration and mining industry but also links that with what is needed by the pastoral and tourism industries in that area in terms of what roads, power and water might be needed. That was a good partnership we entered into. Also, with industry, with the exploration initiative and the flying, in some cases where companies have held exploration licences we will fly every 400 metres. If they contribute we reduce it to 200 metres, which gives higher resolution data (I think that is the correct term). You do get better information with closer flying, which is also basically a partnership between ourselves and the people who hold the exploration licence.

There has also been a continuation of the joint venture up in the north-east of the State, west of Broken Hill and into the Flinders Ranges where with the Commonwealth and, in some cases, the New South Wales Government as well, we have undertaken exploration with a view, loosely termed, to looking for another Broken Hill or whatever other resources may be there.

Ms HURLEY: Under 'Specific objectives/targets' on page 10.12 of the 1998-99 budget one of the objectives was to have 50 per cent of Aboriginal lands under exploration licences. What is the outcome so far of that initiative?

The Hon. R.G. Kerin: A large part of that involved the AP lands. There has been progress in that area but not as quickly as we would have liked. As the Deputy Leader is probably aware, one of the issues there involves the fact that in the past the AP Council has insisted on a one at a time policy, where it will handle only one exploration permit at a time. We had some level of agreement that that would change and that there would be quicker assessment of the exploration licences in that area as the community became more and more aware of the opportunities, particularly to keep the young people of those communities employed rather than having to head off south. That has not perhaps been as smooth as it could have been because of a few issues existing up there.

Recently there has been some publicity involving Musgrave Block, a group of people who have done a deal with the AP Mining Company. There is mixed opinion as to

the backing that has from the AP Council and the people from the AP lands. We are trying to work through that issue. There is a lot of prospectivity up there. There are plans to fly some of that area but, until we get a resolution of a couple of issues by the AP people, progress has been slowed down, although we are still hopeful that, given agreement out of that area, we can move soon.

Ms HURLEY: The Minister mentioned that the one at a time policy for exploration licences was a decision of the Anangu Pitjantjatjara Council. I was informed that this was a policy of the Department of Mines.

The Hon. R.G. Kerin: Certainly not. That has been a long held policy which goes back at least 10 years. In the early days of having mining in the portfolio I held talks with both the AP Mining Committee of the council and with the AP Mining Company to try to urge change in that policy. There has been significant support for such a change within the AP lands, but at the moment there is not clear direction coming from the council.

Ms HURLEY: Priority objective 2—‘Eliminating impediments to responsible exploration and development’—refers to a task force with DEHAA established re Coongie Lakes. Can the Minister provide a further explanation of the task force’s purpose and say what the intended outcomes are?

The Hon. R.G. Kerin: This has been a major issue, and the member for Kaurana has shown some interest in it over a period. The intention basically is to find a process to develop a management plan for activities in the Coongie Lakes area after the expiry of PELs 5 and 6. An attempt was being made to form a reference group to oversee the necessary public consultation and to review the draft management plan. This reference group was to comprise members of PIRSA, the DEHAA task force, conservation groups and industry representatives. It has done some good work. One of the issues involved is that there has been some misunderstanding about what the plans of Santos and partners have been in that region, and I will ask Mr Terry Aust to give further detail.

Mr Aust: As the Minister said, the object is to develop a management plan for that region for petroleum. It also coincides with the development of a management plan for that region as a total management plan. It is obviously ideal if we get the two linked together, and a joint committee or task force has been set up involving PIRSA and DEHAA in order to achieve this objective. There were and there still are hopes that within that group there will be a reference group with all the stakeholders involved. Currently the conservation groups are not in on that, because they have some problems which we have tried to address in an attempt to reform that reference group again. Essentially, a consultation process similar to that used for the normal national parks management plan will be followed, and this will facilitate the inclusion of the Coongie Lakes petroleum Management plan in the current and any revised Innamincka Regional Reserve management plan. The two departments, with overlapping or joint responsibilities, in this area for the regional reserve and the Coongie, are working through a public consultation process to achieve a management plan which will put down the objectives that any activity, particularly petroleum activity, will have to meet.

Mrs PENFOLD: I refer to page 2.20 of the Budget Papers, in particular, strategy 2.5—‘Undertake, in association with the private sector, targeted exploration initiatives to bring forward discoveries and boost the rate of the State’s economic growth’: will the Minister comment on progress of

a range of projects undertaken during the first year of this four year program?

The Hon. R.G. Kerin: The targeted exploration initiative project covers minerals, petroleum and ground water and is located over a wide area of the State. The petroleum projects include data collection, interpretation and promotion of the petroleum potential of the Cambrian Basins. Industry has commenced exploration in the Stansbury and part of the Officer Basin. Native title is currently delaying exploration of part of the Arrowie Basin. The Cooper Basin will have data collection, interpretation and promotion for the first two years while areas for new licences are being offered to industry. Funds have been provided to the National Centre for Petroleum, Geology and Geophysics in Adelaide to help fund a chair in petroleum petrophysics and to support targeted research in the Cambrian and Cooper Basins. That position has been advertised nationally. The major petroleum expenditure is in petroleum data management, where databases are being converted to digital form, verified, compacted and, as much as possible, given on-line access to industry.

Mrs PENFOLD: Will the Deputy Premier describe the development of the Olympic Dam project and how it has benefited the State since it commenced production in 1988?

The Hon. R.G. Kerin: No doubt, while the honourable member is probably excited by the prospect of Olympic Dam, she has not been quite as excited by the fact that a lot of people from her area have moved up into that area to obtain work. Olympic Dam has been an enormous boost to the State, and its expansion was of enormous value, with nearly \$2 billion being spent, much of it spent in South Australia with many South Australians employed up there. Roxby Downs is somewhat of a model town in South Australia, and we can all be very proud of what is up there. It is a town with a terrific culture and a town of young people. Some wonderful things will come out of Roxby Downs in the future.

The operations of Olympic Dam are based on one of the world’s largest polymetallic ore bodies, with known mineral reserves of 11.4 million tonnes of copper, .34 million tonnes of uranium, 400 tonnes of gold and 2 790 tonnes of silver. Earlier this year we saw the completion of the expansion, which has lifted the production capacity from 85 000 tonnes to 200 000 tonnes of copper, metal and associated products. The fact that that was completed ahead of schedule was quite amazing for that size of project. It has been estimated that this latest expansion will create around 200 long-term on-site jobs, bringing the total number of permanent jobs directly associated with the project to around 1 200 which, with all the multipliers, really means a further 3 500 jobs in South Australia.

Not only has it been a boost for the local area but, as the member for Flinders intimated, there have been enormous benefits to a lot of the communities on Eyre Peninsula. Port Augusta did extremely well out of the expansion stage, as did both Whyalla and Port Pirie, with many contracts given to local businesses. It has been a tremendous boost for the State, and we look forward to WMC giving consideration to a further expansion of that facility in the future. It is a very long-term deposit and there is a possibility that in the next decade or so it may be lifted once again to 350 000 tonnes. Once again, the construction of that project would bring enormous benefits to the State, as well as ongoing employment.

Mrs PENFOLD: What is the Government doing to support the development of the mineral resources industry

and create focus for the current and potential contribution of this sector to South Australia?

The Hon. R.G. Kerin: There is no doubt that over a long time the mineral industry has played a very substantial part in South Australia. With its long history, it has been taken somewhat for granted. We tend to forget the enormous contribution made through projects such as Kapunda, Burra and the Copper Triangle. An enormous amount of productivity over the years has helped build this State. In February this year the Premier announced that a resources task force would be formed to address issues that were facing the resources industry and that these issues would be incorporated in the framework of a State Resources Plan, which is to be presented to the Premier later this year.

In developing the plan, the task force will provide advice to me and the Minister for Industry and Trade that will identify ways in which the Government and industry can work together to create growth in the mineral sector. The member for Gordon earlier made a comment about value adding to some of our mineral and petroleum opportunities. How we can make better use of the resources that are here is one of the areas the task force will be looking at. I thank Mr Richard Ryan, the Managing Director of Henry Walker, for his agreement to lead up the task force, which has many of our key minerals industry people giving of their time. The first meeting was held on 31 May, and I believe that they met yesterday.

It has been agreed that they will produce a long-term strategic plan for the mineral development industry that would seek to confirm the issues impeding the development of the industry in South Australia and recommend to us some actions to address those issues; to ensure that some of the actions are put in place by the end of September to show that the plan is meaningful; to identify opportunities in the mineral development industry; and to celebrate the unique and valuable qualities of the people who make that industry in this State.

Ms BREUER: During its first term of government, Cabinet signed off on the Northern Spencer Gulf Resource Reprocessing Strategy. What is its current status and what actions have been taken to implement it?

The Hon. R.G. Kerin: I was not the Minister at the time, so I am aware of the strategy but not of its history. There are opportunities in Northern Spencer Gulf. We have been working with Pasminco on an ongoing basis as to feedstock for the smelter there. We have what is quite an exciting opportunity with magnesium out of Port Augusta and a number of issues with the Middleback Ranges, and we tend to pro-actively push to the explorers and possible mining companies the opportunity to use any of the Spencer Gulf cities as fly-in, fly-out bases for the more remote locations. That is an opportunity because of some of the skills and training facilities in those locations.

I recently read the minutes of a meeting in Port Pirie, where one of the employment agencies was saying that it was given opportunities to employ quite a few people for the Beverley project. Hopefully, those people will give them a job and they will continue to commute.

Mr Mutton: I do not need to say much more. The Minister was not Minister at the time and I was not Chief Executive at the time. But it centres around a number of initiatives that have been taken in the Upper Spencer Gulf area, including the work that has been going on at Pasminco at Port Pirie and work now going on with the development of opportunities for magnesium. The infrastructure study that

has been identified in the Gawler Craton came out of issues in that study about infrastructure needs for that part of prospective South Australia.

The additional exploration work and TEISA work that has been going on in the area north of the Spencer Gulf cities, again, is a demonstration of the importance of that. The further work that has been done on the SACE project and the current issues of raising funds for the pilot plant for the coal and iron initiative in the north of the State, and the additional things that have occurred at Whyalla, are all part of the outcomes of that important study, which set the foundations for a considerable amount of work being done with the confidence that it was being done in a significantly integrated way.

Ms HURLEY: I want to move on to the issue of compliance, Output 2.2 (Portfolio Statements, page 2.32). I presume that included in this is the regulation of the Beverley and Olympic Dam mines. What is the proposed nature of monitoring of the Beverley mine, and what will be the total cost of that monitoring?

The Hon. R.G. Kerin: I ask Mr Mutton to comment.

Mr Mutton: The issues related to the conditions of the mining licence and processing arrangements at the Beverley mine follow the same sort of structures that were put in place for Olympic Dam. Monitoring arrangements will be put in place by the Department of Human Services within the Health Commission and, as part of that, we will be developing arrangements for consultation processes between the various agencies of Government, both Commonwealth and State, with regard to complying with that and developing other arrangements as we have done with the Olympic Dam site. We will have expenditure associated with monitoring the mines site with regard to the Mining Act, and the Department of Human Services will have costs associated with its monitoring under its legislation. I do not have those costs available, and I would suggest that they are still being determined with regard to the level of monitoring required.

Ms HURLEY: What has been the impact of the recent drop in gold prices on exploration in South Australia and the potential for mining here?

The Hon. R.G. Kerin: I thank the Deputy Leader for that very important question. Gold and other base metal prices being down is having a large impact on the exploration of gold right across Australia and world-wide. I happen to have seen some reports on the level of exploration money which some of our large minerals companies around the world are spending, and there are some quite substantial cuts in exploration coming out of that. It makes it very competitive to get the exploration dollars spent in South Australia. We have increased our share of the exploration that is going on here as against elsewhere, but we still are not the major player that we perhaps could be. However, certainly the price of gold and other base metals is having a major impact, whether that be on mines being able to open up or on the current processing sector whereby we see the Pasmincos and the BHPs of this world not getting quite what they want for their product.

This will continue to have a major impact until Asia recovers. That may help things a bit, but gold is more complicated than the other metals. One of the major problems with gold is the amount that has been put on the market by Treasuries of various countries across the world. That practice is holding back the price to quite a level. The consumption of gold around the world continues to be reasonably strong in countries such as India, where a lot of

gold is being consumed on an annual basis for jewellery or whatever. It is having a major impact; it is holding back growth. However, it is certainly no reason to hold back on the work that we need to do to position ourselves when world metal prices improve. We need to have projects that are either up and running or ready to go once that actually happens.

Mr HILL: What is the Government's current planning on proposals for degazettement of part of the Yumberra Conservation Park?

The Hon. R.G. Kerin: Mr Chairman, I know this has been of long-term interest to you as well. I thank the member for Kaurna for this opportunity to put on record the current situation. There is absolutely no doubt with Yumberra that the local communities in the Ceduna and Far West regions of the State see this as an important possible project for them. That community has worked extremely closely with the Aboriginal community to ensure that there is an understanding, and certainly the Aboriginal community now is showing strong support for this project as well.

One thing that needs to be acknowledged whenever we talk about Yumberra is that, whilst a major anomaly is showing up on the aeromagnetic surveys, that does not guarantee that there will be a major mine there or whatever. Until we get in and actually look, we will not really know. My current thinking on it (and more negotiations are to be held with various members of Parliament) is that we would like to proceed soon. Certain things cannot be done until native title is locked away, and that will probably not be until later this year, anyway. However, that does not stop us, even before the end of this session, bringing something to the Parliament to look at the reclamation of Yumberra.

There is certainly an expectation on it in the Far West, and there is a strong expectation and support from many regions of the State. The Deputy Leader joined me recently in Port Pirie for a Spencer Gulf City's Association meeting, and it did not leave us in much doubt as to what its view was on the issue. At present, depending on a few negotiations, we would be looking at proceeding reasonably soon with trying to do something that meets the expectations of the people of that region.

Mr HILL: I take it from the Minister's answer that he plans to pursue a parliamentary solution rather than the joint regional agreement process that I understand is also in train?

The Hon. R.G. Kerin: There is confusion there. The parliamentary process is about the reclamation of the park. The other process about which the honourable member is talking is the native title procedure; is that correct?

Mr HILL: I understand that there have been discussions involving a variety of interest groups—Aborigines, conservation groups, landholders, local councils, and so on, and, through discussion, there was potential to get a compromise position which would satisfy everybody but which ultimately would have to go through the Parliament. Does the Minister intend to pursue that, or has he given up on that to pursue a number crunching exercise through the Parliament which effectively would exclude certain interest groups?

The Hon. R.G. Kerin: We could come up with a whole range of possibilities. The member for Kaurna mentioned a solution that would suit everybody (and I do not want to misrepresent what he said), but I do not know whether that is all that feasible. Certainly if that was the case we would quite happily take that solution. We are looking for the best outcome that we possibly can for the people of the region over there. We have not closed the door to anyone as far as negotiation goes.

Mr HILL: If the reclamation goes ahead, how long would you envisage the exploration process taking and what sort of information can the Minister give about the nature of the exploration that might occur?

The Hon. R.G. Kerin: I suppose it depends on what the initial exploration shows. I would not see it as being over-intrusive exploration. We are probably looking at a period of a couple of years, but that is hard to gauge because if they go in we do not know whether they will strike anything promising straight away or whether we will have to continue looking. There is no guarantee that they will find anything. Commercially, if somebody spends x amount of dollars looking, there is a time they give it away as not being a viable prospect.

Mr HILL: I refer to a memo from the former Director of Minerals, Ric Horn, dated 24 October, 1995. I am sure the Minister was expecting some reference to this matter as I have referred to it before. Will the Minister comment on some of the statements made by the then Director and tell the Committee whether the statements are true and whether they reflect Government or departmental policy? In his opening paragraph Mr Horn said, in reference to Yumberra:

I believe it is unnecessary from a prospectivity point of view and could seriously hinder our efforts to gain access to more highly prospective parks such as Lake Gilles and the western Flinders Ranges.

Is it departmental or Government policy to gain access to those areas for mining or exploration purposes?

The Hon. R.G. Kerin: Whilst everyone is entitled to their opinion, that memo obviously followed on from quite an animated discussion between the Minister and a couple of officers. It was written in colourful tones, from my recollection. I do not think it was done in the calm light of day—I think there had been a blue. Whilst Ric Horn is entitled to his opinion, a lot of people very much disagree with that opinion. Many people who are far more qualified than myself or the honourable member say that what we have there is quite a prospect. People in the mining industry have indicated that they are quite excited about the anomaly that is showing up.

At the time Ric Horn wrote that there was not as much information available as there is now and a lot of work has been done on that data. If that was the case, we may not be pursuing this at all, but the advice I am given from a whole range of Government and industry people is that they feel there is a highly prospective area.

Mr HILL: I was referring to Lake Gilles and the western Flinders Ranges. Will the Minister rule in or out exploration and mining in those parks? Lake Gilles has good indications of lead zinc mineralisation.

The Hon. R.G. Kerin: From memory that referred more to a region than to a park. He is talking of the western Flinders region, which is a bigger area rather than simply a park.

Mr HILL: Will the Minister take the question on notice and give more detail of his interest in those areas?

The Hon. R.G. Kerin: We can identify the areas. There is probably exploration going on in those areas. I will ask Neville Alley to comment.

Mr Alley: The comments on the western Flinders Ranges are based on what was thought to be reasonable prospectivity for base metals and sediments along the western side of the ranges and subsequent work showed that not to be so. The Lake Gilles area would be as prospective as any part of the Gawler Craton except that it falls within the pastoral lease area and would be subject to native title and to Aboriginal

heritage clearances. The accessibility to that lake would be limited and it would be quite difficult to explore from the surface of the lake. For those reasons we would not regard it as a high target.

Mr HILL: My question is about the Sellicks Hill quarry cave report. I refer the Minister to a letter he wrote on 6 March 1998 to the current Presiding Officer of the Environment, Resources and Development Committee which states:

Dear Ivan, Thank you for your letter dated 11 February 1998, requesting advice as to when the response to the Sellicks Hill quarry cave report will be available. Discussions are continuing on this complex matter between officers from my department and the Department for Environment, Heritage and Aboriginal Affairs. The work is being progressed as a matter of priority and a comprehensive report to the committee will be provided as soon as possible. I understand that negotiations have been productive over recent months and it is not expected that further consideration of the issue will be protracted. At this stage I am unable to provide you with a definite date for completion of the work.

As I understand it, that response is yet to be given. Can the Minister now inform the Committee when the work will be completed and what the problem is?

The Hon. R.G. Kerin: I call on the Chief Executive Officer to answer that question: I do not know the answer.

Mr Mutton: I have sat on both sides of this incident in my life. The issue is that the negotiations are still continuing between agencies. The issues that we are working through now are those of the interface between tenement incident agreements and legislation. So, that matter is still active but has not as yet been resolved.

Mr HILL: I turn to that other great issue: the radioactive waste dump. Will the State Government rule out cooperation with the Commonwealth Government over radioactive waste storage in South Australia unless the Commonwealth agrees not to proceed with a long-lived radioactive dump for South Australia?

The Hon. R.G. Kerin: That is a somewhat hypothetical question. As to the meaning of the second part of the question with respect to 'long-lived', I take it that the honourable member means one of the—

Mr Hill interjecting:

The Hon. R.G. Kerin: Yes, that is really the point of clarification.

Mr HILL: I understand that the Commonwealth Government is moving to have a low level waste facility established in the northern part of the State. It is also considering whether or not a facility should be placed alongside it for long-lived intermediate waste, which is really the material that has been sent to Scotland and France for processing and which would come back to Australia in, I suppose, a more stable condition. The Commonwealth Government has not at this stage said that it wants to locate it in South Australia, but it is looking at the matter very closely. My fear, and I think the fear of many people, is that if we go ahead and have a low level facility here it is almost inevitable that the next level of waste will be stored in South Australia. Unless the Federal Government rules out the long-lived intermediate storage in South Australia, I ask whether the Minister will give up cooperating with it over the other waste facility?

The Hon. R.G. Kerin: I thank the honourable member for the clarification. I am aware of one newspaper comment, I think it was, that alluded to what the honourable member is saying. That issue has not been raised—certainly with me, anyway—by the Federal Government. My understanding at the moment is based on low level radioactive waste with short-lived medium level radioactive waste, as per the

documents that were pretty widely distributed within the community. That is the basis of the public consultation that has taken place; it is the basis of the consultation with the Aboriginal people; it is the basis of the drilling, or the core testing, that has taken place to get the geology right; and it is the basis under which we are proceeding.

What conditions we might put on the Federal Government—if, in fact, it needs our approval—will depend on a whole range of issues. Quite a few issues need to be addressed before we agree to any form of radioactive waste. Once the Federal Government comes to the State Government with all the detail and with the proof of levels of consultation, we will put our case back to it as to what the conditions may well be.

Mr HILL: As a supplementary question, I refer the Minister to a discussion paper, Site Selection Study, which was released by the Commonwealth Government, the Bureau of Resource Sciences, Radioactive Waste Repository for Australia, Site Selection Study Phase Three, Regional Assessment. I am sorry, I cannot find a date for it, but among the recommendations is recommendation 17, which states:

The committee recommends a national above ground storage facility be established which has the capacity to take low, intermediate and high level radioactive waste.

So, one facility. It continues:

Secondly, the study will also consider the proposal that this repository be co-located with an above ground storage facility for long-lived intermediate level waste in order to secure the benefits of shared infrastructure.

It is the Commonwealth Government's clear intention to have a long-lived facility alongside a low level waste facility. The Commonwealth Government is talking about South Australia for the low level facility. It is absolutely clear that it is planning to have the other facility here. If the Minister does not understand that, I seriously suggest that he get properly briefed, because it is absolutely true that this is going on.

The Hon. R.G. Kerin: Once again, I think that the honourable member was talking about the collocation when he read from that study. I would like him to go back and reread it. My understanding of what he said was that the two levels of waste about which he was talking are both separate from what is proposed for the Billa Kalina region.

Mr HILL: No, I think I am right, but I will perhaps read a little more. I will read the sentence before it, which is as follows:

For low level and short-lived intermediate level radioactive waste, international standards and practices clearly indicate that near surface disposal is appropriate. . . Accordingly, the Government intends to proceed with the study commenced by our predecessors to identify a disposal site for low level and short-lived intermediate level radioactive waste. The study will also consider the proposal that this repository be co-located with an above ground storage facility for long-lived intermediate level waste in order to secure the benefits of shared infrastructure.

The Hon. R.G. Kerin: But the honourable member mentioned another one as well, did he not?

Mr HILL: I read something which came before that, which states:

The committee recommends a national above ground storage facility be established which has the capacity to take low, intermediate and high level radioactive waste.

The Hon. R.G. Kerin: I am sorry. We are proceeding on the basis that the only agreement that we have given to the Federal Government is to allow it to go ahead and do the consultation and all the testing for low level and short-term medium level waste. A whole range of statements have been

made beyond that, but none of that has been proposed as such for South Australia, and that is the basis on which we are proceeding. At the end of the day, when it comes back to us we will work out which conditions we put on the Federal Government.

Ms BREUER: Will you say 'Yes'?

The Hon. R.G. Kerin: No, we are saying that we need a lot of questions answered by the Federal Government before we make any decision.

Mr HILL: Can the Minister explicitly rule out the South Australian Government's support for a long-lived intermediate level waste depot in South Australia?

The Hon. R.G. Kerin: That is hypothetical, because the Government has never been asked the question. It has never been put to us.

Mr HILL: I am asking it now.

The Hon. R.G. Kerin: I cannot make that decision here and now. It certainly has not been put to the Government, and it is certainly not our intention. We have not given the okay for the low level and short-lived medium level, let alone going to higher levels than that. We have said to the Federal Government that we will look at the results of this round that it is going through at present—which is a bit different from some of the agreements made by the previous Labor Government with its Federal counterparts.

Ms HURLEY: We have finished with the resources section, and we now move back to Primary Industries. The Minister claimed earlier today that the 1999 pilchard allocation was like all decisions that are made by fisheries management committees in this State: 'They make the decisions, and I then should have a good reason to go against what the industry is actually suggesting.' Will the Minister state what advice he received from the Pilchard Fishery Working Group in relation to the 1999 quota?

The Hon. R.G. Kerin: I would have to go back to the paperwork that came through. My recollection of it is that, initially, the idea was to start with just 1 000 tonnes. I believe that that was the initial decision that came from them while work continued on the pilchard kill. I do not have this advice with me, but my recollection is that it was on the basis of *pro rata* with last year's allocation. I would have to check that, but that is certainly my recollection of what actually occurred. On the matter of talking about decisions made by committees, we have to be careful. For example, when talking about an allocation of a certain quota, that is a different decision from the actual size of the quota. Certainly, the Minister and the department have to make sure in relation to sustainability that there is not an unsustainable amount of fish able to be caught, whatever the fishery is. Decisions within a quota of reallocation of quota are a somewhat different issue, in that it is more an equity and allocation issue, rather than the bigger resource sustainability issue. So I just make that clarification in case anyone ever misunderstands that earlier statement as saying that, if a particular fishery said that it wanted to double its input or out-take, that would be given agreement in any way without a lot of substantiation. So the allocation within a quota is different from the actual size of the quota.

Ms HURLEY: I refer now to Output 3.1: Policy Advice and Support Services. During the Commonwealth Parliament's Question Time today Mr Peter Costello stated that he and the Treasurer of South Australia, Rob Lucas, have come to an agreement regarding the wine equalisation tax rebate. I ask the Minister: is it the case that the Government has agreed to fund the WET rebate and, if so, is that an undertak-

ing to fund the existing scheme or the new scheme agreed to by the Commonwealth Government and the Democrats?

The Hon. R.G. Kerin: I thank the Deputy Leader for the question. I was involved in a discussion with the Treasurer yesterday morning on where he was actually at with negotiations with the Federal Government about this. My understanding was that what all the discussions have revolved around is the funding of a new tax—not revisiting where we are at the moment or reallocation of any responsibilities under the current system, but what would occur under a new tax regime for the wine industry, and the issue of who would fund the refunds for those cellar door sales under the \$300 000 limit. The Treasurer has been handling that issue, but my understanding of it is that any agreement would have been on the basis of whose responsibility under a new tax regime the WET refunds would be.

Ms HURLEY: What would be the cost of that tax rebate to the State Government?

The Hon. R.G. Kerin: This requires some work under a new system to know what the level would be, but my understanding when we have been discussing this is that we are looking somewhere in the region of \$400 000. But I cannot be sure of that. The Treasurer, knowing that I have an interest in the wine industry, has just kept me up to date with some of his discussions. That is the sort of ballpark figure that I think we are talking about with this particular part of the tax.

Ms HURLEY: I move to Specific Targets for 1999-2000, Objective 3.2, on page 2.22. This objective deals with the National Competition Policy review schedule, which is done annually. The Minister would be aware that the Australian grains industry is currently undergoing a major restructuring with the corporatisation, privatisation of statutory marketing boards such as the Australian Barley Board and the Australian Wheat Board, and the impending corporatisation of grain handling boards such as SACBH. This change is already leading to greater competition in grain marketing and bulk handling throughout Australia and will place pressure on some of the players in the industry. What is the Government's vision for the grain industry in South Australia over the next decade and how will the Government ensure that South Australian interests are best protected in the new competitive environment?

The Hon. R.G. Kerin: The grains industry, being a billion dollar industry for South Australia, is extremely important. We have an industry development board called the Fields Crop Industry Development Board, which has direct industry participation, but also other people are involved in the value add process, and whatever else, and I have had discussions with them recently. They are preparing a strategic plan, which will be owned by both industry and by Government, rather than Government just telling industry which way they should head in the future. Certainly a very strong focus within any vision, particularly from industry's point of view, is the biotechnology opportunity and the importance of the work done at the Waite Institute in making sure that productivity-wise we stay competitive with the rest of the world. So, on the productivity end, it really is about continuing research and development. It is about making sure that the opportunities which biotechnology presents are well and truly taken up.

There is also a focus within that on increasing the value add opportunities within South Australia to return not only greater wealth to the State, which is pretty important, but also better returns to growers, and that is based on looking at what the opportunities are, whether that be canola crushing or

turning wheat into pasta, or even the less sophisticated feeding grain into livestock here, rather than sending the grain out in boats. Obviously, that will always happen, but there would be less of that. So, there is a whole range of value add opportunities.

The third part of any vision for the future of the grain industry is the marketing component. Industry is very much leading the way with that. The Deputy Leader correctly identified some of the moves that have been made within the structure of the grain industry. It is a mature industry. It is an industry that does not put a lot of call on Government to tell it what to do. The industry is pretty self-sufficient and we work very strongly with it in trying to go ahead. I think the grain industry in South Australia has got a very good future. They obviously cannot give the returns per hectare that some other areas can, but they are going to remain a very important player, because as far as dry land agriculture goes that is a large part of the arable areas of South Australia. The grain industry is a key player.

Ms HURLEY: I would not ever accuse the Minister of telling industry what to do; on the contrary, he seems to be very reluctant ever to tell industry what to do. But I was wondering how he might see the Government itself in its policies and its decisions about infrastructure assisting these new industries in grain marketing, in order to ensure that Government policies are in place to give them the best start. I think, for example, the sale of the Ports Corporation may well cause some problems for the grain industry and is causing delay on decisions on essential port infrastructure; for example, the deep sea port recommendations, and in relation to companies such as the SACBH investing in ports like Port Adelaide in terms of infrastructure.

The Hon. R.G. Kerin: Certainly, the grains industry has talked through some of the issues with the Ports Corp sale with me. I think they are issues that can well and truly be dealt with. Whether or not any part of the grain industry gets involved in ownership of any of the ports into the future through a consortium or whatever is really a decision for the grain industry ultimately to make. There is a range of other infrastructure issues, which the grain industry and Government continue to work on. The grain industry is a very mature industry. It has a very good relationship with Government and will continue with that.

Ms HURLEY: I refer to 'Specific Targets' for 1999-2000 and objective 3.2. Under 'National Competition Policy' all States' markets milk legislation must be reviewed by 2000. Dairy farmers have called on the Federal Government to assist financially the industry upon deregulation. A proposal has been put to the Federal Government for a financial funding package, including a \$1.25 billion up-front payment to all dairy farmers with these funds to be repaid by a Commonwealth levy imposed on all market milk. What discussions has the Minister had with his Federal counterparts regarding this proposal? What information has the Minister received about the outcome of negotiations and what is the Minister's opinion of the viability of the proposal?

The Hon. R.G. Kerin: I thank the Deputy Leader because those questions are very important to the dairy industry. The first part of the question relates to discussions. I have been involved in several discussions with both the Federal Government and other States regarding the dairy industry, the deregulation of the dairy industry and where it is headed. I have also been involved in discussions at both a State and Federal level with the dairy industry in terms of the package it has put forward. I have written a couple of times to the

Federal Government asking some key questions to which it has not yet fully replied. I think it is extremely important for the dairy industry to get, reasonably quickly, some indication about whether or not the package it put forward has any chance of success. That is very important.

The signal from Victoria is that it is deregulating at the end of June 2000. That deregulation has been driven by the industry in that State. It is an industry decision to deregulate. Once that State deregulates in effect other States will be forced to do the same because market pressure will be applied through Victorian milk being sent cheaply to other States. Therefore, the market milk situation in the other States, as it presently exists, would become meaningless. That has put the wood on the dairy industry and it has come up with this package. We are applying pressure on the Federal Government by saying, 'Please, give the industry an answer soon rather than in May next year.'

If its package fails it will leave the industry with a month to work out its future and deregulation is just around the corner. Without some feedback from the Federal Government it is very hard to judge the viability of the package. If approved, the package is quite viable for the industry. The industry needs a quick response from the Federal Government and the Federal Parliament as to whether its package is approved so that it can plan for the future.

Ms HURLEY: I refer to 'Output Class' 2.1 in the Portfolio Statement (page 2.31). Last year during Estimates the Minister, in answer to a question regarding the proposal to build stockyards at Two Wells/Dublin, stated:

The latest assurances that we have had is that it is very close to actually happening. We have been assured many times that it is not far from actually happening.

On Friday 25 June 1999, it was reported in the *Advertiser* that T&R Pastoral is planning to close its operations at Gepps Cross, causing a loss of 350 jobs. The article states:

There are fears the company's withdrawal could spell the end of the entire Gepps Cross meatworks.

What progress has been made in the establishment of the new saleyards at Dublin and is the Minister concerned about the future of Agpro's operations at Gepps Cross?

The Hon. R.G. Kerin: Again, this is an important question. First, the progress of the saleyards at Dublin is such that I am opening that complex on 13 July. I noticed that some roadworks confronting Highway One were in progress over the weekend. The opening of that complex is very close. The facility will accommodate sheep and pigs at the moment. We are assured by Agpro that it will continue to operate the cattle yards at Gepps Cross. In terms of saleyards we are in reasonably good nick. Certainly the new yards at Dublin will be a boost for the industry.

The other partly associated issue relates to the Agpro slaughter works at Gepps Cross. A couple of things have happened in that respect. The announcement last week was not an enormous surprise because it has been well known that T&R (the company that pulled out of Gepps Cross last week) had purchased the Murray Bridge abattoir. No doubt it is looking at maximising its return from that investment. T&R has made it clear that it is looking at instituting double shifts over time, which will mean quite a lift in the employment level at Murray Bridge. We often talk about wanting decentralisation and I believe that that is a good decentralist move.

Meanwhile, it does not necessarily spell the death knell of the Gepps Cross works. Discussions are being held with other people who may be interested in taking up the capacity at

Gepps Cross for a kill. One fundamental problem and one of the baseline questions that is being asked is: is there enough stock to maintain extra kill at Murray Bridge plus a reasonable level of kill at Gepps Cross? Work is being done on that at the moment. It is something about which one will not get a definitive answer. It is really something about which someone will have to make a commercial decision. We have quite a few livestock exports from the State at the moment. Many of the higher density grazing areas are being turned to other enterprises.

The meat industry is very different from what it was years ago, and that is because people made decisions to do something else with their land. The announcement by T&R does not necessarily spell the end of Gepps Cross, but finding another operator out there might be somewhat difficult.

Ms HURLEY: I move to the Budget Statement and page 1.2 in the Budget Overview. The Treasurer became very lyrical about expenditure on economic growth and regional development and said that capital investment in the 1999-2000 budget exceeds the \$1 billion mark. Can the Minister detail where this expenditure is allocated?

The Hon. R.G. Kerin: Is the question: is the Government spending in regional areas? Is that correct?

Ms HURLEY: The Treasurer says that capital investment in the 1999-2000 budget exceeds the \$1 billion mark for expenditure on economic growth and regional development.

The Hon. R.G. Kerin: I take it that the Treasurer is referring to the capital works budget there?

Ms HURLEY: I want to know what amount went to regional development.

The Hon. R.G. Kerin: I would have to get the detailed breakdown on that.

Ms HURLEY: I refer again to regional development and the task force report, which recommended the establishment of a Regional Development Council and an Office of Regional Development, as well as a Cabinet Minister with specific responsibility for regional development. An announcement was made about a \$4.5 million infrastructure fund, which the Deputy Premier mentioned in his preamble. What are the guidelines for the distribution of the infrastructure fund and will any attention be paid to the infrastructure for the future in disbursement of that fund, that is, infrastructure such as telecommunications?

The Hon. R.G. Kerin: The Regional Infrastructure Fund referred to is on top of what the Government would normally spend on infrastructure into country areas. It is designed more for projects to help, say, private enterprise get three phase power on or get a road or water to a site to try to create jobs. Telecommunications falls into a different area. As regards the fund, there is nothing that rules out telecommunications at the moment, but I would not see this fund being used for telecommunications unless there was an essential communications need to see a factory established at a certain point, in which case it might be considered. There is the Federal Government's Regional Infrastructure Telecommunications Fund, which has considerable money in it. It would be used more to boost telecommunications infrastructure in regional areas.

Ms HURLEY: The Minister would recognise that telecommunications is a very limiting factor for a number of industries developing in regional areas. Presumably in talking about this fund we are not necessarily talking about manufacturing facilities and so on but some of the service industries, whose efficiency and productivity rely on proper telecom-

munications. Would this not be a key issue for a number of those start-up industries?

The Hon. R.G. Kerin: I would not rule it out but, so far as the bigger issue of telecommunications infrastructure is concerned, I do not want to see this fund used there. In the instance alluded to by the Deputy Leader, I would not rule it out if it involved, say, a call centre being set up at the end of a road and cable being laid the extra distance: I would think that the service provider would normally put that in. If it was a deal breaker we would look at the Regional Infrastructure Fund to make sure it happened. We could spend the whole \$4.5 million on telecommunications, but I think there are other needs out there. Telecommunications is addressed by a number of other funds, and I think the priorities here would involve matters such as power, water, roads and that sort of infrastructure, without ruling out the possibility of other matters if there were to be the right outcome.

Mr McEWEN: No-one would argue with the Deputy Premier's claim that he is in good nick. My three questions relate to the South Australian Regional Development Task Force. The first involves the Regional Development Council, whose membership, I understood, would, in part, comprise the chairs of the regional development boards and two representatives from local government. Can the Minister provide an update? I understand the Minister has moved past that in terms of membership of the Regional Development Council.

The Hon. R.G. Kerin: As the member for Flinders is well aware through her dedicated work on the Regional Development Task Force, considerable discussions have occurred concerning how the council should be comprised. With the concurrence of John Bastian, the Chair of the task force, we are trying to ensure two things: that we do not have too big a council and that we go beyond just economic development considerations on the council. Regional development has often just been seen as economic development in regional areas, and that has been a mistake that has been made over time. Regional development encompasses a whole range of other issues. In discussion with SARDA, which loosely is the peak body for the regional development boards in South Australia, we have come to a basic agreement that the economic regional development boards would have four members on the council and that we would try to make sure that we get a spread across regional South Australia involving those four members from the regional development organisations.

We have spoken with the LGA, which is putting forward several names, and the current thinking is to have two from local government, one from a provincial city and one from a more rural council, to ensure that two of the many different points of view in local government are represented. Training is a major issue in regional areas, as the member for Gordon realises from a past life, and it is important that we have on this body a linkage with education and training, particularly training.

Health is an enormous issue so far as regional development goes and, if you leave that out, you are really missing one of the key pegs. Tourism is one of the real opportunities involved and needs to be represented around the table. We need to make sure that we do not ignore the remote areas of South Australia, and so we are looking at, say, a pastoralist who can represent the remote areas. Also, we are conscious that the Aboriginal communities are very much a part of regional South Australia. We are looking there and we are also looking at business and community representation while

being conscious that we do not want to get too big, but we do need a good mix of people plus a good geographic mix. It is perhaps a little more difficult to put together than in the case of most boards or councils, but I am sure that we can get a good pool of people. A number of unsolicited suggestions have been made, some of them good, as to who could go on the council, and I look forward to the council's making a major contribution.

Mr McEWEN: How big is too big?

The Hon. R.G. Kerin: My thoughts are that 15 or 16 people is around the mark.

Mr McEWEN: What action are you taking in relation to the establishment of a regional issues development group?

The Hon. R.G. Kerin: The idea of the issues group comes from what has been extremely successful with the Premier's Food Council. One problem identified by the task force, as the member for Flinders would have heard time and again, is that issues were not going into Government at the right level, that many issues were falling through the cracks and were not getting addressed. If you are going to have a council and collect everyone three or four times a year for meetings when many issues are raised, it is vital that they are followed through. One success of the Food Council, and this has underpinned the success of the council, is that when issues have been raised they have been dealt with so that, when people come back for the next meeting or before then, decisions are conveyed to them along with reports on some of the longer term issues. That is done by having an issues group which pulls the agencies together, and it makes a difference, because agencies talk to each other. John Dawkins from the Legislative Council is the convenor of that issues group. Many issues are cross agency issues, and we need the cross agency mix, so that hopefully that issues group will ensure that the council gets notice taken of what it has said.

Mrs PENFOLD: The Regional Development Task Force reported with more than 30 recommendations, including the three just mentioned. What is the current status of the other recommendations?

The Hon. R.G. Kerin: The Regional Development Task Force faced a huge task. It travelled throughout South Australia and heard an enormous number of submissions from witnesses, and under the leadership of John Bastian it did a terrific job. I acknowledge that the member for Flinders was an important part of the task force.

I know that it added an immense extra workload that she probably did not need, but she enjoyed it and was a terrific contributor to it. The major recommendations have basically been put in place, and we have spoken about the council and the infrastructure fund. The Office of Regional Development (based in my office) is a pretty important component, particularly when we look at where the council actually sits. We really need a dedicated office that can go across all the agencies of Government without fear or favour to try to solve some of these issues. It is not so bad when it is a single agency issue but, as anyone who has spent time in regional South Australia will realise, many of these issues run across three and more agencies. That is an important point. Hopefully, in the next few weeks we will have a director in place for that office.

There is an enormous number of other recommendations, as the honourable member is aware, which we have split. Some are general across Government and they have gone to all Ministers and their departments; others are specific to a department or a couple of departments and they have gone to those departments for either action or comment. Replies are

coming back on some of those: some of them are easy to put in place and some others, for a range of reasons, we will not be able to do. We hope that in the next month or so we will be able to collate all the replies from Ministers and their departments and give a considered reply to the task force report.

Ms BREUER: Given the potential importance of the Regional Development Council, can the Minister assure us that any appointees to it will be selected on the basis of merit and not on the basis of political affiliation or perceived political affiliation?

The Hon. R.G. Kerin: I can assure the member for Giles that I will not be loading it with ALP membership; it will be totally fair. I agree with the honourable member: it is important that we have as much diversity and expertise as we can on the task force. We will be looking at individuals as individuals, and at their ability to represent the various aspects that need representation on the board.

Ms BREUER: I am pleased to hear that, because we want it to be credible and want to be seen as credible in our communities. What was the total cost of the Regional Development Task Force and, of that cost, how much was paid in consultancy fees? Were the consultancy services for the task force put to tender?

The Hon. R.G. Kerin: I am not sure of the cost. It was basically run from the Department of the Premier and Cabinet, with most of the resources coming from Industry and Trade and Primary Industries. Many of the actual costs would have been in kind with the agencies, but I can take that on notice and bring back a considered reply.

Ms BREUER: The Regional Development Task Force held what were clearly advertised as public hearings, which hearings were also referred to in appendix C of the task force report as public. Given the public nature of the hearings, why were requests for transcripts of the hearings handled through the FOI process, and will the Minister assure me that transcripts of the public hearings will be available without having to put in a freedom of information request?

Mr Mutton: I am surprised that any requests for information for transcripts were through FOI. My understanding, as a member of the task force, was that all the hearings were public hearings, but I understand that, if there was a request for a transcript of a particular person's input into that task force, contact was made with those individuals as to whether they had any clear objections to that information being available. My understanding is that they were not issues of FOI and the transcripts were transcripts of a public hearing.

Mr McEWEN: The third question I was pursuing followed the question about the council, which has now been called a board and a task force, so we are getting a number of badges for it. Do we have a definition of what a region is and, once we have that, do we have any move in terms of senior Public Service coordinators for each of the regions?

The Hon. R.G. Kerin: When I said 'board' I was comparing it with putting together representation on other boards, and 'task force' was a return to talking about the actual task force. I do not think there is any real confusion about the fact that what we are looking at here is a council. As far as the regional coordinators go, that will be one of the first talking points with the director when he is appointed. Mr Mutton in a past life had some experience with a previous exercise of the State Government in regional coordinators and, as a member of the task force, he would like to make a comment.

Mr Mutton: The background of the discussion on regional coordination in the task force report was looking at the issue of having a mechanism within regions of the State to ensure some level of integration of issues that go across Government. As the Deputy Premier said, the Government put some effort into that quite a number of years ago, particularly in the South-East of South Australia, with an extension into the Riverland and also into the northern part of South Australia, based in Whyalla. There was no definition identified within the task force report of what were regions, but there were some general views around the task force that areas based on Port Lincoln, the Northern Spencer Gulf, the Riverland and the South-East were areas that could benefit significantly from a level of coordination within the State public sector and relationships between Commonwealth, State and local government. As the Deputy Premier said, that issue has been identified to be considered seriously on the appointment of the Executive Director of the Office of Regional Development.

Ms BREUER: What is the difference between the Rural Communities Office and the new Office of Regional Development?

The Hon. R.G. Kerin: The Rural Communities Office was basically put in to do a number of things, the major one being to set up the six pilot rural offices around the State (in Ceduna, Kimba, Peterborough, Maitland, Lameroo and Keith), and to undertake negotiations with agencies for services through those offices, as well as setting up the phone information service. A variety of other tasks were performed that were important at the time. However, the Office of Regional Development will have a different role from that. It will have an across Government role that is more up the chain on policy and the bigger issues rather than just a delivery of Government service role, which is really the role of the Office of Rural Communities.

Ms BREUER: How are those towns chosen to be part of that program? What funds have been placed in forward estimates to finance the programs?

The Hon. R.G. Kerin: With regard to the initial choice of them, we wanted to get a spread across the State. As we got the spread across the State, we also wanted to include different sized towns rather than having all small towns and all large towns. It really has been a pilot project to work out how to do that. In reality, the reaction to them—and this has been found in other States, as well—is quite variable in that one or two are very busy, and one in particular has been rather quiet, which probably means that that service was not so much needed there. Certainly, the alliance that they have struck with Centrelink increases the amenity of those offices to the communities in which they sit. It was really done on the basis of identifying six communities, and they could have been six very different communities. It was not any one thing that sorted them out. They were towns in which we knew we could find a host agency or somewhere to put them. We put in place funding for those offices for the next 12 months. As I said, it is a pilot scheme, and some decisions will be made on the outcome of that.

There is scope for self-funding of these. Also (and I have written to my Federal colleagues about this), the Federal Government has made quite a commitment of \$70 million to transaction centres across Australia. If it is going to make that type of commitment, as a State Government that is running a pilot program, we should be talking closely with the Federal Government as to how it will spend that \$70 million and how that works in with us; otherwise, there will be a duplication

in funding for this coming year, and then decisions will have to be made as to which direction we take.

Ms BREUER: What teeth will the Office of Regional Development have, and how will the office ensure that a whole of Government approach is taken to regional development? Will departments and agencies be required to develop department and agency based regional development strategies?

The Hon. R.G. Kerin: The teeth it will have is really something that we will have to decide. That is not an easy question to answer. However, it reports directly to me and, if there are issues of non-compliance by agencies, they can be taken up pretty quickly at a Cabinet level. That is about as well as I can answer that question. They will not have any statutory power over others. No two agencies will have the same regional development plans. Some agencies such as those involved in health, education, transport—just to name three—have an enormous impact on what goes on within country areas. Certainly, they also have plans in place. However, it involves drawing all these plans together.

One of the things we want to avoid (and this has happened a couple of times) is agencies looking at making changes in a community and no-one knowing that the others were about to do something. While each of those moves might be quite small on their own, the cumulative effect on a town of 800 or 1 000 people of losing three or four families can be quite meaningful to that community as far as the school, the bank and everything else goes. We are hoping to draw all that together because, even though agencies may have their own plans, we need a reporting mechanism as to what they are doing if they are going to change their resourcing levels or the way they do business.

Ms BREUER: Given the decision to privatise Ports Corp, what work has been done to quantify the potential benefits or the non-benefits to regional communities?

The Hon. R.G. Kerin: That was obviously a point of quite some discussion when Cabinet considered this issue on the lead-in to the possible impacts of that. On top of that, a whole range of issues were involved, including the Kangaroo Island ferry service and what was happening with the deep sea port. There has been a lot of movement in some of these areas. Certainly, there was quite a bit of discussion on that and a lot of other issues associated with that, such as access to jetties, and some of those things that are not the big industry end of the argument—just the public access of recreational fishers. All those concerns have been fed in, and I am confident that they will all be addressed as that process continues, and we will be keeping a fair eye on that.

Ms BREUER: Do you have any idea what job losses will be anticipated in regional centres if Ports Corp is sold?

The Hon. R.G. Kerin: It is difficult to anticipate the number of job losses, because many people would say that Ports Corp has wound it back to the correct operational levels, anyway. If that was the case, there should be very few. Regardless of whether there is a Ports Corp sale, there are moves within the grain industry to try to rationalise the number of ports with the deep sea port. The way that grain is starting to move in different directions will probably have more impact on the numbers employed at regional ports than will the sale of Ports Corp. When you feed that into the equation, there might not be any net job losses but there could be a change in ports where people are employed because, sale or no sale, some grain industry policy decisions have been made at both Wheat and Barley Board level and at SACBH level to change the direction in which the grain was travelling

and to try to reduce the costs of two port loading, small ships and a whole range of issues. While I would love to sit here and say that there will be virtually no impact, grain movement will have an impact on some ports.

Ms BREUER: It will have an impact, because it would be like saying to me, 'Move from Whyalla to Port Pirie because there is a job there.'

The community saw the establishment of a power station in Whyalla as an important element in the development of the regional economy. Given the strength of feeling on this issue, could you release publicly all documentation relating to the site selection for the power station?

The Hon. R.G. Kerin: I am not responsible for the documentation to do with site selection. The honourable member is aware that I spoke on three occasions with representatives from the Whyalla community about this and also met with the electricity sales unit about the option of Whyalla as a site. Whyalla as a site was never ruled out by the Government as such; it was always put forward as an option. At the end of the day, the Government was not going to build another power station when it was trying to sell some others, so it really comes down to a commercial decision: for a range of reasons, such as access to the quantity of gas, the transportation of electricity issue and a couple of infrastructure issues, Pelican Point comes out in front of Whyalla, and that is somewhat unfortunate. I would not rule out that Whyalla would be a possibility to get a power station, anyway. Who knows what Western Mining or BHP will decide to do in the near future. The best chance of Whyalla's getting a power station is for some stakeholders, such as those who use electricity in that part of the State, to generate it—you have a good site there. There are logistical issues which, at the end of the day, could be worked out. I am sure all members in this House would love to see satisfied the honourable member's wish for a power station at Whyalla and get a bit of peace of mind.

Ms HURLEY: I refer to specific targets for 1999-2000, objective 5 on page 2.24. Strategy 5.2 states that the South Australian Primary Industries Research and Development Board has been established to advise on priority and direction of SA Primary Industries public funded research portfolio. Results for the 1998-99 budget state that SAPIRD was established in August 1998 and by December 1998 completed research priority recommendations for implementation in 1999-2000. Will the Minister give details of the research priority recommendations which have been completed, and from those recommendations what are the research priorities for 1999-2000?

The Hon. R.G. Kerin: There is quite a list of those. We can provide them. There were a few fundamental shifts or changes in priority from the previous year. They were not significant, but there were a couple of changes of priority from one commodity group to another. We can supply that detail.

Ms HURLEY: In relation to clause 17 of the articles of operation for the SAPIRD Board, have any matters relating to research functions of SARDI been brought to the attention of the Minister by SAPIRD since the establishment of the board?

The Hon. R.G. Kerin: Certainly in discussion several issues have been raised by me, biotechnology being one and marine biodiversity being another, from memory. The minutes come to my office. I can supply that information. I am normally reasonably aware of what they are doing, but I do not know whether formally from what the honourable

member quoted anything has been brought to my attention. Certainly the priorities and the need to do something about biotechnology have been brought to my attention.

Ms HURLEY: I refer to specific targets for 1999-2000, objective 5. This objective states that its aim is to increase industry competitiveness through fostering a vibrant research and development capability, generating innovative technologies. The research and scientific services budget remains frozen from 1998-99. Does this cut in funding in real terms of 1.25 per cent extend to SARDI?

The Hon. R.G. Kerin: I will ask Dennis Mutton to comment.

Mr Mutton: The issue of budgetary arrangements across the agency has been worked through in detail at agency level, taking into consideration a whole range of priorities that have been put forward to meet the outcomes identified and agreed with the Government. The issue with research funding is that in the area of funds out of the consolidated account of Government there would be some, in real terms, slight decrease in funding for research and development. However, the key areas we have identified are those where we have an expectation of achieving funding from both the private sector and funds generated from within the outcomes of research programs within SARDI, plus the funds we are able to achieve through the research and development corporations. Those latter components have been increasing in an on-going way in regard to the overall funding base for the South Australian Research and Development Institute. Part of the priority setting process of the SAPIRD Board is the issue of the funding base that should be prioritised from within Government and where we should be looking to encourage funding where there is not fundamentally a market failure. They are areas in which we are achieving funding from elsewhere, including the sale of outcomes of the research from SARDI.

Ms HURLEY: Given the importance of SARDI's work (and the Minister several times during the day has spoken about the importance of research and development in primary industries), it is incredible that SARDI is barely mentioned in this year's budget. Will the Minister provide a breakdown of SARDI's budget in a way that is at least as comprehensive as that in the 1997-98 budget?

The Hon. R.G. Kerin: I will take that question on notice and supply that information.

Ms HURLEY: Will the Minister advise what are the sources of funding for SARDI for 1999-2000 and compare that with the previous three years? I am looking for the trend in funding for various sources. The sources I am looking at in particular are industry levies, fees for service, Commonwealth Government funding and State Government funding.

The Hon. R.G. Kerin: That information can be provided. What sort of breakdown does the Deputy Leader want?

Ms HURLEY: I wanted funding for the current year and the trend, including the past three years.

The Hon. R.G. Kerin: That can be supplied.

Mr HILL: The Deputy Premier would be aware of and delighted by the announcement today that the RSPCA and the Australian Egg Industry Association have agreed to work together again to further animal welfare in the egg industry. I understand this agreement includes the establishment of State based emergency response teams, which would include representatives from the RSPCA, the egg industry and Government to assume responsibility for investigating incidents of alleged cruelty. Does the Minister support the establishment of State based emergency response teams?

The Hon. R.G. Kerin: It is news to me. Without the detail I would not like to commit myself. It sounds okay. Any move to have the RSPCA and the egg industry work more closely together rather than the battle that has been going on would be welcome. Correct information going to the public is important for the public to make informed decisions. If they can start working together towards good outcomes, I would welcome that. Without seeing the detail of the emergency response teams, as long as they are not storm troopers I would be supportive.

Mr HILL: The RSPCA and the AEIA will develop State-based emergency response teams that would include representatives of those groups to assume the responsibility of investigating incidents of alleged cruelty to animals—this group would go in and check it out. Part of the problem is that they have had difficulty obtaining access.

The Hon. R.G. Kerin: I think one of the issues here is that support would be on the basis of the fact that it be with the major recognised egg industry bodies—and, hopefully, that is the case. However, deals have been struck with certain segments of the industry over time which perhaps have not been totally helpful. So, if, in fact, it is the mainstream of the egg industry I would welcome any agreement.

Ms HURLEY: I refer to Portfolio Statements page 2.4, Priority Objective 1.4. In the 1998-99 budget, an aim of this objective was to target education services for business management with property management planning modules, with a time frame of 25 per cent of farmers being involved by 2001. All reference to this aim has been removed from this year's budget. Why has reference to this aim been removed?

The Hon. R.G. Kerin: I suppose it is because of a change in format. However, I give an assurance to the Deputy Leader that the Government has increased its resolve not only to ensure the provision of property management planning and access to business management planning to farmers but also that it is upping its efforts in that area. FARMBIS is a very important part of that, but the Government has other ongoing programs. Certainly, as we enter the new millennium, the Government is constantly taking up the opportunity to point out to farmers that the business management side of it is a very important aspect of running any primary production business in this day and age.

Ms HURLEY: I refer to Portfolio Statements page 2.4, Priority Objective 1.5, and I apologise if this question was answered in response to the Chair's question earlier. I do not remember receiving an answer, so I will ask the Minister again. Priority Objective 1.5 states as its first aim that the Government intends to introduce regional integrated natural resource management programs by the year 2000. Results for this aim state that a trial is ready to be commenced for seven regions over the agricultural areas of South Australia. Which seven regions have been chosen to pilot this trial and how were those regions chosen?

The Hon. R.G. Kerin: I welcome Mr Wickes to the table to give the fine detail with respect to that matter.

Mr Wickes: We have been putting together regions across the State and these are based on our NHT regions. In one of the regions we have a group working with the Aboriginal community, and it is putting together a strategy at the moment and has its first land management strategy. We also have a group working in the urban area which has been assessing projects in that light. However, we do not as yet have a group to set some priorities in that area.

We spoke earlier about the Mount Lofty Ranges, where we have a catchment program under which priorities are

identified. We have a Care Program operating in the Murray-Darling Basin. There is a group there which pulls all the natural resources groups together and which is putting priorities together for that region, and SELGA is backing up that program. The same is occurring on Eyre Peninsula, where this matter is being discussed and a group is being put together. Kangaroo Island is also putting together a group at the moment, as is the Mid North, and proposals have come forward from the pastoral country, where all the soil conservation boards have joined together to put together a common direction and a common priority setting process. So, that covers all the State. There is also our first pilot program—the Mount Lofty Ranges program—about which we spoke earlier, and the South-East Natural Resources Committee (SENRC), which has been operating for a couple of years.

Ms HURLEY: Were those regions chosen on the basis of their readiness to operate?

Mr Wickes: They are all the regions of the State and, as I said, two are already operating and the others are in different stages of pulling that information together. We have worked with them to get together priority statements for natural resource management which went out in a document in the last two months to every Landcare group in South Australia and their priorities for each of those regions. So, we have already put a lot of that information out. But those groups are forming together to help direct natural resources programs collectively within each of those seven regions.

Ms HURLEY: I refer to Portfolio Statements page 2.10, Priority Objective 4.1. One of the aims of that objective 4.1 in the 1998-99 budget was to maintain a tuberculosis-free status as an ongoing aim. All reference to that has been removed from the 1999-2000 budget. Can the Minister explain why it has been removed?

The Hon. R.G. Kerin: The reason for that is that the department has done an excellent job and, basically, completed the aim, and we are now at a monitoring stage to ensure that we stay that way.

Ms HURLEY: Similarly, with respect to Priority Objective 1.4, one of the aims of that objective in the 1998-99 budget was to identify potential horticultural and field crop pest incursions to be completed by 1998-99. All reference to this aim has been removed from the 1999-2000 budget. Is that again because it was completed?

The Hon. R.G. Kerin: Certainly, I think that that project was completed. That was a specific project and has been completed as per the aim.

Ms HURLEY: Again, with respect to Priority Objective 5.5, one of the aims of that objective in the 1998-99 budget was to attract the Centre for Applied Molecular Biology in International Agriculture to South Australia. Can the Minister give a progress report on this issue beyond what is reported in the results for the priority objective?

The Hon. R.G. Kerin: With respect to that objective, the negotiations were not completed, and that is part of the reason why we have headed down the track of the biotechnology centre.

Ms HURLEY: I move to specific targets for 1999-2000, objective 4, Portfolio Statements page 2.23. This objective deals with the measures to ensure that South Australian industry is disease and pest free. A recent report stated that the South Australian Government had lifted restrictions regarding sheep movement across interstate borders. This is against a backdrop of continuing cases of Ovine Johnes Disease in sheep stocks in this State. Can the Minister explain why this action was taken and how it can be reconciled with

the strategy set out in objective 4.1 to gain OJD protected zone status for South Australia?

The Hon. R.G. Kerin: Movement controls were introduced with respect to OJD which mainly had effect in the South-East of the State, where there was some opposition (particularly from over the border) to the fact that we had those measures in place. With respect to OJD status, the honourable member is correct. There have been significant detections on Kangaroo Island; there has been one positive test north of Burra; and there was one a couple of years ago in the South-East, but that was a trace forward. So, we have really only had the one on the mainland. However, in agreement with Victoria and New South Wales (with respect to western New South Wales), we are all moving towards the same status, which basically means that any flock which has infection or any flock which is under suspicion has a special status as far as movement of stock. Basically, there will be the same status each side of the border. So, border control is no longer relevant in that case, and those agreements have been reached at national level.

Ms HURLEY: Does that relate to protected zone status for South Australia?

The Hon. R.G. Kerin: We are going to a control zone as a result of what has happened with testing; so there will be a control zone in common with the other but, once we can clear up the detection north of Burra and get other testing done, if at some stage in the future we wish to go to protected zone status, and the others are still control zone status, we have reserved our right to at that stage reimpose border controls.

Ms HURLEY: On the same subject, has the source of that OJD incident north of Burra been identified and what safeguards have been put in place to protect nearby stock?

The Hon. R.G. Kerin: There has been an enormous amount of testing and an enormous amount of cooperation in the Burra area and, to my knowledge, unless something has changed very recently, certainly the testing up there so far has all come up as negative, which leaves something of a mystery as to that particular sheep that was a definite OJD positive. There is a range of thinking. It may well be, and this has been suspected for some time, that, whilst on Kangaroo Island we have had 20 or 21, or whatever, positive detections, when you get into the drier country, for a range of reasons, to do with grazing and how much grass is there at any time, it may well be that OJD is not transmitted at anywhere near the rate and therefore we might not find any other cases in the area. But there are movement controls on the properties that are known to have had any association, and until testing is done those movement controls stay in place.

Ms HURLEY: Can the Minister advise on the progress with the new sort of testing which I think is called pooled faecal testing, as opposed to the more expensive blood testing for OJD?

The Hon. R.G. Kerin: The pooled faecal testing has been held up for some time as a major step forward in the detection of OJD. We have been caught. The blood test has been known to be quite unreliable in that you do get both false positives and false negatives, which makes it very difficult to carry out testing programs. The level of confidence in it has just had a bit of a hiccup in that there are a couple of tests which need verifying. One test, in particular, that should not have shown positive has actually shown a positive, and they need to work out whether that is contamination, or whatever. Hopefully, it is a far superior test to what we have had. All the initial work said so. There is just one slight hiccup in the

system which, hopefully, they will have cleared up in the next few weeks, and that has put a few testing programs on hold for the time being. The scientists are working very hard. It is a disease of enormous significance nationally and it would be great to have a test that we can rely on.

Ms HURLEY: I move on to another threat, and that is grasshoppers. It was reported late last year that grasshopper plagues were likely to be very bad this year. In fact, local farmers were concerned that State Government funding would not cover the area needed to be treated. This year's budget states that a successful \$2 million grasshopper program was conducted. What funds are available to cover future outbreaks?

The Hon. R.G. Kerin: These sort of emergency or similar type programs are on an as needed basis. They are extremely hard to budget for. This is why we have a biosecurity fund that these come out of, because in some years we need a lot more for fruit fly, say, and less for grasshoppers, or vice versa. The program last year was successful. You will never kill every grasshopper. It was completed in a sense of cooperation that we really had not seen for many years up there, where the department did an excellent job working with the local community. We set up a community reference group, under the chairmanship of Mr Malcolm Byerlee. Local government was well represented on that. They worked extremely well with a sense of cooperation with the agency, which was probably better than had occurred for quite a while. We feel that we got excellent value for money with the program last year. As to the chances of a significant problem this year, it is always very hard to know just what sort of problem we will actually have. It is quite unpredictable and we do not really know the size of the problem until hatching time. But we will assess that as we go along. The reference group is still in place and we hope to duplicate the success of last year's program.

Ms HURLEY: Given the refusal of the Federal Government to grant aid to farmers in the northeast of South Australia, what funds are being made available to assist farmers who are facing financial ruin because of hardship, including a grasshopper plague?

The Hon. R.G. Kerin: Several things are being done. There is a range of Federal measures, anyway, which are not reliant on exceptional circumstances. 'Exceptional circumstances' does trigger extra programs for a region which has been approved for it. For those in really special circumstances there is a range—a diminishing range—of programs that are available to them. So they have some access, but 'exceptional circumstances' would give them more access to programs. We have not given up on an overturning of the decision. Myself, the member for Stuart and the Federal member for Grey met with the community recently, and with officers from Canberra. It was the RASAC committee from Canberra which knocked back the application or which found that it did not fit the criteria.

As a result of the discussions that occurred there has been a rejig of the application, being more specific about the problems in certain areas. The application was put in for a big area and not all the area had the same problems. One of the issues which was taken up is the fact that, in relation to the rainfall figures, some of these areas have had about their average rainfall but, unfortunately, it has fallen at the wrong time of the year or grasshoppers have eaten the vegetation or it has been burnt. There is a whole range of issues, and that is picked up in the resubmitting of an application.

Ms HURLEY: The third threat that I want to deal with is fruit fly. A recent report stated that Adelaide has seen a tripling of fruit fly outbreaks this season, the total being six outbreaks so far. The Minister states in the budget that three of those six outbreaks have been successfully eradicated. Can the Minister give details of all outbreaks and report on the progress of those outbreaks yet to be eradicated?

The Hon. R.G. Kerin: I suppose that is the price one pays for success. We were extremely successful last season in reducing the number of outbreaks to two. The downside is that next year when we have six outbreaks (which is probably below the average) it is a 300 per cent increase, so we cannot always be successful. I think that is a timing issue. A certain amount of time must elapse before one can say that one has cleaned up. The document states three outbreaks and I am advised that the other three are going through the normal process. We are not aware of any problems with any of the outbreaks.

Ms HURLEY: Some concern has been expressed by residents as to the procedure by which outbreaks are treated. Can the Minister explain the process by which residents living in infected areas are informed of an outbreak and the procedure taken by PIRSA to eradicate an outbreak, and what avenues are available to residents who wish to complain about actions taken by PIRSA officers during treatment of an outbreak?

The Hon. R.G. Kerin: That is a lengthy question; I will ask the Chief Executive to respond.

Mr Mutton: This year, certainly, some concerns were expressed, particularly in relation to an outbreak in the Port Adelaide area. The announcement of an outbreak is through the distribution of letter drops to all residents in an area that has been quarantined in terms of the taking of fruit from that area and the eradication program that is to be put in place. Certainly, concerns about the impact of the spraying program expressed by some individuals are worked through quite vigorously with our staff who operate in the fruit fly eradication area. More and more we are dealing with the broader community in respect of those sorts of issues.

There has been quite a significant improvement in our consultation and communication programs in dealing with fruit fly outbreaks in the State this year, and that approach will continue. If people have concerns and complaints about the way in which the matter has been handled, certainly they should initially be put through to the Fruit Fly Eradication Program Office in the northern suburbs of Adelaide. How

ever, those issues can be raised with the Director of Agricultural Industries and myself.

Ms HURLEY: Are any funds available in the event that a claim may be made against PIRSA for damage caused by officers in the treatment of an outbreak?

The Hon. R.G. Kerin: I take it that that situation would be handled in the normal way as with any other claims from other activities. I am not aware that we would make an actual contingency for that.

Ms HURLEY: Given this 300 per cent increase in outbreaks, how can the Minister justify a cut of 7.5 per cent in real terms in the compliance budget of the department?

The Hon. R.G. Kerin: That does not necessarily apply. As I explained previously, that had a lot to do with the electricity regulation function of the Office of Energy Policy. Whilst a 300 per cent increase is a major worry it can be a lot worse. The percentage has been higher than that. I believe that the consciousness of the general public, their awareness of the risks and that on-the-spot fines have applied over the past few years has meant that the number of outbreaks has reduced quite significantly. Next year we hope to report a 300 per cent decrease.

Ms HURLEY: I move to strategy 1.3 of the Portfolio Statement (page 2.19). This strategy states that the Government intends to complete investment attraction packages for specific agriculture and aquaculture industries with two packages intended to be ready by December 1999. Which specific agriculture and aquaculture industries are likely to qualify for the investment attraction packages?

The Hon. R.G. Kerin: We might have a misunderstanding with the language in this instance. When talking about industry investment packages we are not talking about a monetary package for investors. We are actually talking about an information bulletin that pulls together all the information for prospective investors in those particular industries. It is a publication to help people if, for example, they want to go into grape production. The information bulletin pulls together most of the production documentation they need to take to their banker to help them gain financing, as well as major overseas investment or institutionally.

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

ADJOURNMENT

At 5.57 p.m. the Committee adjourned until Wednesday 30 June at 11 a.m.