

HOUSE OF ASSEMBLY**Monday 23 June 2003****ESTIMATES COMMITTEE A****Chairman:**

The Hon. R.B. Such

Members:

Ms F.E. Bedford
 Mr P. Caica
 Ms V. Ciccarello
 The Hon. I.F. Evans
 Mr R.M. Goldsworthy
 Dr D. McFetridge

The Committee met at 11 a.m.

Department for Environment and Heritage, \$92 651 000
 Administered Items for the Department for Environment
 and Heritage, \$3 838 000

Witness:

The Hon. J.D. Hill, Minister for Environment and Conservation, Minister for the River Murray

Departmental Advisers:

Mr A. Holmes, Chief Executive, Department for Environment and Heritage.
 Mr R. Janssan, Director, Business Services.
 Mr T. Brumfield, Chief Finance Officer.

The CHAIRMAN: Changes to committee membership will be notified as they occur. Members should ensure that the chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the committee secretary by no later than Friday 25 July. Both minister and lead speaker can make a brief opening statement, if they wish. There will be a flexible approach to giving the call for questions based on approximately three questions per member. Supplementary questions will be the exception, not the rule. A member who is not part of the committee may, at the discretion of the chair, ask a question. The questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced. I do not insist that members read those out at the time of the question, because it takes up a lot of time of the committee, but if members wander into the unknown, I will bring them back. However, I do not ask members to identify a line unless it is essential to clarify the question. Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion in the assembly *Notice Paper*.

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; that is, that it is purely statistical and limited to one page in length. All questions are to be directed

to the minister, not to the minister's advisers. The minister may refer questions to advisers for a response. 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.

I declare the proposed payments open for examination and refer members to appendix D, page 3, in the Budget Statement and part 9, pages 9.7 to 9.39, Volume 3 of the Portfolio Statements. I now invite the minister to make an opening statement.

The Hon. J.D. HILL: As the Treasurer has commented, this budget is economically and environmentally sound. This is a budget to balance the books and to protect the environment. In 2003-04, my portfolios have been boosted with a 5.3 per cent expenditure increase in real terms over the expected budget outcome for 2002-03. The portfolios' total expenditure budget will rise to \$292.4 million. This increase has been achieved while also delivering \$10.3 million in savings to government.

The departmental structure for the environment portfolio was completely overhauled in the government's first year. We now have a framework to manage the state's natural environment that is more strategic and responsive. As today's proceedings will examine each agency in my portfolios separately, I will provide a brief overview of each agency, highlighting their respective roles and responsibilities, and provide details of new funding received for key initiatives prior to each session. I will also outline the saving measures to be implemented by each agency.

The Department of Environment and Heritage (DEH) has undergone an internal restructure in the past 12 months. DEH has key roles to:

- provide policy advice and leadership on the environmental sustainability of human activities, conservation, use and enjoyment of natural and cultural heritage and the public land estate; and
- manage and conserve our public land, special places, and wildlife on behalf of government for the use, benefit, and enjoyment of all South Australians.

This time last year, I announced the formation of the Office of Sustainability (OoS) to drive the sustainability agenda across government. OoS was established on 1 July 2002, fulfilling a major election commitment, and it has since been actively raising the level of awareness of sustainability and eco-efficiency in government, business, industry and the wider community.

I am pleased to announce today that the Office of Zero Waste SA will be established from 1 July 2003. The office will develop the State Waste Strategy to cut South Australia's reliance on landfill. The board will be appointed under new legislation to be introduced later this year.

As to budget highlights for 2003-04, in 2003-04 DEH budget expenditure will increase by \$11.1 million to a total of \$153.9 million—an increase in real terms of 5.3 per cent. The new funding programs for DEH include:

- fire management: \$10 million over the next four years to better protect our state's national parks from the ravages of bushfire;
- Zero Waste SA: \$5.5 million to fund a new statutory waste entity (Zero Waste SA) to coordinate efforts throughout the state to avoid and minimise waste and to encourage recycling;
- coast and marine conservation: \$3.8 million to progress the Metro Coast Strategy, a sustainable coast protection strategy to maintain the amenity of the metropolitan

coastline; \$250 000 to support the introduction of legislation and the establishment of the Adelaide Dolphin Sanctuary;

- Nature Conservation: \$1.8 million to implement the One Million Trees/Urban Forest program, which aims to protect our natural environment and to improve the urban environment, including external funding of \$350 000; and
- \$200 000 for the transfer of the Unnamed Conservation Park to its traditional owners;
- public land management: \$2.8 million to progress reform of crown landholdings in South Australia through the freeholding of perpetual leases;
- capital investing budget: \$2 million additional funding to undertake essential asset replacement and maintenance within the state's parks and gardens, including replacement of infrastructure at Wilpena Pound Resort in the Flinders Ranges;
- Green City: \$500 000 to advance sustainable development in the CBD as part of the across-agency Green City initiative, to which I am the lead minister. It should be noted that this funding has been allocated to the Premier's portfolio.

Savings Measures for 2003-04.

The budget focuses spending on core environmental business. That has meant some funding reallocations.

Closure of the Environment Shop.

For example, DEH will close the loss-making Environment Shop. This decision has been criticised by some who believe the government should continue to subsidise a shop in prime CBD real estate. As minister, I had the choice of continuing to lose hundreds of thousands of dollars on the Environment Shop or increase spending on, for example, bushfire management in the state's reserves. The total operating cost of the shop is approximately \$354 000 per annum, including the salaries of the four staff (\$196 000) and the lease of the premises (\$120 000 per annum). Given budgeted retail sales of \$89 000 in 2003-04, the budgeted loss for the Environment Shop is \$266 000.

Closure of the Environment Shop is budgeted to save approximately \$160 000 in 2003-04 and \$200 000 per annum thereafter. This incorporates an allowance of \$40 000 in 2003-04 for decommissioning and the establishment of alternative supply arrangements. Services provided by the Environment Shop will be incorporated into other existing locations made accessible through the internet and agency-based contact points such as DEH visitor centres. DEH will also pursue better integration with other government departments, including the potential expanded use of Service SA centres. Four staff will be affected and will be redeployed elsewhere within DEH or the broader Public Service.

Reductions to Cyclic Aerial Photography.

DEH currently manages aerial photography by means of a five and 10 year rolling program. Since 1998, this has been delivered by a combination of private sector aircraft and pilot services under contract, together with government navigation, camera and film developing services. I have been advised that, prior to 1998, the government owned and operated its own aircraft. Imagery captured under this program is used by various government agencies, as well as by industry and some members of the community. The contract with the SA aircraft operator expires on 30 June 2003.

The operator has advised plans to exit the market altogether and has cited non-viable service fees as a primary driver for this decision. Accounts have been provided to government to substantiate claims for substantial fee increases, in addition

to the 20 per cent and 44.5 per cent price increases in 2001 and 2002 respectively. This program has been under increasing pressure over the past few years due to economic pressure on the provider, as well as improved availability of alternative imagery, for example, satellite imagery and airborne video.

DEH will cease the cyclic aerial photography program but will continue to acquire project based aerial photography to support DEH programs as needed. DEH staff will still manage the acquisition of photography to support departmental programs, generate terrain models and ortho-photographs, undertake satellite image analysis and manage the aerial photo archive. Mapland will continue to provide aerial photography products to the broader community. A process has been established to manage changes to the aerial photographic program and 10.8 FTEs will be redeployed elsewhere within DEH or the broader Public Service leading to savings of \$800 000 per year.

Rationalisation of Internal Design Publishing Services.

DEH undertook a publications review in October 2002. Following that review DEH will no longer have a volume of publication work that justifies the retention of a dedicated design publishing unit. Minimum savings of \$150 000 will be achieved through the rationalisation of publications and the resulting closure of the design publishing unit. Eight staff will be affected and redeployed in DEH or elsewhere in the SA Public Service. Rationalisation of DEH publication needs have already commenced and the unit will close from 1 July 2003.

Metro Coast Sand Management.

Ongoing community consultation has slowed the trial dredging of the Semaphore breakwater by one year. A deferral of \$1 million expenditure for South Australian sand management is expected as the proposed trial dredging will not occur in 2003-04 in order to undertake additional public consultation and further assessment of the environmental impacts associated with that trial.

Efficiency Measures.

DEH will be implementing a number of efficiency measures, including a reduction in operating costs across corporate and divisional service areas. This action will provide savings in the vicinity of \$2.5 million and up to 24 full-time equivalent staff will be redeployed or offered TVSPs.

Review of Performance and Operations at DEH Sites.

Management of the state's botanic gardens will improve and lead to savings of up to \$205 000 affecting up to five FTEs. In addition, DEH will review the performance and current management arrangements of sites. Up to five FTEs may be impacted and savings of between \$304 000 and \$430 000 are likely. The 2003-04 budget for DEH provides savings in the vicinity of \$5.4 million. However, the department has attracted new funding of \$5.7 million to undertake essential fire management activities, establish Zero Waste SA, improve environmental conditions in the Port River and Barker Inlet as part of the Adelaide Dolphin Sanctuary and strive to make Adelaide a more sustainable and 'green' city.

The Hon. I.F. EVANS: I do not have an opening statement; I am happy to go straight to questions. Page 19.19 of Budget Paper 4, Volume 3 talks about coastal development. Given the head of the department's recent public criticism of coastal development, what action is the government taking in relation to the Sceale Bay development, which has caused some controversy of late? Has the Office of Sustainability provided advice on the proposal and, if so, what was the advice?

The Hon. J.D. HILL: The issue of coastal development is of great interest in our community. As the honourable member, being a former minister, would probably realise, there has been a huge amount of coastal development in South Australia since the history of European settlement, much of it, in my view and in the view of the head of the department, inappropriate. There is still enormous pressure on our coastal areas. The Sceale Bay area, in particular, of course, is one of some interest. Earlier in its term the government announced special protections on it (a marine conservation park, I think, for the Sceale Bay sea lions) and made sure that a planned aquaculture development was moved from that site to give protection for the breeding colony that existed there.

Since that time we have become aware of a proposal, which has been, I guess, in the pipeline for some time, and that has been the cutting up of a number of blocks on the peninsula at Sceale Bay. From memory, I think there were something like 10 blocks, each around 80 to 100 hectares. The proposition is that there will be allowed one dwelling on each of those blocks. From a native vegetation protection point of view, I understand that a heritage agreement is in place in relation to each of those blocks. There is a footprint where building can occur. This whole package, as I further understand it, has been sent to the Native Vegetation Council for its consideration. Once that has occurred, of course, the process goes to the council and through the normal development processes. Sometime ago the CE expressed some views about coastal development and, in a moment, I will ask him if he would care to amplify those particular views. I have had advice from the Office of Sustainability and I cannot remember which other section of my department—I think it may have been the Coastal Marine Section. I will ask Allan Holmes to comment, also.

Mr HOLMES: The only thing that I would add is that Planning SA recognises that there are some significant issues associated with development along the coastline and, as part of a more general response to reviewing the Development Act and the application of development plans which was announced by Minister Weatherill a week ago, it intends to deal with some of those matters that have been raised.

The Hon. I.F. EVANS: In relation to page 9.8 of Budget Paper 4, Volume 3, can the minister advise what has been the public reaction to the release of his public discussion paper on a new biodiversity conservation act?

The Hon. J.D. HILL: I am not aware of any consultation paper in relation to that act having been put out, because there is no bill in existence. We are talking through the issues within the department at a government level. I would hope towards the end of the year we will be in a better position to do that.

The Hon. I.F. EVANS: This may be a supplementary question. I understood the government was intending to release a discussion paper on a new biodiversity conservation act in early 2003. Was that the government's intention?

The Hon. J.D. HILL: I am not sure from where you are getting that idea. I will read the note I have:

As part of the government's commitment to more effective nature conservation, a review of existing statutory and positive frameworks for biodiversity conservation is under way. This will complement major reforms associated with creating an independent EPA and Department of Water, Land and Biodiversity Conservation. A discussion paper will be prepared to promote a stronger link between biodiversity planning targets and development planning as it relates to ecological sustainability. The threatened species schedules of the

National Parks and Wildlife Act 1972 will be updated to reflect the outcome of a review of the status of species across South Australia.

So, it is certainly our intention to go through that process but we are not at the stage where we can go to the community.

The Hon. I.F. EVANS: So, it was not the intention of the government to release a discussion paper on a new biodiversity conservation act early this year?

The Hon. J.D. HILL: The member will have to tell me what he is referring to and where he got that suggestion. If he could do that, I will let him know what it means. But I cannot recollect a statement along those lines. There may well have been some statement along those lines put forward at some stage but I cannot recollect it. Certainly, I know that some work is being done on that in the department. The target for 2002-03 was: evaluate new legislative approaches to biodiversity and conservation in South Australia. That is output clause 7, and it did not specify a process of consultation.

The Hon. I.F. EVANS: My third question is: Budget Paper 3 at page 2.25 outlines the various savings initiatives, and the minister mentioned some of them in his introductory comments, through the rationalisation of services (being aerial photography, photographic laboratory, mapping, design publishing, environment shop and marine heritage survey). Can the minister give a savings allocation to each of those areas? Will any of those areas be sold or outsourced and, if so, what is the expected revenue from the sale or saving from the outsourcing? If it is sold, will the Treasury or the agency keep the money?

The Hon. J.D. HILL: In general terms, I think I addressed all those issues in my opening statement and I will go through some of that detail again, but these are savings that will be made within my portfolio. Treasury already has the savings and I now have to find them.

The benefit to government from the closure of the environment shop is approximately \$160 000 in the first year and \$200 000 thereafter. In relation to aerial photography, we are looking at \$800 000 a year and, in the case of the internal design publishing services, we are looking at \$150 000 a year. It is always difficult for governments to make changes along these lines, but when you have to make savings you have to make them, and we decided it was better to look at functions which were not as high a priority as some of the more direct functions which relate to environmental protection. The environment shop, for example, is a nice building and a nice idea, but is losing over \$250 000 a year, and it is very hard to justify that when there is pressure to spend money in the reserve system. And we believe we can undertake most of those functions in other ways.

In relation to internal design, I think we have eight full-time graphic artists in the Department of Environment and Heritage. It is hard to justify eight graphic designers when you are under pressure to have people work in the national parks system and do all the other things that are needed to be done. The department publishes an enormous number of publications and some have very limited audiences: we are looking at how we can reduce the number of publications and get a better bang for our buck, so we are getting rid of that function.

In relation to aerial photography, as I have already said, we expect to make \$800 000. That is partly driven by the need to make savings but it is also driven by the change in technology. This style of data collection is rapidly being overtaken by satellite and video technology and, indeed, the

company which was supplying the aeroplane which provided the services has indicated that it is no longer willing to do so because of cost pressures. The department has undertaken an analysis of upgrading the camera equipment that would be required to get into the next generation, if you like, and I think the cost was around \$2 million. It seems silly to do that when that function has been taken over by satellite technology. So, this is catching up with what I think most other states have already done. It is just recognising that technology is changing.

Ms CICCARELLO: I note with interest at page 9.24 of the Budget Paper that reference is made to the development of the Greening of Government Operations program for cabinet's consideration. Can the minister explain the aim of the program?

The Hon. J.D. HILL: This is an exciting program. The adoption of a single policy framework for the Greening of Government Operations (known as GoGO) has been endorsed by the government as a strategic integrated and collaborative approach to progressing the government's environmental commitments while providing a means to demonstrate leadership to the community through changes in its own practices that minimise environmental impacts. The GoGO framework will give effect to the key government policy commitment of:

- Building the principles of ecologically sustainable development into government decision making and, where relevant, require cabinet submissions to include an assessment of environmental outcomes. The framework will also be consistent with the government's commitment to transparency and accountability by:
- Setting government-wide environmental management targets in key operational areas while allowing agencies the flexibility to determine the processes and mechanisms used to achieve these targets.
- Requiring clear and tangible commitments from all agencies to support ESD principles of achieving greening outcomes; and
- Requiring agencies as part of the annual reporting process to report in a consistent manner on agency activities and interventions undertaken to meet agreed targets and goals.

Actions for putting the GoGO principles framework in place will be undertaken in stages with an initial focus on the following categories:

- Eco-efficiency programs that address energy, management, water efficiency and conservation, waste water management and waste management. Eco-efficiency programs can be accelerated through broadening of the existing government programs such as the government Energy Efficiency Action Plan, the Water Conservation Partnership Project and the proposed State Waste Strategy to be developed by the recently approved Zero Waste SA.
- Government activities, such as travel and fleet management procurement and facilities (that is, a green building management). Current work on greening these activities will be more widely progressed across government, in particular, the development of a new greening criteria and guidelines for government fleet building facilities and procurement.
- Government administrative policies and instructions. A review of whole of government guidelines, circulars and instructions, and strategic operational frameworks from an environmental perspective will be undertaken, with an intention to recommend to cabinet any necessary changes.

- Cultural change, education and awareness programs, ways to apply greening to work arrangements programs will be investigated; for example, government employment conditions, OHS&W records management, requirements for training and development initiatives, communication, and customer relations.
- Collaboration and partnerships with other sectors and spheres of government to facilitate exchanges of information, knowledge, skills and experience in regard to approaches to improving corporate environmental performance.

I am pleased to announce that, on 2 June, the government approved the adoption of the GoGO framework to guide the process for the greening of government, and we will work through that. There is a budget of approximately \$200 000 to support establishment, implementation and promotion of the framework. This is an important part of our whole greening of South Australia—a green city initiative—because part of what we have to do is to lead by example, and this is the government showing that it is going to get its own house in order.

Ms BEDFORD: I refer to page 9.36 of the Portfolio Statements, regarding the funding of a new initiative called One Million Trees. Can the minister please outline this initiative and its funding arrangements?

The Hon. J.D. HILL: I would be delighted to, and I thank the member for the question. The SA Urban Forests—One Million Trees program is part of a series of initiatives being implemented under the government's broader greening agenda to save open space and our parklands, as well as to advance our sustainable development in Adelaide.

The program was launched on 12 June 2003 in the Adelaide Parklands, with an aim to undertake plantings across 1 000 hectares of Adelaide's metropolitan open space system to recreate vegetation types that naturally occurred across the region, thereby contributing to biodiversity conservation through establishing native habitat. It is linked directly to the existing urban forest biodiversity program and is focusing on sites throughout metropolitan Adelaide and utilising different community groups, employment programs, state and local government, and other agencies, to establish plantings of one million trees over a five-year period between 2003 and 2007.

A total of over 110 000 plants will be established in the planting season of winter 2003, with over 10 000 of these to be established in the Adelaide Parklands and the remainder to be planted at key areas of public open space across the metro area. Approximately 300 000 plants will be established each year in 2004, 2005 and 2006, with a final follow-up and supplementary planting in 2007. Action plans will take into consideration all known opportunities and constraints, including public access, safety, and bushfire risk assessment.

The program has received initial start-up funding of \$250 000 in 2002-03, through the Planning and Development Fund administered by Planning SA. These funds are being used primarily for on-ground works, seed collection and plant propagation, site preparation and planting, together with planning coordination and initial communications activities. An amount of \$1.8 million has been allocated to implement the program in 2003-04, which comprises: state budget, \$750 000; Planning and Development Fund, \$700 000; allied funding, \$350 000. The funds will be directed to on-ground projects, coordination, education strategies, resources and support for youth conservation core teams and Correctional Services teams, monitoring and research activities, project

planning, communications, and community engagement strategies.

Funding through the Natural Heritage Trust (NHT) is also expected to be available to the urban forestry biodiversity program to deliver a range of remnant vegetation management projects on public and private land and undertake community capacity building initiatives. Future state funding is expected to be at a similar level in 2004-05 and 2005-06, with the state budget funds reducing to \$450 000 in 2006-07. Commonwealth funding support, through the Natural Heritage Trust or national action plan for salinity and water quality, will also be sought via regional natural resource management funding arrangements.

It is anticipated that the One Million Trees program will significantly reduce the impact of greenhouse gas emissions on the environment by planting one million trees across the Adelaide city and metropolitan area.

Mr HANNA: I refer to the No Species Loss strategy, for which there is a target on page 9.8. Will the minister specify how much money is going toward that strategy, what it is going to be spent on, and when we will see progress with that project?

The Hon. J.D. HILL: The No Species Loss strategy is, of course, one of the themes that applies across the whole of my portfolio; in particular, it is picked up through the Nature Links program, which I launched over in Ceduna in, I think, March or April this year. We have three particular Nature Links programs, one called East to West, which goes across the Eyre Peninsula, to provide an integrated approach to biodiversity conservation along the biogeographic link between Northern Eyre Peninsula and the Western Australian border, and includes linkages with marine conservation initiatives in the Great Australian Bight, and the second one is Cape Borda to Barossa to provide for the management and restoration of habitat on Kangaroo Island and to link across Backstairs Passage by the proposed Encounter pilot marine protected area to the Fleurieu Peninsula and Mount Lofty Ranges and, finally, Bounceback, which is an existing scheme, will be expanded to encompass biodiversity conservation on and off reserve land from the Southern Flinders Ranges to the Gammon Ranges.

Projects in other parts of the state will also be initiated once the programs outlined above are well under way. Nature Links projects will be implemented through existing major initiatives. Program coordination is being undertaken through existing resources, and on-ground actions will be funded through a combination of departmental programs. The threatened species recovery (which we have talked about), habitat restoration, and acquisition and management of reserves, and external sources, such as the Natural Heritage Trust and partnerships with the regional natural resources management boards. The point to make about No Species Loss is that it is not really a specific program but a theme that will apply across all the activities of the portfolio, so that we are using the money that we already have to achieve this higher goal.

The Nature Links is a particularly important program, because it links public lands with private lands to ensure that there are habitat corridors to allow species to travel. One of the reasons for loss of species is not only the threats from feral animals and human activity but also the fact that the animal, bird and plant species become locked up in virtual islands. If you study the island theory of biodiversity, you find that there is much less biodiversity on an island than there is on a

continent because of the decline in the gene pool. So, that is really what the No Species Loss is about.

In the other part of my portfolio—the water, land and biodiversity conservation department—a lot of work is, of course, being undertaken through the development of integrated natural resource management processes. That will mean that there will be a much greater focus on biodiversity outputs and stronger links between what happens on public lands and private lands. For example, under the NRM arrangements, the Animal Plant Pest Control Commission activities will be integrated with water and other natural resource management processes. I am expecting that, through that, we will get resources which will address these issues as well.

Mr HANNA: If there is no specific money allocated to the No Species Loss strategy, is there at least an officer who has a specific responsibility to ensure that the strategy is maintained?

The Hon. J.D. HILL: To give specific details in relation to the programs in place for this year, the state funded nature conservation program for 2003-04, which is a relevant program, includes projects such as: regional ecological support in eight regions, \$750 000; the Flinders Ranges 'Bounce Back' \$440 000; ecological restoration and Ark on Eyre in the western region, \$170 000; statewide endangered species, \$261 000; Australia's virtual herbarium, \$180 000; biological survey of South Australia, \$90 000; regional and state biodiversity planning, \$125 000; ecological restoration and wetlands water link in the South-East, \$180 000; university research partnerships development, \$160 000; ecological restoration and declining birds in the Mount Lofty Ranges, \$85 000 (which is a really interesting program); and, an ecological restoration of the Coorong and lower lakes region, \$330 000. I am advised that an officer in the department—Dr Adrian Stokes, the senior project manager—is responsible.

Dr McFETRIDGE: In the budget highlights on page 9.89, Paper 4, Volume 3, I refer to the line on completing the site and master plan for the Botanic Gardens. Will the Botanic Gardens and national parks be under the same water restrictions as the general public, now that water restrictions are coming in?

The Hon. J.D. HILL: The Botanic Gardens has a commitment to introducing water conservation measures. That is its long-term goal and over time I expect it will make considerable changes in the way it operates to achieve that long-term goal. In the short term as a result of the water restrictions I understand the Botanic Gardens is in negotiation with SA Water as to what the restrictions may mean in its circumstances, so it will certainly be subject to some sort of restrictions. As you would understand, in relation to SA Water, the restrictions being applied to SA Water customers involve such things as turning off sprinklers at certain times of the day and night and they are working through what it may mean in the Botanic Gardens context. I cannot give a more explicit answer at this stage, other than to say that it is being worked out.

The Hon. I.F. EVANS: Is it the intention that water restrictions will apply to all sites of the Botanic Gardens and national parks? I did not get the impression from your answer that the same restrictions will apply to those areas as will apply to the general public. Is it the intention that the same restrictions will apply or will they negotiate some other form of restriction?

The Hon. J.D. HILL: The issue is being worked through and it may well have been sorted out at this stage. As you would understand, the Botanic Gardens has particular kinds of plantings of historic and a range of other values that have to be protected. I am not entirely sure where the negotiations between the Botanic Gardens and SA Water are at, but the overall intention is for the Botanic Gardens to become a water conservator rather than a water waster. I will get further information. I imagine I will be able to do it before we finish today. The intention was to allow the two parties to work through what the restrictions might mean in that context.

Dr McFETRIDGE: I refer to Budget Paper 3, page 225 in savings. Some information is given on savings through aerial photography and closing the environment shop. What about the next line on efficiency measures, referring to a reduction in operating costs across corporate and divisional services in policy areas—\$2.5 million? Can you give details on that?

The Hon. J.D. HILL: These will be efficiency measures primarily across corporate services: corporate information will make a saving of \$900 000; business services a similar amount; the Chief Executive in the minister's office, \$320 000; the Office of Sustainability will make a small saving; and there will be other small savings of approximately \$2.55 million, and the savings I went through in my opening statement added to that.

Dr McFETRIDGE: Under the same reference, the next line down refers to rationalisation, divestment of management responsibilities for selected and operational sites. Will the minister advise which sites he will no longer manage and the savings allocated to each of those sites? Will any of the sites be sold?

The Hon. J.D. HILL: There is no intention of selling anything. We are working through the sites and this is the beginning of the budget, so we have not got into the budget cycle yet, but we are working through how we can do that. I will ask Mr Holmes to comment.

Mr HOLMES: Earlier in the year we identified about a dozen sites that were low use/high cost; we are examining how better they can be operated and we intend to find those savings in the better management of those sites.

Dr McFETRIDGE: Can you name those sites for us?

The Hon. J.D. HILL: I will not identify the sites at this stage as we have not identified specific sites, but we will be looking across a range of sites to see where those savings can be made.

Dr McFETRIDGE: Is it true that the management of the Marble Hill site will be put out to tender?

The Hon. J.D. HILL: Certainly Marble Hill is one of the sites under consideration. It is too early to say what sort of structures will be in place to deal with these savings. We have to make savings and have to do things more efficiently and there will be some changes. We will work through those changes to see if we can get the best outcome for the department and the public.

Dr McFETRIDGE: Has Heritage SA been instructed by you or members of your department to off-load by sale, lease or outsourcing the management of all heritage buildings that Heritage SA currently manages?

The Hon. J.D. HILL: Are you asking if I have asked Heritage SA to outsource the management of heritage sites? I understand it manages only half a dozen or so sites, including the gaol and the Queen's Theatre. I have certainly asked Heritage SA in relation to those sites to look at alternative arrangements. It is appropriate for the Queen's

Theatre to be managed through an arts organisation. I know the Hon. Diana Laidlaw, in one of her last speeches, made comment on this and applauded me for doing this. We are looking at a couple of arts organisations at the moment to look after that building—something like the State Theatre Company, the Adelaide Festival Centre or one of those organisations. The best outcome would be to find a body that is experienced in managing venues.

In relation to the Adelaide Gaol—and there was comment in the press recently—we have not made any decisions about what to do with this site. It is an extremely important heritage site in South Australia. It is a gaol which, until its closure, was the longest serving gaol in Australia's history and had had prisoners in it in the 1800s and the 1900s—about 130 years of continuous incarceration—so it covers an important part of both South Australia's history and penal history in Australia. I have asked the History Trust to look closely at the gaol and it is examining the possibility of a penal museum of some sort for that institution. It would cost considerable resources to do that. There are occupational health and safety issues and a whole range of other issues in relation to the management of the gaol to be considered, and we are not going to make any moves until we can sort that through. It will take a number of years in order to do that.

Unfortunately, the gaol had an income from a contract with Ayers House to provide entertainment or corporate services there, and that contract was not extended, so about \$80 000 a year in income has fallen out of the system. We have to work out how to maintain that site, now that that income has gone. They are the kind of issues involved, but there is no sense of trying to sell or get rid of any of the sites, and they are important heritage issues.

The Heritage Direction for SA Report, which we are working on, will look at a framework for the future management of South Australia's built heritage, in a general sense. It will address the identification, management, protection and promotion of built heritage by state and local government and the community at large. It will also form the basis for reaching agreement between all stakeholders on the outcomes that should be achieved during the next five to 10 years and establish an integrated package of measures to assist in achieving these goals. The report has been prepared after consultation with key stakeholders in the heritage field and reflects a consensus of views.

We need to work out a more strategic approach to managing our heritage buildings in South Australia. In the past, many of those buildings have been passed on to the National Trust to look after, and the National Trust is under pressure now, looking after some of those buildings, so it is reviewing which buildings it should look after. The state government has a range of heritage buildings held by different departments, with different regimes in place. I am interested in working through some of these issues. The History Trust, which is in the arts portfolio, is an institution that perhaps could play a bigger role in the management of some of these properties, because that is what it does, it looks after historic properties.

Mr CAICA: Can the minister outline the Green City and Sustainable Adelaide concepts mentioned on page 9.24 of the Portfolio Statements?

The Hon. J.D. HILL: I am happy to answer that question. The honourable member is aware, I guess, of the Premier's statements in relation to this issue and it is certainly a high priority for the government, particularly the Premier. The Green City program is a high level strategic program aimed

at accelerating Adelaide's progress towards being internationally acclaimed as a Green City, that is, a city that is sustainable socially, economically and environmentally.

In early 2002-03, the Office of Sustainability worked closely with the Capital City Project in the Department of the Premier and Cabinet to prepare a proposal for the Capital City Committee on the recognition internationally of Adelaide as a green city. I am very pleased that this was adopted in late 2002, with the Premier and Lord Mayor electing to jointly champion the program through the Capital City Committee. The Green City program commenced with the appointment of a program director in April 2003, and one of its first significant contributions was to bring Herbert Girardet to Adelaide as the first Thinker-in-Residence.

This is a partnership between the Capital City Project, the Office of Sustainability, Planning SA and the Body Shop. Professor Girardet is working with the Green City project team to develop an action plan that aims to position Adelaide as an internationally recognised green city. Several projects are being scoped for inclusion into the program. All projects will be collaborative in nature with financial and in-kind support being sought from the various stakeholders.

Tenders for the first project, Building Tune Ups, are about to be let. This project will audit and make recommendations on energy and water efficiency in 10 city buildings, three of which will be government owned. Additional funding of half a million dollars has been approved to the Department of the Premier and Cabinet for the Green City program as a significant cross-agency initiative in the 2003-04 budget.

Ms CICCARELLO: The budget contains details of the master plan for the Adelaide Botanic Gardens. What action has the minister taken in respect of the future management of the Adelaide parklands in cooperation with the Adelaide City Council?

The Hon. J.D. HILL: I thank the member for her attendance yesterday in the city parklands when I was able to hand over to the Lord Mayor, Michael Harbison, the findings of the Adelaide Parklands Community Consultation Report, in which more than 200 submissions were made by groups and organisations and members of the community. This follows more than 12 months of extensive consultation through a special parklands working group involving representatives of the state government, Adelaide City Council and the community. I take this opportunity to thank the three members of that committee, who have done a very good job.

The aim of the consultation was to gauge community attitudes towards the future management of the parklands and design new legislation that would better protect this unique part of Colonel Light's design for Adelaide. The Labor opposition went to the last election with a policy to better protect and manage the parklands, preferably through the establishment of an independent trust, similar to that operating in Sydney's Centennial Park. The community consultation has shown strong support for this idea for an independent body with overall responsibility for the parklands. The report shows around 70 per cent of respondents support an independent trust, providing the Adelaide City Council maintains its role as the day-to-day managers of the parklands in an operational sense.

Importantly, both main community representative groups—the Adelaide Parklands Preservation Association and the Parklands Alliance—supported the idea of an independent trust. It was interesting to see the President of the Parklands Preservation Association, the Hon. Ian Gilfillan,

who was invited yesterday and who sits as a Democrat in the other place, break ranks with his own committee following yesterday's announcement. It appears that, despite the extensive public consultation undertaken by this government, Mr Gilfillan would have been happier if the community's views were ignored and the government simply made a decision unilaterally. It also appears that Mr Gilfillan does not support his own association, which endorsed an independent trust. Apparently, he does not want a trust. He appears to be out of step with his committee and its membership.

I must say that I was incredibly disappointed by the comments yesterday by Mr Gilfillan, whose own committee was happy to submit a paper to the consultation process, which we valued, and when we indicated that the consultation was going to be extended by a month, he seemed grateful because the committee had not finished the writing. He made a submission saying that they supported a trust. When we released the document saying, 'We support it, we have had consultation, the community also supports it,' Mr Gilfillan was critical because we had not already implemented the recommendations, and then he distanced himself from the recommendations that his own committee supported and of which as a representative he was invited to attend the release of the report. I am not quite sure what he is on about.

Mr Caica: What is his solution?

The Hon. J.D. HILL: Who knows? Nevertheless, this government will continue with its open and consultative approach to dealing with the future of the parklands. The report, which I invite all members to read, expresses the community's gratitude that it has been given such a good opportunity to be consulted over an issue that has been contentious, problematic and highly charged through every other process that has been undertaken in relation to the parklands. We seem to be getting it right and everyone seems to be in agreement, except Mr Gilfillan, who is out of step. I congratulate the Adelaide City Council on its very cooperative approach in working with the government on this issue, and, in particular, Lord Mayor Michael Harbison, who shares with me a desire to protect this important part of our city.

Mr HANNA: My question refers to subprogram 3.1 on page 9.19. What money is going towards the development and completion of a marine threatened species list, and what progress has been made?

The Hon. J.D. HILL: I have some information. I am not sure that it will entirely answer the question, but I will get a more complete answer for the member, as well. This will give him a general understanding of the issue. Australia's oceans policy of 1998 outlines a commitment to protecting Australia's marine biological diversity through accelerating development of a national representative system of marine protected areas through an intergovernmental agreement on the environment.

All states and territories are committed to the establishment of representative systems that will combine to deliver a national system. The former government launched a draft vision and policy document for MPAs in South Australia for public consultation during 2002, and the former government also announced the establishment of a pilot study area. The Encounter Pilot MPA extends from Carrickalinga head on the Fleurieu Peninsula to Point Marsden on Kangaroo Island and from Cape Willoughby on Kangaroo Island to the Murray Mouth.

DEH has the lead role in managing and delivering the program under the direction of an inter-departmental steering committee. A final policy position entitled Blueprint for the

South Australian Representative System of Marine Protected Areas (SARSMPA)—a catchy acronym—is currently being considered by the government. This will determine the statutory framework for the dedication of MPAs and for addressing potential compensation for marine industries displaced by such dedication. The Encounter Pilot Consultative Committee was established in November 2002 and consists of 12 members of the local community with a diversity of expertise and experience. A draft Encounter Pilot MPA proposal is anticipated to be available for public consultation in the second half of this year. Community consultation is a major focus of the MPA program, with consultative committees, working groups and extensive broader community consultation being fundamental components of the program. Partnership funding of approximately \$400 000 has been secured between DEH and PIRSA for the 2003-04 year. There is also a whole list of other things, but I will undertake to obtain more details to answer the specific parts of the member's question.

Mr GOLDSWORTHY: I refer to page 9.36 of Budget Paper 4, Volume 3. The government has announced a \$10 million fire program over the next four years. I note that on page 9.36 there is a comment, 'expenditure committed to undertake essential ongoing fire management works throughout the state (\$1.7 million)'. This is in addition to the increased expenditure of \$800 000 in the 2002-03 budget and brings the total increase since 2002-03 to \$2.5 million. Can the minister confirm that that \$10 million is made up of four lots of \$2.5 million, and that the \$2.5 million is made up each year of \$1.7 million and the \$800 000 already announced? So, the extra money in this year's budget is not \$2.5 million but, rather, \$1.7 million, and the extra money in the forward estimates is \$1.7 million per year over and above what was announced last year?

The Hon. J.D. HILL: I can confirm that the budget has given us \$10 million extra over four years. The \$800 000 that was put in last year was one-off funding: it is not a continuing sum of funding. We did it as an emergency (as the member would probably realise) because of the big fire risks, which we were fortunate to not have occur but which we thought were a possibility last year. The government put in \$800 000 as a one off. Some \$500 000 odd came out of consolidated revenue, and \$250 000 was found from within existing departmental resources. So, that was a one off. But we were able to argue the case that we needed to have a more substantial program of fire fighting in national parks. I have some notes here, which I will take this opportunity to share with the committee.

Public concern about the threats of bushfires has been heightened following recent devastating bushfires in Canberra, and also in New South Wales and Victoria. Debates at a national level have focused on the role of public land management in relation to fire management, and the Prime Minister is seeking to have a national inquiry into the issue. As members may be aware, DEH is responsible for fire management on land under its control (some 20 per cent of the state) to ensure the protection of life and property in the maintenance of biodiversity values. As such, on 23 May 2003, the Premier announced a \$10 million increase in DEH's budget over the next four years to increase the capacity of the department to plan and implement fire management programs across the state. Additional funding has been allocated to enable DEH and the Country Fire Service to undertake essential ongoing fire management works throughout South Australia to protect life and community assets and to

conserve ecosystems. I want to stress that there is a very good working relationship between the department and the Country Fire Service. I do not think that is something that every state can claim, and I do not think it is something that has always been the case in South Australia, but there is a very good partnership.

The fire management capacity of both DEH and CFS will be upgraded to ensure coordinated scientific knowledge and research capacity to develop and implement effective plans and carry out effective fuel reduction programs in parks, reserves and other bushland throughout South Australia. The following strategies will be put in place to increase the capacity of DEH to implement fuel reduction fire management programs:

- recruitment of key staff to improve the agency's capacity to plan and implement sustainable fire management programs;
- the development of strong partnerships with the CFS and local communities in the planning and development of fire management programs;
- the preparation of fire management plans and development of strong linkages with the district bushfire planning process;
- identification of strategic areas for fuel reduction strategies and upgrading of the fire trail networks in parks and reserves throughout the state;
- increase the capacity to implement on ground prevention, protection and suppression works in strategic locations;
- improve coordination of research and monitoring through recruitment of specialist staff, use of information learnt through recent fires in the eastern states and Canberra, and input into the Bushfire Cooperative Research Centre;
- enhance training and equipment of staff to improve DEH's capacity to safely deliver on ground fuel reduction programs and effectively suppress wild fires;
- continuation of regional and district local fire prevention and management programs, including removal of woody weeds—for example, olives—slashing, and any other works identified through the district bushfire prevention and planning process; and
- continuation of fire suppression.

I think there is a strong commitment by government. It was one-off funding this year, which would have disappeared unless this package had been put together. It is a recognition by government of the importance of our managing better fire risk in the national parks system.

Mr GOLDSWORTHY: I have a supplementary question. Following all the detail that the minister just gave the committee, can he advise what proportion of the \$10.3 million over the four-year period being allocated by DEH to increase the fire capacity in parks and the like will go to the Eyre Peninsula national parks? What is the budget for each of the Eyre Peninsula parks in regard to this budget line?

The Hon. J.D. HILL: The detail of it has yet to be worked through with CFS. No-one knows the answer to that question at this stage. But I would say, in general terms, high priority will be given to the Mount Lofty Ranges (where, I guess, there is a lot of housing and where a lot of people live) and also Kangaroo Island. But we will work through over time the detail of the funding allocations.

Mr GOLDSWORTHY: My next question refers to page 9.39, Budget Paper 4, Volume 3, regarding the sale of land and buildings. Last year, the government had a budget of \$4.4 million. This year, the budget is \$10.86 million. Can the

minister tell the committee what the government is proposing to sell—is it the Old Adelaide Gaol, Ayers House, Old Government House at Marble Hill?

The Hon. J.D. HILL: I am happy to answer that question. The majority of that funding is, in fact, a result of the perpetual lease arrangements that the member for Davenport and I have been working on for a year or so. I think that about \$6 million is from that. Some \$2.8 million is from the sale of some land at Thorndon Park, which will allow the redevelopment of that old SA Water site. That, of course, depends on whether the new council has a slightly different view from the former council, with which the government had negotiated. These negotiations started under the former government, and the arrangements put in place were to sell off a small number of blocks to fund the redevelopment of what had become a pretty bad site.

There had been quite strong consultation with the local community, and I think it was generally supported. The council elections were held, and this matter became an issue of some moment in the council elections. I understand that the new council is looking at whether or not it will put the \$2.8 million into the project. If it chooses to do so, of course we would not sell the land, but this would be cost neutral for the government. The \$2.8 million would go to that local community's work. The remainder of the funding is the normal transfer of property that occurs.

None of the sites that the member mentioned is being targeted for sale. As the member knows, we hold large amounts of crown land under different arrangements, or with different headings. Crown land is sold from time to time to support various projects.

Mr GOLDSWORTHY: Last year, the minister advised that the government had a statutory responsibility, currently conducted by the EPA, to report on a regular basis against a whole range of indicators and that he would like to transfer that responsibility to the Office of Sustainability. Will the minister advise the committee of whether that transfer has occurred? Will the minister list all the statutory responsibilities that require government to report on a regular basis against a range of indicators that have now been transferred to the Office of Sustainability? Which ones remain with the EPA?

The Hon. J.D. HILL: I missed the second part of the member's question. If I have not picked that up, perhaps he will let me know when I have finished what I have to say. It is true that I was contemplating, and still am, whether or not the SOE is best placed, with the EPA, given that the restructuring of the EPA is an exclusively regulatory body. The SOE may not necessarily be best placed, although I have not changed it; I would have to come to the parliament to do that.

The government is in the process of setting up a sustainability roundtable. One option might be to establish a subcommittee which becomes responsible for SOE. Whatever we do, we want to ensure that there is an independent body that is doing it and that it is not just a direct arm of government. So, we are considering the options, but we have not rushed to move it, and we may not necessarily do so. It may be that the EPA is best placed to hold it. Did that cover all the elements of the member's question?

Mr GOLDSWORTHY: I think so. So, the minister is saying is that none of that has happened yet?

The Hon. J.D. HILL: No. In any event, we have to come to parliament to change it, and we would have a debate here if it were to be changed, because it is under the EPA Act. The EPA board has delegated responsibility for preparation of the

2003 SOE report to a steering committee, with representation from the private sector, local government, and key state government agencies, including the EPA. The process of preparation of the report is being managed from within the Office of Sustainability.

Ms BEDFORD: Page 9.17 of the Portfolio Statements describes a program as follows:

Biodiversity conservation services encompass conservation management programs aimed at protecting and restoring ecosystems, habitats, species, populations, as well as encouraging industries, communities and people in conservation, and ecological sustainability.

Will the minister advise the actions taken by the government to minimise the environmental impact of the ponies at Coffin Bay National Park and outline the consultation with the Coffin Bay Pony Preservation Society, which has managed to avoid the Snowy River solution and have a happy outcome?

The Hon. J.D. HILL: Thank you for that interesting question. I was anticipating perhaps a question from the member for Flinders on this issue at some stage today. As all members may be aware, the Coffin Bay ponies are a wild population of horses that were released onto the Coffin Bay Peninsula in the 1830s. This land was dedicated as Coffin Bay National Park in 1982.

A group called the Coffin Bay Pony Preservation Society was formed in 1990 to lobby for the horses to remain in the national park. DEH entered into an agreement with society at that time to manage the herd by allowing one stallion (a very happy pony), 20 mares and foals to remain, with annual trapping to remove excess animals. These horses are sold at auction each Easter by the society.

On 19 February 2003, I announced that the herd would be relocated to nearby land (known as One Tree Hill), managed by SA Water, in order to protect the native vegetation in the national park from overgrazing. Given the Coffin Bay Pony Preservation Society's keen interest in this matter, it was given three months, until 21 May 2003, to accept the One Tree Hill proposal, or to advise of an alternative location.

The One Tree Hill option was not accepted by the society, due to limited tenure (10 years with a 5-year review period), a prohibition on public access to the site, and the presence of Patterson's Curse. As such, the Coffin Bay Pony Preservation Society instigated negotiations with a local landowner for the purchase of a portion of land on the outskirts of the Coffin Bay township.

I have been advised that the landowner will accept \$200 000 from the state government as payment for a 360 hectare area of land, known as Almonta Park Paddock, bordering Kelledie Bay Conservation Park. In addition, the Coffin Bay Pony Preservation Society will provide the landowner with an additional \$100 000, under a separate agreement, to cover costs associated with a survey, fencing, and water provision.

I am pleased to advise that the government has agreed to purchase the land for \$200 000, subject to subdivision approval. A submission for noncompliant development has been made to the Eyre Peninsula Development Assessment Panel, as the Lower Eyre Peninsula District Council Development Plan does not allow for this land to be subdivided. This option will provide the society with a long-term lease of 50 years, with an option to renew the lease for a further 25 years, subject to compliance with relevant conditions, as well as tourism access to view the ponies.

The government has also accepted a request from the Coffin Bay Pony Preservation Society to relocate the ponies during the next summer season, because most of the 20 mares are in an advanced stage of pregnancy, and it is preferable to remove the ponies from the park after the foals are born. So, this will be a win-win situation. I acknowledge that this is not what the Coffin Bay Pony Preservation Society wanted; however, I thank them for finally agreeing to this compromise. They came up with the alternative themselves, and I was happy to work with them. We will set up a special pony park where ponies and those who care for them will be able to enjoy each other's company well into the future.

This compromise will take the ponies out of the park, which is a very good conservation outcome, and we will be able to rehabilitate the park. It will mean that the officers of DEH will not have to shoot up to 1 000 kangaroos each year that are congregating in the park (as result of the watering holes, which are maintained artificially) and causing enormous pressure on the vegetation. I am very pleased to be able to announce that we have an agreement. I have sent an MOA to the association, and I am expecting it to be signed in the near future; when that has been done, we can proceed with the purchase of land.

Mr CAICA: Page 9.11 of the Portfolio Statement makes reference to the provision of services to facilitate public use and enjoyment of the park system. Will the minister advise the committee how many staff are employed to manage this park system?

The Hon. J.D. HILL: I thank the honourable member for his question without notice, which gives me the opportunity to inform the committee of the government's commitment to provide adequate staffing for our parks. As of 30 May this year, 345 staff were employed in eight administrative regions, including 115 staff classified as rangers, to manage the park estate.

In addition to the rangers, there are presently 61 construction/maintenance personnel, 28 scientific technical officers and 28 management/administrative staff, as well as 113 other employees who include guides, retail assistants, animal attendants and education and information officers. The establishment of a specialised fire strike team over the summer fire season involved the engagement of an additional 21 staff through an expression of interest as suitable CFS volunteers. Nine youth trainees are located in regional park management/administrative areas, and 17 graduates have been placed in positions relating to park management, including nine as rangers.

As part of the SA Public Service Aboriginal Recruitment and Development Strategy, DEH is in the process of employing five Aboriginal apprentices in land management and conservation, with apprentices being employed in the following regions: Berri, Balcanoona, Coorong, Innes and Ceduna. I take this opportunity to congratulate the rangers and all the other people who work in our park system for the superb job they do. I have yet to meet a national parks ranger who has not been absolutely fantastic and happy in their employment. It is obviously a great job.

At times a lot of pressures are placed on them, especially by the public. They have a lot of responsibilities, particularly in fire seasons, and they do it with great skill and, obviously, great enjoyment.

Mr HANNA: I refer to subprogram 6.2 on page 9.24. Incidentally, I also refer to Labor's 2002 election commitments on the environment. One of the promises made was to move South Australia towards a sustainable future through

developing a comprehensive greenhouse gas strategy. I note that page 9.24 states:

A state greenhouse plan will be developed consistent with a national direction for greenhouse issues.

As an aside, I would say that, maybe, it is better to develop a plan that is even better than the national direction on greenhouse issues. What progress has been made in the past year and what resources have been allocated to ensure the completion of a state greenhouse plan in the coming year?

The Hon. J.D. HILL: I do not have any details with me at the moment, but—

Mr Hanna interjecting:

The Hon. J.D. HILL: Well, on policy issues. Certainly, the department has been doing a lot of work on greenhouse gas emissions. Part of that strategy, which I talked a little about earlier today, is the GoGO principle: that is the government's own agencies showing the lead in terms of more sustainable use of its own resources. My colleague, of course, the Minister for Energy has responsibilities in general terms for energy policy. But I will provide some more detailed information for the honourable member in relation to all of that.

The CHAIRMAN: Minister, I have raised one issue previously, namely, people who come from non-English speaking backgrounds and who may have little understanding—and, I suppose, in that respect they are not totally unique—of ecology, ecological principles, and so on. What are you doing and what can you do to target that group so that they do have an understanding of the ecosystems of the country in which they now live?

The Hon. J.D. HILL: Thank you, Mr Chairman. You have raised this issue with me before and I think that you were suggesting pamphlets or documents in a range of languages to be provided to people from different ethnic backgrounds. I cannot say that my department has explored this in any detail, but I will happily ask it to do so and we will provide you with a more detailed response. The point you make is reasonable. The question is a matter of resourcing and also knowing exactly where those persons might be and how we would get the information to them.

I guess that, without having a database of members of the community who do not speak English, it would be a bit difficult to make sure we got the information to them; but we can certainly have a look at that. It may well be something we can pick up through the new NRM arrangements that are coming into play. That may be the more appropriate body to communicate with people about how to better manage issues relating to water and vegetation in particular.

The CHAIRMAN: This question is not peculiar to Kangaroo Island but I was over there recently. There seemed to be myriad charges applying to visit the parks on Kangaroo Island and to participate in various activities. Is there any plan to try to simplify those charges which apply to visiting the parks and the various activities? I think you need to be a combination of a rocket scientist and a chartered accountant to work them out. I was with people from interstate and, depending on the length of your visit, it can get quite complicated working out what is the best approach. I would have thought that maybe a simple week pass or extended pass, which will cover all possibilities, would be a better way than the current myriad charges and fee structures that exist.

The Hon. J.D. HILL: I thank the honourable member and congratulate him on being a regular visitor to our parks system. The point is made and I will make sure that it is

followed up. We will have a review of the structures we have in place to see whether we can come up with a simpler system, because if it is difficult for visitors to access our parks then we are not doing a very good job. We will make sure we have a closer look at that.

The CHAIRMAN: If someone, for example, is visiting the island they are entitled to do any of those things on the purchase of a Kangaroo Island pass, or whatever.

The Hon. J.D. HILL: We will have a look at that.

The CHAIRMAN: If they want to have a tour they will have to book. I think that you would probably end up making more money than under the current arrangement.

The Hon. J.D. HILL: Yes, it could be something you could buy with your ticket on the aeroplane, Sealink or something like that. We can look at that.

The CHAIRMAN: I am not picking on the wine industry because, I guess, it is latter day in terms of what it has done to the environment, but we still see vineyards going in and the removal of significant native vegetation, which I think is hard to justify in this day and age. Are you working with the wine industry in terms of its putting back, so to speak, and doing something towards conserving the natural environment given that it has taken a tremendous toll in recent years with some of its huge plantings? Yesterday I was down in the Finnis area and I noticed that despite the assurances that people would plant, for example, native vegetation as perimeter vegetation they have not: they have planted olives. So, the clearing and so on still continues. I think that the wood needs to be put on them—pardon the pun—to contribute to helping re-establish the natural environment.

The Hon. J.D. HILL: Mr Chairman, you make a very good point. As you would know, the legislation to ban broad-acre clearance was passed through this parliament last year, and I acknowledge the work the former minister did in relation to that legislation. It is illegal now for any company, whether it is a viticulture company or any other, to broad-acre clear in order to develop a piece of property. Of course, stringent conditions apply to any approvals to remove scattered trees, or even dead trees. We are now dealing with history rather than future developments. We also have some very good strategies in place to find and then prosecute those who have illegally cleared.

Operation Aegis occurred recently in relation to the South-East, where satellite imagery was used to pick up illegally cleared land. It is probably true to say that that technology gives us almost a 100 per cent capacity to fine those who have illegally cleared. We are going through the process now of prosecuting those where there is some evidence of illegal clearance; and a number of matters are before the courts.

In relation to what we do about landscape that has already been cleared, I think that is the job of the NRM committees (the natural resource management structures), that we are establishing across the eight regions. They will be responsible for developing integrated natural resource management plans which will pick up issues to do with water, soil and biodiversity. I would like to see, and it links with the Nature-Links program which I was asked a question about before, the development of plans in regions, including the wine regions, so that replantings are carried out on a strategic basis so that there are links between public lands and other holdings of good native vegetation on private lands, one with the other, through corridors. And I think the member is right that the wine industry, which has benefited considerably from native vegetation clearance, should play a lead role in that process.

Of course, as water users, they contribute a levy which can be used for those kinds of purposes.

The Hon. I.F. EVANS: I refer to page 9.13 of Budget Paper 4, Volume 3 relating to the Botanic Gardens. The net cost for the sub-program is about \$5.326 million. Can the minister confirm that the Botanic Gardens is facing a cut of around 5 per cent to 10 per cent and, if that is accurate, can he advise the committee of the exact level of the proposed cut? I am told that it is around \$400 000.

The Hon. J.D. HILL: I am advised that the department has not settled its internal budget. The Botanic Gardens will have to suffer some sort of reduction, as will other elements of the department, but how much and what it will be has yet to be determined. That is being worked through and is an internal departmental budgetary process.

The Hon. I.F. EVANS: I have a supplementary question. Can the minister confirm that his departmental officers are in negotiations with the Botanic Gardens discussing a potential cut of up to \$400 000?

The Hon. J.D. HILL: Yes, I can confirm that.

The Hon. I.F. EVANS: Can the minister also confirm that the government, or its officers, has considered or are considering selling Wittunga Botanic Garden at Blackwood?

The Hon. J.D. HILL: We will certainly not sell Wittunga Botanic Garden. At one stage we looked at the appropriate structure and the appropriateness of those gardens being within the botanic system and have decided it ought to stay, but there is no thorough examination and certainly no consideration, that I am aware of, of selling it. So I guess, in general terms, the answer is no, the intention is that Wittunga will stay within the botanic gardens system and play the appropriate role that the Botanic Gardens determines for it.

The Hon. I.F. EVANS: I have a supplementary question. The minister did not address that section of the question that asked whether the minister can confirm that the government or its officers has considered or are considering.

The Hon. J.D. HILL: I thought I had. I think I made the point that a range of options for that area had been considered. I was not aware that—

The Hon. I.F. EVANS: Including sale?

The Hon. J.D. HILL: I am not aware of it. I do not believe sale was ever considered but, certainly, other options for that site were considered—whether it could be divested to, say, a local government authority or to national parks, or whether it could be part of the One Million Trees program or something along those lines. I am certainly not aware of its sale being considered. But, on reflection, it was decided not to review any of those options and I can give an absolute categorical guarantee that it will stay within the Botanic Gardens.

The Hon. I.F. EVANS: I have a final supplementary question on that point. The minister mentioned the One Million Trees program in the context of that answer. That raises the question whether it is the government's intention to transfer some of the administration of the One Million Trees program to Wittunga as a way of getting more money into the Botanic Gardens.

The Hon. J.D. HILL: There is still a possibility that there will be a relationship between the One Million Trees program and Wittunga.

The CHAIRMAN: I have a supplementary question, minister. I suspect a lot of people are not aware of the existence of Wittunga and it probably needs to be promoted more. I know it highlights native plants and also South African plants because of the contribution of the Ashby

family over time, but I suspect it suffers from a lack of exposure and promotion to tourists as well as locals.

The Hon. J.D. HILL: I guess the point needs to be made that the role of Wittunga was looked at because, under the former government, it suffered considerable cuts. Its role as a high quality garden which conserved South African plants and other species, as I understand it, was diminished quite considerably and it really became a very low maintenance garden, which raised the question (at least in my mind) whether it could be justified as a botanic garden. But I am told that it can be, so that is what we intend to do. But that was the reason for having a closer look at it.

The Hon. I.F. EVANS: I refer to Budget Paper 4, Volume 3, page 929. Plant and equipment is reduced from nearly \$109 million to \$61 million, a \$47 million reduction. We assume that about \$45 million of that is the write-down on the herbarium. Can the minister advise on what basis the government has written off \$45 million on the herbarium? Has the Auditor-General agreed to the \$45 million write-down of the herbarium?

The Hon. J.D. HILL: I will get advice on this.

Mr JANSSEN: At the moment we are considering that write-down consistent with our interpretation of the accounting standards accounting policy statements and other documentation from the Department of Treasury and Finance. We are currently in negotiation with the Auditor-General about the most appropriate value to be placed on that collection. There are a number of difficulties about its valuation and we have tried to benchmark our valuation methodology against that used in other jurisdictions. At this stage, Sydney is the only Australian area which has valued its collection, and then only a portion of it. So, this underlies a very difficult and complex valuation issue and we will work with the Auditor-General about the most appropriate way to present information to key stakeholders and readers of the financial statements.

The Hon. I.F. EVANS: I have a supplementary question, probably to Mr Janssen because it is on the same topic. Has the Auditor-General expressed any concerns about the potential write-down?

Mr JANSSEN: Yes, he has written to us and questioned certain aspects of our approach to that methodology. So the answer is: yes.

The Hon. I.F. EVANS: Is it true that the \$45 million write-down is a way of avoiding the regular cost of valuation of the herbarium collection and, if it is, will it still not need to be valued for insurance purposes on a regular basis, anyway?

The Hon. J.D. HILL: In general terms, I am advised that the answer to that question is yes. We need to work with the state insurer to determine how we do that.

Ms BEDFORD: Page 9.19 of the portfolio statement makes reference to the introduction of legislation to facilitate the establishment of the Adelaide dolphin sanctuary. Can the minister please detail what activities have been undertaken regarding the sanctuary and what the next stages will be?

The Hon. J.D. HILL: I know the member has a very keen interest in dolphins, and I am very pleased to have the opportunity to inform the committee of the establishment of the sanctuary to protect the Port River and Barker Inlet bottlenose dolphins. I believe that, during last year's estimates committees, I outlined the government's commitment, as part of its 20-point green plan for the environment, to create the dolphin sanctuary. During 2002, the state government undertook community consultation about the best ways

to protect the Port River dolphins and their environment. The government intends to introduce a bill into parliament before the end of the year to provide a legal framework for the establishment and management of the Adelaide Dolphin Sanctuary. The Adelaide Dolphin Sanctuary Act 2003 will give this area a unique form of protection by coordinating actions and responsibilities under the National Parks and Wildlife Act 1972, the Fisheries Act, the Environment Protection Act, the Harbors and Navigation Act, and other relevant pieces of legislation, to reduce the threats to the dolphins and their habitat—the waters and environs of the Port River and Barker Inlet.

DEH will appoint three officers to implement and manage the sanctuary. Their first task will be to establish the legislation and the management plan to coordinate the cooperative efforts of government agencies, local government, the community and commercial interests. While the legislation is being finalised, there will be increased policing of existing regulations on all activities in the Port River which potentially harm dolphins, and a renewed public education program by officers from several government departments. This will be coupled with a sponsorship drive to seek support from commercial interests for clearly identifiable management actions, such as educational packages for schools and the community, research into dolphins, signage, and vehicle and boat access for reaching people on the water. I can indicate to the committee that we have had a pretty positive reaction to our sponsorship drive, as you would imagine. Other actions that will follow include:

- developing and introducing a special program for school-children;
- establishing a 'friends of dolphins' group;
- providing members of the community with information about what they can do to keep our dolphins safe;
- increasing the penalties for intentionally harming dolphins from \$30 000 to \$100 000 under the National Parks and Wildlife Act 1972;
- working with fishers to improve compliance with existing rules, regulations and codes of practice to ensure dolphin safe fishing practices; and
- working with catchment groups, local government, SA Water, EPA, and the Barker Inlet Port Estuary Committee to improve water quality entering the sanctuary.

As members would also be aware, the government has allocated \$250 000 towards the dolphin sanctuary, as part of its 2003-04 budget. In addition, sponsorship of approximately \$100 000 in cash or kind will be sought each year to complement the program as outlined above. These sponsorship moneys are above the existing expenditure allocated by government agencies and local government for the present management of the precinct and will be used for additional activities.

I look forward to receiving the report, as I see the government's commitment to develop the dolphin sanctuary has significant bipartisan and community support.

Mr CAICA: Minister, during your opening statement, you mentioned that one of DEH's savings measures was the deferral of some coast protection works. Will you please advise the status of the Adelaide Coast Protection Strategy and provide the committee with additional information regarding funding of coastal works for 2003-04?

The Hon. J.D. HILL: I thank the member for his question, and I acknowledge his strong interest in this and other issues involving coastal matters. As members would be

aware, Adelaide beaches are artificially maintained to provide coast protection. While the coast is currently protected with successful beach replenishment, further investigation into new sources is needed to supply future and ongoing requirements. The Adelaide Metropolitan Coast Strategy Review reassesses the sustainability of the 30-year beach replenishment program that protects Adelaide and provides sandy beaches. As the member would know, there are significant challenges in sourcing sand of the quantity and quality required to maintain the beach replenishment program, as well as in developing methods of slowing down the rate of sand movement and recycling it. The investigations into sustainability already completed have included:

- an assessment of the economic and social benefits provided by Adelaide's beaches;
- scoping studies into potential seagrass regeneration methods;
- initial assessment of the potential environmental impacts of dredging the Section Bank for beach replenishment; and
- a comprehensive communications package to manage the issues involved in the review.

Beach replenishment will continue, in line with the existing strategy adopted from the 1997 review, with on-ground works occurring at Brighton/Seacliff, Semaphore Park and Glenelg. Beach surveys and monitoring will continue, as will coast protection works in the councils of Holdfast Bay, Charles Sturt, Onkaparinga, and Port Adelaide Enfield. The forward program beyond 2003-04 will be based on the revised strategy. The budget for 2003-04 is \$3.83 million. This is an increase of \$2.6 million compared to 2002-03, and projects to be undertaken include:

- beach/sand replenishment at Brighton/Seacliff;
- computer modelling of the movement of sand along the coast, including increases due to seagrass loss;
- studies on sand sources and transport options for future replenishment, including deep-coring of Section Bank;
- coast protection options with analysis of sustainability and cost/benefits;
- legal opinion on property rights; and
- seagrass rehabilitation trials.

However, this amount also incorporates a \$1 million deferral of coastal protection works, as a result of requirements for public consultation regarding coastal management options and the need for further investigation of a long-term sand source. A communications strategy is currently being developed that will explain:

- the history of metropolitan coast and beach management;
- the policy direction undertaken to date;
- the changed erosion rates arising from seagrass loss; and
- the environmental, social and economic consequences of sand management and beach replenishment.

In addition, additional funding for coast works is available through the Coast Protection Board Grants Program. This program, established in the early 1970s, assists local government to undertake coast protection initiatives and has been pivotal in improving coastal management state wide. Grants have been made to councils for projects, including:

- management of local erosion areas using seawalls;
- groynes and beach replenishment;
- risk reduction at low-lying towns and cities prone to storm surge flooding;
- removal of high environmental risks, such as coastal waste dumps;
- improved foreshore planning;

- dune management;
- public access control; and
- vegetation conservation.

The expenditure budget for the Coast Protection Board Program in 2003-04 is \$459 000. This includes a reduction in appropriation of \$250 000 in 2003-04, offset by the increased coast and marine expenditure on coast protection, through DEH, of about \$2.6 million. The 2003-04 budget will mainly be used for completion of existing staged projects. This is likely to include ongoing works towards the construction of levee banks to protect the cities of Port Augusta and Port Pirie from tidal flooding. The Coast Protection Board will also consider the availability of funding to its Small Community Grants Program, which was established in 2002-03 to maintain momentum built up under the joint Coast Protection Board/Council/Commonwealth Coastcare Program.

Mr HANNA: I commend the minister and the government for the One Million Trees/Urban Forest Program. Does the minister have one million seeds with which to accomplish that task and from where are the seeds being sourced? Are they being sourced from current banks of seeds for existing projects or is there some plan to obtain one million new seeds for those trees from somewhere?

The Hon. J.D. HILL: I am advised that there are a range of tree seed sources to which we can apply. Is the member concerned that we might be taking seed sources away from a group that is already doing tree planting and thereby just transferring effort from one place to another? That is certainly not our intention.

Mr HANNA: That is what I was suggesting, and I am further suggesting that if you were to go out and try to plant one million trees over the next year or whatever—

The Hon. J.D. HILL: It is a five-year program. I will take some advice on this matter, but it has not previously been raised with me as a concern. I am not aware that it is an issue. Clearly, if sufficient seeds are not in stock, we will have to go out and find them, and, of course, there are groups who do that. You can get a lot of seeds in a plastic or paper bag. I am not sure whether there is a real issue there, but I will certainly have a close look at it and make sure that we are appropriately providing seeds so that we are not de-seeding other organisations. We might be increasing the price of seeds, and I suppose, if that is the case, more people will go out to find seeds and supply that market. However, we will have a close look at it.

The CHAIRMAN: Minister, what is the current status of koalas on Kangaroo Island, which I know is a subject close to the heart of every minister? Are you continuing the same very expensive program, which was initiated by the Hon. David Wotton of sterilising or encouraging abstinence or is there some change suggested over time by people like Prof. Possingham and others?

The Hon. J.D. HILL: The short answer is that the koalas on Kangaroo Island are breeding well and eating happily through the manna gums. Since 1925 koalas have shifted from being a species introduced to Kangaroo Island for conservation purposes to one of pest status. Koalas' highly selective browsing now represents a significant and continuing threat to the islands unique vegetation communities. In 1996 the koala population was estimated to be 3 000 to 5 000, with animals mainly located within the Signet River area. Overbrowsing was identified as a significant threat to manna gum habitat on the island. In 2001 better island-wide monitoring techniques indicated that the population estimate

was closer to 27 000 and that without intervening they would become considerably larger in number shortly.

Since inception in 1996 the koala management program has expended \$1.4 million on the sterilisation and translocation control program. This funding has been used to administer the koala management program, monitor the koala population, riverine tree health and sterilise 3 600 koalas of which 1 400 have been relocated to suitable habitat in the South-East of South Australia. The management approach will be modified for the 2003-04 financial year. Low koala numbers in reference areas only—Scotch Thistle Flat and Signet River—will be maintained through sterilisation of female koalas, with no translocation of animals.

The program will continue to focus on island-wide monitoring of tree conditions and koala densities, increasing the understanding of the importance of manna gum to riparian areas on Kangaroo Island, attracting additional research partners for investigation of the consequences of manna gum decline and extinction and changes to species composition, and supported research into alternative meanings of fertility control through the Australian Marsupial Cooperative Research Centre. That is the only kind of option that gives us any real hope of getting on top of that. There are publications of the results of work done so far. We are expecting to provide \$200 000 for the program this year. It is a very serious issue. The community is obviously deeply interested in this matter and I guess it is not unfair to say that former governments have hesitated in doing more than I have described because of great community concerns.

The CHAIRMAN: Following that up, I appreciate the sensitivity of it by people who operate more on emotion than on scientific principles, but ultimately the koalas will eat themselves out of house and home. Surely, if you have to sedate them to sterilise them, would it not be quite humane to euthanase a good number of them at the same time?

The Hon. J.D. HILL: I know what the honourable member has said, but it has not been the policy of this or former governments to go that far.

The CHAIRMAN: On another ecological issue, bridal creeper is an invasive weed. I believe a year or so ago there was an announcement about some biological control techniques. Are they proving to be effective and what is the government's commitment to trying to bring in further control of that unwelcome pest?

The Hon. J.D. HILL: In general terms through the Water, Land and Biodiversity Department bridal creeper is a pest plant, which the Animal and Plant Pest Control Commission has some policy on. Once we get our NRM arrangements in place we can develop integrated approaches to deal with some of these feral plants. I will ask Mr Holmes to talk in more specific terms about what is happening through DEH.

Mr HOLMES: Bridal creeper is listed as a weed of national significance. For the past eight or nine years it has been the subject of a commonwealth-state program to find a suitable biological control agent. The state has contributed significantly to the funding over the past eight years. I cannot recall exact details, but we have made a significant contribution to that program. A number of biological control agents have been introduced and tested, and recently some were released here in South Australia. There is a rust and a beetle, with both active, but it is too early to say how significant they will be as control agents. Like all biological control agents, they work well within their range and well in certain circumstances and do not work well elsewhere. The jury is out in relation to those that have been released in South Australia.

Dr McFETRIDGE: Is the minister or his officers considering the sale of Beechwood Gardens at Stirling?

The Hon. J.D. HILL: I am on the record as saying that I do not believe that Beechwood is a garden that should be in the Botanic Gardens system. This arrangement was established by the then local member, the Hon. David Wotton, and was an arrangement entered into. I think it was a bad arrangement that created a botanic garden out of what is essentially a private garden. It is open to the public on a very limited number of days per year and costs the Botanic Gardens \$50 000 plus per year to maintain it. There are strong contractual arrangements and a bill would have to go through the parliament to change them. It is a matter of concern to me.

The Botanic Gardens Board on a number of occasions has voted to dispose of this property. I have had one or possibly two conversations with the new owners of the adjacent property and officers of my department have continued discussions with them. I would like to get a resolution on this, which would be in the best interests of the Botanic Gardens and the local community, but I do not have a specific proposition that I can share with the honourable member at this stage. I am considering a change of arrangements so that it is no longer part of the Botanic Gardens. I am prepared to look at all the options.

Dr McFETRIDGE: Before I ask my next question, I want to put on the record the fact that I own a state heritage listed property at Glenelg, my home there, and I know how much they cost to restore. I have received no funding from the commonwealth, state or local government to restore this house.

Ms Bedford interjecting:

Dr McFETRIDGE: I am doing it very well. I invite the minister to come down and look at it one day and he will appreciate how much it costs to restore some of these places. I refer to page 9.39 of Budget Paper 4, Volume 3, the State Heritage Fund. Payments last year were \$958 000 and the budget this year is \$759 000—a cut of \$200 000. I know the people at Cordillo Downs Station would like to know whether they can have money for their shearing shed also, so a cut like this will be felt all over the place.

The Hon. J.D. HILL: The State Heritage Fund is the principal source of funding to pursue community heritage conservation across the state. The fund provides funding for survey programs, small grants to owners of heritage places to help them undertake conservation works and community advisory and education programs. In 2001-02 the former government committed \$1.25 million over four years to address heritage issues. As part of this undertaking \$500 000 was injected into the State Heritage Fund in 2001-02, with \$250 000 per year promised until the 2004-05 financial year. I am pleased to advise that the government has honoured this undertaking and \$250 000 has been allocated to the State Heritage Fund as part of this 2003-04 state budget.

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

Dr McFETRIDGE: I refer to page 9.17, Budget Paper 4, Volume 3. The net cost of the subprograms for biodiversity conservation services has been reduced from \$12.398 million to \$10.973 million, a reduction of \$1.4 million. This includes such things as Operation Bounceback and Ark on Eyre. Can the minister say what the budgets were last year and what the budgets are this year for Operation Bounceback, Ark on Eyre, Yurrabilla, the Bush for Birds program and East meets West program?

The Hon. J.D. HILL: I will come back to the honourable member's question. A question was asked earlier about water restrictions in the Botanic Gardens. The Adelaide Botanic Gardens, the Mount Lofty Botanic Gardens and the Weetunga Botanic Gardens are making preparations to comply with water restrictions that come into force from 1 July. Gardens management are committed to reducing water use to meet a 20 per cent reduction target, consistent with the protection of the garden's historic plant collections and landscape values.

The Botanic Gardens Strategic Plan contains targets to model sustainable horticultural practices based on wise water use, consistent with the current restrictions. The Botanic Gardens will continue to liaise with SA Water to ensure protection of the gardens and delivery of water savings. I announced a partnership between the gardens and SA Water at Hahndorf last year. In addition, Professor Tony Wong of the Ecological Engineering Department at Monash University is conducting a review of the potential reuse of water. National parks will be subject to the same restrictions as SA Water customers, and no exemptions have been sought by them.

On the matter about which I have just been asked, I advise that the decrease in net expenditure of approximately \$620 000 between the 2002-03 estimated result and the 2003-04 budget primarily reflects the finalisation of commonwealth Natural Heritage Trust projects in 2002-03 of \$1.9 million, offset by increased net expenditure in 2003-04 in relation to the One Million Trees Urban Forest program of \$750 000. A whole range of programs are being funded, for example: Kangaroo Island, restoring and reconnecting remnant vegetation, \$234 900; Eyre Peninsula, protection of key threatened species and habitat, \$220 000; Lower Murray, recovery of threatened biodiversity in the Murraylands, \$136 000; Mount Lofty Ranges and Greater Adelaide, threatened species and threatened ecological communities recovery, \$478 000; Northern and Yorke agricultural district, conservation of threatened species and threatened ecological communities, \$255 000; Rangelands, Flinders Ranges Bounceback, ecological recovery in action, \$160 000; South-East, wetlands management and restoration in the Lower South-East, \$150 000; and there is a whole list of programs that I have already referred to in answer to a question by the member for Mitchell. It is really as a result of changes in the NHT arrangements.

Dr McFETRIDGE: I refer to the Wildlife Farming and Take from the Wild programs. What do they involve and how much money is going towards them? It is the same reference.

The Hon. J.D. HILL: As I understand it, the department supervises any take from the wild. People who do take from the wild under licence pay an amount for doing so, and those funds go into the Wildlife Conservation Fund.

Dr McFETRIDGE: What species are they taking?

The Hon. J.D. HILL: They take a variety of species that are allowed under the arrangements, and kangaroo is one such species. There would be others that are taken for research programs. I will ask Mr Holmes to give the detail.

Mr HOLMES: The Take from the Wild program covers those species that are taken for the trade, so some bird species are taken under that program, but also one-offs that may relate to endangered species, breeding programs, etc., where the breeding stock is taken from the wild. It is quite a small program.

Dr McFETRIDGE: They are very good programs and they ought to be supported.

The Hon. I.F. EVANS: I have a supplementary question on the Take from the Wild program, and the minister may have to get back to me on this. Is it true that there was a case on Kangaroo Island where someone tried to get one of the Kangaroo Island koalas under the Take from the Wild program but was refused and, as a result, had to import a koala to Kangaroo Island from Western Australia?

The Hon. J.D. HILL: I am not aware of it.

Mr CAICA: I draw the minister's attention to sub-program 6.2, Sustainability Strategies, on page 9.24 of the Portfolio Statements. What is the intended role of Zero Waste SA?

The Hon. J.D. HILL: In 2002-03, a new framework for integrated waste management was developed. Under this framework, a new independent waste entity, Zero Waste SA, will be established to coordinate efforts throughout the state to avoid and minimise waste, as well as encourage recycling. This was a major commitment made by the Labor Party in opposition. The formation of Zero Waste SA will also meet the 2002 state election commitment to provide a new legislative framework under which the government can work with the private sector and local government to drive a new and integrated strategy for waste reduction and end South Australia's dependence on landfill sites.

Zero Waste SA will be a statutory body with its own source of revenue derived from the waste depot levy imposed under the Environment Protection Act 1993. A bill to give effect to Zero Waste SA will be introduced into parliament in the next session. It is important to note that Zero Waste SA will develop the state waste strategy, and the Environment Protection Authority will develop and administer a waste environment protection policy as a regulatory instrument. I mentioned that Zero Waste SA will derive its income from the waste depot levy imposed under the EPA act. That levy will be increased to \$10.10 in the metropolitan area and \$5.05 in the country area, and the allocation of those funds will support the EPA's activities and the operations of Zero Waste.

Members may recall that, this time last year, I announced the formation of the Office of Sustainability to drive the sustainability agenda across government. I am pleased to announce today that a separate administrative unit under the Public Sector Management Act, to be known as the Office of Zero Waste SA, will be established from 1 July. The office will undertake some of the work of Zero Waste SA; in particular, development of the state waste strategy to end South Australia's dependence on landfill sites so that the board will have something tangible to consider when it is appointed under the legislation later this year.

Mr HANNA: I refer to subprogram 1.5 on page 9.14. This is a simple question requesting more particular information. It is pleasing to see an increase in funding in this area of fire management, and I am seeking a greater breakdown of the spending of that additional funding in respect of the activities listed in the budget papers. In particular, there is an issue of whether there is a sufficient allocation of resources to determine where and how there should be burning, as well as simply burning programs.

The Hon. J.D. HILL: I will perhaps ask Mr Holmes to give some of the detail. In general terms, I guess there are two priorities for the program. One is a health and safety aspect: we want to look after human life and human property. There is also an ecological aspect to it. It is important that, as part of the management of our natural estate, burning occurs for certain ecological purposes. I recall listening to an

interesting address given by David Paton from Adelaide University in relation to the work that he had done in Ngarkat, where a considerable amount of fire has burnt sections of that park over the years. There have also been floods and droughts on that piece of land. Mr Paton has done a huge amount of research into the biodiversity of the region and what happened under certain circumstances. It was a very good model, because it allowed him to examine what happens under drought, flood and bushfire conditions. He found that there was a relatively small section of that park where the animal and bird life contracted to when everything was under threat. So, that is one section of that park that it is highly important to protect. It would not matter, in a sense, if 90 per cent of the park was burned (because it would all revive pretty quickly), as long as that core biodiversity centre was protected.

We have to manage our natural estate in such a way that we enhance the biodiversity by allowing certain species that require fire to continue to reproduce, but that we do it in such a way that we do not burn out particular species, while at the same time, of course, managing the risks to human settlement, and that is particularly so in the Mount Lofty Ranges. I will ask Mr Holmes to give a little more detail.

Mr HOLMES: In answer to another question about some detail of the fire expenditure, we indicated that we had yet to finalise our discussions with the Country Fire Service. I can give some indication as to the sorts of things that are being contemplated. To follow on from what the minister said, the importance of a scientific basis to both the preventative work and any controlled burning that is contemplated is very important, and a significant amount of the additional money will go towards employing fire management officers who will be ecologically trained and specialists in each of the regions in the state, as well as providing for some research capacity, which will probably be delivered through a partnership with the universities in Adelaide. There is a balance of preventative work, controlled burning and science that underpins the program. In total, we propose to spend about \$3.5 million on the fire program—the existing \$1 million allocation plus the \$2.5 million that has been added to the budget this year.

Mr HANNA: I am seeking more information in relation to the national parks management budget. I understand that there was a block of funding of \$30 million over six years, which has come to an end. I am seeking general information about ongoing arrangements for funding of national parks (I can see that this relates, to some extent, to sub-program 1.1 on page 9.11). Where there is an increase in funding, what is the focus of that additional funding, whether it is for improved visitor amenities or whether it is an emphasis on the sustainability aspect of management?

The Hon. J.D. HILL: I thank the member for that question because, in fact, he has put his finger on an important shift in government expenditure from asset replacement and management that occurred over a previous number of years—and the former government initiated that, and I am not criticising it for that; it was important work to be done. The Kangaroo Island facilities, I guess, are the most dramatic example of the kind of contributions to the parks system that were made under that regime. The capital works program, if you like, for improvement to visitor facilities has really come to an end, and now the emphasis is on expenditure for biodiversity and ecological services within the parks system. As I understand it, the funding stream has been maintained, but the focus will now be more on the issues of species loss,

biodiversity and those kinds of goals that, really, the national parks system is there for.

Mr HANNA: Can the minister give any more detail today on that matter?

The Hon. J.D. HILL: Mr Holmes might be able to do that. But if he cannot, we will certainly obtain some information for the member.

Mr HOLMES: What specific details was the member after?

Mr HANNA: Is there a breakdown within that additional funding that specifically goes to sustainability management issues?

Mr HOLMES: That \$30 million was made up of an allocation of \$4 million in the investment program and \$1.5 million in the recurrent program. As the minister has indicated, that funding has been maintained, or continues. In terms of program detail, I cannot provide that information at the moment.

Mr HANNA: If the minister could get back to me, I would be very pleased.

The Hon. J.D. HILL: I think Mr Holmes is saying that it has not yet been determined. We can arrange a briefing subsequently, once those decisions have been made, if that is acceptable to the member.

Mr HANNA: Yes, thank you.

Membership:

Mr Williams substituted for Mr Goldsworthy.

The Hon. I.F. EVANS: Continuing on from the member for Mitchell's questioning and the answer that Mr Holmes gave, it used to be a \$4 million allocation to capital and a \$1.5 million allocation to recurrent out of what was the parks agenda program, which was \$30 million over six years. There is nothing in the budget for capital works for national parks other than the maintenance line. When the minister says that the line is continuing and being put into biodiversity programs, are we talking about the \$1.5 million program being continued and going into the biodiversity programs, or are we talking about the \$5.5 million a year program being continued and all going into biodiversity programs?

The Hon. J.D. HILL: As I understand it, the capital works program 2003-04 has a \$11.784 million total.

The Hon. I.F. EVANS: That is maintenance—it is in the 'maintenance' line.

The Hon. J.D. HILL: It is listed under that at the moment, but I understand that there will be some allocation for major works as well. It has just been listed in that way at this stage. Perhaps I can obtain some more detail for the member. But we are working through how those funds will be expended. Mr Janssan might be able to give some of the detail.

Mr JANSKAN: At this stage, we have not finalised the composition of the 2003-04 budget. As a stopgap measure, we included the full allocation under 'minor works' in the investing statement prior to reallocation. But there is a continuity of \$4 million of capital for parks infrastructure, as was the case under the parks agenda.

The Hon. I.F. EVANS: To clarify that, that \$4 million is included in the \$11 million?

Mr JANSKAN: That is correct.

The Hon. I.F. EVANS: So, any impression that might have been gained from the previous answer that we have suddenly swapped \$4 million across to biodiversity programs

is wrong: all we have done is maintained what was already in place?

The Hon. J.D. HILL: That is exactly what Mr Holmes said: we have maintained the program commitment.

The Hon. I.F. EVANS: I certainly got the impression from the answer (others might not have, but I did) that the whole program was being swapped across to biodiversity programs.

The Hon. J.D. HILL: No.

The Hon. I.F. EVANS: Clearly, that is not what you are saying. In relation to Crown lands, the opposition is still being flooded with queries about when the legislation will be debated. So, we again ask the minister whether he will give an undertaking to debate this legislation prior to 30 September? If not, why not?

The Hon. J.D. HILL: One of the members of the opposition asked me this question when we last sat, and I made the point then that the question of the timing of legislation being discussed by the house was something over which I had no control: that this was managed by the leader of the house and the Deputy Leader of the Opposition as the leaders of business in this place. As the member knows, we have only a few days' sitting left before the end of this session. I would be very pleased to have the legislation debated and dealt with in this session; however, whether there is time on the agenda, of course, depends on how quickly the house deals with the other measures that it has before it. The matter has gone through the second reading process in this house—

The Hon. I.F. EVANS: No.

The Hon. J.D. HILL: I thought that it is at the committee stage.

The Hon. I.F. EVANS: We only started the second reading so that it could be sent to a select committee. The minister may recall that that was the whole purpose of the debate.

The Hon. J.D. HILL: It has been so long now that I cannot recall where we are. However, I was advised that we were at the committee stage, but I will check on that. Nonetheless, the process has been a slow one, because of the select committee process. I do not reflect on the decision of the house to do that, but that is why it has taken until now to be in a position for the legislation to be dealt with.

The only item in the legislation which is in the package is the issue of the minimum charge of \$300 per annum per lease. All the other items, of course, have been done as a matter of policy and will persist whether or not the legislation is passed. So, that matter is the only outstanding issue. However, I cannot guarantee when the legislation will be dealt with by the house; it depends on how quickly the house deals with other measures that it has before it. Certainly, I would be very pleased to have it dealt with in this session.

Mr WILLIAMS: Recently, I was delighted to receive this publication *Green Print SA 2003*, which seems to set out the government's agenda for green/environmental issues.

An honourable member interjecting:

Mr WILLIAMS: Well, I suspected that it was a government newsletter.

Ms Bedford interjecting:

Mr WILLIAMS: If the member has a little patience, I will get to that. I crave the committee's indulgence. I have only five minutes, but the government members will not let me use even that.

Members interjecting:

The CHAIRMAN: Order! The member for MacKillop is asking the questions.

Mr WILLIAMS: Thank you, sir. I refer to page 2.25, Budget Paper 3, under 'department savings initiatives'. Under 'animal and plant control', it states 'reduced program for animal and plant control on crown lands: \$100 000 per year'. Further down—

The Hon. J.D. HILL: That will be debated this afternoon under water, land and biodiversity conservation, so the member may like to hold fire until we are addressing those lines in the budget.

Mr WILLIAMS: The publication is—

The Hon. J.D. HILL: If the member is asking a question about water, land, and biodiversity conservation, I can say that we will be dealing with that this afternoon.

Mr WILLIAMS: I will wait then. What was the cost to the taxpayers of South Australia to publish and distribute this document?

The Hon. J.D. HILL: I do not have those figures with me, but I am happy to provide them to the member. The intention of this document is to publish, on an annual basis, the targets that the government is setting itself to achieve its environmental goals across a range of portfolios. That is why it contains material about water, land and biodiversity conservation, as well as material about transportation. We will issue a similar document on a yearly basis, so that the public and the parliament can see the progress that has been made against each of those key criteria. I am not too sure of the exact cost. Not too many copies of the publication have been produced, as I understand it, but I will find out and provide that information to the member.

Mr HANNA: I have three questions, which I hope will be fairly straightforward, one of which is in relation to the Greenprint publication referred to on 9.24. There is also to be a state of the environment report and a government response to that report. Is there an element of duplication with those three documents?

The Hon. J.D. HILL: I understand what the member is saying, but I do not believe that to be the case. The State of the Environment report is an objective analysis, by an independent authority, of the state of the environment which will develop its own criteria and measure how we are going. This happens every five years. I think that a third report will be published later this year that will indicate issues involving water and air quality and a whole range of environmental criteria.

This document indicates the government's stated intentions in terms of goals and what it has done to achieve those goals over a 12-month period. We do not want to wait every five years to report what we are doing. I will ensure that the SOE report informs the annual report, which is done by an objective body. We will take that and apply it to ourselves on an annual basis, so that we can address the environmental concerns and issues abroad which have been particularly adopted by the government in terms of programs. So, it is that kind of relationship.

Mr HANNA: Again, in relation to a matter that has already been covered in one of the minister's answers, namely, the outsourcing of the aerial mapping program referred to on page 9.27, the minister referred to savings of \$800 000, according to my recollection (although I stand to be corrected). Is there an offset figure of the amount that the government will need to spend each year in engaging whichever private sector company to undertake aerial mapping for the government, or government agencies?

Secondly, does this outsourcing represent a broken promise in respect of the government's opposition to privatisation?

The Hon. J.D. HILL: To address the issue of policy first: no, it does not. The aerial photography process that is currently in place, which will finish at the end of this financial year, is, in fact, an outsource arrangement which was put in place in 1998. We hire an aeroplane and a pilot who provide the capacity to do the service. Prior to that, the government used to own its own aeroplane. The company that provides the aeroplane has indicated that it is no longer prepared to provide that service. So, we are now in the position of not having any capacity to deliver that service at all, unless we purchase our own aeroplane, which would be a big capital cost, or hire a new company. I understand that we are not aware of any company that is prepared to do that work for us on an ongoing basis; even if there were, the cost of paying for it would be quite substantial, because the reason the current company has said that it does not want to continue is that it is not receiving enough income from it.

In addition, I understand that we would have to purchase new photographic equipment (new cameras), which I gather would cost about \$2 million. The department's current technology is very old and needs to be upgraded. In addition, the move is towards satellite technology. Certainly, it is true that the government will not own its own satellite; however, clearly, it is a better source of material. We used that technology in relation to the native vegetation clearance action (Operation Aegis) in the South-East, and that was excellent material that provided the real capacity to clear up a whole range of things.

An ongoing line in the budget (I think that it is about \$100 000 to \$150 000) allows us to hire planes to provide us with the information that the department will need on an ongoing basis. The regular program, which had been taking place, will not be continued for the reasons I have just given.

Mr HANNA: As a supplementary question, rather than calling it outsourcing, is the minister saying that there was a government function, hitherto exercised, which will simply no longer be provided?

The Hon. J.D. HILL: It is a bit of both. We will be doing less aerial photography. We will do aerial photography on a needs basis rather than a programming basis but, more importantly, over time, we will move to satellite technology rather than aerial photography technology, and that is really where things are going. I think that every other state has really moved in that direction as well. It would be a bit like complaining 20 years ago when we were getting rid of particular typewriters to replace them with computers. It is just that technology changes.

Mr HANNA: My third and final question is really a question of detail concerning the Living Coast strategy. I appreciate that the minister has already given an answer covering the sand replenishment program and the research required in different areas to ensure that we are taking the best approach to that problem. How much was spent on the research aspect of that work in relation to the sand replenishment problem, particularly for Adelaide's beaches, and how much will be spent in the coming year on that research work?

The Hon. J.D. HILL: I do not believe that we have that level of detail on us but we can certainly get that information for the honourable member. I gave an answer, I think, in relation to sand management issues before in some detail, which demonstrated that there was a fairly significant extra amount of money for coastal management issues. As a government we are certainly very committed to our Living

Coast strategy and, over the next 12 months, or so, we will be doing a range of things. I may have the detail here. The Adelaide metro coast strategy review reassesses the sustainability of the 30-year beach replenishment program. I think I may have already given this information. I have given this detail before; so, I will not go through that again. I do not think I have the specific breakdown but, certainly, we are putting in \$3.83 million this coming budget year, which is \$2.6 million up on the previous year.

Mr HANNA: A lot of that will be allocated to sand transportation, though.

The Hon. J.D. HILL: I think that I read it out before. It is beach sand replenishment at Brighton/Seacliff; computer modelling of the movement of sand along the coast; studies on sand sources and transport options for future replenishment; coast protection options (with analysis of sustainability and cost benefits); and legal opinion on property rights and sea grass rehabilitation trials.

Mr HANNA: If that could be broken down as a question on notice for further detail, it would be appreciated.

The Hon. J.D. HILL: We certainly will break it down at some stage. We will get that information to the honourable member.

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

The Hon. J.D. HILL: I just want to thank my officers and the other staff who have been involved in the preparation of today's items.

Environment Protection Authority \$8 718 000

Departmental Advisers:

Dr Paul Vogel, Chief Executive Officer, Environment Protection Authority.

Mr John O'Daly, Director, Corporate and Business Support, Environment Protection Authority.

The CHAIRMAN: I declare the proposed expenditure open for examination. I refer members to appendix D, page 3 in the Budget Statement and part 9 pages 9.66 to 9.79 in Volume 3 of the Portfolio Statements. Does the minister wish to make an opening statement?

The Hon. J.D. HILL: Yes, Mr Chairman. As I said earlier today, Labor's priorities are clear in this budget. This is a budget to balance the books and to protect the environment. It is appropriate that extra resources are provided to the EPA. The independent Environment Protection Authority was established in the government's first year to be the environment's watchdog. Under its Chair and Chief Executive, Dr Paul Vogel, a new and expanded governing board has been appointed to enforce the Environment Protection Act of 1993. It also has responsibility for administration of the Radiation Protection and Control Act 1982.

The Radiation Protection Branch, which is charged with licensing uranium mining and regulating the use of radioactive materials has been brought into the EPA from the Department of Human Services. I would like to take this opportunity to commend the Acting Director of the Radiation Protection division of the EPA, Mrs Jill Fitch, for her recent award of the Public Service Medal for her outstanding contribution to the field of radiation protection during her four-decade career as a radiation health physicist. For about

the last 25 years governments have benefited from her extensive knowledge of radiation protection issues.

While I am mentioning radiation protection issues, I would like to advise that the EPA has completed the physical audit of radioactive materials in South Australia. Almost all of the known sites at which radioactive materials, including waste, have been kept have been inspected and a report is being prepared. I expect to receive a report within the next few months. Dr Vogel advises me that the auditor has found only a small number of sites where storage may need an improvement in the short term. A key change for the environment and conservation portfolio in this year's Portfolio Statement is the separate reporting of financial and program information for the EPA.

As an independent agency, information relating to its operations is now clearly transparent in line with the government's policy for honesty and accountability. In 2003-04 EPA budget expenditures will increase by 11.5 per cent in real terms to a total of \$25.24 million, after adjusting for once-off funded projects and carry-over funding. The EPA will make savings of \$1.25 million to be made through the following: a review of EPA operations to find savings of \$525 000 by reducing consultancies and contractors and reducing the size of the car fleet.

A number of business efficiency reviews will be undertaken in support areas to find savings through more efficient processes and minimising waste, and transfer of non-regulatory functions to a new statutory waste entity, Zero Waste SA. These functions include the development of the State Waste Strategy, programs to assist the development of recycling industries in South Australia and the reduction of waste disposal to landfill. In addition, \$2 million has been provided to enhance the EPA's core services, such as container deposit legislation, community monitoring (which includes AirWatch, WaterWatch and Frog Census) and to implement the Environment Protection (Water Quality) Policy.

The EPA will continue to develop new environment protection policies for air quality and waste, new legislation (site contamination legislation is being prepared at the moment) and new codes of practice. It is worth noting that at the recent Ministerial and Business Sustainability Summit held in Brisbane under the chairmanship of the commonwealth Minister for Environment, Dr Kemp, ministers identified many important drivers for sustainability. Some of these include:

- a regulatory environment that promotes sustainability;
- a reduction in unsustainable business practices;
- industry disclosure of environmental, social and economic impacts and improved corporate governance; and
- continuing government/industry partnerships to support innovative technologies and solutions to threats to sustainability.

The draft EPP on environmental noise has been released. This policy will include specific measures for such things as wind farms, audible bird scarers and provide a simplified mechanism for bringing in specific measures as new issues emerge (this might include, for example, frost control fans). While the policy will not directly control rail noise, I will add, knowing the member for Davenport's interest, that the EPA has been proactive in encouraging research into the problems of rail noise, and I am advised that a new monitoring program will commence soon.

Last week I launched the new environment protection water quality policy which will come into effect from

1 October this year and will provide a consistent legislative framework to protect the state's water resources from pollution. This policy will change community attitudes and behaviour in much the same way as litter legislation did when it was introduced many years ago. While the policy will impose new mandatory controls, I am assured that the impact on industry will be minimal where the industry is already doing the right thing. Where practices now in breach of the policy have been considered acceptable for many years (such as the discharge of grey water from houseboats on the River Murray), adequate time will be given to meet the requirements of the policy. The policy has taken many years to develop and I acknowledge the opposition's support for it.

The improvement in air quality since the phase-out of leaded petrol has reached the point where Adelaide's airborne lead levels are considerably less than 10 per cent of the national environment protection measure standard of 0.5 micrograms per cubic metre. At some monitoring sites lead levels were below 1 per cent of the standard. Accordingly, the EPA will no longer monitor lead in air and will use these resources for priority tasks. Air monitoring will be expanded to include very small particles down to 2.5 microns and air toxics.

The EPA has commenced a review of the environmental impact of the in situ acid leach mining process with a projected cost of approximately \$100 000. Changes to the Environment Protection Act introduced by the government have been completed and considerably strengthen the EPA's powers. The EPA's public profile as the environmental regulator has been enhanced. Further proposed changes to the act will put South Australia at the forefront of environment and protection legislation in Australia.

CDL legislation was implemented from 1 January 2003. While there were one or two vocal objectors, the beverage industry generally responded well to the changes, especially the local fruit juice and milk industry. The EPA has assigned two additional FTEs to assist the two existing officers implement those changes. The impact of expansion is already being felt, despite some media reports recently that the surveys have found a significant reduction in some containers recently added to the container deposit regime.

Partnerships with local government for delivery of environmental protection services have been consolidated, with two full-time equivalents dedicated to this partnership process. Additional funds have been expended to provide training and equipment, including noise level meters for council officers.

Environmental audits are being carried out in the upper Spencer Gulf where industries, including OneSteel, were closely inspected by a team of EPA officers. Five officers spent five days auditing processes at the OneSteel plant, while other audits of the OneSteel plant looked at its impact on the marine environment and air quality and its landfilling practices. During the OneSteel audit 20 issues of concern were flagged by the EPA. Of these, 19 were resolved by the end of the audit and one resulted in the issuing of an environment protection order. This matter has now been resolved as well. The EPA targets for the 2003-04 financial year are as follows.

For radiation protection, prepare proposals for, and consult on, amendments to the Radiation Protection and Control Act 1982. This will include consideration of controls and the use of some lasers. This matter has now been resolved as well. Following completion of the audit of radioactive materials, the EPA will report to government on the management and

control of radioactive waste and materials. For pollution reduction, in regard to the Port River, the Environment Protection Authority has been successful in obtaining funding from the commonwealth for six projects focusing on the Port River waterways. The projects are targeting nutrient reduction strategies to improve water quality in the Port River estuary and are part of the commonwealth's coastal catchment initiatives program.

The projects cover the development of a comprehensive water quality improvement plan, codes of practice for marinas and wharf handling facilities, a pilot load-based licensing initiative, a feasibility study for the nutrients offset program and water quality monitoring in stormwater systems. The total cost of all six projects is \$1.603 million, of which \$1.22 million is funded by the commonwealth. Six project officers will work on that. The EPA will introduce incentives packages for licensees that demonstrate excellent environmental management performance. Incentives include accredited licences to encourage and reward the pursuit of best practice environmental management standards and fee reductions for licensees who enter into environment performance agreements with the EPA.

For best practice environmental management, the EPA will prepare site contamination legislation; further strengthen the EPA act (and I will not go into the detail of that); introduce progressive and systematic reforms to the licensing system and compliance and enforcement policy; amend the Environment Protection Act to improve the application of container deposit legislation to overcome legal and administrative difficulties; and, finally, continue to support local government response to its obligations with respect to local environmental matters such as domestic noise (for example, from air conditioners, discharges to the stormwater system and issues relating to small, non-licensed industries). So, as members will appreciate, it will be a very busy year for the EPA.

The CHAIRMAN: Minister, I was interested in your statement that the EPA is no longer monitoring lead levels in relation to vehicles. There is now more attention focused on diesels, and I will quote from an ABC program this year. Dr Lyn Denison, who is the principal scientist on air quality with Victoria's Environment Protection Authority, states:

Diesel is considered to be a carcinogen. There's enough evidence now and also the overseas regulatory agencies suggest that there is a carcinogenic effect of diesel exhaust.

And he talks about people at risk. Professor Michael Abramson, Professor of Epidemiology and Preventative Medicine at Monash University in Victoria, states:

Diesel exhaust is a chemical cocktail of about 450 different compounds. At least 40 are toxic contaminants like arsenic, benzene, cadmium, dioxins, toluene and formaldehyde. Even the two most carcinogenic chemicals ever discovered, 3-nitrobenzanthrone and 1,8-dinitropyrene, are found in diesel exhausts, especially from engines working under heavy load.

He talks about people at risk who live near roads and travel in motor cars and so on. Will the EPA monitor this issue of the risk from dirty diesels, as it is commonly called, now that it will no longer monitor lead emissions from vehicles?

The Hon. J.D. HILL: Thank you for that important question, Mr Chairman. I think the short answer is yes, but I will ask Dr Vogel to give some detail about that.

Dr VOGEL: Under the National Environment Protection Council the issue of emissions from diesels has been managed through the development of a national environment protection measure, and Transport SA in fact has received

funding to test inservice vehicles for diesel emissions. We still will monitor for a range of criteria of air pollutants developed under a national measure, of which particles are key contributors. Also, through the state of environment reporting, we will deal with strategic policy and technical issues in recommendations to government, and the issue of diesel NEPMs I think will be adequately covered through that process.

The CHAIRMAN: One of the reasons I mention this topic is that I know it is not easy to restart large diesel engines in rail cars, but they are run continuously at the railway station while waiting to go out on their schedule. There seems to be very little effort to apprehend people who obviously do not clean the injectors on their diesels, even though the police and Transport SA say they do. But I see very little evidence that anyone is cautioned or advised or penalised for running dirty diesels which may have a serious impact on people's health. I make those observations for the EPA to pick up.

The Hon. I.F. EVANS: I have not made a practice of making an opening statement, but I support the minister's comments in relation to Jill Fitch and pass on the congratulations of the opposition and my personal congratulations. I have worked with her and she is an outstanding officer and thoroughly deserves the recognition she has been given.

Given that the EPA is negotiating with a range of local government bodies to introduce waste recycling services, either to those council areas that currently do not have them or to those that have restricted services, is the EPA intending to force local councils to take on waste recycling measures regardless of the impact on rates, and has the EPA assessed what its requirements for waste recycling services are doing to council rates? There is a lot of criticism in the community about council rates and we hear consistent complaints that some of the requirements that the EPA negotiated with councils will put up rates somewhere between \$500 000 and \$1 million a year.

The Hon. J.D. HILL: I think that is an important question, and I have certainly had comments from my local council about this matter. I guess the process the EPA was going through in its waste management EPP was to develop a command-driven policy which would require certain types of recycling performance and certain sorts of bins to be put out under certain circumstances. So, it is a very directional kind of arrangement. From a policy point of view, I think that this needs to be looked at—and is being looked at. The establishment of Zero Waste, and the shifting of the arrangements between the EPA and Zero Waste, will have the EPA in a regulatory role, ensuring that the rules are complied with whereas Zero Waste will be setting up some sort of general policy structure aimed at achieving Zero Waste. I think that I would prefer to see a system in place where outcomes rather than inputs are specified, and where we could work with local government to achieve those outcomes.

Zero Waste has yet to be established, but that is the direction that I would hope Zero Waste will pursue. So, I think there needs to be a fair bit of policy work and sorting out between the two agencies as to what it is we are really trying to do. I think the points made by the member are incredibly valid, and I assure him that we will take them on board.

The Hon. I.F. EVANS: As a supplementary question, does the EPA have the power to force councils to take on recycling programs the councils themselves do not want? Can the EPA actually instruct and override the council?

The Hon. J.D. HILL: Currently, the EPA does not have those powers. If we were to introduce an EPP on waste similar to the one we have just introduced in relation to water, and it contained such rules, I guess it would then have that power. However, as I understand it from Dr Vogel, the EPA is not contemplating asking to have those powers given to it and, in any event, it would still have to go through the parliamentary process as a regulatory mechanism. So, the answer is no.

The Hon. I.F. EVANS: In regard to radioactive waste, now that the federal government has ruled out using South Australia as the site for the medium level storage facility, will the minister now rule out South Australia using the national medium level facility for the storage of South Australia's medium level waste?

The Hon. J.D. HILL: I am happy to answer the question, but I point out that it is not relating to any budget line, at this stage. However, I have answered this question—

The Hon. I.F. EVANS: How is it not related to a budget line when the EPA is going to make a recommendation on where to store the waste?

The Hon. J.D. HILL: I said that I will answer the question, anyway. The member should listen to what I say.

The Hon. I.F. EVANS: I did listen to what the minister said. The minister said that—

The Hon. J.D. HILL: I said that there is no budget line at this stage. The answer is the same as I have given on previous occasions when I have been asked this or similar questions: no, I will not rule that out.

The Hon. I.F. EVANS: So, let me understand that—

The Hon. J.D. HILL: The member understands; he knows what I said.

The Hon. I.F. EVANS: No, I am going to clarify it, so that I am really clear, John.

Ms Bedford interjecting:

The Hon. I.F. EVANS: Or speak slowly, as the member for Florey mentions. The way I understand it, the state government will not rule out using a medium level radioactive storage facility sited in another state. So, we are happy to transfer our medium level waste to another state, but we are opposing other states transferring their low level waste to South Australia. Is that, as I understand it, the position?

The Hon. J.D. HILL: All I can do is say what I have said before: the answer to your question is no. The government's policy position is as it has always been: we believe that each state should look after its own waste. I will not rule in or rule out anything until the landscape has been settled and, at this stage, it is not settled.

The Hon. I.F. EVANS: With regard to the report the EPA is now going to do on radioactive waste, we had the announcement that it was going to conduct an audit and make a recommendation of where it would store the waste, which was to going to be ready by 30 June. We now find, quite conveniently, that the audit was announced today as being finished, the parliament will debate the legislation this week and, I guess, in the next week until just before July in the upper house, regarding the public park and all that exercise. What is the time frame for the report and the recommendations to be delivered to the parliament, so that, when we have the debate, we actually have the facts before us, because, currently, we do not have all the facts before us? We keep debating legislation without having the facts before us. We were guaranteed that it would be completed by 30 June: but now we do not get the report or the recommendations.

The Hon. J.D. HILL: Well, I predicted the last time—I do not know whether it was during the last estimates committees or the last Auditor-General's Report—that the member would start saying that we guaranteed certain things. I think that I made it very plain that it was a prediction that we would finish by the middle of the year. As I said, when I went through that, it may be a little bit longer or a little bit shorter, but it was not a specific guarantee to any—

The Hon. I.F. EVANS: That was the minister's target.

The Hon. J.D. HILL: Exactly, but a target is not a guarantee. The EPA has informed me that the base work—the auditing work—has been completed, and it is now going through a process of preparing a report. I said to Dr Vogel the other day—and I will ask him to comment in a second—'What process will you now go through to get me a report?' I said, 'I'm not asking you to slow down, and I'm not asking you to rush it. I want you to do it in the proper way, so that we can have that information.' I am not trying to slow down the report coming to the parliament, but things take the time that they take to be completed.

The question of whether or not this state should have a low level radioactive waste dump is not dependent on the outcome of Dr Vogel's report. That is a policy decision, which was taken by the government when it was in opposition, and which we are now pursuing, as we have been for one year and three months. I will ask Dr Vogel to perhaps add to that statement.

Dr VOGEL: Whilst the physical audit of Science in South Australia has been completed, the Radiation Protection Committee saw the first draft of that report on 19 June, which was last week. It is a significant document, and the committee is treating it extremely seriously as both a policy and technical document. It needs to be right, and we are very keen to make sure that it is right rather than meet any particular target. An enormous amount of work has been done. The Radiation Protection Division has been under a fair amount of stress with its move to EPA, but we will deliver a document to government, as the minister has said, within the next few months.

Ms CICCARELLO: Minister, recently there have been some press items concerning site contamination, which has been identified at both Birkenhead and Glenelg North. I also note from the Portfolio Statement 9.67 that the Environment Protection Authority is preparing a draft site contamination bill. Can the minister please expand on this?

The Hon. J.D. HILL: I thank the member for this important question. This is an issue that has been plaguing governments for some many years. As it stands, there is no specific legislation in South Australia dealing with the significant problem of site contamination. The EPA has developed a protocol for use by planning authorities in assessing the suitability of sites for an intended use if contamination is suspected. While some authorities are responding well to the protocol, others are less aware of the issues, and the EPA has written to all local councils to raise awareness.

However, this begs the question of who pays for the clean up of contamination. This is clearly one of the most difficult issues to be addressed in the forthcoming bill and will, no doubt, be the subject of much debate during the public consultation process. I will be discussing with the Minister for Urban Development and Planning options put forward by the EPA for amendments to the Development Act 1993 to ensure that site contamination is adequately considered for all new developments in the state. This should ensure that

situations such as that at Birkenhead do not occur in the future. I can assure the member that the chief executive and the Board of the EPA have placed a very high priority on drafting the bill, with at least one new FTE assigned to the task in the new budget.

Dr McFETRIDGE: Where is the site at Glenelg North?

The Hon. J.D. HILL: Buckle Street. We can give you a briefing on the site as you should know about it.

Ms BEDFORD: I refer to page 9.67, highlights from 2002-03, which indicates that the EPA expanded its water quality monitoring program. Will the minister provide further information?

The Hon. J.D. HILL: The EPA's water quality monitoring program has been expanded to include the southern beaches, additional rivers and streams and aquifers and important estuaries. The expanded water quality monitoring program includes ground water, with 160 monitoring wells in the South-East, Eyre Peninsula, Yorke Peninsula, Northern Adelaide Plains, Barossa, Adelaide Plains and Willunga Plains aquifers. Inland waters have 98 monitoring locations on 50 river streams and lakes, and marine and estuarine waters have 53 monitoring locations and 15 coastal water bodies across the state.

In addition to the water quality monitoring programs, the EPA will undertake targeted studies on pesticides in sediments of rivers, streams, estuaries and lakes and will look at Barcoo Outlet stormwater quality. The estimated cost for 2003-04 is \$672 000. In addition, the EPA has been successful in obtaining funding from the commonwealth for six projects focusing on the Port River waterways, which I mentioned before. The total of the projects is \$1.603 million. Some of the projects will entail letting of commonwealth funded consultancies to assist with the specific target projects with a limited term. While the commonwealth has committed to funding the work, time frames are still being negotiated.

Mr HANNA: On page 9.70 there is reference to regulatory reform. Has any work been done in the department on possibly removing the exemptions under section 7 of the Environment Protection Act, which essentially relates to petroleum exploration and waste from mining activities?

The Hon. J.D. HILL: I am aware of the issue the honourable member raises and certainly I have had other representations in relation to that. We are planning to bring into the parliament another bill to amend the powers of the EPA. This will be the second round of legislation to strengthen the EPA and that is certainly one of the matters being considered.

Mr WILLIAMS: I refer to Budget Paper 4, Volume 3, page 9.67. Does the radioactive waste audit include material stored at Radium Hill, Olympic Dam, Beverley and Honeymoon?

Dr VOGEL: Yes.

Mr WILLIAMS: All four of those sites?

Dr VOGEL: Olympic Dam, Beverley, Honeymoon, Radium Hill and Port Pirie.

Mr WILLIAMS: Has the government during the past 12 months authorised the dumping of any radioactive waste at any landfill site this year? If so, which landfill site or sites and what type and volume of material was involved?

The Hon. J.D. HILL: The advice I have from Dr Vogel is 'not to his knowledge'. I think the question was asked before, so if you have evidence of that we would be keen to look at what you are referring to.

Mr WILLIAMS: On the same page, you identify that you wish to amend the EPA Act to strengthen provisions for the container deposit industry. Will the minister expand on that and give an indication of what sort of thing he envisages in the proposed amending legislation?

The Hon. J.D. HILL: It is to prevent interstate rorting, particularly in the South-East where there was a handy bit of black business going on where container loads of soft drink cans were being brought across the border and pressure being put on handlers in South Australia to give the 5¢ deposit. That is the issue we want to address. The better way to address it would be to have a national scheme in place, but we may be very grey before that is achieved. At least one of the other jurisdictions is looking seriously at a CDL scheme, but I will ask Dr Vogel to give more detail.

Dr VOGEL: The minister has covered it. The critical issue is what we have been calling interstate rorting to get over that issue.

The CHAIRMAN: Not all containers with a deposit are recycled, so someone must be pocketing part of the money. Is it the soft drink manufacturer? Who is getting a slice of the action that was never intended under the legislation?

The Hon. J.D. HILL: The recycling rates are fairly high. For containers that have been in the system for some time it is between 80 and 90 per cent. There is a certain amount of wastage, particularly in the case of glass where things are broken, but some material ends up in landfill because people do not care how it is disposed of. The consumer who has a 5¢ deposit on an item is effectively throwing away their 5¢ and whoever holds that 5¢, which is the fund that pays for the system to operate, then has a little extra money, which helps makes the system operate that little more easily. Perhaps Dr Vogel can add to that.

Dr VOGEL: The fundamental issue is with products not sold in South Australia being brought in from other states and a refund applied for, which is not the intention of the legislation, so it needs to be controlled within South Australia. We are looking at how the legislation can be changed to deal with that through the labelling of items.

The CHAIRMAN: Where the deposit is not claimed who keeps the money?

The Hon. J.D. HILL: What I said was the correct answer, but we will look more closely at the question. Whether it is the manufacturer or the super collector, I am not 100 per cent certain, but I know that the extra deposit, the 10 per cent not collected, helps make the system work. I am not sure whether it is the manufacturer or the super collector, but I will check.

Mr WILLIAMS: I appreciate the answer the minister gave on what legislative changes he wishes to make, but does he have any advice on how he will make legislative changes to overcome the problem that occurred in the South-East some two years ago?

The Hon. J.D. HILL: The EPA is yet to present me with a legislative package as it has not gone through that process and I am not sure where it is at in the system, but that is the objective. It is taking legal advice and is also talking to parliamentary counsel.

Mr CAICA: I have been concerned about the impact of the Castalloy and Hensley foundries on residents. What is the EPA doing to respond to residents' concerns?

The Hon. J.D. HILL: I recognise the honourable member's interest in this issue. The issues of Castalloy and Hensley demonstrate the critically important balance the board must find between environmental improvement and the state's economic future. The EPA act requires that proper

weight be given to economic as well as social and environmental considerations. That is sensible because, while no state has a future without proper environmental management, we must ensure the economy is not hurt in seeking to achieve an ideal outcome. Castalloy has been an ongoing concern for local residents, as members would know. The new management is showing a healthy respect for the environment and for the needs of residents and plans to relocate its most odorous work to Wingfield. However, a major move of this nature cannot be carried out overnight.

Late last year the EPA required the company to prepare an EIP—an environment improvement program—to address odour and noise issues. This EIP was received, as required by licence condition, on 30 April this year. The EPA is conducting its final assessment of Castalloy's EIP for noise and odour prior to submitting the EIP to the board of the authority for its approval.

The EPA continues to meet with disaffected residents in the lead-up to the board's consideration of the EIP. The EPA is satisfied that a comprehensive community consultation process to obtain community input into the EIP has ensured that all reasonable attempts to obtain stakeholder views have been made. The implementation of the EIP is expected to ultimately achieve a significantly improved amenity for local residents and will go beyond compliance with the EPA Act for some aspects of Castalloy's operations.

The environment improvement program includes the removal of all automotive engine castings from North Plympton to Wingfield, leaving only Harley Davidson wheel, wheel hub and swingarm casting lines remaining, which generate significantly less fume and hence less odour than the automotive castings. The Harley Davidson product manufacturing processes remaining at North Plympton will be refined to utilise either successful fume-free processes currently used for the manufacture of Harley Davidson swingarms or utilise fume-capture and treatment methods.

It is expected that the EIP will be implemented over three years. The implementation period of three years reasonably reflects the commercial aspects of relocating large parts of the plant while still conducting business and satisfying customer demands. The Hensley Industries foundry in Torrensville has also been a thorn in residents' side for a number of years with unacceptable odour and noise emissions. After years of attempting to deal with the issues, Hensley was finally persuaded to take the necessary actions to resolve the concerns. This persuasion included legal action to force the company into compliance.

In December 2002, a deed of agreement was signed between the EPA and Hensley to settle legal actions and also resulted in Hensley relinquishing any right to renew its licence to carry out scheduled activities at the plant site after 31 March next year. Thus there is a legal impediment to Hensley continuing to operate a foundry on that site after that date. However, in March 2003, Hensley raised the possibility of another company operating a reconstructed foundry on the site. The EPA wrote to the managing director, setting out the criteria that the EPA would use to assess any new development, including the need to use best available technology. Giving this advice does not imply the EPA would favour the development, but it recognises the legal and moral necessity to ensure that any proposal is given due and fair consideration in accordance with the requirements of the act.

A concept proposal of modifications for the existing Hensley foundry building has been presented to the EPA, and the EPA has advised the managing director that the proposal

was deficient and did not consider all appropriate options for best practice odour management. I am advised that to date the EPA has not received any new proposal from Hensley.

Ms BEDFORD: In relation to the EPA's objective in the Portfolio Statements 'to achieve a healthy and valued environment for the people of South Australia' and with particular reference to regional South Australia, I read with interest media reports of the EPA's environmental audit of industries in the Upper Spencer Gulf region. Can the minister advise which industries were audited, what the outcome of the audit was and how much the audit cost the EPA?

The Hon. J.D. HILL: In late 2002, the EPA commenced target environmental audits focused on large industries in the Upper Spencer Gulf region. The sites being audited in the gulf audit were typically large sites with historical environmental issues. All the sites have a licence to operate under the act. Several of the sites also have EIPs required under their environmental licences. These EIPs are aimed at rectifying breaches of, or ensuring compliance with, the act.

In order to ensure a comprehensive assessment of all facets of each industry, the Upper Spencer Gulf audit team varied from three to five people on site for periods of up to five days. The industries audited were OneSteel at Whyalla, CSR Readymix at Whyalla, Boral at Whyalla, Santos at Port Bonython, NRG Flinders Northern and Playford power stations at Port Augusta, Pasmenco lead and zinc smelter at Port Pirie, Conroys rendering plant at Port Pirie, CSR Port Pirie, and MiniPave at Port Pirie. These industries were not selected because of any known breaches of the act but because of the environmental significance of the industries.

The audits resulted in environmental protection orders (EPOs) being given to OneSteel, CSR and Conroys, one to each. Significant changes have also been made to licence conditions and/or environment improvement programs at most licensed sites. In addition, industries agreed to numerous projects to be completed within agreed time frames that will improve the licensees' duty of care to the environment. The monetary cost of the audits was \$9 543, and the total cost, including the 851 hours worked by EPA officers, motor vehicle use, and so on, was \$41 759.

After a further site inspection of the Whyalla pellet plant by two EPA officers on 4 June, OneSteel was issued with five EPOs to carry out actions to control the emission of dust from three dust sources at the pellet plant. These orders must be completed progressively, with the last action to be completed by 30 June 2003. This demonstrates the renewed commitment of the EPA to its challenging task of protection of our environment.

The Hon. I.F. EVANS: On page 9.67 of Budget Paper 4, Volume 3, mention is made of the draft EPP on noise. The minister mentioned in his opening remarks to this section of the budget examination that the draft EPP on noise will not deal with train noise and that the EPA is going to introduce another monitoring program for train noise. To what end is the government introducing another monitoring program, given that the EPA is fully aware there is a noise problem? It has a mailing list of over 80 people (I know that mine has) and I believe that the monitoring will tell the EPA only that the 80 complainants are complaining about a loud noise that we all know is there. We are in the middle of doing a draft EPP on noise. EPPs take an enormous amount of time—years—to get across the line. The next noise EPP after this one will be years away, and we would have monitored the situation to death. I cannot understand why we are seeking to

exclude train noise from a draft EPP when everyone in the room knows it is an issue.

The Hon. J.D. HILL: I acknowledge the great interest the member for Davenport has in this issue. My colleague the Minister for Aboriginal Affairs answered a question on this issue a little while ago and put on the record what the government and the EPA are doing in relation to wheel squeal, as it is sometimes called. I will ask Dr Vogel to comment, but my understanding is that there no point putting into a code something that is not achievable. It must be a practical thing that can be achieved under the EPA legislation. What is being undertaken through this process of monitoring and discovery is trying to work out what is practical to help with the problem. I invite Dr Vogel to expand on that.

Dr VOGEL: It is a significant worldwide problem, as the honourable member would be aware, and there are a number of contributing factors. The EPA, through the monitoring system that it will put in place shortly, is to determine whether the wheel squeal is confined to a particular set of wheel or wheels, and that involves sophisticated instrumentation. I understand it is pretty much a first in Australia to try to identify a particular set of wheels.

The Australian Track Corporation has been undertaking some research around Australia and implemented a number of things to try to deal with the issue, including wheel dampeners, steerable bogies, wheel and track profiling, and lubrication, none of which has been terribly successful. With some of the other mitigation measures that one might use, such as solid barriers, given the complex topography in the Adelaide Hills, the loss of amenity and the substantial cost of short sections of solid barriers, the concern is whether they are practicable measures to deal with this problem.

Nonetheless, we are taking the matter seriously. The EPP talks about setting environmental criteria. The way that we go about meeting those is through various management plans and working with companies to achieve those noise criteria. On the issue of rail noise, I will suggest to the minister that he raise it with some of his ministerial colleagues at a national level to get some attention to this through the national transport ministerial council.

The Hon. I.F. EVANS: What does the agency envisage the transport ministers will do? My understanding is that there are rules in place regarding road traffic and air brakes on trucks, so if freight is carted through the Adelaide Hills on trucks there are rules in place, but if freight is carted on trains no rules apply. There is not one rule that applies in relation to freight on trains. The minister talks about a practical outcome. How is it that you cannot set a level and then ask them to reduce it by 5 or 10 per cent over a five-year or 10-year period (whatever the time frame is), then let the industry decide? It seems bizarre to me.

We have dealt with the Adelaide Airport problem, because we have double glazed everyone's windows and insulated their houses, and that is because of the freight that comes in on planes in that area. But the people who live along the train line receive absolutely nothing. They do not receive the same contribution to double glaze their houses, and they do not receive the same rules and protection as does road traffic. Rail is out there on its own, with absolutely no environmental regulation on it whatsoever, other than that it is licensed. I do not know what the minister expects the national transport ministers to do. I do not know how that delivers a result for us. What is the minister's thinking? Do they have power to

bring in rules with respect to it? I am just not sure where that takes us.

The Hon. J.D. HILL: I will ask Dr Vogel to answer that question.

Dr VOGEL: It is possible, through a national approach, to talk about design standards. With respect to the rail issues, the member would be aware that it is a combination of the rolling stock and the rail lines, and they are owned by different organisations. If we do go down that path, we have to be clear about on whom we will set licence conditions. Is it the owner of the line or the owner of the rolling stock? That in itself is problematic. Because all states are confronted by this, I think that a national approach is a good idea (as with setting national measures for air quality). It is very useful to have a policy debate if it is an issue. If we can influence design rules of rolling stock, for example, or the construction material of lines, we will have some longer-term solution.

The Hon. I.F. EVANS: Can I suggest that, when you take up that matter nationally, you also take up track design? All the local people will tell you that the problem really became very serious once they went from timber sleepers to concrete sleepers. It was at that point that your EPA telephone rang, and my electorate office telephone rang. I am no expert, but I can only assume that it has something to do with the absorption qualities of the timber as against those of the concrete, and I am petrified that concrete sleepers will continue to be laid everywhere and we will have this problem all over the place. I think that that is the steepest section of rail in the southern hemisphere, coming up over Mount Lofty and down through the Blackwood area. If you raise it nationally (and I am happy to take any solution that will fix it; I am an open door on it in that regard), I think that that issue also needs to be looked at.

The Hon. J.D. HILL: That is a reasonable suggestion. We will certainly take that up. If that is true, one would think that that should be easily quantifiable and, if that is the case, replacing concrete with timber sleepers in critical areas might be a simple solution.

The Hon. I.F. EVANS: It might be, yes.

Dr McFETRIDGE: If the minister had said the gasworks, I would have known where it was, at Glenelg North. Continuing on from that question about rehabilitation of the Birkenhead and Glenelg North sites, does the minister agree with the Holdfast Bay council that the state government has a moral and environmental responsibility to assist in the clean-up, as this was an old SAGASCO/state government-owned site?

The Hon. J.D. HILL: I think the question of liability is a complex one, which I have said before in my statement. The EPA is thinking through, and will give me advice upon, the best formula to come up with. I would be very reluctant to put the government's hand up for rehabilitation of sites, because the government would end up being responsible for every site. I am not—

Dr McFETRIDGE: It owned it, too.

The Hon. J.D. HILL: I think it is yet to be determined whether the government, in fact, did own that site. Who owned the gas company? Was it a private company or a public company? Even if the government owned the company at that stage, it has been sold. Who takes on the ongoing liabilities for a company that has been sold? There is a whole lot of complex issues which one cannot jump into, because one then creates precedents which might apply to a whole bunch of other people under other circumstances. We are looking at all these issues. Certainly, there are problems, and we are not quite sure how many of these problems will

emerge in the future. We are not sure whether it is the tip of the iceberg; whether we know everything about the problem sites. We just do not know at this stage.

Mr WILLIAMS: On page 9.70, sub-program 1.1, there is reference to monitoring and reporting on air and water quality, and further down the page under 'Performance indicators' there is a statement that you wish to reduce the number of exceedences of the Air Quality NEPM, excluding natural events (for example, bushfires and dust storms) by 2008, and you talk specifically about Adelaide and Whyalla. It recently came to my attention that, up along the river, I think, a business operator is seeking to take legal action against an adjoining farmer—or a farmer not far from where his business is situated—because of dust that he contends blew off the farmer's farm. He is seeking to take action against the farmer for his farming practices, which he says have caused the dust to blow off the farm. Does the government have any intention to impinge upon normal farming practices? As we know, we have just been through probably the most severe drought that has been experienced in this country, and we have had severe dust storms and wind erosion in many of our farming areas. Does the EPA intend to impinge upon what are accepted farming practices?

The Hon. J.D. HILL: I just make a general observation that, of course, stands do change over time, and what was probably considered acceptable 50 years ago is no longer considered acceptable. I guess community values have to come into it as well. I recently read somewhere that the amount of topsoil lost on an average hectare of farmland in South Australia is something like a tonne a year, or thereabouts—it is just an enormous amount of dust that flies around—and 40 or 50 years ago it was 10 times that amount. So, practices have changed, and there have been improvements. But the EPA, of course, is constrained to balance economic and social along with environmental issues. Once again, I will ask Dr Vogel whether he has any intention to pursue these matters.

Dr VOGEL: The EPA will take a sensible approach in dealing with the protection of air quality and community and environmental health. As the minister has pointed out, loss of topsoil is a loss of resource. The farmers do not want to lose it. We would be working, I guess, through codes of practice and best farming management practices to improve farmers' practices so that they do not end up with a situation, even when there is a drought, where they lose that topsoil. We would be looking at it through that mechanism rather than enforcing a standard. That standard only applies from 2008. It is a population health exposure number: it is not designed to control particular farms, because they are all contributing to the problem in the area. We are concerned about the overall issue. If the standard is being exceeded, we have to look at how we work in partnership with the various industries to reduce that, and that will mean looking at codes of practice, best management practice, and so on.

The Hon. I.F. EVANS: I refer to page 9.74. The state government appropriation has decreased from \$10.289 million last year to \$8.718 million this year. Why has there been a cut of \$1.5 million from the state government appropriation to the EPA?

The Hon. J.D. HILL: The environment protection sub-program has a \$1.606 million decrease in appropriation due to the increase in revenue for environment protection licence fees, development assessment fees and the transfer of revenue for \$1 per tonne of solid waste; approximately \$1 million a year from the EPA fund to the Environment Protection

Authority. The radiation protection sub-program has a \$20 000 appropriation increase, from \$294 000 in 2002-03 to \$314 000 in 2003-04. Expenditure has increased by \$479 000—or \$2 850 000 in real terms—after one-off adjustments, carryovers and CPI are taken into account. I hope that explains it. The bottom line is that there is more money, but I will ask Dr Vogel to add to that.

Dr VOGEL: In summary, those numbers are a net cost of service. So, if our licence revenue increases, the call upon government decreases.

The Hon. I.F. EVANS: So, I am right in saying that there is one and a half million dollars less from the government to the EPA this year. There is one and a half million dollars less from consolidated revenue, because it is being obtained from licence fees.

The Hon. J.D. HILL: That's right.

The Hon. I.F. EVANS: My last question in this section refers to the EPA, page 2.26, Budget Paper 3. What non-regulatory programs will be transferred to Zero Waste SA?

The Hon. J.D. HILL: Functions being transferred from the Environment Protection Fund are as follows: corporate governance; KESAB service agreement; disposal, hazardous household waste; outstanding grants from the Interim Waste Management Committee; infrastructure support for the recycling industry; rural weighbridges; strategic and education partnerships with industry; barriers to compost and related products; public place event recycling initiatives; local government waste management plans; industry specific programs; and programs to encourage applied research—basically the issues which are of a policy nature rather than of a regulatory nature.

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

Department of Water, Land and Biodiversity
Conservation, \$44 044 000

Administered Items for the Department of Water, Land
and Biodiversity Conservation, \$38 878 000

Additional Departmental Advisers:

Mr R. Freeman, Chief Executive, Department of Water,
Land and Biodiversity Conservation.

Mr R. Wickes, Executive Director, Sustainable Resources.

Mr P. O'Neill, Executive Director, Portfolio Corporate
Services.

Mr J. Parkinson, Director, Corporate Strategy and
Business Services.

Mr P. Harvey, Deputy Director, Murray/Darling Division.

The CHAIRMAN: I declare the proposed payments open for examination and refer members to Appendix D, page 3 in the Budget Statement and Part 9, pages 9.40 to 9.61, Volume 3 of the Portfolio Statements. I invite the minister to make an opening statement.

The Hon. J.D. HILL: The 2003-04 state budget contains a number of new initiatives to protect the environment. Importantly, it provides extra resources needed to save the River Murray. We know that repairing the River Murray is the greatest challenge facing our state. For years, the community and its governments have known of the seriousness of this situation. However, there is now strong expecta-

tion across the community for decisive action to repair the river.

Before the budget, the Leader of the Opposition called for new money for the river: that is what this budget delivers. I call on the opposition to support the government's initiatives and to support the Save the Murray levy. In 2003-04, budget expenditures for the Department of Land, Water and Biodiversity Conservation will increase by \$10.1 million to a total of \$113.3 million—an increase in real terms of 7.4 per cent.

The Department of Water, Land and Biodiversity Conservation was established in April 2002. Its chief executive, Mr Rob Freeman, was appointed in October. Its aim is to achieve a balance of social, economic and environmental outcomes that will contribute to a quality of life that benefits South Australians. The budget highlights for this coming year are:

- the River Murray improvement program. As mentioned earlier, one of the key initiatives mentioned in the 2003-04 budget is the Save the Murray levy, an initiative to fund specific measures aimed at improving the health of the river and securing the state's future water supplies. The additional funding raised from the levy (\$15 million in 2003-04 and \$20 million per year thereafter) will be used for additional contributions to the Murray-Darling Basin Commission and to implement the River Murray Water Allocation Plan;
- to acquire increased environmental flows for the river system;
- to improve coordination of wetland management;
- to invest in salinity mitigation required to ensure that South Australia meets its obligations to its Murray-Darling Basin partners;
- to monitor water quality improvement;
- to undertake irrigation research that will lead to better management of salinity and sustainable irrigation;
- to provide additional contributions to the Murray-Darling Basin Commission;
- to fund the Living Murray initiative and salinity works;
- to conserve the River Murray ecology;
- to upgrade the Riverland drainage disposal schemes; and
- to upgrade waste disposal schemes.

Under natural resource management reforms, additional funding of \$1.5 million has been provided for NRM reforms that will establish the basis for integrated management of the state's natural resources, leading to improved outcomes for the environment.

Following a public consultation on the draft bill, legislation is expected to be introduced in the spring session of parliament. In the interim, the government's task force will work closely with stakeholder groups to identify the most effective transitional arrangements to continue to deliver effective NRM throughout the period.

As to stormwater, as shadow minister I was critical of the former government's decision to cut funding for stormwater management. So, I am very pleased that funding for the Catchment Management Subsidy Scheme has been doubled to \$4 million per year. This will assist in reducing the backlog of drainage and flood mitigation works and allow for the development of measures that will encourage sustainable use of stormwater. This funding will be matched by local government and will attract commonwealth funding under the Natural Disaster and Regional Flood Mitigation programs.

In relation to branched broomrape eradication, I advise that branched broomrape infests a wide range of horticultural

and broadacre crops and, as such, represents a serious threat to Australian agricultural trade. Broad-scale fumigation has been conducted to destroy infestations, with the objective of eradicating branched broomrape in South Australia. Funding is increased to \$4.4 million, including contributions from the commonwealth, states and industry, over the coming year to deliver direct support to landowners in the quarantine area and to conduct a major program of fumigation to destroy branched broomrape infestations.

Saving measures for 2003-04 are as follows. DWLBC has undertaken a rigorous review of current programs to identify areas where savings can be achieved. Some 22 full-time equivalent employees are currently working on programs where savings can be achieved. The DWLBC strategy is to redeploy these employees into other initiatives. Actual savings are as follows:

- animal and plant control program: the program on crown lands will be reduced by \$100 000. The total expenditure for this area is estimated at \$3.4 million. The savings will be spread across a broad network to minimise the program impact;
- corporate service: the total expenditure is estimated at \$6.7 million. Savings of half a million dollars will be achieved from the rationalisation of services, and future savings will be achieved through portfolio shared services;
- geographic information: the total expenditure is estimated at \$715 000. Savings of \$373 000 will be achieved by focusing on areas of high priority. The use of local government NAM groups and industry will allow the South-East Resource Information Centre program to continue;
- public information management and delivery: the total expenditure is estimated at \$729 000. A reduction in sponsorships and direct information services, including closure of the public and industry front counter at PIRSA, will achieve savings of \$272 000, which will be largely offset by greater use of the internet;
- sustainable resource management: the total expenditure is estimated at \$3.8 million. The savings measure of \$760 000 will be achieved by limiting DWLBC's involvement in developments of plans and technical projects. Specific funding reductions will include future commitments to the ARIDFLO, Real Solutions SA, and FarmBis programs;
- land management and revegetation: the total expenditure is estimated at \$3.6 million. This is a savings measure of \$306 000, involving the reduction of regional technical support and may have minimal implications for commonwealth funding;
- assessments: the total expenditure is estimated at \$2.7 million. The budget provides for savings of \$295 000. However, that decision has subsequently been reversed;
- catchment water management branch: the total expenditure is estimated at \$955 000. Revising the level of operational support to Catchment Water Management Boards will achieve savings of \$255 000;
- water monitoring and resource assessment: the total expenditure for this program is estimated at \$2.1 million. This measure involves savings of \$800 000 through reductions across the ground water and surface water monitoring networks throughout the state and the relocation of resources to other areas of high priority where the resource is under threat.

The Hon. I.F. EVANS: I missed in the minister's opening statement which figure had been reinstated out of the savings: was it the 255 or the 295?

The Hon. J.D. HILL: The 295.

The Hon. I.F. EVANS: The assessments, including hydrogeological assessments, are no longer a saving. That is back in, is it?

The Hon. J.D. HILL: Yes, that is right.

The Hon. I.F. EVANS: We had some very nasty questions about that line, too. I refer to page 9.63 of Budget Paper 4, Volume 3, and excess water. The department is spending more on excess water this year than last year. Is there any explanation for that?

The Hon. J.D. HILL: I will get some further information, hopefully, before the end of our examination of this line.

The Hon. I.F. EVANS: It just seems to me that you spent \$994 000 on excess water last year and you are spending \$1 million this year. You are imposing water levies and water rationing and the department is spending more.

The Hon. J.D. HILL: I appreciate the point the honourable member is making. I said that I would get an explanation before we finish this consideration.

The Hon. I.F. EVANS: Again, I refer to page 9.63. Why has the expenditure on grants for the South-East Water Conservation and Drainage Board been cut from \$1 million last year to \$220 000 this year?

The Hon. J.D. HILL: I will get some confirmation of those figures for the honourable member. I will get that in a few minutes.

The Hon. I.F. EVANS: With respect to the South-East Water Conservation and Drainage Board, from memory, the scheme was designed to take around 40 000 megalitres a year into the Coorong. Is there a current estimate that the drainage would be more than 40 000 megalitres per year into the Coorong and, if so, what is the new estimate of the amount of water to be drained into the Coorong and has an EIS been undertaken on this new amount?

The Hon. J.D. HILL: Advice to me is that the 40 000 megalitres is the volume that is being looked at. It has been known, of course, that more water is produced than that 40 000 which can be released into the Coorong. Investigations are being undertaken about how that extra water can be managed—either by storage or by some other method—in the construction of the system.

The Hon. I.F. EVANS: As a supplementary question, is the minister saying that the intention is not to allow any more than 40 000 megalitres to go into the Coorong in any one year? My understanding is that the latest estimate is that it is something like 60 000 megalitres and, if that is the case, does it need an EIS?

Mr WICKES: This issue has been ongoing for quite a number of years, as you would know. All our hydrology shows that 63 000 megalitres on a 10-year rolling average would be the amount produced out of the catchment. We have agreement that we can put up to 40 000 on a 10-year rolling average; so, some years it will be much higher. This year we put in only 5 000 because there was not much rain. We have in place with the commonwealth quite an extensive plan to be able to use that difference in the wetlands. That is the process we are going through now. The reason we are looking at wetlands and managing those wetlands is to make sure that we can use the water in that environment and not impact on the Coorong.

That is the agreement we have with the commonwealth, which is backed up with a fair bit of science and a whole plan of action to be able to meet that outcome.

The Hon. I.F. EVANS: You cannot therefore go over 40 000 megalitres on a 10-year rolling average? If it is more than that you must dispose of it somewhere else or keep it out of the Coorong?

Mr WICKES: That is right. That water is to be managed within the wetland system in the South-East.

Ms CICCARELLO: I refer to pages 9.47 and 9.52. What steps has the government taken to progress its pre-election commitment to improve the control and management of urban stormwater and to support projects to minimise pollution in urban waterways?

The Hon. J.D. HILL: The former government reduced the contribution towards stormwater drainage and flood mitigation works under the catchment management scheme by about half. So, it was down to \$2 million a year. A review of the scheme was conducted during 2001–02 by the department and local government. That review identified a large backlog of works (estimated at something like \$140 million) to resolve flooding and drainage issues. As a consequence of the review, the government decided, as part of the 2003–04 budget, to reinstate funding for the catchment management scheme to \$4 million, the level that was in place prior to the former government's cut.

The increase in funding will allow the government to take a proactive role in partnership with local government in the management and use of stormwater in South Australia. Of the \$4 million allocated for 2003–04, a large part of the funding will be directed towards the current backlog of stormwater drainage and flood mitigation works. This funding may well be matched on a 50–50 basis principally with local councils. Some funding will be earmarked to support the development of a strategic approach to stormwater management in South Australia, which encourages sustainable use of stormwater, improves stormwater quality and encourages sustainable solutions for managing stormwater hazard risk.

The benefits to be derived from the dual funding approach are improved management of stormwater hazards with reduced risk to life and property for those areas targeted; promote and revitalise deteriorating stormwater infrastructure throughout the metropolitan area; encourage greater local government investment in stormwater management; reduce the risk of future calls on local government disaster funds; reduce the requirement of funding for future drainage and flood mitigation infrastructure works; and promote innovation in stormwater management towards improved water quality and harvesting stormwater as a resource. Funding for stormwater has been increased, as I said, from \$2 million to \$4 million a year, and these funds will be matched by local government and will attract matching funds available under commonwealth/regional flood and natural disaster mitigation programs.

An honourable member interjecting:

The Hon. J.D. HILL: It is very kind of you to say so.

Mr CAICA: What action is the government taking to protect the water resources of the eastern Mount Lofty Ranges?

The Hon. J.D. HILL: This is an incredibly important question and one that has been in the media a bit recently, and I have also had a fair amount of correspondence on it. I think that there is a general concern about this particular water resource. The 13 tributaries of the eastern Mount Lofty Ranges are part of the Murray-Darling system in South

Australia. We have a very small proportion of the water going into the system. Under natural conditions these streams provide additional flow to the River Murray. The level of farm dam development and ground water use currently imposes significant problems for sustainable water resource management in this region.

The existing dam development in the area exceeds the sustainable diversion limit of 30 per cent of winter run-offs set out in the River Murray Catchment Water Management Plan, which I adopted on 13 March 2003. The government is aware of concerns in the community to ensure that these water resources are protected and shares these concerns. South Australia has a commitment to sustainable resource management. In addition, the government's policy states that South Australia must act to ensure improved management of the River Murray upstream. Moving to ensure that we have adequate management arrangements in place for our tributaries to the River Murray will be integral to the debate on environmental flows for the River Murray main channel.

The River Murray Catchment Water Management Plan contains permit policies that provide a level of control over water-affecting activities, in particular, restricting the capacity of new dams and placing limits on the total capacity of dams in a sub-catchment. The government has funded a four-year Mount Lofty Ranges Water Assessment Program to assess the impacts of farm dams, ground water use and forestry development and to determine their status and water needs of water dependent ecosystems. Preliminary outcomes of the program indicate significant risk to MLR water resources. This program will be completed in June of 2004. Management options are being investigated by the department based on the preliminary outcomes of the assessment program. Discussions are being held with the River Murray board regarding possible management strategies and funding options.

Ms CICCARELLO: I refer to portfolio statement page 9.45. What are the government's plans to ensure that all licensed water use in South Australia is appropriately metered?

The Hon. J.D. HILL: I thank the member for Norwood for that question. The government has adopted a water use meter policy which provides for all licensed water use to be metered. Some exceptions may be considered. New meters not being government owned will be either privately owned or leased. All meters will be installed at the owner's expense, with all privately owned meters being professionally maintained at the owner's expense. Ownership of all existing government meters are being offered to the licensee at no cost. If they decline this offer, the government will continue to own and maintain the meter on a full cost recovery basis until the meter reaches the end of its economic life. At that time the licensee will be required to purchase, install and maintain a new meter. All meters must conform to the department's minimum specifications. The department will facilitate the process for reading meters. Catchment water management boards will be encouraged to actively participate in the implementation process. Priority areas for the immediate implementation of the metering program include: the South-East, Lower Murray Swamps, River Murray, Mallee region and the Marnie & Saunders catchments.

The CHAIRMAN: Minister, do you have plans to review the price of water across the state? You would be aware that whether it comes out of an aquifer or whether it is reticulated in the city, there is a range of pricing and cost aspects, some of which do not bear much relationship to conservation or

logic. Is there a plan to look at the issue of water pricing and costing across the state?

The Hon. J.D. HILL: This is an incredibly interesting question. As Mr Freeman keeps telling me, what other product can you have delivered to your house at the rate of \$1 per tonne? That is the cost of water, having been treated, pumped and carried sometimes across hundreds and thousands of kilometres. Of course, the issue of pricing of SA Water is not my responsibility—I do not control SA Water—and that is something my colleague the Minister for Administrative Services would consider.

In relation to irrigation water, of course, the water is virtually free. There is a small water catchment charge of around 1¢ or 2¢ a kilolitre to irrigators, depending on the catchment area they are in. I think in relation to the River Murray it is about 1¢ per kilolitre, which is one hundredth of what reticulated water users pay. But that is a levy, not the cost of the water. So, those who have water licences really get free water, and that is the way it has always been, and I suppose that is an extension of the riparian rights that go back well into antiquity. We have no plan to start charging for that water—I am not even sure whether we would have a legal basis to do that—but we certainly can raise a levy in relation to the water to improve infrastructure and manage the system better.

But what you raise, Mr Chairman, is an interesting issue and the notion that water is too cheap and that we should put up the price is often raised, but consumers who pay water bills possibly disagree with that and think they are paying enough already. All of these issues are part of the COAG deliberations between premiers and their consideration of competition policy.

The CHAIRMAN: On the topic of re-establishing and restoring riverine environments—and I am not thinking of just the Adelaide Hills, but that is an area of particular interest—is there any provision for an across-the-board coordinated approach to that issue? I know some very good work is done by the water catchment boards and by some councils, but they always run up against the problem of having to explain what they are on about because a lot of people think that all trees are equal and all green is good. They do not understand that there is a rationale for trying to restore creek lines to what they were in terms of understorey, trees and so on. Are there plans to embark on a comprehensive program to sell the message of the need to re-establish and restore creek lines throughout the state?

The Hon. J.D. HILL: What the chairman is talking about is a really important issue which will be addressed, in part, through the new NRM boards that we will put in place, and also through the water catchment boards. I guess the branding of that exercise is water care ('Water Care—It's in your hands'), and Professor Tylor has been the spokesman for the water boards and the EPA in selling that message. That is at a macro level. Then, of course, at a local level there is a range of programs implemented in relation to the water plans that have been developed with the various water catchment boards. When we get into the NRM arrangements we will have integrated natural resource management plans which will relate all of the issues to one another and the implementation will be much easier, I believe. But we do need to get the message across.

In relation to the River Murray, in 1999 the Murray-Darling Basin Commission recognised the need for a single integrated approach to managing flows in the River Murray system and established the environmental flows and water

quality objectives project. This project has since been renamed the Living Murray Initiative and through that initiative a number of other initiatives are under way. They include: draft principles for acquisition of water, potential volumes of water that may be acquired through a range of water recovery mechanisms, scientific evidence of benefits at key sites under various water recovery scenarios, socioeconomic assessments of costs and benefits, and expansion of water trade.

The critical issue in relation to the River Murray, of course, is that we do not have enough water for environmental flow, and Don Blackmore (the chief executive) and others in the commission keep saying to me and to others that we need to have water for environmental purposes and then manage that water in the same way—perhaps not in the same way, but manage it to the same level of management—that irrigation water is managed so that we can use it to maximise the environmental outcomes. We do not want the water to just rush down the river: we want to use it in a way which maximises benefits for the river.

In particular, that involves re-establishing and ensuring the survival of the various wetlands along the river. As members would understand, under natural conditions in the years of a flood most of the wetlands would get water. In the years that it is dry, none of them gets water. We will not have enough water to allow flooding of all wetlands in one go but we may be able to find sufficient water to ensure that there is flooding on a cyclical basis, so perhaps one year in every four years a quarter of the wetlands will be flooded so that we can artificially maintain wetland health over time.

The CHAIRMAN: I asked this question of the Minister for Administrative Services last week in relation to the Save the River Murray levy and water restrictions. In the minds of many people, particularly in Adelaide, they see the two things as being one and the same, when they are not, although there is a connection, obviously. If we get sufficient rain in winter and spring in the Adelaide Hills, the pressure is off in terms of water restrictions in Adelaide. How will the minister sell the message which is not quite the same message, because, if there is a levy and restrictions come off, people will be wondering what the government is on about.

The Hon. J.D. HILL: I guess it is important to separate the two issues. If there was no drought, the levy would still be needed because, as my colleague says, we need to fix the river, and that will take a long-term effort and commitment and we need sufficient resources to do that. There are two advantages in the Save the River Murray levy. One is that it gives us a guaranteed allocation of funds which persists into the future and which it is guaranteed will go into the kinds of things that I referred to in my opening statement. The second thing that the levy does is send a very powerful message to the eastern states. I know from talking to colleague ministers and departmental people in other states that they have been quite impressed by the fact that we have been prepared to do that and they have sat up and taken notice. It helps us sell our case that we are very serious and prepared to do the hard things here in South Australia. In relation to the water restrictions, the member is correct about our dependence on the River Murray. It goes up and down, depending on how much the Adelaide Hills provides to SA Water.

SA Water's allocation—for Adelaide, at least—has been reduced to 120 gegalitres for this coming year. In the year just finishing, from memory, SA Water took about 170 gegalitres for Adelaide. SA Water would have had to come back, anyway, because of the rolling nature of its allocation, to

about 150 gegalitres. We have reduced its allocation on the 150 gegalitres down to 120-odd gegalitres, so it is, in fact, similar to the 35 per cent reduction that has been applied on allocation to irrigators, but this is actually a reduction in use. We will have to reduce the amount of water taken out of the River Murray for Adelaide by about 35 per cent; that is, from about 170 gegalitres to about 120 gegalitres, which is about one-third.

If we do not get good rains, and we cannot use the Mount Lofty catchment for our water supply this year, we will be in very difficult circumstances in Adelaide, and the restrictions that we have in place for the beginning of the season will possibly have to be reviewed more than once over the course of the season. We are at level 2, which is the position that cabinet set on the advice of SA Water, but the standards go up to level 5, which are fairly draconian standards, but they would have to be implemented if we could not get water out of the Mount Lofty Ranges. However, as the member has noted, it has started to rain, and we hope that rain will continue, although the advice I have been given is that there is less than a 50 per cent chance of having rain in Adelaide this year. So, we are still looking at a very dry year.

On a slightly different point, concerning the original question asked by the member for Davenport about the excess water, I am advised that the \$1 million represents fines and penalties that the agency collects from licensees who exceed their approved water allocations. This amount is then paid to Treasury and Finance and receipted as general revenue, and the agency simply administers this function on behalf of Treasury and Finance. So, the \$1 million does not reflect an increase in use of excess water by the department but rather an increase in the use of excess water in the community for which a fine has been applied.

The question was asked about the South-Eastern Water Conservation and Drainage Board (page 9.63), referring to 'Grants and subsidies' in relation to the extra funding for the upgrading of the bridge over drain M. It was a special capital allocation, and there was also extra construction work for the Upper South-East project, which involved one-off issues to finetune the drainage control structures. I guess the answer is that these were one-off allocations, which were provided for in the last budget. The work has been done, and it is not required in this budget.

The Hon. I.F. EVANS: As a supplementary question, by way of further explanation in relation to that first question about the excess water, it shows as an expenditure item on your administered line and not as a receipt item. If it is a fine that comes in, surely that would show as a receipt in your administered lines.

The Hon. J.D. HILL: I am sure it does; the member is right.

The Hon. I.F. EVANS: 'Other receipts' shows \$200 000; the other receipt line is a total of \$200 000 and the excess water is \$1 million, so I do not know where it is shown.

The Hon. J.D. HILL: As I understand it, the 'Fines and penalties' line shows \$800 000 as a receipt and then at the bottom 'Other receipts', \$200 000. Together, they add up to the \$1 million.

The Hon. I.F. EVANS: So, there are no other fines or penalties in the agency that go to administered lines?

The Hon. J.D. HILL: The advice is as I have given it: the \$1 million reflects the fines we collect from those who use excess water.

Dr McFETRIDGE: Supplementary to the Chairman's question, at what levels do the storages have to be before restrictions would be removed?

The Hon. J.D. HILL: In terms of SA Water's management of the allocation, SA Water works that through itself. We have been given advice from the Murray-Darling Basin Commission that there is a substantial chance that we will not get sufficient water to meet our needs this year. We have put in place a mechanism to ensure that we can manage that in a way in which we do not run out of water towards the end of the financial year. We have imposed a target of 20 per cent in usage on all water users using the River Murray, including SA Water.

If the advice from the Murray-Darling Basin Commission comes through that there is plenty of water around and we do not need to find those savings, we would take the pressure off everyone, including SA Water. SA Water could then work out itself how it allocated the resources available to it—whether from the River Murray or the Adelaide Hills. In any event, SA Water could not use more than 150 gegalitres, as I understand it, from the River Murray because of the rolling nature of the cap that it has. It has a cap, which is based on a five-year rolling cap and which allows them to take 650 gegalitres out of any five-year period. I think the maximum it can take out this coming year is 150 gegalitres, because of that rolling cap. Even if we took the pressure off, SA Water would still be restricted to 150 gegalitres and, say we repeated next year and there was no water for them to take out of the Mount Lofty Ranges, they would either have to go into the water market and buy extra water or implement other sorts of water restrictions. I hope that answers the member's question. It is not really an issue of what the dams in South Australia contain in terms of lifting the general restrictions, although SA Water might have to have its own water restrictions if the South Australian dams do not have sufficient water to supply its needs.

Mr WILLIAMS: I come back to *Green Print SA*, and the foreword signed by the Premier: it refers to the 'key environmental issues facing South Australia' and goes on to say that it 'sets out a broad policy direction and commitments with regard to pressing environmental concerns,' etc. On page 5 of the document, it states:

The continuing spread of pest plants and animals is contributing to the decline of fragments and integrated pest management programs are required to minimise the impact of introduced species. In the absence of threat abatement, there is a very real risk of long-term and irreversible degradation.

I refer the minister to page 2.25, under 'Saving initiatives', the first such initiative outlined there being 'Animal and plant control: reduced program for animal, plant and pest control on crown lands,' \$100 000 per year. Will the minister answer the following questions:

1. What does he hope to achieve by reducing that expenditure by \$100 000 a year?
2. What specific programs will be reduced, and will that be restricted to crown lands?
3. Does this equate to a reduction in personnel, or in what way does the minister propose to achieve these savings?

The Hon. J.D. HILL: As I understand it, the reduction will be administrative expenses—there will not be on the ground reduction—and that admin expense will be picked up under the new operating initiatives set out on page 2.26. The member will note that there is one and a half million dollars for natural resource management reform. So, the elements, which were in separate sections of the agency (including

animal, plant and pest control; and there is another line there under 'Catchment Water Management Branch—rationalise the level of support services'), have been taken out of the old classifications and brought together in the new NRM system. So, it is really administrative measures rather than service delivery.

Mr WILLIAMS: Is there any change to any of the programs of weed or pest animal and plant control on crown lands?

The Hon. J.D. HILL: Programs may change as one species is identified as a priority over another, but there will be not be any changes as a result of any reductions in budget allocations—it would be done on a policy basis. The point I make is that the reduction of \$100 000 is in administrative areas and those arrangements will then be picked up through the new NRM process. It is changing the way we administer those programs and not changing the programs themselves. I cannot guarantee that there will not be a change in what is delivered because experts will make those determinations at the appropriate time. There will not be a change because of any budget measures.

Mr WILLIAMS: Can I assume from what the minister has just said that further down the same list of savings initiatives we have land management and revegetation and have reduced the provision of regional technical support for those functions by \$306 000 per year? Is it the same story?

The Hon. J.D. HILL: Predominantly. All but \$34 000 will be picked up under that new heading, so it is around a 10 per cent reduction overall.

Mr WILLIAMS: I refer to Budget Paper 4, Volume 3, page 9.63, under payments—about three quarters of the way down the page, under Native Vegetation Fund—which shows that expenditure last year was \$1.386 million and budgeted this year is \$958 000—a \$400 000 cut in expenditure. With the way I read the papers, I thought that was reflective of what I alluded to in the last two questions, but you say that is not the case. Why is there proposed to be such a reduction under the heading of 'Native Vegetation Fund'?

The Hon. J.D. HILL: I will get Mr O'Neill to give a detailed answer, but if you look at the budget for 2002-03 it was \$941 000 and the proposal for this year is \$958 000. So, there is an increase on what was proposed. Additional funds were expended in that year. I am not entirely sure what it applied to. It could well have been the Aegis survey undertaken, which I think came out of the reserves.

Mr O'NEILL: The normal budget is around \$950 000 per year. Some cash reserves have been brought over in past years, which we utilised in 2002-03 and principally it is on the Aegis program of the survey done. It is now back to a normal budget pattern around \$950 000 per year.

Mr WILLIAMS: Has that utilised all the cash reserves held within the department?

Mr O'NEILL: I will clarify for the honourable member exactly how much remains in the fund.

The Hon. J.D. HILL: I understand there is still some, but we will obtain the detail.

Dr McFETRIDGE: In Budget Paper 3, page 2.25, under 'Savings and expenditure', there is a saving of \$255 000 per year for the next four years indicated under the Water Catchment Management Branch. Does this equate to a loss of personnel? What form does the rationalisation of operational support alluded to take?

The Hon. J.D. HILL: I covered this before in answer to a question on animal and plant control. This reduction is offset by the new arrangements for NRM where there is a

\$1.5 million allocation. The elements which were formerly disintegrated and which henceforth will be integrated have been brought together. There was a nominal loss of three personnel, but those three will be picked up under the new funding, as shown on page 2.26 under 'Operating initiatives'.

Dr McFETRIDGE: I refer again to Budget Paper 3, page 2.25, 'Savings initiatives'. Savings are indicated of \$760 000 per annum over the next four years. Can the minister describe how he proposes to limit the involvement of the department in the development of plans and technical projects? Does this equate to a loss of jobs? If so, how many jobs will be lost from the regions because of this rationalisation?

The Hon. J.D. HILL: The general point that I would make is that there is no impact on regional jobs from any of these adjustments. There are two nominal adjustments, but not regional, in relation to the line to which the honourable member is referring. The total expenditure for this area is estimated at \$3.8 million. This represents a re-evaluation of the proposed strategic direction for the information and knowledge cluster brokering partnerships with natural resource management agencies. The state has entered into the Lake Eyre Basin agreement with Queensland and the Commonwealth to protect its interests as a downstream state. Arid flow future commitments will be reduced, and there will be reduced funding for Rural Solutions—SA FarmBis programs that remain in PIRSA.

Dr McFETRIDGE: When will the government transfer the water licences currently held in the minister's name to the Lower Murray dairy farmers?

The Hon. J.D. HILL: This is reasonably complex and technical, so I will ask Mr Wickes to explain it.

Mr WICKES: As to the amount of water for the Lower Murray swamps, everybody was notified about what their amount would be. People have appealed that decision. An independent review group has gone through all those appeals and it is about to report to the minister on 30 June. It will really depend on what is in that report as to how those appeals will be resolved. I am not privy to it, and I do not think the minister is yet. If it is a simple process, we will proceed straightaway and give them their allocations.

The people on the Lower Murray swamps can get an opportunity licence, which is based on the current allocations. That is not what they will get when we have fully worked it out, but they can start to get an allocation now. Some people have done that because they want to leave.

Dr McFETRIDGE: As a supplementary question, all the swamps are unmetered, so how will the department be able to measure the restrictions on the swamps?

The Hon. J.D. HILL: Is the honourable member talking about during the restriction period?

Dr McFETRIDGE: Yes.

The Hon. J.D. HILL: They are unmetered. They have an allocation that is provided by a process of what is known as lifting the sluice gate, so they get a certain allocation of lifts per time period. They will have that number of lifts reduced to equate to the reduction that we are making. It is from 14 to 11 or 19 to 15, depending on the allocation. It is not rocket science that we are talking about. The alternative is that they reduce their land area: that is up to them. We are working with them and that is the arrangement that has been put in place and everyone accepts that as being reasonably fair.

Dr McFETRIDGE: Will the water restrictions be in place for the establishment of new lawns, new gardens, in domestic premises and in some commercial properties? Will there be

an exemption for three or four weeks to allow the establishment of new gardens, as there is in Western Australia and Victoria, as I understand it?

The Hon. J.D. HILL: The honourable member is talking about how SA Water deals with its customers. I do not have responsibility for that. My department's responsibility is to make sure that SA Water complies with the reduction imposed upon it. It is then up to SA Water to work out internally how it does it. In relation to some customers, there are special conditions that take into account special needs and circumstances. I will have to refer that question to the Minister for Administrative Services to provide a detailed answer. I do not know the answer to that.

Dr McFETRIDGE: I am a little concerned that, if exemptions are not in place and people want to establish gardens, the water police—the next door neighbours—will dob in people, when they can use it.

The Hon. J.D. HILL: I understand the member's concerns. The point I am making is that I am not responsible for that decision. We tell SA Water how much water it can take out of the River Murray in the coming 12 months—and that is about 120 gigalitres for Adelaide and 30-odd for the country towns—and then they impose rules to make the appropriate level of savings so that they can comply with the level that has been given to them. People and companies can apply for exemptions when they have a special case. If the member has a particular constituent who has concerns, my advice would be to encourage them to apply to SA Water for an exemption in relation to those issues. But if the member is talking in general policy terms, I cannot answer the question, because I am not responsible. However, I will certainly refer the question to the minister responsible.

Mrs MAYWALD: I refer to Budget Paper 4, Volume 3, page 9.62, 'Statement of cash flows', where it is stated that the estimated result for total investing payments is less than budget due to lower expenditure on national action plan funded projects (\$4.8 million) and systems development (\$1.2 million). Will the minister please elaborate on the projects in respect of which the national action program has resulted in the \$4.8 million shortfall? What has been the problem with the national action plan approval process that has caused those delays? Also, there has been the reduction of \$1.2 million in systems development: to what does that refer?

The Hon. J.D. HILL: In general terms, I think it has been frustrating to get approvals through the system, and that has applied in every state. I think we have done better than most in getting approvals up. We are dealing with both the state and the Commonwealth bureaucracy as well as local communities and NRM groups and central bodies, which have to give approval. I think it is a fairly cumbersome process that is in place. Essentially, without reflecting on the Commonwealth, the Commonwealth does not trust the states, so it makes us jump through all sorts of hoops to ensure that the outcomes are as it would wish them to be. The point I would make is that, whatever the underspending this year, it will be picked up in future years. It is not lost to the system. I will ask Mr Wickes to provide a little more detail.

Mr WICKES: Quite a bit of it is due to the system of NAP and obtaining the approvals of the Commonwealth, so the years have slipped. Probably the largest project is the Lower Murray Irrigation Upgrade Rehabilitation Program. We had budgeted for some uptake of that program, and that is still being worked through, as we all know. That money is sitting in the NAP area against next year's expenditure. There

are some other programs that would have started a little later, but I will have to obtain the full detail on that.

The Hon. J.D. HILL: I think it is probably reasonably standard that programs that have been funded substantially by the commonwealth do tend to slip. If we went back over the last four or five years of the NHT, I am sure that we would find a similar pattern. But the money is expended in the end. The member will notice, I think, that in the federal budget the commonwealth was criticised for reducing expenditure in this area. What it was really doing in its budget was reflecting the fact that the money had not yet been delivered to the states and expended by the states.

Mrs MAYWALD: I have a supplementary question. On page 9.63, under Grants and Subsidies, \$13.95 million is referred to as the estimated result for the National Action Plan for Salinity & Water Quality. To what programs does that amount refer?

The Hon. J.D. HILL: That is NAP Salinity & Water Quality, \$13.95 million for the past year?

Mrs MAYWALD: Yes.

Mr WICKES: That is all the programs that have been agreed to under the National Action Plan—

Mrs MAYWALD: What are those programs that have been agreed to?

Mr WICKES: We would have to give the member a large list of the projects.

Mrs MAYWALD: Can you take that on notice?

The Hon. J.D. HILL: Yes, we will provide that information to the member, if we do not have it here today.

Mrs MAYWALD: With the budgeted amounts next to them also?

The Hon. J.D. HILL: I have seen that document. We may be able to get that information to the member today. We will look for it while the next question is asked.

Mrs MAYWALD: Also on notice, can the minister provide the budgeted amounts for each project, and also the number of staff that are employed in DWLBC for each of those projects?

The Hon. J.D. HILL: We will take that on notice. I have seen a letter to the member, in response to similar questions; I think I may have just signed it over the weekend.

Ms CICCARELLO: I refer to Portfolio Statements, page 9.45. What is the government doing to protect the state's native vegetation?

The Hon. J.D. HILL: The proposed changes to the act, which have now been implemented, were developed over a period of more than three years and involved detailed reviews of the acts and regulations, public consultation and follow-up consultation with key interest groups. The Native Vegetation Act was assented to in December 2002. The amending act largely followed the native vegetation amendment bill of 2001, plus some changes that were brought into it by this government. Parts of the act relating to penalty and law enforcement provisions were proclaimed in December 2002.

The remaining provisions of the act will formally end broadacre clearance in the state; provide that any clearance approval is conditional on a net environmental gain; significantly encourage revegetation; ensure that people proposing to clear land finance the collection of data on which the Native Vegetation Council needs to determine an application; include provisions to allow the public an opportunity to comment on clearance applications.

In addition, provision will be made for a land-holder to seek a judicial review of the administrative process in relation to a decision on a clearance application by the council. The

native vegetation regulations are being reviewed through a consultation process with key interest groups. I am optimistic that we will have those regulations in place relatively soon. As I have said before, Operation Aegis in the South-East has been a very successful expenditure of native vegetation funds to find those who have illegally cleared.

Ms BEDFORD: I refer to Natural Resource Management, Sub-program 2.3, Portfolio Statements, page 9.5. What is being done to stop water wastage from old and poorly constructed wells in the South-East?

The Hon. J.D. HILL: This is an important program. In an area around Kingston, Lucindale and Robe, 120 wells have been identified as requiring rehabilitation. A nine-year project is being undertaken, with all on-ground works to be completed by June 2010. Landowners receive a 100 per cent subsidy on backfilling the old well, a 30 per cent subsidy on the drilling of a replacement well and, in addition, a 70 per cent low interest loan, repayable over five years, is available if required. Replacement grants and loans are administered through PIRSA Rural Finance, and on-ground works commenced in April 2000. So far, 56 wells have been completed to the end of this calendar month. All the relevant well owners have indicated their willingness to participate in the scheme, which is very encouraging.

Trial sites to demonstrate irrigation efficiencies and new high-yielding plant varieties to increase productivity have been established. The first field day held in February this year was highly successful, with over 100 participants. The total estimated cost of the project is \$5.5 million; the total funding secured is \$2.286 million. It is anticipated that no further additional state funding will be required for this project, subject to all loan moneys being repaid and there being no significant inflationary changes.

Mr CAICA: What progress has been made in implementing the government's Waterproofing Adelaide policy?

The Hon. J.D. HILL: Waterproofing Adelaide will develop an integrated water resources strategy for Adelaide for the next 25 years to provide and better manage the water resources available to Adelaide and its environment. The project is expected to take two years to complete and will develop recommendations for policy, legislative and program changes to allocate water more effectively between competing users, to improve service delivery, and to encourage conservation. It will also investigate administrative, regulatory and institutional impediments to the uptake of efficient, alternative water supplies, including waste and stormwater.

A steering committee, comprising government representatives, has been established to provide high level directions of the study. Under the committee's guidance, a project management group will carry out the major study tasks. A community-based strategy advisory committee (chaired by the Hon. Don Hopgood) has also been established to facilitate community consultations and communications. This committee held its first meeting on 10 June this year. To date, the focus has been on developing the parameters for the study and the identification of Adelaide's water requirements to the year 2025.

Work has commenced on the collection of information, as well as the development of an analytical framework and scenario modelling. The study is identifying the demand and supply projections for the Adelaide region to assess whether supplies will be adequate for the future. A community engagement strategy will be developed for the report, and consultation will be undertaken throughout the project in a structured approach that is tailored to each stage. The project

is expected to cost \$1.8 million. Funding has been obtained through the NAP (\$415 000), SA Water (\$1 million), and DWLBC (\$400 000).

This is an incredibly important program and gives Adelaide the opportunity to change the way it thinks about water and to look at water resources in a much more meaningful way. Currently, we use approximately only 1 per cent of stormwater that is created in Adelaide each year in a productive way, and that stormwater is roughly equivalent to the amount of water we take out of the River Murray on an annual basis. So, if we can replace a substantial part of our River Murray water with stormwater, we will be doing both the environment and our economy a great deal of good.

The CHAIRMAN: On that point, there is often the assumption that, because water goes into the ocean, it is somehow wasted. If one considers the impact on fisheries and so on, that is not the case; however, the popular view is that, if water goes out to sea, it is a negative. I can understand the point that the minister is making, but there is this popular misconception. The East Coast of Australia would not produce as many prawns if the rivers did not flow out to the ocean.

The Hon. J.D. HILL: The point the Chairman makes is a very important one. The reality is, of course, that stormwater is now collected through a whole set of channels, picks up a lot of pollutants on the way, and then flows out and causes damage to the ocean, no matter how much work we put in place to clean it up. However, I think that I would rather see the water going out through the mouth of the river than a lot of channels and streams along the beaches of Adelaide. If we can take the pressure off the River Murray with this measure, I do not think we will be causing too much damage to the Adelaide coastline; in fact, I think we will be causing some positive benefits. Of course, it is highly unlikely that we could capture 100 per cent of the stormwater from Adelaide but, if we could get even a third or a quarter of it, we would be doing brilliantly.

We are doing quite well in terms of treated effluent. We use in a productive way somewhere between 16 and 17 per cent of the treated effluent produced in Adelaide, and we are well ahead of most of Australia; only one of the other states (Western Australia, I think) is doing reasonably well.

The CHAIRMAN: As I indicated earlier, I was at Finnis over the weekend, where it was pointed out to me that the salinity levels in the lower reaches of the Murray have doubled over the last two or three years. Does the minister have any information on the salinity levels in the Murray, particularly the Lower Murray?

The Hon. J.D. HILL: It is certainly true that the salinity levels in the Murray have increased dramatically as a result of the drought. The levels are increasing anyway as a result of the irrigation practices and the land clearance that has occurred in the European history of our state. Two things happen in the Murray: natural salinity in the river when there is a drought and, when water is removed, an increase in the concentration of salinity. In addition, irrigation practices force salts to the surface, and that salt goes back into the river, either across the land or subterraneously; both of those factors cause salt levels to rise. Of course, the drought makes it a lot worse. I am not sure whether we have the exact figures at the moment, but I will certainly provide them.

I understand that at the Milang Lower Lakes salinity is about 1 200 EC units. I am not sure whether we have figures for all those reaches, but it is certainly higher than normal and

has virtually made the water unusable in those areas. It is a very big worry.

Dr McFETRIDGE: As a supplementary question, as part of the strategy to save water for Adelaide there was talk of building a temporary weir at or above Wellington. What would be the effect on the lakes in that case, where there is an evaporation pan? All the dairy farmers and the viticulturalists would be severely affected.

The Hon. J.D. HILL: Certainly, one of the options being considered by the Murray-Darling Basin Commission is a temporary weir to try to guarantee water supplies. However, I understand that it is at the theoretical stage at the moment. Clearly, proper consideration would have to be given to the impacts on all the water users. It may well be that, if we reached the stage of putting a temporary weir in place, the water quality in the Lower Lakes would be so poor that it would not matter whether—

Dr McFetridge interjecting:

The Hon. J.D. HILL: That's right. So, it probably would not make that much difference if we reached that sort of emergency situation. We were planning to talk about the River Murray later on, so those advisers are not here at the moment. However, we can go through those issues again.

Mrs MAYWALD: I want to ask a question about water restrictions, particularly regarding temporary transfers of water and the requirement for IDMPs. Recently, at public meetings the department said that it would consider streamlining the process and perhaps look at even waiving the requirement for the new water transfer IDMP, provided that the property already had an IDMP up to its existing allocation. Is that possible?

The Hon. J.D. HILL: I will ask Mr Freeman to comment on that aspect. However, as we are going through this water restriction process, I want to put on the record my gratitude to the River Murray irrigators of South Australia for their tremendous cooperation with the department and the government in the development and implementation of the strategy. I think that they have shown great leadership and community cooperation. I particularly want to acknowledge the member for Chaffey's role as member for that area for her help in bringing together the irrigators in her region and in helping them develop that policy, which we have implemented effectively.

I know that it is not the ideal from the point of view of the irrigators. I acknowledge their preference for a crop-type allocation but, for technical reasons and reasons based on our lack of knowledge, we have not been able to implement that particular strategy. However, we have implemented a strategy that was preferred by them to the strategy that was initially suggested by me, and we were happy to go down that path. We know that, as a result of the strategy we have implemented (which is a reduction of 35 per cent of allocation), for some irrigators it is absolutely essential that trade be available because there will be irrigators whose allocations are not being used who can trade those allocations, or at least part of their allocations.

We therefore need to set up a system as quickly and as smoothly as we can to facilitate those trades. It raises the issue about stamp duty, and I know that the honourable member has talked to the Treasurer (as have I) about that. It also raises questions about the department's own processes. We are very keen to try to set up processes that reduce both the cost and the time that particular transfers will take. Perhaps Mr Freeman might be able to add a little more information.

Mr FREEMAN: There are two points: first, that, contrary to popular view, trade is quite effective in South Australia. In the 2001-02 year about 20 per cent of all available water was traded either temporarily or permanently. We do have quite an effective market. Notwithstanding that, it is clear that trade is going to be a significant response this year. It is likely that we are going to see an increased market. We are talking about trying to cut back significantly that two month transfer period that currently exists. We are looking at all possible strategies to wind that back.

Where water has been used in an area historically and water is being traded into that area, if it is simply to top up an existing allocation, which had been reduced in the current year, that will be a smooth process; if water is going into an area that has not been irrigated previously then, perhaps, we need the long-winded process. We are trying to find a process that will significantly reduce the two months. Notwithstanding that, though, there is a strong view that trade does not exist in South Australia, and that is just not correct.

Mrs MAYWALD: As a supplementary question, trade is very important and you have had discussions with some of the departmental staff during the public meeting process. Will the minister please explain what he will be doing with the 4.8 gigalitres of water that is available from the Loxton irrigation rehabilitation, and how might irrigators, who are efficient and who are feeling the real pinch of this, be able to access that?

The Hon. J.D. HILL: The 4.8 gigalitres, as the honourable member knows, is as a result of the Loxton scheme, to which she has just referred. The former government began the process of allocating a percentage of that water to BIL (Barossa Infrastructure Limited). As I have already advised the committee, we have agreed to that scheme being pursued. I have a little detail here. I am advised that 1.5 gigalitres was made available to BIL: 600 in 2002-03 and then another 900 in the following year, and that came to 1.5. I have to say that that was less than it would have liked.

I think that it was wanting closer to 2 gigalitres, but it will be treated in the same way from 1 July as all other irrigators. That allocation will be reduced by 35 per cent, which will take BIL down to 975 megalitres. In relation—

Mrs Maywald interjecting:

The Hon. J.D. HILL: No, not 975 gigalitres; .975.

Mrs MAYWALD: Megalitres, I am sorry.

The Hon. J.D. HILL: Yes; it would get more than South Australia altogether. I am sure that it would work out how to use it, too. In fact, it will be 975 megalitres. With respect to the remainder of that water, it is my decision that it will stay in the river for environmental flow purposes. I think that it would be wrong, during a drought time, if the government was to profit because there will be very high demand for water and the price will go up. It is tempting to do it, but we have decided that it would be inappropriate for us to try to profit. It is a relatively small amount of water; just a couple of gigalitres would be available.

Even if we were to sell it and try to do it on some basis that would reflect need, I am not quite sure how we would do it. We could not enter into a constrained market: we would have to put it on sale generally otherwise we would be breaching competition policy, as I understand it, or at least breaching the principle of competition policy. It could actually end up going anywhere. We think that it is better that it stays in the river in this period. In fact, the amount that would be available would be around about 2.2 gigalitres after we took into account the 4.8, which is reduced then by the

35 per cent, then less the .975, which has already been allocated. So, just over 2 gigalitres would be available.

Mrs MAYWALD: So, the water that has been, I guess, acquired by the government through the Loxton Irrigation Rehabilitation Scheme will be available only to Barossa irrigators?

The Hon. J.D. HILL: I think that the honourable member has put a spin on that, which is a most unfortunate reflection. The reason it is going to the Barossa irrigators is because the former government entered into an arrangement with the Barossa irrigators in order to get sufficient finance to pay for the scheme, which is benefiting the irrigators in Loxton. If it had not been for that leasing of the water that scheme would not have had the finance to enable it to happen. But the beneficiary of the remainder of that water will be the environment. As I understand it, it was always the intention that that water was to stay as environmental flow, not to be exploited by the government for financial benefit.

We could, if we were so minded, go into the market and sell that water, but I can assure the honourable member that the government would be criticised mightily for trying to capitalise on a drought. I know that governments in other states may have done that but we were not going to try to take water out of the environment and put it into profit for the state government.

Ms BEDFORD: I refer to sub-program 2.4, Portfolio Statement, page 9.51. Will the minister advise the committee of progress with the rehabilitation of the Loxton irrigation scheme and what benefits will result from the project?

The Hon. J.D. HILL: The scheme was established as is a soldier settlement scheme after the Second World War. The scheme operates an open channel water delivery system, that is, the Loxton irrigation scheme, which was inefficient and contributed to salinity. Rehabilitation of the scheme commenced in 1999, with works initially planned over a six year time frame. Stage 1 consisted of a temporary boost to pump station and pipeline, which delivered water at low pressure to 30 growers in the new private development, Century Orchards. The new Loxton high pressure irrigation scheme was officially opened by the Hon. Warren Truss, federal Minister for Agriculture and me, on 24 May this year.

All irrigators in the Loxton district are now connected to the new scheme with only finetuning and testing of the system before final handover to the Loxton Trust. The total rehabilitation of the scheme is estimated to be approximately \$35 million. I point out to the committee that that is \$7 million under budget and two years ahead of the original schedule. The savings for stage 2 will be shared between the commonwealth, the state government and the Loxton growers.

The reason it has come in under budget is some work carried out by a company based at Adelaide University by the name of Optimatics. This company is able to analyse piping systems and devise an optimum design for those systems. As a result of its applying its technology and intellectual property to the design, it was able to make adjustments which save, I think, initially \$6 million, and I guess another \$1 million was found in construction. This is a superb South Australian company with great technical know-how which is exporting its ideas all over the world.

So, as a result of this work, productivity from existing properties is anticipated to increase by approximately \$10 million by closely matching crop requirements using the new water-on-order system and on-farm improvements. An additional 1 000 hectares of adjacent land, including Century

Orchards, will be supplied through the new scheme. The salt load back to the River Murray is predicted to reduce to 58 tonnes per day over the next 50 years, equivalent to a 10 EC reduction at Morgan. The new scheme has eliminated 4.8 gigalitres of annual water losses.

Mr HANNA: I am pleased to see on page 9.48 that the recommendations of the South Australian parliamentary Select Committee on the Murray River either have been or are in the process of being implemented. I want to ask an omnibus question about that particular issue. I was pleased to see the interim update that was published at the time of the forum earlier this year. Are plans and resources allocated for that to happen on a regular basis (I suggest that would be very useful)? Secondly, are there recommendations that the minister can specify which will not be implemented (and there are particular recommendations which I think are most significant—for example, in relation to water trading)? Could the minister also advise of progress on that particular recommendation?

The Hon. J.D. HILL: I do not have a particular schedule for publishing updates. I was anticipating that, once the River Murray Bill has been passed into law and the committee that is established by that legislation is in place, it would be useful if that committee could receive updates from me or from the department on a regular basis to analyse how we are going in terms of implementing those procedures. I agree with the member that we need a system in place to go through that process. It has been pointed out to me that the Save the Murray levy has a budget line to put some resources into the implementation of those recommendations. I do not think I have had any advice, although I will be corrected if I am wrong, in relation to recommendations which are not being pursued. I think all those recommendations are still being pursued, but I will check and, if I am wrong, I will get back to the member.

It is still my view and that of the government that water trading is worth pursuing and is, in fact, an important device to try to maximise the amount of water that comes down the river. We need to do it, however, in the context of ensuring a guaranteed environmental flow first. The danger in unrestricted water trading is, of course, that sleeper and dozer licences will come onto the market and, as New South Wales has allocated more water than it has a cap for, if that were allowed to happen without any real controls, you would end up selling more water out of the system than they are currently taking, so that would have a negative impact.

In fact, the argument really needs to be couched in terms of what amount of water is required for the health of the river. We would say, as the select committee did, that another 2 000 or 3 000 extra gigalitres is needed. Once you have worked out how much water you need for environmental flow purposes, it makes sense to allow the use of that water to be determined by a proper market arrangement. There are some issues to do with that, and it is interesting that debate at a federal level is changing. The federal Liberal Party, on the motion of Senator Heffernan from New South Wales, seems to have gone back on its ideology in terms of trading and now has a more socialistic or controlled policy position.

Mr HANNA: There are a lot of marginal seats in New South Wales.

The Hon. J.D. HILL: There are a lot of marginal seats in New South Wales, as the member observes. And, in fact, they seem to be taking a different position from the position they took previously, and certainly a different position from that which was once taken by the Deputy Prime Minister,

John Anderson. So, I am not sure where the federal government is going in terms of water trading. I think it will be an interesting next meeting with the Premier through the COAG process.

So, it is a bit hard to answer that question because I think it is still fluid, to use a poor pun, but from a policy point of view I think trading is to be encouraged. The breakdown of systems that discourage trading ought to be worked on and, certainly, we are doing some work within the department. We have been taking advice from Mike Young, who has been an advocate for the establishment of a trading system for water similar to the Torrens title. I am not too sure that it would go that far, but he certainly has some interesting ideas which we are considering.

The CHAIRMAN: Minister, I do not expect a precise percentage, but how big is the challenge of getting people who are using outdated, inappropriate irrigation methods to improve their processes and practices? Are we looking at 50 per cent of irrigators, whether they draw from an aquifer or from a river. Who will modernise their techniques? What is the size of the challenge in terms of getting people to adopt modern irrigation practices?

The Hon. J.D. HILL: I think it is interesting if you look at just the River Murray—and I do not have the exact figures in front of me—that over the 20 years or so that we have had a cap in place in South Australia there has been an increase of 30 per cent or so in the amount of irrigation that has occurred and the amount of product that is produced. These figures are rough, but it is thereabouts. And we have done that without having more available water. A little bit has come in by way of trade but, basically, it has been done by increasing efficiency. The trouble from an environmental point of view is that little of that water has gone back into the river in the form of environmental flow. Perhaps some of it is in the river for environmental flow but it is always subject to an economic imperative.

The River Murray catchment water allocation plan has imposed on irrigators in the upper reaches of the Riverland in the member for Chaffey's area a water efficiency target of 85 per cent. In the lower swamps area it is an efficiency factor of 65 per cent. That, of course, reflects the fact that they use the water in a different way—for flood irrigation—and 65 per cent is probably the optimum level of efficiency. In 2002 a survey showed that the average efficiency in the River Murray was between 75 and 80 per cent. So, I think the River Murray irrigators have been pretty efficient because the only way they have been able to get more water, unlike their New South Wales and Victorian colleagues, is by using less and producing more. The 85 per cent target has to be met by 2007.

I would also say that as a result of the water restrictions program which has been put in place which imposes a 35 per cent restriction on irrigators in terms of allocation, those irrigators who are not very efficient and using most of their allocation will be forced to look at efficiency measures. I would expect many of those will take up technologies and develop new processes which will make them become more efficient.

If they do that in this drought year, they will have only minimal loss of production. Of course, some irrigators in the Riverland are very efficient; they are really state of the art irrigators. If they are using only 65 per cent or less of their allocation, they will not be affected at all by the drought. I have spoken to irrigators who thought it was unfair, when we were talking about water use. They said, 'Look, we have

become very efficient, and we put the savings back into the river as water flow.' I commend them for what they have done. Those irrigators will not have any loss at all, but where the most problems will be are those ones who are very efficient but use close to 100 per cent of their allocation. They will have to find up to 35 per cent more water or reduce their production accordingly.

The system we have set in place will mean that there will be water there for trade, and, as was said to the member for Chaffey, we will try to make sure that trade happens very efficiently. I think the range of processes will mean that South Australians will become very efficient water users.

Mr WILLIAMS: Minister, at the bottom of page 2.25 of Budget Paper 3, you say:

Water monitoring and resource assessment—monitoring of both ground and surface water monitoring networks to be restricted to those areas where the resource is under stress.

Can the minister explain to the committee in which areas the resource is under stress or, alternatively, which areas of the state are not under stress, and how he will achieve \$800 000 in savings in each of the next four years?

The Hon. J.D. HILL: The total expenditure for this area is estimated at \$2.085 million. This initiative involves reductions across groundwater and service water monitoring networks across the state and reallocation of resources to concentrate on areas of high priority. In large part, we will be reallocating resources to focus on other areas, including tapping into moneys available under other programs, such as the monitoring and assessment associated with salt interception schemes coming on track over the next few years: for example, Loxton, Bookpurnong, Chowilla and Mypolonga are funded through the NAP process. Assessing funds from NHT will commence in 2003-04, and there will be \$12.3 million available. There is the potential to access funds for the initiative through other schemes that will come on stream as well. We are also looking at the potential for prescription of the East Mount Lofty Ranges and the West Mount Lofty Ranges over the next year or so. They are the areas of highest priority, as I understand it. The fact is that, by accelerating the prescription, we reduce the amount of monitoring that will be required.

Mr WILLIAMS: As a supplementary question, is the minister saying that once he has prescribed that, there is no monitoring carried out?

The Hon. J.D. HILL: A big effort goes in up front to determine the level of stress of the resource and what the problems are. Once you have done that monitoring, you know what is required: you prescribe, and you know what measures need to be put in place, and you go on to look at other areas. There will be ongoing monitoring of water resources, as a matter of course, but not that enormous effort that would go into getting that prescription happening.

Mr WILLIAMS: Minister, I come to the issue of water holding licences in the South-East.

The Hon. J.D. HILL: I am surprised that it has taken the member 5½ hours to do that.

Mr WILLIAMS: As long as we get there, minister. I note that on 6 March this year, the minister revoked section 122A of the Water Resources Act, a section which previously allowed holders of a water holding licence to apply to pay a \$25 fee. Can the minister explain to the committee on what advice he revoked that and for what reasons?

The Hon. J.D. HILL: The member has raised this issue with me more than once.

Mr WILLIAMS: Still looking for a satisfactory answer.

The Hon. J.D. HILL: I know the member is looking for an answer which is different from the answer I am going to give him. I received advice from both the department and the chair, or the executive officer—I cannot recall which—of the local catchment board that that was the package that had been worked out through the catchment water management plan for this coming year. When the member for MacKillop raised it with me, I asked for that to be reviewed, and I went through the process again. The advice was that I should retain that position.

Mr WILLIAMS: It is interesting that the minister says that he received advice from the CEO of the catchment management board to that effect, because the minutes of the catchment management board show that, on 21 August last year, the catchment management board passed a motion, as follows:

The board agreed that:

1. The fee in lieu of the levy remains at \$25. If a water holding allocation is made available for bona fide sale or lease then no levy is payable, but the fee in lieu of the levy is payable. If the water holding allocation is sold or leased then the transferee pays the full levy.

I understand that the CEO was to write to the minister subsequent to that, which he did. The minutes of 18 September show that the membership of the board picked up an error in the letter that was written to you. The board reaffirmed its earlier decision, and the CEO was instructed to write to the minister again.

The next time the matter appears in the minutes of the catchment board was on 19 March, where a letter was tabled from the minister's CEO (written on behalf of the minister) advising the new arrangements concerning the fee in lieu of a levy and the water holding and water taking levies. In fact, it advised that the minister had revoked section 122A on 6 March and had written to all licence holders on 14 March. My understanding is that the first time members of the catchment management board were aware of this was after the minister had taken that action. It seems incredibly strange to me that the minister would say that the CEO of the catchment board had advised him to take this action. Did the CEO of the South-East Catchment Water Management Board advise the minister of that, contrary to the motions passed by the board both in August and September of last year?

The Hon. J.D. HILL: As I have said, I cannot recall whether it was the CEO or the chair who wrote to me. The point is that the water plan adopted by the board contained the provision that the holding licences would attract the same levy as the taking licences. That was the position—

Mr WILLIAMS: It also contained the statement that landholders with a water holding licence could avail themselves of the \$25 fee, under the prescribed circumstances.

The Hon. J.D. HILL: I do not have the plan in front of me, but the advice I have is that the plan contained the understanding that taking and holding licence-holders would be treated in the same way. I received, in writing, a recommendation—and, as I have said, I cannot recall whether it was the CEO or the chair—that that was the approach I should take.

I accept the point made by the honourable member that the board may not necessarily have had a motion on its books to that effect, although by the time the process had been reconsidered there was some sort of motion on their books which rejected the alternative position. The board went about it in a fairly interesting fashion, but I took advice on it and the advice has continued to be that I should adopt that policy.

Mr WILLIAMS: That may explain why at a regional meeting of the South Australian Farmers Federation held at Lucindale last Wednesday they passed a unanimous motion of lack of confidence in the South-East Catchment Water Management Board. The minister's CEO was at that meeting and I am sure he has reported that fact back to him.

The Hon. J.D. HILL: I have also expressed some concerns about the process and I have asked the CE to investigate the matter: that investigation is in train.

Membership:

Mr Brindal substituted for the Hon. I.F. Evans.

Mr Goldsworthy substituted for Mr Williams.

Mrs Hall substituted for Dr McFetridge.

The Hon. J.D. HILL: I refer members to statements I made at the beginning of this session. I incorporated my comments on the River Murray in my comments on the Department of Water, Land and Biodiversity Conservation.

Mr BRINDAL: This is the first time this budget line has been examined because it is the first time there has been a specific ministry for the River Murray. It is a very interesting time to examine the budget line because the enactment of the River Murray Act coincides with the first real crisis we have had in the River Murray for 99 years. I remind the house and the minister in particular that in contributing in a bipartisan way to the development of that legislation through the chamber we as an opposition, along with the member for Chaffey, said that the true test of this legislation would not be in the legislation but in the way the legislation was enacted and the consequences that could flow from it. Little did we realise, although we may have seen the truck coming, the dire consequences that would be predicted so few months later. It is in that context that we examine these budget lines.

I refer to the NAPSQ strategy, the salinity strategy, which is of interest to all members of the South Australian community and must be held to be of paramount concern in terms of the River Murray. The 2003-04 capital investment statement says that it is the implementation of various programs, such as salt interception, that is of vital importance. Why did the government, which professes to be committed to this, underspend its 2002-03 allocation of funds for the project by \$4.750 million or 37.3 per cent, especially given that that \$4.750 million is funds to be matched by the commonwealth, so it represents, if the opposition is correct, an underspend in salt interception and salinity programs of some \$9 million in the last financial year? Will the minister explain why this has occurred and how will it be rectified?

The Hon. J.D. HILL: The member for Unley was out of the chamber when the question was asked by the member for Chaffey an hour or so ago. He may find that a number of questions he will ask were raised in general discussion an hour or so ago. However, given that the honourable member has raised this issue in the past, I will repeat my comments. Gaining approvals from commonwealth programs can be somewhat problematic. It is a slow process and a number of stages have to be gone through: a community-based stage, local NRM arrangements, a state body that gives advice on priorities, and then we need commonwealth sign off and to implement the programs. It is a slow process and with the NHT there was a fair bit of slippage as well. We are still dealing with some of the NHT funds from the days when the honourable member was minister. That is not a negative reflection but is the nature of the beast.

In particular a large sum of the expenditure that has been delayed relates to the Lower Murray irrigation swamps program and, as the honourable member would know, that is not really to do with salinity but is a water quality issue. It has been delayed because of the difficulties in reaching agreement with the community about how it should be implemented. We have gone through a review process and there have been a number of appeals on how water is allocated, and we are working our way through it. We want to do it as quickly as we can, but we have to try to take the community with us, and the honourable member would understand that. There are issues to do with system development which the member for Chaffey raised as well, but we will get further advice to the member on that.

Mr BRINDAL: If the minister has answered questions he can advise me of the duplication and I will refer to the earlier reply. With respect to salt interception schemes, the minister would be aware, as he is a member of the ministerial council, that it is already a requirement that any user of water from the river is responsible for their impacts. So far the ministerial council has chosen to make irrigators responsible for their impacts in terms of extraction. It is openly discussed in council that it is only a matter of time before irrigators are held to be responsible for their impacts into the river. In other words, if an irrigator draws water and they are 85 per cent efficient—15 per cent of the water goes into the ground water and eventually seeps back into the river, eventually those irrigators will be held responsible for the salt intrusion that their properties are causing on the river.

The minister's officers will confirm that talk of a salt levy has been floated and discussed in council, the commission and in other places. That being said, the Qualco-Sunlands bill, which the member for Chaffey was very instrumental in advising on and helping through the house, was a very good scheme in that if the Qualco people are ever asked to account for their salt they have contributed to a scheme and their impacts will be negligible, as will therefore their liability. In contrast, the lock 4 Bookpurnong scheme was a very exciting scheme put up by local irrigators—a scheme which has been adopted with some alacrity by the commission to get salt credits for New South Wales and Victoria, as is their right, and by officers of the minister's department.

Unfortunately, in evidence given before the Public Works Committee, it now appears that the level to which the Lock 4 Bookpurnong growers will be able to contribute is somewhat less than for some other schemes. This creates a dilemma because, if the commission and the government take responsibility for the interception of their salt, there is in theory a possibility that, down the track, those irrigators will not have been held to contribute to the remediation of their own salt loads and therefore will be subject to a salt tax. Can the minister say whether or not that is possible?

The Hon. J.D. HILL: Can the honourable member repeat the essence of the question?

Mr BRINDAL: In a sense, the project has gone past the irrigators in Lock 4 Bookpurnong, who really instigated the scheme and did a lot of the early development work through NHT funding. I believe the irrigators paid for a lot of the initial studies. It has been taken over and their contribution is not even expected to be what has been the standard 20 per cent. Because they are not now contributing, down the track, the argument could be put forward, 'Well, you didn't do anything about your salt loads into the river, we the government, we the commission, we everybody else, did something about it, therefore you are still liable. You have done nothing

about your salt. If we introduce a salt tax, you will have to pay it.' Does the minister agree that that possibility exists?

The Hon. J.D. HILL: I find it difficult because I am being asked hypothetical questions. This is not an examination of the budget. I am not aware of the evidence that was given to the Public Works Committee. There is a general responsibility on irrigators under the water allocation plan to be responsible for the salinity that they produce. There is certainly pressure from Victoria, amongst others, for us to bring this forward. The Victorians have a different scheme where people pay up-front for their salinity credits. In South Australia it has been *ex post facto*. We are going through a process of ensuring that they are brought into line over a period of years. I find it a bit hard to comment on hypothetical possibilities during this budgetary process.

Mr BRINDAL: It is not so hypothetical, minister. Water is a fully tradeable property right, so I can have the rights of extraction to water. I can buy those rights and that extracted water is then mine, and put into my care, custody and control. If that water flows back into the river, and it has salt in it, I have a responsibility to the rest of the community and to the rest of the river. That is as it is espoused by the commission. If the Qualco Sunlands scheme is built and the irrigators ask to put a desalination plant in line, in your scheme, and take from that scheme 15 per cent of the flow as fresh water back on to their properties, would you agree that that is probably their property right? Because 15 per cent of their water flows beneath their property, they have a legal right to extract that which is theirs, and having extracted that 15 per cent of water, no water can be held to flow back into the river, so their salt liabilities would be zero. That is not a hypothetical question about your policy.

The Hon. J.D. HILL: I lost track after the third 'therefore' or so. This is quite an argument that the member is constructing. I am not aware of any budgetary implication at this stage of that scheme. In simple terms, there is an expectation that irrigators are responsible for salinity levels. We would have to work through any scheme that was constructed from that basis. If an irrigator paid into the scheme a quantum that equated to what was required to take out their salinity levels, one would assume that they had met their obligations. If they had not done that, the answer would be that they had not done it. I find it a bit hard to think through a scheme such as the one that the member is putting to me, because there are obviously a whole range of legal, economic and other issues that would have to be considered. I am not saying there is not an answer to it but I am not capable of really addressing it in this context.

Mr BRINDAL: I suggest that the minister take it on notice.

The Hon. J.D. HILL: I am happy to do that.

Mr BRINDAL: If they want their 15 per cent of water back and they have a legal way to claim it back, the minister's department will have him all over the courts. I do not see that the government has the right to take the water. The department assigns them the water, it is their water, they have the right to reclaim it. Just because it goes below their root zone does not make it any less water that was assigned to them.

The Hon. J.D. HILL: I am beginning to understand the direction in which the member is heading. It does raise some interesting legal and property issues dealing with entitlements, rights and so on, so I am happy to have a closer look at it.

Mr BRINDAL: Can the minister advise whether the government has taken into consideration the fact that, in many areas, water levies are already collected for catchment water boards to overcome local issues and that many areas will not be paying the River Murray catchment levy?

The Hon. J.D. HILL: The River Murray catchment levy?

Mr BRINDAL: The River Murray levy. In the South-East they pay a catchment levy but they will not pay the River Murray levy. In Onkaparinga, they pay a catchment levy and a River Murray catchment levy through SA Water, and they will still be paying the River Murray catchment levy.

The Hon. J.D. HILL: The government's intention through the Save the Murray levy was to have a levy to which as many South Australians as possible would contribute, and the way it was determined to collect that levy was through the SA Water bill, which a vast majority of South Australians pay. It is true that some people do not have a SA Water bill and they will be lucky and they will miss out. Whether or not governments in the future decide to extend the provisions to include those people is a matter of public policy, and also a question of practicality. For instance, what would be the cost of doing it? If it becomes so difficult to track down all the others, you would wonder about whether it was necessary to do it.

It is true that, through the catchment water boards, there is a levy in place for the management of catchments in South Australia, and I think that I answered in part a question about that earlier today, that the rate of that levy is 1¢ a kilolitre for most of South Australia's irrigated water. It is 1¢ for public water and for non-public water supplies it is 0.35 of a cent. In the McLaren Vale prescribed area, it is 1¢ a kilolitre, and so it goes. In the Northern Adelaide Plains, it is half a per cent on allocation and half a per cent for water use. The member is right, there are water catchment levies in place, but they provide services of a different type to the Save the Murray levy.

As I said in answer to an earlier question, the Save the Murray levy is to do a couple of things. It is to provide us with the resources necessary to try to rescue the river. Half of that funding, approximately, will be spent on specific programs and the other half will be allocated to obtaining more water for environmental flow. The benefit of having that kind of levy in place is twofold. First, until the government or the parliament decides to stop it, it gives us a permanent allocation of resources to that specific purpose, which will be protected by a special fund that will be established, so the money can only be used for that purpose—it cannot be siphoned off for other purposes. That will go on until we fix the problem.

Secondly, and more importantly in one sense, it sends a very powerful message to our colleagues in the Eastern States and to the commonwealth government—and I know that people have sat up and paid attention—that the government here is introducing a Save the Murray levy, and that has given us a whole lot of brownie points. That will help us fight the general argument in those states because they can see that we are serious and we are prepared to do difficult things.

Ms CICCARELLO: My question follows on from that. The minister has answered with regard to the River Murray levy, but I refer to Portfolio Statements, page 9.48: what guarantee can the minister give that the funds raised by way of the Save the Murray levy will be used to improve the health of the river?

The Hon. J.D. HILL: I thank the member for the question: it follows on nicely from the one asked by the

member for Unley. The Save the Murray Levy is estimated to raise \$20 million in a full year—that is \$30 per resident and \$135 for a non-resident—and will be directed to a series of measures to improve the health of the river. It will go into a special Save the Murray Fund and, by law, can only be spent on measures to improve the health of the river. Approximately \$10 million will be set aside for South Australia's contribution to an across the basin initiative to provide water for environmental flows. I notice that I have been criticised in some of the media—

An honourable member: Surely not!

The Hon. J.D. HILL: —no, surely not—because that is not very specific. It is hard to be specific until we know exactly what the other states will agree to. But we hope that there will be agreement on a fund that will help to achieve those outcomes. The details of that, I guess, will have to wait until the Murray-Darling ministers meet in November. Water for environmental flows is required to improve the health of the River Murray system, which impacts on South Australia's agricultural viability, ecology and its communities. The balance of the funds will be used to accelerate the recovery of the river. These activities include increased funding for Murray-Darling Commission programs, including the Murray Mouth and salt interception schemes; implementation of the River Murray water allocation plan; salinity reduction; scientific research and information; environmental flows and wetland management; water quality improvement; conserving the River Murray ecology; upgrading the river's waste disposal stations and drainage disposal system; and River Murray Act implementation.

These initiatives have been developed to complement and add to the government's policies, and have been prioritised to address the longer-term issues facing the river. This program is integrated within a larger seven-year program of works and measures formulated within the Murray-Darling Basin initiative program and the South Australian River Murray Salinity Strategy. The levy is estimated to raise a net of \$15 million this coming year and \$20 million in future years. The levy is part of a \$279 million package of funds committed by the state, commonwealth and Victorian governments over the next four years to improve the health of the river.

Ms BEDFORD: My question follows on from that. What is the government doing to address the current situation at the Murray Mouth?

The Hon. J.D. HILL: As members would know, the Murray Mouth is an important icon site for the River Murray in South Australia. The condition of the mouth and the degree of restriction at the mouth is directly linked to the amount of river water that is available to flow out of the mouth. At times of high flow the mouth is clear and open, while at times of low flow the mouth becomes restricted and is in danger of closing. Closure of the mouth has occurred once previously in recorded history, and that was in 1981. Under natural conditions, the mouth experienced drought-like conditions (low or no flow) one in every 20 years. Currently, due to over-extraction of water from the basin, the mouth experiences drought-like conditions one in every two years. From March 1998 to the present, the Murray Mouth has been largely constricted, despite occasional periods of small flow. The build-up of sand in the area is an ongoing and compounding problem. It is estimated that well over 2 million cubic metres of sand have accumulated within the mouth in this time.

I will go through some of the issues, the first of which is the water resources outlook. The barrages were closed in December 2001, and have not been opened since due to the lack of flow. This is the longest period that they have been closed since they were constructed in the 1940s. The current water resource outlook is poor, with South Australia receiving less than entitlement flows until water resource conditions improve across the basin. Basin storages are at record lows due to the drought. This has caused water levels in the lower lakes to fall to record low levels. Unless there are good winter rainfalls over the catchment, it is unlikely that there will be sufficient water to fill the lakes and make any releases from the barrages until at least the summer of 2004-05.

With respect to the implications of a restricted mouth, extended closure of the mouth could lead to environmental degradation of the Coorong, particularly if the mouth remains closed during summer, when high temperatures and low dissolved oxygen levels could cause serious failure of the aquatic ecosystems of the Coorong. The Coorong, as members know, is an internationally listed Wetland of International Importance, listed under the Ramsar Convention (1985). Some 85 species of water birds have been recorded there, and many of these birds are subject to international migratory bird arrangements. The Coorong also supports an important commercial fishery and a buoyant ecotourism industry, both of which are dependent upon a healthy river.

Regarding current programs and contingencies, in early September last year, as the Minister for the River Murray, I wrote to the MDBC requesting that it fund a mechanical intervention program at the Murray Mouth—the dredge. That project began on 6 October 2002. The intervention involves a cutter suction dredge that is being used to create channels from the mouth to the Goolwa and Tauwitche lagoons of the Coorong to allow an adequate exchange of water between these water bodies and the ocean. To date, 310 000 cubic metres of sand have been removed from the mouth and pumped onto the beach at Sir Richard Peninsula.

The project has achieved its original objectives of protecting the health of the Coorong over the summer of 2002-03. However, continuing dry conditions have meant that the dredging work will need to continue until river flows resume. The dredge has partially cleared sand from the Coorong channel, and for the next few months will focus on keeping the mouth open by maintaining the Goolwa channel, as tidal processes have reduced the size of the Goolwa channel since it was first cut, and the mouth channel is also becoming more restricted.

On 9 May this year, the Murray-Darling Basin Ministerial Council supported an expansion of the current sand pumping project to ensure that the Murray Mouth remains open for the next 12 months and a channel is excavated from the river mouth through to the Coorong before summer 2003-04. A second dredge will be deployed to undertake this work.

Ms BEDFORD: Will all River Murray water users be treated equitably in the implementation of water restrictions during 2003-04?

The Hon. J.D. HILL: The short answer is yes, they will. As the member knows, on 14 June I announced a package of measures to reduce the volume of water, and these restrictions will take place on 1 July. The restrictions will reduce the amount of water being used by about 20 per cent. Water users throughout the state who are supplied with River Murray water will be affected by the restrictions. From July 1, River Murray irrigators will be authorised to use no more than 65 per cent of their licensed water allocations. Unmetered

irrigators in the lower swamps area between Mannum and Wellington will be subject to a packet of measures aimed at reducing use in the region by 20 per cent, to meet a temporary cap of 80 gegalitres for 2003-04.

SA Water Corporation will be authorised to use no more than 122 gegalitres for metropolitan Adelaide in 2003-04, the equivalent of a cut in usage from the River Murray of 20 per cent. In addition, SA Water's country towns authorisation will be capped at 30 gegalitres, which is 80 per cent of the average use of 37.5 gegalitres. In relation to that, there has been some comment in the media about a scheme to supply town water to Clare, and there has been criticism of that being continued. This scheme was initiated under the former government, and is being continued by this government. Regardless of the scheme's being put in place, there will be no increase in the amount of water used by SA Water in terms of what it has had allocated to it this year for country towns. It has had a country town allocation this year of 30 gegalitres, which is an average of 80 per cent of what it used last year before the Clare scheme came into place.

The Clare scheme (which is under construction now) will come into place, and any allocation to Clare for towns water will have to be within that 30 gegalitres, so no extra water will be used as a result of Clare. There will be a slight reduction, I guess, to the other country towns to allow the Clare water to be provided. But I think the amount of Clare water is relatively small. It is probably just one or two gegalitres; I am not sure exactly what the volume is. So, there will be no reduction there. The Minister for Administrative Services, obviously, has gone through the reductions. I have talked before about the Barossa infrastructure scheme, so I will not go through that at this stage. I think that covers all the things that I want to say.

Mr BRINDAL: I have a supplementary question. I accept that country towns are being limited to 30 gegalitres this year and, indeed, also the Clare Valley scheme, which we actively pursued. But it was pursued by me and by the then premier on the grounds that no new water would be taken from the river. I remember that, and I remember obtaining my officers' advice on that matter. I was shocked to learn that SA Water was taking an extra 2.2 gegalitres in a normal year on top of its entitlement. It has a licence for 50 gegalitres: it normally draws about 38 gegalitres. It will take an additional 2 gegalitres of water from the river in a normal year on top of what it has traditionally taken. That is not what the previous government asked (and I know that this is not the minister's portfolio); it was not to render the scheme non-viable. The scheme is a profitable one and, by taking 2.2 gegalitres in additional water from its country licence, all it was doing was maximising the profits to the scheme.

I appreciate that the minister is saying that he has now limited SA Water to 30 gegalitres of water, and how it uses the 30 gegalitres is the business of another minister. However, I make the point in this parliament that all that means is that, to give water to those people at Clare, because 30 gegalitres will be made available, other country users will have to be squeezed even more. If SA Water wants to make that available to people at Clare, other country users who are now being restricted will be artificially restricted even more to prop up a new scheme which, in my opinion, perhaps could be deferred and not come online quite so quickly.

However, I must strongly protest, and I have done so in the Public Works Committee. The last government did not announce this scheme as drawing any new water from the river. SA Water can cut the cloth whichever way it likes, but

it has cheated the river and the people of South Australia. What it has done is abominable and abhorrent.

The Hon. J.D. HILL: I find the statement made by the member for Unley quite curious, because he seems to be taking two contrary positions by what he has said. On the one hand, he is arguing that any water that is found for Clare should come out of existing use, not out of allocation, and then he criticises the scheme because it will be further reducing the water available to other country towns.

If the member is criticising SA Water for that, presumably he is saying that it should be new water that is provided for Clare. The member cannot hold both positions. I am not aware of the claims made by the member, and I do not doubt that he is honest in his recollection. However, I am not aware of the claims made by the minister in terms of agreements that were made by the former government. The reality is that the former government did initiate this scheme. It was a scheme that favoured the then premier's own electorate (I think Clare was in his electorate). As premier, no doubt he was trying to do something of benefit to his electorate. This government has continued the commitments that have been made.

The fact is that SA Water has an allocation of 50 gegalitres to supply country towns. As the member said, on average it uses about 37½ gegalitres. So, there is the capacity for it to use additional water, because it has an allocation to do so. I do not think that we in South Australia should feel guilty about using what we have allocated to us. Our guaranteed allocation is 1 850 gegalitres. We have a cap of around 750 gegalitres and, as we know, SA Water has a rolling cap for metropolitan Adelaide, which is 650 gegalitres over five years, plus 50 gegalitres for country areas. So, that 180 gegalitres per year for SA Water is out of 1 850 that comes into South Australia and the thousands of gegalitres that are used everywhere else.

It is unreasonable to think that that allocation should be treated any differently from any of the other allocations. As long as we are within the cap and not wasting water, I think it is appropriate for us to use that amount. Obviously, as a government, now that we have introduced the capacity to have regulated water use (which was one of the amendments that was put through the parliament with the help of the opposition in the last week of sitting), we can now regulate water use across country and metropolitan towns. When we introduce those measures, presumably we will reduce the amount of water that is used, and there may well be even greater capacity. However, I want to assure the committee that the impact of this pipeline on water use in South Australia this coming year will be zero.

Mr BRINDAL: I claim to have been misrepresented: all I was trying to explain was that the minister has now limited country water supply to 30 gegalitres; that is the point. If it takes some of that 30 gegalitres, other suppliers will get less. That is all that I meant to imply, not what the minister said. The other point I make is that, quite simply, we are looking for environmental flows. I know that they can do it; I am not arguing that. I see no point in taking additional water from the river, when the minister is looking so desperately for every gegalitre he can to go back into environmental flows. For any instrumentality (especially a government instrumentality) to take additional water from the river makes the environmental flow task even harder. I do not want to belabour this point, but I was only arguing that, by taking any of that 30 gegalitres now (which is 80 per cent of what was used last year in country towns) and by saying, 'You can have your 80 per

cent, and we will introduce a new factor into the equation,' the minister is asking people to take a bigger burden.

The Hon. J.D. HILL: That is really the point the member is making, too. He is saying that Clare should be provided water out of the average use of 37.5 gegalitres. If SA Water were to do that for Clare, that would mean a cut of water use in the other country towns on an ongoing basis. This is the point I am making. The member is objecting when it is at 80 per cent but, presumably, he is not when it is at 100 per cent.

Mr BRINDAL: I see where we are confused. I am saying that that water for the irrigators should be bought off the open market. It should be bought in New South Wales or Victoria, or off irrigators in South Australia, as the bill sought to do.

An honourable member interjecting:

Mr BRINDAL: They lease it from the government. The scheme, minister, still makes money. Even if they bought that 2.2 gegalitres of water on the open market and added it as additional water to our entitlement, it still makes money.

The Hon. J.D. HILL: That is what the former government agreed to, because that is the town supply. Certainly, what has been agreed to is that any irrigation water supplied through the SA pipeline would have to be purchased on the open market. However, I think it would be unusual if town water were purchased when we already have an allocation for that.

[Sitting suspended from 6.07 to 7.37 p.m.]

The Hon. J.D. HILL: I would like to qualify a statement I made in response to a question asked by the member for MacKillop about the taking and holding of licences. I indicated that I had had advice from the catchment board in the South-East. That was my recollection; the department has been trying to find any written correspondence in relation to that, but we cannot find it. I still recollect having had advice from it; it may well have been by phone call or message of some sort. As I said to the member for MacKillop, we are reviewing what happened, because it clearly was not very satisfactory and I will try to clarify exactly what happened. I just did not want to have on the record something which in future may turn out to be not absolutely 100 per cent correct, as members would well understand.

While I have the microphone going, I understand that the member for Unley has indicated on the news that he is contemplating retirement. On behalf of the committee I think it is important that we note his huge contribution to this place over many years and express our understanding as to why he might reflect on his future. I am sure there will be very interesting positions for him in other spheres if he chooses to retire from this place. The House of Lords has been mentioned, but far be it from me to expand upon that statement.

Mrs MAYWALD: I add a supplementary question to that from the member for Unley in respect of the 2.2 gegalitres from Clare. For clarification, will the minister advise how much of the 2.2 gegalitres is for domestic consumption at Clare and whether or not any of that will be available to irrigators?

The Hon. J.D. HILL: As I understand it, the allocation comes out of the town water supply; therefore, by definition, it is for town purposes. What individual town water supply customers do with it after they receive it is up to them but, as the member pointed out to me during the break, if anybody wished to irrigate in that area they would have to get an IDMP through and that would take into account the source of the water. The provision of the pipeline will allow

irrigation to occur in the Clare region using Murray River water, but the understanding I have is that any water that would be used for that purpose, that is, irrigation, would have to be obtained by purchasing that water on the market from other irrigators, hopefully in New South Wales or Victoria rather than in South Australia.

Nonetheless, it could come from South Australia. And there is a positive net environmental benefit, as well as possibly an economic benefit, in doing that because it, in fact, takes the water well away from the river banks, which means that there is no salinity impact on the river, which reduces the cost of salinity in the river.

It is interesting to contemplate the changes to management of the River Murray in South Australia generally. We have been through the process of having a cap in place, we have recognised salinity issues, we have established the Murray-Darling Basin Commission and we now have to focus on environmental flow. It is interesting to think about the next stage in the way in which we manage this river. I think that into the future we may find that more water will be taken away from the banks of the river and used further inland, which will protect the river from salinity. I am not suggesting all the water will go to Clare or the Barossa or somewhere: it may be that a couple of kilometres from the banks in the Riverland will be a better place to irrigate than right on the banks. If you look at the maps which indicate where salinity problems occur, it is clear we will have to do something like that.

Mrs MAYWALD: My question is a follow-on to an answer that the minister gave earlier with respect to the impacts of the 35 per cent reduction in allocation of water from the River Murray and the fairness of the application. One of the areas for which I have greatest concern is those irrigators outside the irrigation trust areas (the private irrigators) who have had the capacity to expand and develop their properties in line with the State Food Plan, export plans and desire to see water move to its highest cost return. I understand there are 544 irrigators above lock one who are private irrigators, of which 146 use above 85 per cent of their allocation—that is, about 24 per cent use above 90 per cent of their allocation.

These are the people who will be hardest hit by the decision to move to a 35 per cent reduction in allocation. They usually are larger irrigators who have had the opportunity to purchase land outside the irrigation trusts and are unable to expand beyond their boundaries; they have purchased water; and they have also applied probably the biggest investment in irrigation best practice. They are feeling the pain the greatest and, of course, because they are outside the irrigation trust areas they have no capacity to offset, apart from trade—and, as the minister would be aware, trade issues are significant in that we need to have the water available on the market, the price is going up dramatically and there is the stamp issue also on temporary transfers.

How does the minister propose to assist those people through this process? They are part of the greater move forward to better irrigation and are the ones who are being hardest hit at the moment. Is there a regional impact assessment being undertaken? Is the minister planning to put in place some measures to assist these people?

The Hon. J.D. HILL: I share with the honourable member the concerns that she has expressed, and she has highlighted an area where there are great concerns. I think that I answered this in part before. I do not know whether the member for Chaffey was present, but I went through the

various classes of people who would be affected by the restrictions, and it is clear that efficient users who use most of their water are in the most disadvantaged position. Inefficient users who use all their water can improve their efficiency and it will improve their productivity long term, as well as ensuring that, in the short term, they probably do not suffer any loss. Those in the CIT or the RIT who have become efficient but who are not using all their water have plenty of capacity. It is that group of independent irrigators who have been fairly efficient—

Mrs Maywald interjecting:

The Hon. J.D. HILL: Yes, those individuals who have been efficient and who use pretty close to their full allocation. I do not think anyone is using it absolutely 100 per cent, but there are probably some who are pretty bloody close to it—

Mrs MAYWALD: They are, yes.

The Hon. J.D. HILL: There are those people. As I understand it, from the advice that was given to the department when it consulted with the irrigators and other groups about the best system to implement, there was a clear preference—and I would share that preference—for a crop based allocation. However, I think it was recognised that we really just do not have the information and the capacity to implement that, so we went for the next best option which was based on allocation rather than usage. The argument that was put, I think in part by the farmers federation, is that, if you go on allocation, it means that water trading will be encouraged; and so there will be capacity for those who use more than 65 per cent of their allocation to obtain water in the market from those who do not use 65 per cent of their allocation.

What can I do to help? There are limits to what the government can do. We cannot provide more water: it is a physical problem which we are facing. What we can do is to try to facilitate the market, and Mr Freeman gave some indication about what his department is hoping to do. As I indicated previously, I have had conversations—as has the member for Chaffey—with the Treasurer about the stamp duty issue, and I think that we should move as fast as we can to try to resolve that. In relation to a regional impact statement, my colleague the minister responsible for regional development has indicated that he will look at having a regional impact statement, and my department is cooperating with his officers. I point out to the member for Chaffey that the regional impact statement has to be on the impact on the region of the measures put in place by the government to deal with the drought.

There is no point our going through a regional impact about the drought itself, because that is something totally outside the control of the government. Where we have an obligation is to deal with the drought in the best way possible. Therefore, there ought to be a regional impact statement which looks at the method we have adopted and which is based on the advice from the irrigators about how we should deal with the drought, implement the restrictions and help establish a proper trading market. However, I do feel enormous sympathy for those irrigators who are caught in that position.

If there is any comfort at all, it is that this is a one in 100-year circumstance. Of course, it could occur next year, that is, it could be the one year in the next 100 years, but, over time, it is unlikely that we will go through this on many occasions, unless greenhouse problems are here much sooner than we would anticipate. Obviously we are trying to learn from this circumstance so that we can better protect ourselves

in the future, but we may have to wait 100 years or so before we go through this again. It is difficult. Obviously we will work together. Once again, I congratulate the irrigators from the Riverland who have shown enormous fortitude and great cooperation in relation to their handling of this matter.

Mrs MAYWALD: Just on that note, the groundswell of dissent is increasing, given the time that has now passed since the announcement and people are starting to tally up the costs associated with it for them on farm. I can give an example of one irrigator who has recently developed 300 acres and he has to decide to which 100 acres he will not be able to apply water, and that is a significant issue.

The Hon. J.D. HILL: When you say he has developed, do you mean he has not planted yet or that he has planted?

Mrs MAYWALD: He has planted.

The Hon. J.D. HILL: But with new plants?

Mrs MAYWALD: Over the last five years.

The Hon. J.D. HILL: If an irrigator is in a situation where he is in the developmental stage and would anticipate using more water in the next year than he used last year, he can, of course, apply for exemptions and assistance.

Mrs MAYWALD: He can apply for exemptions and assistance?

The Hon. J.D. HILL: Perhaps I have that wrong.

Mrs MAYWALD: That would be good news. I really like that, so I think we will hold that point.

The Hon. J.D. HILL: I am sorry, that was the principle we had in place when we were working on use, but once the principle of allocation was adopted that was no longer the case. So, I apologise for that, because I had not caught up with that variation.

Mrs MAYWALD: Following on from that, as a supplementary question, has the minister considered the option of looking at a combined option of usage and allocation? There are 2 500 irrigators between the Central Irrigation Trust and the Renmark Irrigation Trust, and 544 private irrigators, and about 130 also within the Sunlands and Golden Heights Irrigation Trust. It is the Sunlands and Golden Heights Irrigation Trust and 146 of the private irrigators that are really suffering. They are actually having a 35 per cent cut in use, because they use all their allocation, whereas lots of other people, who may be having a 15 per cent cut, are getting off rather lightly. Is there any appeal process where someone who has developed their property might be able to look to get water elsewhere or seek exemption?

The Hon. J.D. HILL: We would love to help all these people, but the problem is that we just do not have the water to deliver to them. The original proposition suggested by the government, based on advice from the department, was that we should go across to a 20 per cent usage formula. As the member knows, there was strong objection to that, because it was seen to be unfair. So, after consultation and advice from irrigators (and I think this is also the opposition's position), we went for a reduction in allocation. As a result of that, of course, those who would have benefited by a reduction in just use are in a worse position but, whatever system we have, there will be a group that is worse off than the average. You can have a system which applies fairly to everyone, but you cannot have a system that says, 'Okay, for those of you who will be better off under a reduction in allocation, you can have a reduction in allocation; and those of you who will be better off by a reduction in usage, you can have that,' because it just would not compute. We would end up using more water than we would have available.

However, bearing all that in mind, the advice I have is that there is something like a 70 per cent chance that we will do better than the 35 per cent reduction come September or October. We are a few months away from that, and we have to hope that there is sufficient snowfall and rainfall in the catchments in New South Wales and Victoria to supply us with more water than we are working on at the moment. We are being cautious, which is obviously a prudent thing to be, but it may not necessarily be as bad as it appears. However, I do feel for those people.

Mrs HALL: Minister, I want to move to the question of water meters, and I do so on the basis of a number of issues that have been raised with me by the member for Goyder. I am sure that the minister will be delighted to know that his colleague, the minister responsible for SA Water, has actually said 'Mr Hill is handling the application incidence of the levy.' Therefore, my questions relate specifically to a number of examples raised with me by the member for Goyder. He has raised the fact that a number of the farmers from his area are very concerned about the amount they will be paying, and he uses a number of examples. His office has been contacted by a range of individuals who have very specific difficulties with the numbers of water meters—ranging from three to 17—on their property. He goes on to say that the key issue for those individual farmers is that they realise they could amalgamate the meters. However, immediately they do so, they are then entitled to only one base allowance of 125 kilolitres, and they would be entitled to only one leakage allowance every 10 years compared with, say, 17 leakage allowances. The figures worked out by the member for Goyder show that some of these farmers could be up for in excess of \$1 000 because of the extra cost they would then be paying for water. He goes on to say that some meters are in individual names and others are in family trust names, so it is not necessarily a simple equation. The member for Goyder has asked that the minister outline the proposals that are already in hand.

The member for Goyder also refers to the hotline. Apparently, a farmer called the SA Water hotline asking about the restrictions but was 'reduced to bewilderment when an operator from the hotline suggested that farmers use a bucket of water to wash down their farm machinery'. I know the minister is well aware of the size of some of the latest farm machinery, and I am sure he would not be absolutely thrilled at the prospect of farmers having to wash down that equipment with a bucket—because that was the advice given by the hotline. Could the minister flesh out some information?

The Hon. J.D. HILL: I can flesh out the information for the member. In relation to the Save the Murray levy, I indicate that the first levy will not be collected until October, so we have several months to sort through some of the issues that have become contentious. There are some issues in relation to multiple SA Water bill payers, and there are some in relation to local government. The Minister for Local Government and I will talk to local government about those issues. In relation to multiple water users, who are primarily rural customers, there are two categories. There are those who have no choice but to have multiple bills, and I think that they deserve a higher level of consideration. There are those who by choice have multiple bills in order to limit, to use a neutral word, the amount of money they have to pay for their use of water. That is not something a suburban customer can do. I cannot put in two bills on my property to reduce the amount I pay.

Mrs Hall interjecting:

The Hon. J.D. HILL: True. I said I wish to be neutral about those things, but there are those in a different category. The government is working through these issues. My department and SA Water are working through it, because we want to set up a fair system which is sustainable. We are giving it proper consideration. It is not something we need to rush through because we have a few months before we have to collect it. You asked me about something else.

Mrs HALL: About the information that is coming out from the hotline about using a bucket to wash down farm machinery. Perhaps the minister might be able to give us information on those exemptions.

The Hon. J.D. HILL: That is about water restrictions rather than the water levy. SA Water has to introduce its own regime of restrictions in order to have its customers use water beneath the 120 gegalitres or so that it has available for metropolitan users and the 30 gegalitres it has available for rural town users. I am not sure what they are saying about farm machinery and how that would be controlled, but we can get some advice from SA Water.

In relation to those who take water out of the Murray directly, namely, irrigators, they are caught by the general provision that they have to reduce use of their allocation to 65 per cent and, if they choose to have the most gleaming machine in South Australia, that is up to them, as long as they do not go above their allocation. I am not sure what are SA Water's rules on farm machinery, but I can get advice on it.

Mrs HALL: A number of our rural colleagues would be very interested in receiving additional information about that because, as I understand it, some of the things we are talking about are boon sprays, which have to be washed down when they change chemicals.

The Hon. J.D. HILL: I am not sure about the regulations applied to farm machinery by SA Water. This is an SA Water issue.

Mrs HALL: I understand that, but your colleague, minister, said that you are handling the—

The Hon. J.D. HILL: That was the levy—you are talking now about restrictions. My responsibility is to make sure we do not get into a fix where we are trying to use more water than we have got, so I set limits on irrigators and on SA Water. What SA Water does to comply with its allocation is up to it, and what individual irrigators do to comply with their limits is really up to the irrigators. As far as we are concerned, if SA irrigators using River Murray water directly from the river choose to have clean machines, it is up to them. They would be prudent about how they did it so they had maximum water for irrigation, but SA Water customers will have to comply with whatever are the rules that SA Water has in place. I am not sure what are the rules in relation to farm machinery, but I can find out.

Mrs MAYWALD: As a supplementary to that, SA Water is saying that there may be other provisions under section 17 that may be imposed on SA Murray irrigators as well, even though they have had a 35 per cent cut in their allocation to limit or control what they might be able to do with it on the property. There are certain quality control, phylloxera-type issues where machinery has to be cleaned and that is where the concern is coming from.

The Hon. J.D. HILL: We will not implement the section 17 issues for anybody at this stage as we already have a set of restrictions in place and it would be too onerous to have another set of restrictions in place at the same time. Over the course of the next 12 months, if restrictions have to

stay in place for that long, we need to work out what are the most sensible regulated uses we want to put in place in the longer term. That would be subject to consultation.

Mrs HALL: I have another issue that I have raised with your colleague the minister for SA Water, but it specifically relates to all the issues we are talking about as it affects the restrictions and water use. When the education program and the general communication is being developed, will the minister give some form of commitment to at least look at the possibility of printing some of the material in a language other than English? The specific example I used before was that of a brochure produced on how to call an ambulance—it was printed in 12 languages. Given that so many people in South Australia come from a non-English speaking background, I wonder whether the minister could give an undertaking that some of these communications will also be pursued in languages other than English over the next few months?

The Hon. J.D. HILL: Two communication strategies will be in place, one being by SA Water to its customers, which are the vast majority of people in this state (and I assume it will do it in multiple languages), but my colleague will have to give that detail. We will be communicating with irrigation customers. I understand the standard procedure is to do that in a range of languages also.

Mrs HALL: The specific issue that I have raised refers to multicultural radio programs and ethnic-based newspapers. I have observed many of the advertisements in the paper so far, and some of the communications that the minister and his department are issuing. I think I just need a commitment that we can assure people from non-English speaking backgrounds that they will be able to understand the new rules and regulations.

The Hon. J.D. HILL: As I understand it, that will be the case. SA Water goes through its communications strategies and I am sure that it will use those media. My department will communicate with the customers of the River Murray who are the direct extractors via a range of media and also language. I cannot guarantee that it will be on a particular ethnic radio station or paper, but we will communicate with them in the best way we can. We will take advice on how to do that.

Mr BRINDAL: With the minister's leave and that of the other members of the committee, because we would like to try to honour the 8.15 finish time, I will try to ask these as omnibus questions, and I am sorry that the minister will not get the chance to directly answer some of them. I do not mind if the minister takes them on notice. The minister's power to reduce water allocations derives, as he knows, from section 7(1) of the act, and the consequences of invoking section 37(1) are subsection (2), which allows the minister to reduce allocations and all licences proportionately. However, subsection (3) provides for allocations to be reduced pursuant to a scheme set out in regulation made by the Governor on the recommendation of the minister. That, in turn, requires three months' consultation, and consultation with the Water Resources Planning Committee.

The minister has clearly failed to act under subsection (3). He has acted under subsection (2), which is fine, but what advice has the minister had from his officers about his legal liability should someone decide to sue him because his officers could have been held to know that this was a problem with a high probability of occurring for at least 12 months but that nothing was done to the point where subsection (3) could not be invoked? I say at least 12 months, because Don

Blackmore was telling me 12 months ago that there was a high possibility of this happening, and I say that quite publicly in the committee.

Therefore, the minister may be liable for not allocating water according to crop needs because there are, as the member for Chaffey points out, people whose crops will die. There are citrus people, as the member for Chaffey also knows, on basically efficient use who, if they do not water their trees properly this year, claim that it will take at least five years for the trees to recover.

The Hon. J.D. HILL: Not only Don Blackmore, but I have been saying for more than three months that there is a high likelihood that there will be water restrictions in place this year. I have made it as publicly known as I could. It surprised me that it took the media many months to pick up on what I was saying, because I thought it was a pretty important story. I think that the honourable member might be mixing up that particular provision with the provisions in the legislation we introduced just recently. As I understand it, the provision that the honourable member has referred to is a provision that gives me power to reduce allocations. I have not actually reduced allocations. What I have reduced is the ability of people to use their allocations.

Their allocations are maintained but they cannot use their full allocation. That provision is really saying that if you were allocated 100 megalitres your allocation is now 65 megalitres and that is what it will be hereinafter. What we have said is that if your allocation is 100 megalitres you are allowed to use only 65 per cent of it because of these emergency circumstances, and next year it will be back to 100 megalitres.

Mr BRINDAL: I understand that and accept the minister's point, but I would still like him to take on notice the question of the legal liability the government might be exposed to—

The Hon. J.D. HILL: I do not believe it is exposed to any.

Mr BRINDAL: —because of the method that has now been chosen. I hope that the minister is right, but the fact is that there are some people in South Australia who will suffer horrendously because of this, and we live in a litigious world. I would be very surprised if someone does not come out the woodwork and start claiming negligence on the part of the government and its officers and try to sue. Nevertheless, we will see. I note that the Save the Murray levy will raise between \$15 million and \$20 million. However, there has been a cut to the minister's departmental budget of \$11.46 million, and that is to be found in Budget Paper 4, Volume 3, page 9.43.

I therefore ask: can the minister assure the people of South Australia that the \$20 million will be additional money spent on the river when the keeping of the budget at last year's level would have given him an additional \$11 million to put in? There are those who believe cynically that the budget has been cut by \$11 million, that the first \$11 million from the levy is to go to propping up the budget cuts from last year, and that the amount of new money going into the river is much smaller than the \$15 million to \$20 million that the minister claims it is.

The Hon. J.D. HILL: Just in relation to the Save the Murray levy, that will go into an allocated fund, a special fund, that can be used only for the purposes for which it has been established, and given the lack of time now I will not go through those purposes again. I have gone through that statement. The quantum of reduction is \$3.6 million. They are

the savings that I had to find in this department. They have been saved and we have done much better than that in terms of our overall expenditure. I would not say that we are awash with money, but there is certainly a sum of money that will be expended on the River Murray that is quarantined from any budget cuts.

Mr BRINDAL: Page 3.2 of Budget Paper 3 states that the levy will raise \$20 million in the full year, net of levy contributions by the South Australian Housing Trust. It also states that, while the Housing Trust will pay the levy, it will be compensated for this cost. What does that mean? That you collect the levy in one hand and pay it back with the other hand?

The Hon. J.D. HILL: The basic position is that Housing Trust customers are exempted. The expression there probably reflects a more complicated way of trying to achieve the same goal, which was that they pay it and it gets paid back. In fact, they have been exempted.

Mr BRINDAL: Housing Trust customers, but the customers are not the landlord. The Crown is the landlord and the liability rests on the landlord. The landlord is hardly broke. It is the Crown, so why is the Crown not contributing? If Jerry Karidis has a couple of poor renters in his properties, I bet the government is not offering him a rebate because the people who are renting are on low incomes. He will have to pay. Why isn't the Crown paying?

The Hon. J.D. HILL: For the same reason that Housing Trust customers are exempt from a range of SA Water charges. It is just the mechanism that has been in place for some time. It is a bit of sophistry to take it from here, put it back there, and go around in a circle, so those customers have been exempted. Generally those customers are in a similar position to other SA Water customers who are exempted because they are on a pension of some sort or a low income. I do not know the exact figures, but about 90 per cent of Housing Trust customers are in that category, in any event.

Mr BRINDAL: I will pursue that in question time and I will be writing to many of the prominent landlords around Adelaide suggesting that they get onto the same exemption as the Housing Trust.

Members interjecting:

Mr BRINDAL: What we would like in government is one system for everyone. The Crown is a model citizen. Therefore, if it is good enough for the Crown, it is good enough for everyone else. I turn now to the omnibus questions. How many full-time equivalent public servant positions will be lost or gained by the portfolio in the 2003-04 financial year? How many reviews took place in the departments and agencies reporting to the minister under the budget lines for the 2002-03 year? Who carried out these reviews? How much did they cost the taxpayer?

Has the government budgeted for reviews in any departments or agencies reporting to the minister in respect of these budget lines in the 2003-04 year? If so, who is to conduct these reviews? How much has been budgeted? How much did any of the agencies examined under these budget lines spend on services that required, either as part of the process or as outcomes, advice or consultation either with other agencies or bodies or the public and/or research services? Who carried out these consultations or provided these services? How much did they cost the taxpayer?

Has the government budgeted for consultancies or for services outlined in my previous question in any departments or agencies reporting to the minister in the 2003-04 period; if so, who does the minister anticipate will conduct these

consultancies or provide these services? How much will they cost the taxpayer? Would the minister advise the committee what percentage of the government's total underspending specifically applies to the departments and agencies reporting to the minister? What is the carryover to the 2003-04 period, with particular reference to any minor capital works?

Would the minister advise the committee of the number of positions of all departments and agencies reporting to the minister and examined under these budget lines that attract a salary package of \$100 000 or more? Furthermore, would the minister advise the committee by how many positions this has increased with respect to the last financial year? Given the merging of government departments, and the resulting changes in the minister's department in particular, what is the dollar value of these changes in all agencies and departments reporting to the minister? Since the charter of budget honesty will not be in place, despite government promises at the last election, will the minister outline how it affects his portfolio—

An honourable member interjecting:

Mr BRINDAL: Well, it is interesting how you can be held to something that is not there. Will the minister reveal to the committee exactly what percentage of the government's new taxes and increased charges, if any, will be spent in his portfolio? Have any efficiency savings taken place within departments or agencies reporting to the minister? Will the minister inform the committee how these changes in efficiency will deliver better outcomes? Can the minister please advise the committee which programs, if any, have been slashed? Does the minister have any commercial entities within his portfolio; if so, what were their financial performance outcomes for the 2002-03 year?

For all departments and agencies reporting to the minister, are there any examples since March 2002 where federal funds have not been received in South Australia, or will not be received during the forward estimates period, because the state government has not been prepared to provide state funds matching the federal-state agreement. If the answer is yes, what issues and what level of federal funding have been, or will be, lost? Did all departments and agencies reporting to the minister meet all required budget savings targets for 2002-03 set out for them in last year's budget; if not, what specific proposed projects and program cuts were not implemented? For each department or agency reporting to the minister, how many surplus employees are there, what is the title or classification of each surplus employee, and what is the TEC of the employee?

For all departments and agencies reporting to the minister in financial year 2001-02 what underspending on projects and programs was not approved by the cabinet for carry-over expenditure in 2002-03? For all departments and agencies reporting to the minister, what is the estimated level of under-expenditure for 2002-03, and has the cabinet any carry-over expenditure into 2003-04? Mr Chairman, as I have run over my time by three minutes, and I do apologise to the committee, all of the rest of the questions, of which there are about 10 pages, I will put on notice for the minister in the normal way.

The Hon. J.D. HILL: I would be delighted to answer those questions. Sadly, we have run out of time for the committee and I will have to take them on notice. Can I thank my departmental officers tonight for their tremendous help in assisting me to get through these very difficult questions put by the opposition.

The CHAIRMAN: Minister, before you go, I would like to put a question on notice. What is the current analysis of water quality at the draw-off point at Mannum, covering salinity, fertiliser, e-coli and so on, compared to two years ago and five years ago?

The Hon. J.D. HILL: That is probably for the EPA, but we will take it on notice.

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

Offices for Sustainable Social, Environmental
and Economic Development, \$869 000

Additional Witness:

The Hon. J.W. Weatherill, Minister for Urban Development and Planning.

Additional Departmental Advisers:

Mr T. O'Loughlin, Chief Executive, Department of Transport and Urban Planning.

Ms F. Miller, Director, Office for the Southern Suburbs.

Mr J. Jarvis, Manager, Regional Ministerial Office of the Upper Spencer Gulf.

Mr P. Sandeman, Director, Office of the North.

The CHAIRMAN: I declare the proposed payments open for examination and refer members to appendix D, page 3, in the Budget Statement, and part 10, pages 10.10 to 10.20, Volume 3 of the Portfolio Statements. Does the minister wish to make an opening statement?

The Hon. J.D. HILL: Both of us wish to make a brief statement. The Labor Party took to the last election a commitment to focus on the needs and opportunities of Adelaide's southern metropolitan area. Labor's Plans for the Southern Suburbs is a detailed policy to develop the region's industry and economic base and to improve the experience of education in the south. Underpinning that policy is the goal of a community that is more connected, between business, local and state governments, institutions and community groups. In the past, South Australian government has not had specific ministries for metropolitan regions. This approach is new to South Australia, but familiar to other states. We think it is an approach that can lead to a more inclusive and ambitious community.

It is appropriate that the south is a particular focus of the government. It is among the fastest growing regions in the state, and it is a very important region for the economy. Bordered by the Adelaide Hills and the coast, the south has its own distinct character. The Premier formally opened the Office of the Southern Suburbs on 31 May 2003. It has been operating since late last year, following the appointment of Ms Fij Miller as the director of the Office of the Southern Suburbs.

Mr Brindal interjecting:

The Hon. J.D. HILL: I would not talk about derelicts too loudly if I were the member for Unley. Fij is a former small business advocate, and before that was herself a small business operator. In 1995, she was the South Australian Telstra Business Woman of the year in the business owner category. Fij has a small team of one administration officer, one project officer and an education project officer seconded from the Open Access College. The office is included in the

portfolio of the Department of Transport and Urban Planning, and the Director of the office reports directly to me, as the Minister for the Southern Suburbs.

The southern suburbs have been defined as a region within the boundaries of the cities of Marion and Onkaparinga. The role of the office is to coordinate and advocate for the particular needs of the south by developing an integrated approach to the economic, social and environmental priorities of the region, encouraging partnerships between organisations across the region and providing a whole of government focus for the region.

The initial budget of \$440 000 included establishment costs for the new office at Noarlunga and an ongoing staff of four. The ongoing budget will be \$400 000 a year. Due to the office not being operational until part way through the year, the carryover funds are being used to further develop Clever Communities. Clever Communities is a new pilot program to change the way in which young people think about education, and will involve whole neighbourhoods in the education of our children. That means that parents, siblings, employers and sporting coaches will be involved. After all, their attitudes are just as important as teachers as to how a child feels about school. Clever Communities will be developed and will commence this financial year.

During the past six months, the office has been involved in a number of issues. The first issue is the announced closure of Mobil's Port Stanvac refinery. The Director, Fij Miller, is a member of the task force that was established by the state government to identify and investigate all issues arising from the announced closure and mothballing of that facility. Secondly, following consultations with the two councils and local business groups, a concept for a green business incubator has emerged. The incubator would bring together businesses involved in green energy or new businesses that are environmentally sensitive in their provisions.

The incubator was the subject of a half-day workshop with Thinker-in-Residence, Herbert Girardet. The concept is to collocate businesses on the one site so they can collaborate for economic growth. The Marion and Onkaparinga councils are enthusiastic about the idea and will be closely involved in the feasibility study that will be undertaken this financial year.

The third issue is the Aldinga Beach-Sellicks Beach infrastructure study. As a fast growing region, the south has key planning pressures that need to be managed carefully. Following correspondence with the City of Onkaparinga, meetings of senior executives from across government agencies have been convened to discuss services and infrastructure in the south. Planning SA will develop a population projection for the region, and a thorough study of infrastructure needs for the rapidly expanding council areas is being undertaken. The fourth issue is the transport audit. Transport SA is undertaking an audit of transport needs in the region and it is intended to be completed in August this year.

The fifth issue is the Flinders University. The office has worked closely with the Flinders University regarding a number of projects for the region, including new ways to support mature age students, a mentoring program, and closer connections between the university and the local community. A new package of programs is being developed and will be launched by me in July. The sixth issue is Food SA. In partnership with Food SA, the office is undertaking a study of the needs of the local food industry. I am hopeful that the study will identify new opportunities to grow the food and produce industries of the south to complement the wine and

tourism industry. There is the potential to establish the Fleurieu Peninsula as the icon destination for boutique tourism.

There is much more I could say. There are six priority themes for the office: developing clever communities, economic development, improving transport, waste management, tackling infrastructure needs and encouraging community leadership. We have 12 objectives that the office is pursuing. However, I will leave it at that point, because I know that members will be anxious to ask questions.

Membership:

Mr Brokenshire substituted for Mrs Hall.

Mr Buckby substituted for Mr Brindal.

Mr Koutsantonis substituted for Ms Ciccarello.

The Hon. J.W. WEATHERILL: I would like to make some opening remarks concerning the Office of the North. The Office of the North is a small but important part of the government's approach to joined up solutions across the whole of government, in this instance directed to the northern region of Adelaide. The Office of the North is a bold new approach to government in seeking not only to work across the whole of state government but also to work in partnership with local and federal governments within a region and to build collaboration with community groups and local businesses. I am pleased, as Minister for Urban Development and Planning, to have carriage of the office and, through it, implement the work of the northern partnership.

Northern Adelaide is the key economic, social and environmental region of South Australia with its diverse and talented community, the automotive and defence based advanced manufacturing and applied research industries and the rich resources of the Northern Adelaide Plains. Northern Adelaide is also the focus of significant trials in water and waste recycling, and in potentially significant green energy initiatives. However, despite this potential for growth and prosperity, too many northern residents, families and communities are disadvantaged and experience difficulty in accessing the opportunities available in the north. Therefore, it is important both to ensure greater investment, employment and opportunity in the north, and also to enable northern residents, their families and communities to enjoy the benefits of development.

The government recognised the particular situation of the northern region in its election policy, 'Labor's plan for the northern region: a vision for the north,' which established the following vision for the region:

Our vision is for a South Australia where the burden of disadvantage can be lifted, where opportunities are available to all, where the skills and creative talents of everyone, particularly our young people, are not wasted, and where the experience of our older people is treasured and used.

Labor will initiate a coordinated, whole of government strategy to ensure the economic development of the North, ensure its benefits are available to the people of the North and to ensure that the community supports needed by our families are strengthened.

Labor will attack the problems that hold the North back.

In order to deliver this vision, the government promised to seek agreement from the northern region councils to establish a northern region strategic forum to strengthen the relationships between state government, its agencies, and the northern region councils. The role of the proposed forum was to promote and support regional initiatives, and lead economic and social development through a more strategic approach by the state government. I am pleased to be able to report that

the cities of Salisbury and Playford and the town of Gawler have agreed to join with the state government in a regional strategic forum to be known as the Northern Partnership. The objects of the partnership are to:

- promote and support the relationships between the state government and the agencies;
- promote and support regional initiatives; and
- lead economic, social and environmental development.

The work of the Northern Partnership is managed by the Chief Executives Group, comprising the chief executives of state government departments and councils. The group is responsible to the state government and to the councils for the achievement of the objectives of the Northern Partnership. In recent times, a Deputy Secretary of the commonwealth Department of Transport and Regional Services joined the Chief Executives Group. So, we now have all three spheres of government working collaboratively on the same issue.

The work of the Northern Partnership is implemented by the Office of the North. The specific functions are to:

- support and implement the work of the Northern Partnership;
- enable government policy commitments to the north to be realised through whole of government solutions;
- ensure joint ownership and solutions between state government, local government, industry and the community;
- promote and support regional initiatives; and
- lead economic and social development through a more strategic approach.

In short, the office has focused importance on securing employment for northern residents from the opportunities that are currently emerging. As an example of this approach, the office has worked with Holden, its recruitment agency (Manpower), Regency TAFE and the Office of Employment, to train 60 long-term unemployed residents for employment in the automotive industry, based on the immediate demand created by the Holden third shift. To date, the first cohort has resulted in eight jobs in the automotive industry.

Initial results are encouraging and subsequent approaches have resulted in similar courses being provided for employment with DANA Automotive Systems, which have resulted in 28 jobs. A key project for the office will be examination of the government strategy and business case for the regeneration of the Peachey Belt, in conjunction with City of Playford.

In relation to the north-west, as part of this regional approach I have organised for the Department of Transport and Urban Planning to undertake a comprehensive audit and analysis of the issues, needs, resources, networks and services in the north-west region, covering the majority of areas of the cities of Port Enfield and Charles Sturt. In addition, the resulting report will assist the government in a whole of government approach in this area.

Membership:

Mrs Penfold substituted for Mr Goldsworthy.

The Hon. M.R. BUCKBY: I refer to page 10.12, 'targets'. Will the minister advise the committee of the form of the regional economic development, training and employment entity that will be established to identify skills requirements, training and labour market programs? Who will be represented on the entity? What skills will the members require? Will that entity not duplicate the work that is already

being undertaken by the Northern Adelaide Development Board?

The Hon. J.W. WEATHERILL: The essence of this initiative is to pull together the plethora of individual organisations dealing with these areas into one coherent entity. This entity has not yet been established, but it is part of the work projected for the 2003-04 year. So that is why it is in the targets. Ultimately, it will report to me, and a decision will have to be made about the nature of that entity.

A range of bodies exists in this area, all performing part of the function. The Chief Executives Group within the Northern Partnership has been tasked with the responsibility of working up such a proposition. All the issues that the member raises will be considered in the decision making process to establish that entity.

The Hon. M.R. BUCKBY: I am well aware of the activities of the Northern Adelaide Development Board. To my knowledge, this entity is already undertaking the majority of this work, so what other organisations are you going to include with the Northern Adelaide Development Board if you are pulling those all together?

The Hon. J.W. WEATHERILL: I am advised that the northern partnership will coordinate a whole-of-region approach to these notions. It will include: the Northern Adelaide Development Board; the Northern Adelaide Business Enterprise Centre; the Salisbury Sports Centre; the Virginia Horticulture Centre; and activities that are presently taking place under the auspices of the City of Playford.

The Hon. M.R. BUCKBY: With reference to the same page under 'Targets', will the minister advise the committee of the program to be developed that will 'acknowledge and support local industry to employ local residents', and will the government subsidise local companies to employ local people?

The Hon. J.W. WEATHERILL: We have found in the northern region—and no doubt the member is well aware of this—a degree of systemic discrimination against residents especially in some of the poorer socioeconomic areas. So, whilst 800 jobs might have just been created, most of those would not have gone to people within areas of disadvantage or the long-term unemployed whom we are concerned about. This is a regular pattern. The advantage that we have is that now, with a work force of 5 000 at GMH, through attrition there will be about 500 new jobs a year.

So, there is an opportunity to turn this around and end this systemic discrimination. We are looking to do this through what has been described as employment pathways. There is a need to create direct pathways between schools, higher education and training and employment. There are two issues involved: first, the issue of mismatch of skills with jobs that are available; and, secondly, an element of presumption that operates against people employed in this area. We want to organise better links between schools and industry to enable a close relationship between the study they undertake and the employment existing in the area. For instance, young people in schools in this region might directly engage their training in higher education in relation to those employment opportunities.

Some work needs to be done on identifying the obstacles to young people acquiring the skills needed to be able to participate in those industries and ensuring that appropriate school, TAFE and university courses are available. Employment pathways may also need to be developed for specific groups in the north that are under-represented in the labour force, such as indigenous people and long-term unemployed

women who wish to join the work force. We have been doing some work with GMH recently in relation to a program for indigenous workers.

The Office of the North is also working to facilitate the development of pathways to key industry areas by the development of industry clusters, which will work in partnership with schools, universities and training providers to develop a targeted response to skill gaps identified by industry groups. This will enable young people to better position themselves to gain employment, help schools and other providers to ensure that their courses are relevant to industry needs and enable industry to obtain the skilled workers they need. Progress is under way in the establishment of a regional education training partnership of state and private high schools, TAFE and training providers in the University of South Australia.

The Office of the North will be centrally involved in each of those matters—whether that will involve any notion of a subsidy is not something that has been determined. It is certainly not part of the remit, I suppose, of the Office of the North. The Office of the North's role is to provide an advocacy about those matters. Questions of the Office of Employment and Training and its policy in relation to subsidy would remain a decision for that functional agency. The Office of the North will play a role in this coordination process, but that is not to rule out the potential for this in the future: it is just not something that is presently contemplated.

The CHAIRMAN: This is a question to the Minister for the Southern Suburbs. I have been concerned for quite a while about the lack of what I would call an entrance statement to the south as you leave Darlington, whether that is on the old Main South Road or the Southern Expressway. There is nothing really there that gets the attention of people to indicate that they are entering an area with a lot of potential, an exciting area, the gateway to the Fleurieu, and so on. I have raised the issue with the Minister for Transport and the Minister of Tourism but they say that it is sort of marginal to their portfolios.

I acknowledge that the Minister for Transport has tried to do something in terms of some tree planting, but I was just wondering whether the minister could pick up on that. I am not saying that it is the biggest issue facing the south but I think it is an important psychological matter that needs to be addressed as people head towards the south and to draw attention to what the south can offer without going into the silly sort of monument—

The Hon. J.D. HILL: A big bunch of grapes, or something like that.

The CHAIRMAN: No, pineapples do not grow well in the south. I am talking about an appropriate entrance statement. At the moment we have a tiny sign that says 'Welcome' which, I guess, at the speed a lot of people travel they would not even see it. It is really about packaging the entrance to the southern area as an exciting and dynamic area.

The Hon. J.D. HILL: I acknowledge the Chairman's ongoing and passionate interest in this particular issue. I know that he raised it in the Southern Partnership, I think, three or four years ago. I think that is when he first raised it, and I do not think much has happened out of that forum in relation to this. The chair certainly raised it with me and I have written to my colleague ministers in relation to it as well. However, I am happy to ask the Director of the southern suburbs' office to look at it. I guess that it is a matter of resources and priorities. I am trying to think of where you would put it and what it would actually be, but I think I recall

that at one stage the honourable member was talking about some tree planting, street beautification, and so on. I guess that we can look at all those issues for the honourable member.

The CHAIRMAN: That is all part of it: beautification as well as physical identification. Another issue in which I am interested and have been for a long time is getting what I call a technology high school in both the south and the north. I have written to and spoken with the Premier, the Minister for Education, the Minister for Further Education and the federal minister, who is happy for federal funds to be used. I think that there is a place for specialist technology high schools in both the north and the south that go beyond what a normal high school can offer in terms of a VET program.

New South Wales has some of these which, by their very character, offer courses in robotics, advanced electronics, etc., which a normal high school cannot match because of the cost, and so on. I was wondering whether that is something that as Minister for the Southern Suburbs and also your colleague as minister responsible for the Office for the North would like to pick up. I know the member for Napier is also passionate about this, and we have done some work on what is on offer overseas as well as in New South Wales. It is not simply to re-create the old technical high schools but to go into a new, modern version, which is at a very advanced level. New South Wales has about 11 of these high schools, and they are not simply offering VET. The particular location I have in mind for the south is the O'Halloran Hill TAFE site. I am not familiar with what potential exists in the north, whether it be under the umbrella of TAFE or the school system, but the federal minister is willing to allow federal moneys to be used for that purpose, and he has confirmed that in writing this week.

The Hon. J.W. WEATHERILL: I will attempt to answer that question and broadly support that direction. I will give you one example, and this is an undeveloped example, not a particular project or program. To give you some flavour of what opportunities may exist, at Para Hills High School they have a transport logistics stream within the teaching offerings they have at the school. At the same time in the northern region we are working on the development of transport based projects within the Edinburgh Park project. So, there is an obvious opportunity to be able to link up the specific skills needs with employment opportunities within a region. These are precisely the sorts of linkages and bringing together that these offices are about. It may be that some federal government resources may be available.

The traditional employment linkages that should be drawn need a geographic focus to fully enjoy those opportunities, and ultimately that is what we are trying to establish as healthy suburbs, where people can be educated, get jobs, live and work in the same area and not have to travel enormous distances to pull together a normal working life. This is exactly the sort of thing the office is directed to, so you have identified the key work for the advocacy and the linkages that are opportunities for these offices.

The Hon. J.D. HILL: In the southern suburbs we have embarked on a program called 'clever communities' which I referred to briefly in my answer. The issue of technology is obviously important in relation to that, and I am happy to ask the office to explore the issue of technology as it applies to that, whether you want a particular focused high school or a range of technology services across the area. I acknowledge the work of the former minister for education, the member for Light, in establishing in the southern suburbs the vocational

college centred at Christies Beach High School which involves a whole range of schools in the southern suburbs.

When I was in opposition and the member for Mawson was a backbencher, we worked together with great cooperation to cause the member for Light to fund such a college. It was a great achievement, and I thank both those gentlemen for their contribution. One of the issues that strike me when we talk about education in the southern suburbs is that we have a vocational college, which means there is sharing between half a dozen or so secondary schools for vocational services. It seems to me that we could go to the next step and have the schools sharing other services as well, and we could have not just a vocational college in the southern suburbs but also a secondary college which picks up all the educational services delivered by state schools, so that when a young person got into year 11 they were in a secondary college. That would mean that they could have more flexible arrangements and different options available to them, including the kinds of technological services the Chairman is referring to.

The Hon. M.R. BUCKBY: I have one question and I will put the other questions on notice. This question is directed to the minister responsible for the Office of the North. On page 10.15 under Operating Revenue, will the minister advise the committee what comprises other revenue of \$400 000 and what is the source of that revenue?

The Hon. J.W. WEATHERILL: Originally, the funding for the offices was provided as benefits in kind, effectively, by the Department of Human Services and the Department of Transport and Urban Planning. When the offices were established, that money came in from that source. So, it is directly appropriated to the offices but through the operating accounts of those two agencies.

Mr HANNA: My question is directed to the minister for the south. What will the minister do to facilitate realisation of the Marion south plan, a complex plan which involves greening parts of the Trott Park-Sheidow Park-Hallett Cove area, developing the shopping centre at Hallett Cove and facilitating transport links to that shopping centre? Clearly, it is an issue which cuts across several portfolios, particularly transport and probably planning as well. So, what will the minister do to facilitate the realisation of that plan?

The Hon. J.D. HILL: I thank the member for Mitchell for that question. I am aware of this ambitious scheme that is being promoted by the Marion council and my office and I have had discussions in relation to it. I make two points. One, as the Minister for the Southern Suburbs, I am of course not responsible for the operations of other departments but I can act in a coordinating and advocacy role, and I have certainly been doing so in relation to that project. It ultimately boils down to resources. It is a fairly ambitious (which means expensive) project and the government would need to find considerable resources to assist its coming to fruition. But I think it is a worthwhile project and my office will continue working with other departments to see what we can do to bring it into existence.

Mr BROKENSHIRE: I need to get a little bit on the table as I ask this question. First, I support the Office for the Southern Suburbs on the basis that it will continue to deliver good opportunities and real outcomes for the south—unlike when this government was last in office, when it promised things for three elections in a row and did not deliver.

Members interjecting:

Mr BROKENSHIRE: It is necessary, because the minister himself actually admitted, and we kept the minutes of it, that this was an initiative for political purposes rather

than other purposes after what happened in 1993. The minister admitted that at a meeting and the minister is an honourable member and I acknowledge he admitted that. I put on the public record the fact that I think Fij Miller is—

Mr HANNA: Stand up for the south, Robbie.

Mr BROKENSHIRE: I always stand up for the south—past, present and future. I acknowledge the appointment of Fij Miller. I think it is a good appointment, and this is the first chance I have had to put that on the public record. In fact, when we were in office, Fij worked for us, with outstanding results.

But, at the end of the day, the south needs more of what it got when the Liberals were in office, when it had unprecedented spending on infrastructure, on economic development and on economic officer support. We carried out infrastructure projects such as the Southern Expressway and the major revamp of the Christies Beach High School and other schools in the area, and the list goes on.

The dilemma that I have at the moment is that, whilst it is nice to further develop partnerships (as it says in the description objectives of the office), good working partnerships already exist and there is a strong community commitment in the south. However, I encourage fostering of further partnerships. I put on the public record the fact that what we really need in the south is more infrastructure and more direct job opportunities, not warm and fuzzies, but outcomes that will deliver our future families opportunities where they will be able to continue to keep their jobs in the south.

In my role, I will continue to push the government to ensure that what they have been used to getting in the last eight or so years will continue. I refer to projects such as the urgent roadworks which are needed when you come off the Southern Expressway, the Victor Harbor-Old Noarlunga turn-off, which is one in which both the minister and I have interests—nothing on the books, albeit that we have been lobbying for a couple of years. That was to happen when the Southern Expressway was completed and on which the previous government spent \$132 million. Now that I have said that, I look forward to working with the minister and my colleagues in the best interest of real outcomes continuing for the southern area. That is my job, that is what I was elected for and that is what I will continue to do on behalf of the Mawson electorate. First, why is there a cut in the budget of the Office for the Southern Suburbs from \$440 000 in 2002-03 to \$400 000 in 2003-04?

The Hon. J.D. HILL: I am delighted to answer that question and to thank the member for Mawson for the strong support he has given to the southern suburbs office. Unlike at least one of his other colleagues, he has had the decency to acknowledge the importance of this office. As I have said before, this is not an office that will resolve everyone's problems, especially overnight. It is not the infrastructure office: it is an office which will aid coordination. The member mentioned transport needs in the south. He did not mention in his comments the fantastic good news story in relation to bus services which his electors and some of my electors will now enjoy as a result of the integrated bus service system which will start applying from October. While not everything that the honourable member will have wanted has been found in this budget, I hope that he will admit that there is some good news for at least some of the more disadvantaged members of our community.

There is no cut to the southern suburbs budget. If the member looks at the forward estimates from last year, he will see that there was \$440 000 in the first year of operation and

\$400 000 thereafter. The first year's budget had \$40 000 for office fit-out, and given Fij Miller is a reasonably sensible person, we do not need to fit out the office each year.

Mr BROKENSHIRE: As a supplementary question, is the minister saying that the fit-out costs came out of the area of supplies and services? It is a bit unusual for fit-out costs to be under supplies and services.

The Hon. J.D. HILL: As I understand it, but Mr O'Loughlin can correct me if I am wrong.

Mr O'LOUGHLIN: No, that is correct.

Mr BROKENSHIRE: One of the things which the minister did say and which I also want to put on the public record because it is important is that this office would not be used by the government for blatant political purposes, or indeed for managing general constituent inquiry. I would like that confirmed.

The Hon. J.W. Weatherill interjecting:

The Hon. J.D. HILL: No, I will not say that. It was terribly cruel; it was a reflection by my colleague about what persons would do with ministerial offices. I could not possibly say what he said.

Mr BROKENSHIRE: You can if you want to.

The Hon. J.D. HILL: No, I will not go down that track: it is not my style. Obviously any time you do something new people say, 'Oh, you're just doing it for political purposes.' The member made some comment about that in the middle of what I was saying. What I said was that we responded to concerns expressed by the community during an election period. We said, 'Look, we recognise your concerns and that there is a perception that the south has been forgotten.' We did not win any seats down there. We heard what you were saying. We are going to pay attention to the needs of people in the southern suburbs. One of the commitments was to have the Minister for the Southern Suburbs and to create an office. As with all political responses, during an election people say, 'We have heard what you are saying. There are not enough nurses in hospitals; there are not enough school teachers in schools, we will respond.' However, when you employ nurses or teachers, it does not mean that suddenly they are political appointments; they just go about doing their job. I have made the point very clearly to Fij that this is not to be a political office and she is to work with all members of parliament in the area, and I believe she has made appointments with most members, if not all.

I have not sought to maximise publicity out of the office, and I think the member would recognise that. I have not turned it into a publicity machine; it is really there to do a sensible behind-the-scenes kind of job. In fact, I am reluctant to give it too much publicity because, if I do, I am worried that we will start getting a lot of people coming there expecting us to deliver services and taking away the demand that is created in members' offices.

We do not want to become the electorate office for the southern suburbs, and I think that there is a danger that it could go in that direction. That is not its job: it is really a coordinating advocacy role, as I have already said. Clearly, it has to be connected to the community and, as an office, it will talk to various groups. The member knows, from turning up at the opening of the office, a range of people from the community were there. I suppose the member could argue that it was a political function, but I do not know how we could do it without inviting people. It was not done in a political way, which I hope he would acknowledge.

Mr BROKENSHIRE: As a supplementary question, if indeed people do visit the office, given that it is located in the

Colonnade Shopping Centre—and they may, in fact, come from the minister's electorate, my electorate or the electorates of Gay Thompson, Dean Brown or Chris Hanna, Wayne Matthew, etc.—would the minister provide an electorate boundary map for the Director so that those people can be referred on to the specific office?

The Hon. J.D. HILL: I understand that the office has that, and it is fairly prompt in letting people know where they should go to get the services they require.

Mr BROKENSHIRE: That is a very good answer. Someone has advised me that the minister is employing an education officer. What will be the role of the education officer, and is that a seconded position, or how was that position appointed?

The Hon. J.D. HILL: One of the key projects I wanted the office to address is the issue of education in the southern suburbs. The member for Mawson raised the issue of job opportunities, and so on. The greatest indicator of success in employment is educational attainment, as I think the member would know and, as a former teacher, the member for Unley would know. I wanted to focus on how we could increase the educational attainment of young people in the southern suburbs. My reason for doing that is deeply personal: it comes out of my own experiences as a parent, having a child who attended the local primary and secondary schools in my electorate—Moana Primary School and Seaford 6-12 Secondary School. My younger son went to both those institutions, matriculated, and is now at university studying law and doing exceptionally well. So, well done to those local schools.

However, it is clear that a lot of children leave secondary school early before they have completed year 12. Many families feel that the schools in the south are not up to it, so they send their kids to the local private school. They have a negative attitude towards the schools, and others just do not value education. I know, having sent my kid to the local school, he did very well there and has gone on to do well. So, there is nothing wrong with the schools.

I believe we need to develop a cultural change in the community so that families, and the people who support families, develop an understanding about the relationship between education and employment and start to value schools. So, I came with the concept which I call 'Clever communities', and I admit that it was borrowing, in a sense, from the knowledge nation idea. However, I thought that knowledge nation was just a bit too big and what we really needed was knowledge neighbourhoods and clever communities.

I am really thinking of something that is a mixture of what the member for Unley and I remember as the disadvantaged schools program, mixed with what Hilary Clinton referred to as 'It takes a village to bring up a child.' The idea I have in mind is trying to develop in a community, amongst the leaders of the community, an understanding of the need for education so that the values of education are reinforced amongst the parents in the community and, ultimately, reinforced amongst the children.

The education officer is seconded for a six-month period to help put detail into that general idea. With assistance from the education department and the Social Inclusion Unit, which is focusing on school retention, and, hopefully, the commonwealth government, as well—because I understand there is program money there—I hope that we can look at how we can build in the community a greater understanding of the need for and value of education in order to retain more kids in our schools. Ultimately, that will flow through to

greater employment opportunities and produce better outcomes for communities generally.

The CHAIRMAN: I am conscious of the time.

Mr BROKENSHIRE: Given the time, this will be my last question, although I will continue to ask questions in question time, as the minister is aware. Mobil is the single largest job loss in South Australia in recent years. In our own area, Mobil is the largest job loss since the loss of 500 jobs at Metro Meat in my electorate about five years ago. At that stage I was very worried about what would happen to our area as a result of the loss of those jobs. But from 1997 onwards, the state has been growing at quite a rate; we are coming into our fourth successive year of growth and the trend indicators are probably the best they have been for 20 years. However, based on the government's budget figures, both the employment and growth indicators are reducing over the forward estimates period. In fact, in this budget period it shows a plateauing effect. Given the fact that the City of Onkaparinga's independent research by Mr John Spoehr has confirmed that 1 200 jobs are potentially at risk, I am very worried, and I know that all members in the south would be worried.

It worries me that for two months, effectively, there has been a group working within government but that the group has not briefed local members who are trying to support families that are starting to come into difficult times; that is, they are starting to realise that their jobs are now finished. They have packages, but many of those people are in their 40s and early 50s and are highly skilled in a specialist area. Where is that government working group? Will that working group brief local members and the council on a regular basis? What sort of package will the government be coming up with to offset what is an enormous loss in anchor economic business to our region?

The Hon. J.D. HILL: I am pleased to acknowledge the honourable member's endorsement of John Spoehr's work as an economic analyst. It would be interesting to go through some of the other work he has done, particularly in relation to electricity privatisation, and so on, to see whether the honourable member is consistent in his approval of John Spoehr's work. Without derogating from his activities, it is clear that the announced Mobil closure will have an impact on the southern suburbs. Of course, none of those persons have yet lost their job, because the closure has not yet been enacted. It is pre-emptive to criticise the government for doing nothing when the refinery is still operating.

We are mindful of the concerns, and we will be working closely with Mobil; and I have been maintaining conversation with key members of council. Some of the discussions concern issues to do with confidentiality and commercial in confidence, and those kinds of issues. The Treasurer has been leading the discussions. I have had at least one meeting with him and Mobil and certainly a number of discussions with him. I understand he is fairly close to making some announcements about what we will do as a response to the closure. There are a number of key issues: what conditions should apply to the closure; when, if ever, the site should be cleaned up; what are the triggers for that occurring; and, what sort of assistance package would need to be put in place? I assure the honourable member that all of those issues are being considered and we will be making an appropriate announcement in due course.

Mr BROKENSHIRE: Will the minister ask the Treasurer whether local members, given the significance of this matter to our region, could be provided with a confidential briefing?

I understand, having been in government, that there is a time when you do that and when you do not do it but, as soon as it is appropriate, would you request of the Treasurer that all local members be given a confidential briefing on the package?

The Hon. J.D. HILL: I would be delighted to ask the Treasurer to do that.

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

ADJOURNMENT

At 9.12 p.m. the committee adjourned until Tuesday 24 June at 11.a.m.