

**HOUSE OF ASSEMBLY**  
**Thursday 26 June 2008**  
**ESTIMATES COMMITTEE A**

**Chair:**

Ms. M.G. Thompson

**Members:**

Mr L.W. Bignell  
Mr T.R. Kenyon  
Dr D. McFetridge  
Mr M. Pengilly  
Ms L.A. Simmons  
Mr I.H. Venning

*The committee met at 11:30*

**DEPARTMENT OF TRADE AND ECONOMIC DEVELOPMENT, \$59,925,000**

**Witness:**

The Hon. K.O. Foley, Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations.

**Departmental Advisers:**

Mr R. Garrand, Chief Executive, Department of Trade and Economic Development.

Ms. A. Allison, Director, Corporate Services, Department of Trade and Economic Development.

Mr P. Polychronopoulos, Chief Financial Officer, Department of Trade and Economic Development.

Mr L. Piro, Executive Director, Mitsubishi Task Force, Department of Trade and Economic Development.

Mr B. Pelham, Executive Director, Commercial Division, Department of Trade and Economic Development.

Mr W. Parham, Director, Office of Trade, Department of Trade and Economic Development.

Mr M. O'Neill, Director, Economic Analysis and Policy, Department of Trade and Economic Development.

Mr M. Arthur-Worsop, Director, Competitive Council, Department of Trade and Economic Development.

Ms B. Wood, Director, Office of Economic Development Board, Department of Trade and Economic Development.

**The CHAIR:** The estimates committees are a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. The committee will determine an approximate time for consideration of proposed payments to facilitate changeover of departmental advisers. Do we have an agreed timetable?

**The Hon. K.O. FOLEY:** Yes. I will not take questions from my side and I will not have an opening statement.

**Dr McFETRIDGE:** Yes.

**The CHAIR:** Changes to committee membership will be notified as they occur. Members should ensure 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 18 July. I propose to allow both the minister and the lead speaker for the opposition to make opening statements of about 10 minutes each. There will be a flexible approach to giving the call for asking questions. A member who is not part of the committee may, at the discretion of the chair, ask a question. Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced. 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 the minister's advisers. The minister may refer questions to advisers for a response. I also advise that for the purposes of the committee, television coverage will be allowed for filming from both the northern and southern galleries.

I declare the proposed payments open for examination and refer members to the Budget Statement, in particular, pages 2.10 to 2.11 and Appendix C, and the Portfolio Statement, Volume 1, part 2.

**The CHAIR:** Do you have an opening statement, minister?

**The Hon. K.O. FOLEY:** No.

**The CHAIR:** Member for Morphett, do you have an opening statement?

**Dr McFETRIDGE:** First, I thank the minister's staff for their cooperation over the last 12 months. They have been professional at all times, and certainly loyal to their minister. This particular portfolio, while it does not get a lot of publicity, is probably one of the most important portfolios of this government. There are many opportunities ahead of us, and it is nice to know that we have professional people in the department working very hard to maximise opportunities. I am sure they will be more than willing to provide information through the minister in answer to the questions. At all times the questions are just seeking information: they are not in any way a reflection on the minister's staff.

My first question relates to Budget Paper 4, Volume 1, page 2.18, Program 5: Investment Attraction, and the performance commentary on Olympic Dam. The removal of the overburden is a significant cost for many miners in South Australia. I think it is known as the 'curse of cover' by the mining groups. The size to which Roxby is predicted to expand is 3½ kilometres by 1½ kilometres and the overburden is about 300 metres deep. When I asked about creating a mount Roxby I was told perhaps not that but there would be a low range of hills. The cost of removing that overburden and establishing the mine, which I think you gave information about yesterday, was about \$6 million initially but I understand it has gone up significantly. My information is that at this stage the intention is to expand it as an underground mine. The concern I have is this: if that is the case, will the desalination plant go ahead?

**The Hon. K.O. FOLEY:** My understanding is that BHP has made a decision that, should it proceed with the mine, the desalination plant will be a critical element for providing water.

**Dr McFETRIDGE:** Is this just an underground mine?

**The Hon. K.O. FOLEY:** I do not believe, if the expansion goes ahead, it would be an underground mine. It would be an open cut mine.

**Dr McFETRIDGE:** The information I have been given is that it will go ahead as an underground mine for a start—for how many years, I do not know. It will go ahead and be a huge mine for South Australia, but just as an underground mine, as I understand it. That is the information I am getting, anyway. I do not know whether you have further information.

**The Hon. K.O. FOLEY:** I have quite a lot of information on the project. The company has already indicated that it is exploring options for underground expansion concurrently (if it goes ahead) with the expansion as an open-cut mine. I do not personally have any doubt that the project will go ahead as an open-cut mine but, clearly, BHP has yet to make that decision completely and sign off on it, as it is going through its due diligence and prefeasibility studies and shortly will move into a full feasibility study with an EIS. One cannot pre-empt the decision, but I cannot imagine that the mine would not go ahead and, if it does go ahead, it can only do so as an open-cut mine. It is not to say that BHP will not expand underground where it can, but the ore body is of such a size that BHP has already determined that the open-cut way is more cost effective than underground.

**Dr McFETRIDGE:** Regarding the same reference, what planning is the government doing to ensure that BHP has the electricity it needs to expand at Roxby? A media report in *The Australian* of 27 March stated that BHP will use 42 per cent of South Australia's current power generation if the expansion goes ahead as initially planned.

**The Hon. K.O. FOLEY:** Again, that is an issue for BHP. To my knowledge, BHP is looking at a number of options and, I think, has taken some market soundings but, clearly, it is very aware of the fact that it needs to have substantial electricity provided to the plant. I am quite relaxed in that whatever its feasibility decides it will be appropriate electricity. We will have to wait and see, but it might give us an opportunity to see whether or not there is any excess capacity from whatever option they choose that can go back into the grid. It is bit premature. Currently, there are about 40 projects that we are working on right across government on the various aspects of this development, and I assume that electricity is one of them.

Ultimately, that one will be driven by BHP's own decision-making as to how it wants to do it. One option is that BHP has a 270 kilometre electricity transmission line from Flinders Power at Port Augusta. Another option is for a gas turbine at Olympic Dam itself—cogeneration. There is some talk about hot rocks, but I do not think that is necessarily at the stage where it could be done, but BHP is looking at a number of options.

**Dr McFETRIDGE:** With respect to the same reference again, it is interesting that you said you have 40 new projects that you are working on that will require extra electricity. Most gas-fired and coal-fired power stations take about three years to design and build. Has there been any discussion with any potential power generators?

**The Hon. K.O. FOLEY:** To correct the record, the provision of electricity is one of the projects under consideration by our working groups, and BHP's prefeasibility study will pick up that issue. It will take five or six years to dig this mine; there will be ample time to build a power station.

**Dr McFETRIDGE:** The other contentious issue with BHP is the processes currently used to produce the refined ore, copper and gold, and other minerals that it is pulling out of there. What is the plan at this stage? Have you had discussions with BHP about refining and concentrating the ore? If BHP is not going to refine the ore and produce the end-product here, what are the plans to ship out the ore? Is it via Darwin or Port Bonython?

**The Hon. K.O. FOLEY:** It is too early to tell. BHP will have a couple of shipping options, I guess, in its environment impact statement. I assume that it would have an exit point in South Australia, and it will probably, for the exercise, look at railing it to Darwin in both the EIS and the feasibility process. In terms of the issue of processing, BHP is on the record as saying that it wants to consider its options to semi-process the product as well as the full processing that currently occurs. I have said that we want as much as is economically and financially possible of the processing and further value adding to be done in South Australia. However, we accept that we have to enter into discussions in good faith and with a degree of professionalism that might mean there are some valid arguments put forward by BHP as to how we should go forward with the processing of the ore.

**Dr McFETRIDGE:** Does the semi-processing of the ore hold any complications for getting federal government approval to export it?

**The Hon. K.O. FOLEY:** I assume that there would be approval needed for much of what BHP will export. If some of the output is to be in a less-processed form, my guess is that it would require federal government approval. We are not at that stage yet. BHP has not put to us a definitive position on this; it is just discussions, and it is doing ongoing feasibility studies.

**Dr McFETRIDGE:** I am not a mining engineer, obviously, but I assume that the semi-processed ore will contain uranium as well as huge amounts of copper. Are there any foreseeable issues with exporting that ore to be refined in, say, India or China?

**The Hon. K.O. FOLEY:** It would not be India because we do not allow the export of uranium there. The federal government policy is that we do not export to countries which do not have their signature on the non-proliferation act. But, as I said, we are not at that point yet. My understanding is that the Leader of the Opposition has been briefed on this matter, but it is the subject of negotiations and discussions. Ultimately, BHP will firm up a lot of these issues as it progresses into its EIS and feasibility stage, and it will be at that point that we will have more detailed discussions. As I said, we have a very firm position: we want as much of the ore as possible, if not all, to be fully processed in Australia. However, we accept that there may be a valid argument as to why we should be prepared to accept a portion of that production not being fully

processed due to the quantities involved. We are talking about massive quantities, and it may be unrealistic to expect that all of that can be fully processed here in Australia, just through the sheer volume of the material.

**Dr McFETRIDGE:** I tried to get in a question on royalties and horizontal fiscal equalisation for you but I am sorry; you answered that yesterday, I think. I refer to Budget Paper 4, Volume 1, page 2.14: Performance commentary regarding Mitsubishi. How many ex-Mitsubishi workers are still to find alternative employment and what assistance is being provided by the state government to assist these workers to find employment in their local areas?

**The Hon. K.O. FOLEY:** We have put a lot of money into the labour adjustment packages and industry attraction projects. We have provided search, career counselling, case management, employment brokerage, training and up-skilling, wage subsidies, and self-employment assistance. To date, figures supplied by the commonwealth department and the state department of DFEEST show 670 people have exited the Tonsley plant. Of those, 470 workers have registered for support under the assistance package. At this stage, 235 of those workers have gained employment. Some 18 skills-in-demand projects have commenced in industries such as minerals and resources, engineering and manufacturing, transport, community services, and retail in order to up-skill retrenched workers for employment in these sectors. A project officer funded by the commonwealth and state governments will also monitor the progress of retrenched workers over the next two years. There is a lot of assistance in the form of:

- a \$30 million South Australian innovation and investment fund to support new investment and job creation;
- a \$10 million labour adjustment package to assist workers obtain employment and retraining;
- \$5 million for small business development in the South; and
- \$35 million is available from the repaid Mitsubishi loan for infrastructure development in the South.

Mitsubishi Motors itself has approved a further \$5 million infrastructure contribution. So, there is plenty of financial support.

**Dr McFETRIDGE:** Have any economic impact studies been done on the direct and flow-on effects of the closure of Mitsubishi?

**The Hon. K.O. FOLEY:** No. Work has been done in previous years, but we did not see much sense in a historical assessment as to what impact economically has occurred.

**Dr McFETRIDGE:** Looking forward—that is good. What is the current status of negotiations regarding the Mitsubishi site?

**The Hon. K.O. FOLEY:** We have registered as a potential purchaser. It is a 64 hectare site spread over five titles. Mitsubishi has engaged KPMG to advise it on how it should market this. Colliers has been appointed as their agent and they are seeking bids from the market. We have registered an interest but we are unlikely to be a purchaser in the sense of offering the best price for it. I do not know what the price would be in the marketplace. We are keen to see the site used for its maximum value and the government will not rezone it for housing. It will be required as an industrial site. Whether or not the government at some point partners with a private-sector entity to put a package together could be a possibility. I think we have to wait to see the quality of the bids that come into Mitsubishi, but I have to say that they are handling the sale. The government does not have any direct involvement in the sale process.

**Mr VENNING:** I refer to Budget Paper 4, Volume 1, page 2.18. This is a pretty general question, Treasurer. I am sure you would have no trouble handling this one. It is important and pertinent to the massive amounts of material that you were just talking about that will come out of the mine. Is the government developing a deep water port at Port Bonython because BHP will be exporting ore concentrate, not the finished product? Either way, there is going to be a huge amount of product.

**The Hon. K.O. FOLEY:** The government has an expression of interest out now for private sector consortia that may be prepared and willing to invest in the construction of a port at Port Bonython. Our advice is that this can be done without public sector investment and that, while it would be an attractive option for the private sector, it would be correct to say that the investors could not assume at this stage that BHP would necessarily be a user of that port, although it may

be. My guess is that the investors who would look at it will be talking to all the mining companies, including BHP. I think from advice I have seen that a port at Port Bonython, with or without BHP, would still be a very attractive investment, a viable option and a necessary port. BHP will obviously look at Port Bonython, Port Adelaide and some other options.

**Mr VENNING:** Is Port Lincoln one of those options?

**The Hon. K.O. FOLEY:** I would not have thought so—not for BHP.

**Mr VENNING:** In relation to the recent publicity about the community in Port Lincoln who happen to have one of the finest deep sea ports in our state, is the minister concerned that they have this port which the government and industry put there and now we are trying to see some restrictions put on it?

**The Hon. K.O. FOLEY:** You could probably better answer that. I, personally, would think that Port Lincoln offers an option at some point for mineral export, but it is pretty obvious that the community in Port Lincoln does not view it that way.

**Mr VENNING:** They wanted the port years ago, now they want to restrict it.

**The Hon. K.O. FOLEY:** You might have to talk to your parliamentary colleague.

**Mr VENNING:** I thought you might help me.

**The Hon. K.O. FOLEY:** I have learnt in recent years that the Port Lincoln people are very proud and I could probably say they are a tad stubborn occasionally. They are pretty united in their views about iron ore being exported through that port. Again, no decision has been taken whether or not Port Lincoln would be a suitable port. But I think I could comfortably say that uranium from BHP will not be exported from Port Lincoln.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.13, program 3, Business Growth, Performance Commentary, GMH Holden. Minister, can you provide details of what the funding of \$3.4 million given to GMH Holden's has been used for? Was any of this funding used for developing a more fuel efficient, hybrid or electric vehicle? Have there been any discussions with Prime Minister Rudd on funding GMH for hybrid vehicle development?

**The Hon. K.O. FOLEY:** That \$3.4 million was for a safety enhancement project that the Victorian and commonwealth governments signed up to a couple of years ago. It was to be used for the G8 Pontiac for export to the United States, not for any electric hybrid car. I have not discussed Holden's comments about an electric or petrol-electric hybrid car with the federal government at this stage. Apparently there has been some comment made by Holden's that it is looking at a hybrid petrol-electric car in the next two years in Australia. I was not aware of that. I missed that.

**Dr McFETRIDGE:** I suppose you will be lobbying the federal government for some assistance there.

**The Hon. K.O. FOLEY:** One thing I know about the automotive industry is that it does not need too much help in lobbying. There is no greater lobbyist for assistance from the government than the automotive industry. Kevin Rudd and Kym Carr have made available half a billion dollars for a green car. If Holden's approached us and asked us to assist in its negotiations with the federal government, we would be pleased to do so.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.19, Corporate Leadership, Governance and Support, Leadership Development Program. What was the cost of sending 30 senior staff to attend leadership development programs and modules at Carnegie Mellon University?

**The Hon. K.O. FOLEY:** During 2007-08, the department engaged Locher Human Resources and Carnegie Mellon University to develop a leadership development program for senior to mid-level managers. The program was an extension of the program undertaken by the executive in previous years. Each program has 15 participants, and two groups undertook courses in 2007-08. The total cost, including both Locher and Carnegie Mellon, was \$143,000 (excluding GST) as at the end of May 2008.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.16, Program 4, International Market Development, Business SA. What funding was provided either directly or indirectly to Business SA for targeted export training programs for 2007-08? Why was export training assistance not provided directly by the department to businesses through internal organisations? Was this funding through Business SA only to Business SA members?

**The Hon. K.O. FOLEY:** The export training program was a program that we funded for Business SA. Having it coordinate and deliver an approved export training program by the Australian Institute of Export, Business SA will deliver a series of sessions on behalf of DTED covering the market access and trade starts program. The contract value was \$156,818, and the term is for one year. We also have a contract with Business SA to provide secretarial support services to CITSCA (Council for International Trade and Commerce South Australia). The contract value is \$600,000 over a three-year period ending June 2011.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.14, international marketing and strategic visits. What was the total expenditure for the 18 strategic marketing visits by ministers in 2007-08?

**The Hon. K.O. FOLEY:** We will get you that information and come back to the house.

**Dr McFETRIDGE:** Are you able to advise the dollar value of investments and how many jobs were directly generated and attributed to those visits?

**The Hon. K.O. FOLEY:** That would be an impossible question to answer. Our overseas offices have been responsible for facilitating nearly \$170 million in exports during 2007-08. I know where the member is going in trying to link government overseas travel to important markets and dollars and jobs. It depends on the activity of the minister. I do a lot of international trade delegations. I will be doing one next week, in fact. It is always very difficult to ascribe an exact amount of dollar value benefit to it, suffice to say that, in the tradition laid down by former premier and minister, John Olsen, who was a regular traveller, it is good for our state to be continually pitching and making the case for South Australia in international markets around the world. I think I would be on a sure winner if I suggested that, should you be the next minister for industry, you will continue the tradition.

**Dr McFETRIDGE:** My next question is about an invitation you offered last year. To finish on that point: of the \$9.5 million spent on international marketing development, how many jobs and what was the dollar value of exports directly generated from this government expenditure?

**The Hon. K.O. FOLEY:** I will come back to the house with that.

**Dr McFETRIDGE:** This is one that popped up last year and the member for Norwood was all excited about this. I refer to Budget Paper 4, Volume 1, page 2.7: Targets/Highlights. It is listed under some subject headings as 'Puglia' or 'Apuglia' in others. I think there was a trade delegation going last year and you said you would take me with you, but you didn't. So I am asking the question again this year: how many jobs and what is the dollar value of investments directly generated by the Premier's visit to Puglia, Italy and subsequent trade missions by DTED with Puglia?

**The Hon. K.O. FOLEY:** In fact, I will be going back again I think in September this year. An MOU has been signed between the region of Puglia and the South Australian government. The MOU aims to promote the collaboration and development of sustainable long-term relationships in sectors of reciprocal interests such as trade and investment, scientific research and development, education, tourism and culture. Unfortunately, we do not have the member for Norwood here to help us, but I am advised that the Puglia region is one of the regions from which Italians emigrated to Australia and, in fact, to South Australia. The Puglia region was one of the main regions from which those Italians emigrated to Australia. There is a very large community in South Australia from Puglia and it is a sensible province for us to partner with.

The South Australian Film Corporation and the Puglia Film Commission have been exploring potential co-production opportunities. Following the Puglia Film Festival held in August 2007, representatives of the SA Film Corporation will visit Puglia following the 2008 Cannes Film Festival. That happened last week so we should see some information back soon. A draft MOU has been prepared on behalf of the Institute of Sciences of Food Production in Bari (the capital of Puglia), the University of Bologna, the University of Lecce, and the South Australian Centre for Plant Functional Genomics to progress the collaboration for drought resistant wheat.

The Puglia Desk has been established in collaboration with the Italian Chamber of Commerce and Industry in Adelaide. The Puglia Desk will be collocated with the chamber and will help Puglian businesses to find new contacts and market development opportunities in Australia. An agreement was signed on 15 February 2008 between the Puglia regional government and the government of South Australia for scholarships, academic exchanges and collaboration in research and development between respective universities and research institutions.

The South Australian government will provide \$1.2 million over three years to match funding of €750,000 from the Puglia regional government, partly funded from European Union funds to assist this initiative. The South Australian government has committed to supporting a trade delegation to Fiera del Levante in 2008 and future years, one of the largest trade and consumer exhibitions in Southern Europe. Approximately one million visitors attend the Fiera del Levante trade fair each year. A number of sectors—including construction, fashion, wine, food and fresh produce—have expressed an interest in the trade delegation.

I was ably assisted by our ambassador to Italy, none other than Her Excellency Amanda Vanstone. She gave a speech in Italian, which was extremely well received. I didn't, I gave a speech in Australian and it was translated for me, but she was able to give an outstanding speech in Italian, and I thoroughly enjoyed the company of the ambassador. We had quite a good trip. We hosted a couple of dinners together, or one dinner in particular, with senior government and business leaders and university leaders. It was a very entertaining night and we went off and had a few drinks afterwards. Because of diplomatic immunity, which both the ambassador and I enjoyed, we had a great night.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.6, International Market Development: 18 strategic overseas trade visits were facilitated by the department. Whether that included the SABAN trip that the member for Morialta and I and the member for Hammond were going to accompany you earlier this year, I am not so sure whether that is included in that, but what is the future—

**The Hon. K.O. FOLEY:** No, you are right, it's not.

**Dr McFETRIDGE:** What is the future of SABAN and can we look forward to further trade delegations?

**The Hon. K.O. FOLEY:** SABAN is being transferred to SA Great and that is now in transition. The government provides funding of \$110,000 a year to support the program. It will be now run by SA Great because SA Great is reconfiguring or re-energising itself. It has a very good board with strong participation from media organisations. The Chief Executive Officer of News Corporation in Adelaide (*The Advertiser* group), Michael Miller, is on the board; the head of our Tourism Commission is on the board; Nigel McBride from Minter Ellison is the chair. I think there are some other media people on the board as well. So we are engaging SA Great and having them undertake a number of new projects for us, one of which will be SABAN.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.14: Business Growth, Business Growth Case Management Secretariat. What is the current status of the following case managed projects, how much has been provided to each of these projects to date, and when will each of these projects commence or be completed: Buckland Park Country Township, Langhorne Creek Water Security, Port Lincoln Marina and Housing, Two Wells Glasshouse, Wakefield Waters, Wallaroo Marina, and the last one is wave energy. I think there is a company called Toprun wave energy. Whether they are the same, I am not sure.

**The Hon. K.O. FOLEY:** We will come back to the house with a detailed response to that question. This is a process which Karlene Maywald (as chair of the whole of government case management group) set up in November 2006. Case management is the provision of a whole of government coordination service and single point of contact facilitating the timely delivery of major private sector projects. Case managers work across agencies to identify and resolve project issues to enable an early 'yes' or an early 'no' for project proponents. This has been a very good process. This type of problem has bedevilled governments for years. Ray and his team are to be commended for probably putting forward the best method for dealing with this that I have seen to date. It is largely getting very good people to manage projects.

I have had extremely good feedback from the private sector. I will not identify the individuals because I may miss out equally deserving people, but I have had feedback from a number of developers and development proponents not only highly praising the quality of the individuals who are involved but equally the success with which they are now able to deal with our government. Again I think this is one of the points of which we as a government should be very proud. We are seen by major investment people, companies and groups interstate as being probably the best government to deal with in Australia. I know that is the view expressed to me and others by people such as Lang Walker and Lindsay Fox just to name two.

**Dr McFETRIDGE:** The wave energy project (I think it is called Toprun EV) seemed to come up with a burst in the media and die very quickly. Do you have details on that at all?

**The Hon. K.O. FOLEY:** In October 2007, DTED facilitated a visit from Mr Ye Xuefeng, a Chinese investor seeking to develop a wave energy project in SA. In August 2007, DTED submitted a proposal to Mr Ye outlining the benefits of establishing a project in our state. In November 2007, Mr Ye incorporated his Australian company, Toprun Pty Ltd, to progress a wave energy pilot project. Toprun identified Elliston on the Eyre Peninsula as a suitable location due to its favourable wave characteristics.

The purpose of the project is to prove the wave energy generation technology, with a view to commercial application, as a competitive renewable energy source. The plant will be manufactured in SA. There may also be opportunities to export the technologies to other markets. Toprun also plans to establish an R&D centre in South Australia, possibly on Kangaroo Island, which will focus on wave power and other renewable energy research. Toprun anticipates the pilot plant moored at Elliston by mid-2009. The pilot plant testing will run until the end of 2010. Project facilitation services were provided to Toprun under the auspices of the case management framework.

**Dr McFETRIDGE:** This is the same budget reference: Budget Paper 4, Volume 1, page 2.14. What activities make up the whole of state marketing strategy to promote South Australia as an investment location?

**The Hon. K.O. FOLEY:** Are you talking international?

**Dr McFETRIDGE:** Yes.

**The Hon. K.O. FOLEY:** To promote our state we have the Agent-General's office in London, which is doing a lot of work. You would be familiar with his very cheeky adverts. We are very lucky to have a gentleman of the quality of Bill Muirhead as our Agent-General in London, the former founding partner of M&C Saatchi, former chief executive officer of Saatchi & Saatchi and the person credited with developing British Airways' advertising campaign. I think he has worked with Qantas, Coca-Cola and the big brand names in the UK. I think he was also responsible for the Tory election win of Major. I am not sure whether he was around the place when they lost to Blair.

We are very fortunate: he is a very clever man. He had that campaign 'Sod London house prices' and 'Bugger it, I'm off to Adelaide'. A few of the earlier drafts probably would not have got through the censor. That has been very clever. It has created much interest in our state. We do a lot of work outside our London office, in Great Britain in particular, but also in mainland Europe, particularly in France and Germany, for our tourism markets. We have a very good trade office in Dubai. I would encourage all members, if they are travelling to Europe, to go via Dubai and to look at our trade office and to meet our trade commissioner. We have a trade office in Shanghai, Singapore, Chennai in India, and Hong Kong. In Hong Kong, at least, our person is collocated with Austrade. In Chennai they were, but we ran out of office space. I think we have had to give our person his own office. We are not the biggest spending state on overseas offices by a long stretch. We are targeted and strategic, and I think highly effective under the management of Wayne Parham, to my right, Ray and the executive of DTED.

One of the other promotions we do each year, of course, is the G'Day USA promotion. We put over \$100,000 a year into that. I have attended two of those events and my intention would be to attend again early next year. John Olsen does an outstanding job in pulling that together. It was initially G'Day LA: it is now G'Day USA, encompassing the east and west coast. We put a lot of money and effort into that. We get a lot of companies to attend that promotion. The whole premise is to look at a significant presentation of Australia, brand Australia—funded jointly by all the states and the commonwealth—but then we have breakout sessions and opportunities for individual states to have investment functions, meet and spend time.

This year, the Premier and I have committed to sending the Adelaide Symphony Orchestra to the United States—and more will be said about that in the coming months. As a result of a request from former premier John Olsen, we have agreed. That will give us a chance to showcase our orchestra in the United States. It will also give us a huge opportunity to piggyback on the back of that in terms of promoting our state. It will known as the Adelaide Symphony Orchestra.

I am advised that the concept of a G'day Europe has been talked about by the Premier's food and wine councils. We might look at it to see whether we can get something happening in the UK and Europe, perhaps targeting Italy, Germany and Russia. We are looking at formulating a proposal to roll out that program in 2009, and we might be able to use the experience of former premier John Olsen in that.

**Dr McFETRIDGE:** I assume you will be supporting the extension of his contract in that case.

**The Hon. K.O. FOLEY:** That is not for me. Former premier Olsen has been very fortunate to have had two postings to the United States from the federal government. It is not whether or not we support it. I think he would admit that, too.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1: the Venture Capital Board. The South Australian *Government Gazette* of 5 June states that the Venture Capital Board will be abolished and its employees transferred to DTED. Will these transferred employees be performing Venture Capital Board functions within DTED? If not, what will their new roles be?

**The Hon. K.O. FOLEY:** They will be undertaking the same functions. As a government we took the view that the Venture Capital Board has been extremely successful. It was able to place some \$7.7 million into the private equity program after a long process and due diligence to select Paragon.

The board reports that for the three years to June 2007 a three-year average of \$123 million has been invested in South Australian companies, comfortably exceeding the initial target of \$70 million. The need for the board became redundant and the board itself agreed to dissolve itself when the government decided it would not put a further placement into the market. Our job was to address market failure in this area. I took the view—and the cabinet agreed—that we would want to see whether this process was successful before we embarked on another round, if we were to do it. That could be an option for us or a future government.

The functions that the officers were doing on the board will be done from within DTED. A number of programs are ongoing, including the Equity Ready Program, private equity workshops and forums, Venture Capital scholarships for up and coming South Australian private equity specialists, Business Angels support activities, the TechMentor program and a range of other services in the Venture Capital space.

**Mr VENNING:** I refer to Budget Paper 4, Volume 1, page 2.22. What amount of funding is contained for expenditure requirements within the following funds: the Regional Development Infrastructure Fund, the Rural Town Development Fund, the Upper Spencer Gulf and Outback Enterprise Zone Fund—

**The Hon. K.O. FOLEY:** I'm sorry to interrupt but that would be a question best asked of minister Maywald as minister assisting and Minister for Regional Development.

**Mr VENNING:** Should a question in relation to drought be directed to her, as well?

**The Hon. K.O. FOLEY:** Yes.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.10: economic strategy and policy development of industrial land. What income was generated to the department as a result of supplying land?

**The Hon. K.O. FOLEY:** That is a matter for the Land Management Corporation.

**Dr McFETRIDGE:** How are valuations undertaken?

**The Hon. K.O. FOLEY:** Again, that is a question you would have to put to LMC. DTED does not handle direct land management issues.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.16: the Market Access Program. What was the state government's funding contribution (as a percentage of total funding provided) towards the Market Access and TradeStart programs?

**The Hon. K.O. FOLEY:** For the financial year 2007-08 a total of \$1,256,794 in Market Access Program grants had been approved up to 31 May 2008 to small and medium exporters. A total of \$859,682 has been acquitted and paid in 2007-08 up to 31 May 2008. These grants have, and will, assist 279 South Australian companies to undertake 397 separate export projects. One-third of the companies approved for MAP grants are located in regional South Australia. Some 88 per cent of the companies which will benefit from this program are businesses with fewer than 20 employees. Clearly, it shows that we are a government for regional South Australia and a government for small business.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.6: targets and highlights. The regional development special projects fund—I am not sure whether you want to answer this—

**The Hon. K.O. FOLEY:** That would be minister Maywald.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.7. The net cost of services in 2007-08 was \$62.425 million. What was the number and dollar value of investments directly generated by DTED in 2007-08 and how many jobs were created?

**The Hon. K.O. FOLEY:** What was the value and employment of investments?

**Dr McFETRIDGE:** Yes.

**The Hon. K.O. FOLEY:** It is always difficult to put a number on these things, but I am sure we have found a way. Can I take that question on notice and come back to the member?

**Dr McFETRIDGE:** Certainly. I refer to Budget Paper 4, Volume 1, page 2.6: targets and highlights, climate change. How will the minister's department assist South Australian businesses to respond to the threats and opportunities of climate change? I particularly have in mind the current issue of the carbon trading scheme, where we are talking up to \$200 a tonne, which seems incredible as a carbon tax. If petrol is included, it could have significant impacts on industry in South Australia.

**The Hon. K.O. FOLEY:** The Premier's Climate Change Council, I am advised, is consulting with business on developing a greenhouse strategy for our state and what the impact of carbon trading will mean. Clearly, there are both threats and opportunities. However, one thing we know for sure is that, as a government, we have no choice.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.10: industry red tape reviews. This is a little different: it is red tape but with a new hue, shall we say. What is the department doing to assist industry in complying with the growth in environmental legislation known as green tape?

**The Hon. K.O. FOLEY:** I have never heard of green tape before. We are doing a piece of work, about which I will be making some announcements in the near future, where the department has been responsible for overseeing a program of red tape reduction across government. How that specifically relates to the environment portfolio area I am not absolutely certain.

**Dr McFETRIDGE:** How is the \$150 million target for red tape reduction by July 2008 progressing?

**The Hon. K.O. FOLEY:** It is going very well, and we will have something to say on it in the very near future.

**Dr McFETRIDGE:** How was the figure calculated?

**The Hon. K.O. FOLEY:** We will have something to say on that in the very near future.

**Dr McFETRIDGE:** Can you tell me now? Your secret is safe with me and those I tell!

**The Hon. K.O. FOLEY:** No.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.12: migration impacts. Has the department undertaken economic impact studies regarding the effect of increased migration upon areas such as South Australia's housing rental market and increased demand for our limited water supply?

**The Hon. K.O. FOLEY:** We are strongly implementing a population policy. I was advised yesterday, I think, that fertility is up in South Australia, and there are a lot of migrants coming into our state. In fact, the University of Adelaide's geography professor, Graeme Hugo, said South Australia had 'done an incredible job in attracting migrants from overseas'. There was a net gain of 13,061 international migrants, continuing the upward trend from about 3,000 a year earlier this decade. So, there were 3,000 coming into the state before we came to office and we now have 13,000. That is having a very positive impact on our housing market and the level of economic activity in the state. That is a good thing.

**Dr McFETRIDGE:** What about water supply?

**The Hon. K.O. FOLEY:** Obviously, we need to have water, and it is caught up in the whole water issue. That is why we are building a desalination plant and spending a lot of money on water reuse and a whole lot of initiatives with respect to the Murray to make sure that our water future is sustainable and delivered.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.19: Performance Commentary, corporate practices. What were the improvements to corporate systems and practices in response to the recommendations made by the Auditor-General, and have the recommendations all been met?

**The Hon. K.O. FOLEY:** My advice is that we have only just received that letter from the Auditor-General and the department is working through a response to it as we speak.

**Dr McFETRIDGE:** I refer to the industry statement in Budget Paper 4, Volume 1, page 2.25: commonwealth revenue. Some \$390,000 is expected for the 2008-09 financial year in commonwealth revenue. This is the same amount as the 2007-08 estimated result. Is funding expected to increase in the future or remain the same?

**The Hon. K.O. FOLEY:** That is TradeStart funding from the commonwealth.

**Dr McFETRIDGE:** I refer to the same volume, page 2.18: Investment Attraction. How much funding is expected to be retained within the South Australia Innovation and Investment program fund on an annual basis to support strategic investment projects?

**The Hon. K.O. FOLEY:** It will be a \$30 million fund over three years, and we intend to run it down and spend it all. The full details of that fund will be launched around the end of June.

**Dr McFETRIDGE:** I again refer to the same volume, page 2.13: Business Growth, performance commentary grants. How much was specifically provided in innovation commercialisation and development grants for the 2007-08 and 2008-09 years?

**The Hon. K.O. FOLEY:** We have innovation commercialisation grants targeted to highly innovative early stage technology companies to assist in commercialising their products and services—\$50,000 per company—and a \$25,000 innovation development grant to assist South Australian companies to attract commercial investment or leverage commonwealth funds to innovate and develop new products, processes and services. Recommendations for 20 applications totalling some \$750,000 have been approved up until 31 May 2008.

**Mr VENNING:** In relation to Budget Paper 4, Volume 1, page 2.24, can the minister advise what support and assistance workers from the Nuriootpa Clipsal factory, who will lose their jobs next year as a result of the factory's closing, will receive from the 2008-09 budget for regional development? Clipsal recently announced that after 25 years of operation at Nuriootpa they will close the site and relocate to Gepps Cross.

**The Hon. K.O. FOLEY:** My advice is that some discussions have occurred with the Clipsal company and those workers will have available to them access to the labour adjustment fund that has been used for Mitsubishi workers.

**Mr VENNING:** I refer to Budget Paper 4, Volume 1, pages 2.15 and 2.16. Can the minister advise what support has been given to the South Australian wine industry in order to combat the recent slump in export sales? The South Australian wine industry contributes enormously to the state's economy, as well as contributing to the national economy, and South Australia's wine industry provides 50 per cent of the Australian industry by volume, 60 per cent by value and 70 per cent by exports. Those are pretty impressive statistics.

**The Hon. K.O. FOLEY:** We do not do anything specifically in our department—other than increase the consumption, I am told. With all due respect, the wine industry is a dynamic international export industry that I do not think really needs support or help from government up and beyond what it would get from PIRSA in technical support and assistance.

Of course, through the Premier's Wine Council we have put some serious money into R&D. We funded the Wine Innovation Centre at the Waite Institute. I remember seeing the plans for it, and it will be an outstanding facility. So, beyond the research and development area, I do not think we do anything in the export field.

**Mr VENNING:** Through the Premier's Food Council and Wine Council that you mentioned earlier, can that work be expanded?

**The Hon. K.O. FOLEY:** We have a Premier's Wine Council. We are doing some work in the Riverland. Obviously, there are some serious issues in the Riverland relating to grape and wine production, but it is very difficult for the government to offer wholesale support for an industry that really is a very large and mature industry.

**Mr VENNING:** In relation to Budget Paper 4, Volume 1, page 2.24, can the minister advise what proportion of the 2008-09 budget of \$7,844,000 will be used in the Riverland to support and

assist citrus growers with permanent plantings to continue with their business or move to other employment? As the minister knows, the continuing drought is having a severe impact on those with permanent plantings.

**The Hon. K.O. FOLEY:** DTED does not have a specific project but it works with companies, obviously, in the area. But you would be best placed putting that question to the Minister for Regional Development.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.22, relating to small business growth, the performance commentary on Business Enterprise Centres and Office of Small Business. What amount of funding is directly provided to assist business enterprise centres for the 2007-08 and 2008-09 years?

**The Hon. K.O. FOLEY:** I do not mean to be too difficult, but that is a question for the Minister for Small Business, Karlene Maywald.

**Dr McFETRIDGE:** I refer to page 2.13 of the same budget volume, the performance commentary regarding expos. What was the cost of facilitating the national ICT CeBIT exhibition, participating in the ANZAtech Gateway program and participating in the Hong Kong ICT expo?

**The Hon. K.O. FOLEY:** We will have to come back to the house with an answer to that. We do not have that information with us.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.7: Targets/Highlights: India, international trade and investment conference. What was the number and dollar value of investment deals generated by the South Australian government at this conference? What was the expenditure on the conference by the state government?

**The Hon. K.O. FOLEY:** It was originally proposed to host an Australia-India international trade and investment conference to align with the scheduled international test match between India and Australia to be played at Adelaide Oval in November 2007. Subsequent to the release of the final cricketing schedule, the test match was moved to January 2008. This resulted in a review of the program, and it was decided that January was not a suitable time to host an international conference, although the opportunity provided by the test match was important for business development.

As a consequence, an Australia-India business program, hosted by the Premier, was held during the test match on 24 to 26 January 2008. Nineteen high-level Indian business people attended the program. Approximately 300 local people were involved in the program, attending functions, meetings and seminars, all designed to promote two-way business relations between South Australia and India. The program consisted of: hosting key Indian and South Australian business delegates in corporate facilities on the opening day of the test match; a state dinner in honour of the test match and visiting Indians, hosted by the Premier at the Adelaide Festival Centre; an international business seminar hosted by KPMG and BRW; a number of key business matching programs for visiting Indians; a welcome function at the Adelaide Town Hall, hosted by the Lord Mayor; a tour of Adelaide Oval prior to the opening day, hosted by Darren Lehmann; and attendance at the South Australian Cricket Association test match gala dinner, hosted by minister Jane Lomax-Smith. We will come back to the house with the cost of that.

The Premier himself has been spearheading this drive into India. We are probably a bit of a late arrival into India as a state and should have been looking at it much earlier than we have. The Premier leads regular business delegations, and in March this year he led a 27-member business mission to India, including representatives of the agribusiness, wine, education, migration, environment, and management and services sectors. It is obviously very difficult to put a dollar figure on that, and this is about building a relationship and making the country of India in general and, more specifically, some targeted provinces or states aware of South Australia. I am told that Champagne Indage, which has an MoU at the University of Adelaide to jointly develop an Indian Institute of Vine and Wine and a winery in the Riverland, has finalised an additional investment of \$60 million in Loxton.

Reliance Industries, India's largest corporate group, set up an Australian subsidiary based out of Adelaide, and invested an initial \$20 million to explore for uranium in partnership with a South Australian company. Rising Sun Pictures won a contract worth about \$1 million to export its services to *Love Story 2050*. Bharat Box Factory is finalising investment plans worth \$10 million to invest in a greenfield paper packaging industry near Adelaide. Trident Tooling has invested nearly \$10 million in its joint venture with MGM India to set up a new facility near Chennai. Flinders

Premium Grain, an agribusiness company from regional South Australia, increased the export of frozen dough to Subway of India.

India is our second largest source of migrants at present and our second largest source of students. The relationship is growing very strongly on the back of a dedicated drive by the Premier and the Department of Trade and Economic Development.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.16, program 4: International Market Development. Certainly, the India picture looks pretty good. What export development promotion services were provided under this program for business and industry, and what was the cost of providing these services?

**The Hon. K.O. FOLEY:** We will come back to the house with an answer on that.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.7: Targets/Highlights, Industry Capability Network. The Industry Capability Network has facilitated \$84 million in contracts for South Australian companies. Is this considered to be a significant result for this network when the capital expenditure by companies such as Oxiana and BHP is considered?

**The Hon. K.O. FOLEY:** My advice is that they are ahead of target. ICNSA facilitates links, knowledge transfer and process capability in the supply chain to maximise local content and replace imports on major projects. It is linked to a national network of offices in Australia and New Zealand.

ICNSA has built strategic relationships within the resources, defence, infrastructure and manufacturing sectors to increase local industry participation in major projects such as the air warfare destroyer, Olympic Dam expansion, and the South Australian government's desalination project. ICNSA is formally engaged with the following major projects:

- The tramline extension;
- South Road/Anzac Highway tunnel;
- Oxiana, Prominent Hill;
- Iluka Resources, Eucla Basin Mineral Sand Project;
- Techport/Common User Facility/Shiplift;
- AWD Alliance, Air Warfare Destroyer Program;
- Bus Acquisition Program;
- Penola Pulp Mill (no MOU at this stage);
- Mobilong Prison;
- BHP Billiton, Olympic Dam Expansion and Supplier Capability Review;
- Desalination Project;
- Rail Car Relocation Project;
- APDS (the conference);
- Hillgrove Resources, Kanmantoo Project;
- Northern Expressway Project;
- Team Australia Automotive.

In 2007-08 ICNSA was directly involved in facilitating contracts with a value of \$84.5 million.

**Dr McFETRIDGE:** What is happening with the Penola pulp mill?

**The Hon. K.O. FOLEY:** My advice is that the company is negotiating for water access and funding for the project. That is all I can say at this stage.

**Dr McFETRIDGE:** Is it still optimistic?

**The Hon. K.O. FOLEY:** I think so. I guess it has been caught by the credit crunch. Raising capital for these projects is not particularly easy right now. I do not have any more specific knowledge of the project.

**Mr PENGILLY:** In relation to the same reference, on the Penola pulp mill, given reports coming out about the alarming drops in the watertable in the South-East drainage, and everything else down there, is that putting at risk Protavia's pulp mill?

**The Hon. K.O. FOLEY:** I do not know. I think you would be better placed asking Rory McEwen, who has carriage of that project.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.12: Population and Migration Advertising. What was the expenditure on the interstate advertising campaign, including both migration and business investment messages, that ran in Melbourne, Sydney and Perth? I saw one in Melbourne not long ago.

**The Hon. K.O. FOLEY:** \$650,000.

**Dr McFETRIDGE:** How many people have migrated to South Australia as a direct result of this campaign?

**The Hon. K.O. FOLEY:** We cannot put a number on how many people have visited; that is just not possible. I can say that advertising is generating an average of 96 inquiries a month—a 33 per cent increase over the number of inquiries received without advertising. The number is expected to increase due to advertising in June, and a final tally will be available at the end of June.

Website performance has increased—this is a fair old number—with this promotion interstate. May 2008 proved to be the peak month for site visits of some 17,799 unique visitors and 24,402 total visits—that is an increase of 133 per cent in unique visits from the previous month due to the advertising; so, clearly, it has worked. There has been a significant uptake in both serious hits on our website and the number of inquiries coming into the office.

South Australia offers links into recruitment firms as a point of difference from other states. For 2007-08 there was a total of 1,126 requests from people interstate who wished to be linked into recruiters and employers in South Australia. The program was relaunched in March 2008, and processes have been refined to report an outcome.

**Dr McFETRIDGE:** As to the website you mentioned then, minister, I am referring to the one on page 2.19: southaustralia.biz. Is that getting a lot of hits?

**The Hon. K.O. FOLEY:** That is the one I just mentioned.

**Dr McFETRIDGE:** It is the same one, is it? That is good to hear. I refer to Budget Paper 4, Volume 1, page 2.10: Economic Strategy and Policy Development regarding performance commentary on the KPMG study. What is the cost to the department for commissioning the 2008 KPMG Competitive Alternatives study and do we have any results?

**The Hon. K.O. FOLEY:** I am advised that \$64,000 is the cost.

**Dr McFETRIDGE:** When are the results of that study coming out? I do not know much about it.

**The Hon. K.O. FOLEY:** They have already come out.

**Dr McFETRIDGE:** And the results are?

**The Hon. K.O. FOLEY:** I think we have used this in the parliament a number of times. We are rated No. 1 in terms of competitiveness in Australia and, of the 102 cities featured in the Competitive Alternatives Report 2008, Adelaide was found to have the 33<sup>rd</sup> lowest business cost of overall and the third lowest business costs in a population bracket of 500 to 1.5 million people. Our performance is weaker compared to the 2006 result due to the exchange rate appreciation against the US dollar.

**Dr McFETRIDGE:** Following on from that, at page 2.10, regarding the Economic Strategy and Policy Development competitive business climate target: what is the competitive business climate target that is required to be met by industry and business in South Australia?

**The Hon. K.O. FOLEY:** Clearly, to maintain and improve where we can our rating on the KPMG table.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.9: Economic Strategy and Policy Development under payments to consultants. Payment to consultants is budgeted to increase by \$175,000 between the 2007-08 budget and the 2008-09 budget. Can you provide—perhaps not today—a list of all consultancies for the 2007-08 program and indicate whether

tenders or expressions of interest were called for each consultancy, the reasons for each consultancy, and which consultancies submitted reports during the 2007-08 period?

**The Hon. K.O. FOLEY:** We will get a consolidated answer for you. We will come back to the house with a full answer on that.

**Dr McFETRIDGE:** I place the following omnibus questions on the record:

1. Will the minister provide a detailed breakdown of the baseline data that was provided to the Shared Services Reform Office by each department or agency reporting to the minister: including the current total cost of the provision of payroll, finance, human resources, procurement, records management and information technology services in each department or agency reporting to the minister, as well as the full-time equivalent staffing numbers involved.

2. Will the minister provide a detailed breakdown of expenditure on consultants and contractors in 2007-08 for all departments and agencies reporting to the minister, listing the name of the consultant and contractor, cost, work undertaken and method of appointment?

3. For each department or agency reporting to the minister how many surplus employees there will be at 30 June 2008, and for each surplus employee what is the title or classification of the employee and the Total Employment Cost (TEC) of the employee?

4. In the financial year 2006-07 for all departments and agencies reporting to the minister what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2007-08?

5. For all departments and agencies reporting to the minister what is the estimated level of under expenditure for 2007-08 and has cabinet already approved any carryover expenditure into 2008-09? If so, how much?

6. (i) What was the total number of employees with a total employment cost of \$100,000 or more per employee, and also as a sub-category the total number of employees with a total employment cost of \$200,000 or more per employee, for all departments and agencies reporting to the minister as at 30 June 2008; and
- (ii) Between 30 June 2007 and 30 June 2008, will the minister list job title and total employment cost of each position (with a total estimated cost of \$100,000 or more):
- (a) which has been abolished; and
  - (b) which has been created?

7. For the years 2006-07 and 2007-08 will the minister provide a breakdown of expenditure on all grants administered by all departments and agencies reporting to the minister, listing the name of the grant recipient, the amount of the grant and the purpose of the grants and whether the grant was subject to a grant agreement as required by Treasurer's Instruction No. 15?

8. For all capital works projects listed in Budget Paper 5 that are the responsibility of the minister list the total amounts spent to date on each project?

I refer to Budget Paper 4, Volume 1, page 2.63: Performance Commentary. Is any management or consulting fee paid by the Office of the Venture Capital Board to the eight full-time investment managers working with private sector funds based in Adelaide and, if so, what is the amount?

**The Hon. K.O. FOLEY:** I am not aware of that, but I will check and come back to the house.

**Dr McFETRIDGE:** How much is provided through the Venture Capital Board's scholarship program?

**The Hon. K.O. FOLEY:** I am sorry; we will take that on notice as well.

**Dr McFETRIDGE:** How much has the state government invested through the Paragon Private Equity Fund 1 in NuKork, Levett Engineering and Cowell Electric?

**The Hon. K.O. FOLEY:** I do not think we are at liberty to say that. We give the \$7.7 million to Paragon for it to make decisions on who they then invest in, and it has invested in key technologies such as Bresagen, NuKork, Levett Engineering and the Cowell Electric Group. I am

advised that we have the numbers, but I need to take advice on whether commercially we are in a position to provide that. If we are, I will provide that information.

**Dr McFETRIDGE:** I refer to the same reference. Which investment was revalued downward and resulted in a loss of \$1.204 million to the Paragon Private Equity Fund 1?

**The Hon. K.O. FOLEY:** My advice is that that is the valuation of the fund overall. We do not have a break-up of it here but, if we can get it, we will.

**Dr McFETRIDGE:** Referring to the same reference, what was the cost to the Office of the Venture Capital Board of facilitating and establishing the business angels network, SA Angels?

**The Hon. K.O. FOLEY:** I will come back to the house with an answer on that. I have a detailed answer here, but it does not include a figure. So, we will get that consolidated for you.

**Dr McFETRIDGE:** The last question on venture capital is: what was the cost to the Office of the Venture Capital Board for running the 36 educational networking activities?

**The Hon. K.O. FOLEY:** We will provide that to the house as soon as we can.

*[Sitting suspended from 12:54 to 14:15]*

#### **Membership:**

Mr Griffiths substituted for Mr Venning.

Mr Goldsworthy substituted for Mr Pengilly.

Hon. L. Stevens substituted for Ms Simmons.

#### **DEFENCE SA, \$137,948,000**

#### **Departmental Advisers:**

Mr A. Fletcher, Chief Executive Officer, Defence SA.

Ms K. McGloin, General Manager, Corporate Affairs and Government Relations, Defence SA.

Mr C. McSporran, General Manager, Finance, Defence SA.

**The CHAIR:** I declare the proposed payments open for examination and refer members to the Budget Statement, pages 2.10 to 2.11 and Appendix C, and the Portfolio Statement, Volume 1, part 2. Minister, do you have a statement?

**The Hon. K.O. FOLEY:** No, I am happy to take questions.

**The CHAIR:** Member for Morphett, do you wish to make a statement?

**Dr McFETRIDGE:** No. I refer to Budget Paper 4, page 2.37, Program 1: Defence Industry Development, Defence Industry Employment. What is the current level of employment within the defence industry and how has it changed over the last two financial years?

**The Hon. K.O. FOLEY:** The defence industry or the agency?

**Dr McFETRIDGE:** The agency and the industry if you want, if you can give it to us, yes, that would be great. The industry is obviously growing, too.

**The Hon. K.O. FOLEY:** Defence SA currently employs, as at 1 June 2008, 25.4 FTEs.

**Dr McFETRIDGE:** What is the expected growth in the industry in employment in South Australia?

**The Hon. K.O. FOLEY:** Booming.

**Dr McFETRIDGE:** Booming, is it?

**The Hon. K.O. FOLEY:** Realistically, the defence sector is a growing industry sector, as we have said often. The air warfare destroyer is an opportunity for us that we cannot afford to miss

or not to exploit to the fullest and that is why the government has put over \$300 million into the Techport project.

**Dr McFETRIDGE:** *The Advertiser* 'V-Day' article, I remember, referred to 1,200 direct jobs and 3,000 indirect jobs with air warfare destroyers. Is that about the number we are still expecting from the air warfare destroyer program?

**The Hon. K.O. FOLEY:** Yes, it sounds of that order, but that is a headline project and a headline number. A lot of activity is occurring in other contracts. For example, BAE Systems is winning more and more work at a national and international level. It has won the Land 121 contract, to provide a replacement series of various vehicles for the Australian Army. Much of that is assembly work. They will be manufactured in the US, but much of that assembly work will occur in Adelaide. We have companies joining in the joint strike fighter project. Companies such as Levett Engineering are doing some of the blades for the engines for the fighters. It is a very exciting space for us, the defence sector.

What we are endeavouring to do at Techport is to develop a critical mass of highly skilled prime, subprime and various other suppliers in a precinct in Port Adelaide. We have to get out of the mind-set of thinking of it as just building a ship. It will be a critical mass of infrastructure and expertise that will be leading edge when it comes to electronic warfare. It is a pity Trish White is not on this committee, she would know more about this than most, but to have a capacity at that site that for any advanced piece of technology when it relates to warfare and the defence needs—not just in naval-based applications, but in air, land-based and even commercial applications—will be at Techport. Whenever a federal government decides to get the next lot of equipment or the through-life support for these platforms, Techport will be where all the skills are, together with Edinburgh Park and Tech Park.

**Dr McFETRIDGE:** Do we have any news on a fourth air warfare destroyer?

**The Hon. K.O. FOLEY:** No.

**Dr McFETRIDGE:** Is there any horizon for that?

**The Hon. K.O. FOLEY:** We would love to have a fourth air warfare destroyer. We did all we could politically to get either side to commit before the last election and we fell short. We think there is a very strong business case for it. There is a strong defence capability argument for it, but in fairness to my federal colleagues, they have to really work that one through.

**Dr McFETRIDGE:** What about the maintenance contracts?

**The Hon. K.O. FOLEY:** As Andrew said, the white paper is being prepared now and the feds will make no further commitment on major acquisitions until the white paper is completed.

**Dr McFETRIDGE:** We have the maintenance contract on the submarines. What about the air warfare destroyers?

**The Hon. K.O. FOLEY:** That is a good question. It has not been committed but, again, as much as we can be confident, there would have to be a very good argument for it to be anywhere else because we will have the skill base and the systems centre and a few other things that we are working on. We are doing all we can to position the state to be the base in which these ships return for their refit and through-life support, but that contract has not been decided upon yet.

**Dr McFETRIDGE:** Why are we only putting the ships together here? I think two-thirds of it is being made interstate and floated here on heavy lift ships.

**The Hon. K.O. FOLEY:** Modules are being spread around Australia. The important thing with the air warfare destroyer is that the old way of thinking—and it was certainly my way of thinking initially—was: let us build a great big ship, wouldn't that be fantastic? As important as that is, the real value is in what goes inside these things. Our head space has to be around the internals. Let us forget about the skins. Whether it is a ship, an aeroplane, a tank, some sort of land vehicle, or even a stationary piece of equipment or facility, it is what goes inside them. What goes inside them is advanced electronics, weapons, radar and all sorts of weird and wonderful stuff. We will have a systems integration centre at this facility. We will have 300 or 400 people working on the weird and wonderful stuff, and a whole lot of other facilities around Techport where we will be manufacturing, implementing and maintaining highly advanced weapons and radar systems.

America only lets us, the Japanese, the British and the Spanish, maybe the Italians and the Norwegians (a very limited number of allies) have the Aegis radar system. It is state-of-the-art technology. It is inter-operable with US forces. We are no longer the deputy sheriff (as we were

once referred to), but there is no question that our capability as a nation needs to be able to bolt to an American operation, air fleet, whatever. It is the smart stuff that goes into it. They are getting paid \$100,000 or \$200,000 a year because they are highly skilled. To us that is the exciting end.

In relation to the two thirds-one third, of course, is not two thirds outside the state. It is two thirds outside ASC and, at present, two people are bidding for module work and they are construction companies in South Australia. It is quite possible—hopefully, but we cannot be certain—that one company might get a contract to supply some module work for this—and we would argue that they should be physically located at Techport but they may have other ideas. Ideally, they would be located at Techport, but wherever they are, they will be providing modules and various other products to the project.

**Dr McFETRIDGE:** The three partners in the air warfare destroyer are ASC, Raytheon and General Dynamics. Is that correct?

**The Hon. K.O. FOLEY:** The three alliance partners are the commonwealth government, the ASC (which, at present, is a wholly owned government enterprise) and Raytheon. Lockheed is the developer of Aegis and Raytheon is the people fitting it into the ship—they are the systems integrator.

**Dr McFETRIDGE:** I cannot remember with whom Raytheon was in dispute, but I think I read an article in *The Australian* about Raytheon being in a multibillion dollar dispute. I thought it was with the other partner here. There was some concern that it was going to affect the industry here.

**The Hon. K.O. FOLEY:** It is public knowledge and well known that, in America, Raytheon and Lockheed are very aggressive competitors. As I said, Lockheed developed this technology. In some contracts, Raytheon wins the contract to integrate the program, and I guess, at times, Lockheed would win the contract to integrate its own system. However, the American government, to an extent (I am not sure they are overly successful in this, given the type of industry they have) promotes some aggressive competition. I am not sure that it is as competitive as we would like in the western world, but in Australia Lockheed and Raytheon have a very mature and very good working relationship—less competition.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.40, Sub-program 2.1: Techport Australia. Footnote (a) states:

The AWD Systems Centre was initially to be funded and managed by Defence SA.

However, it will now be delivered by the private sector. Can you advise why this decision was made?

**The Hon. K.O. FOLEY:** We made a decision. Initially, we were going to build and maintain. We took a view that governments do not necessarily have to be in the business of owning commercial infrastructure as such and we put it out to the private sector for it to provide a service back to government.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.37: Amalgamation. What was the financial cost of corporate support to ensure the defence unit and Port Adelaide Maritime Corporation were amalgamated?

**The Hon. K.O. FOLEY:** We will have to look at that question and come back to you with an answer. They were two distinct entities, but the government formed a view that, going forward, having an entity delivering the air warfare project, as important as it was, there was a skill set within both divisions that meant that together they would give us a better outcome. Simply building a supplier precinct without a broader appreciation of what is available, what opportunities and what the defence sector needs and wants meant that I thought Defence SA (the old maritime corporation) was limited in what value it could give to government. We brought the two entities together, and I am advised that the bringing together of these two units was cost neutral.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.52. The Auditor-General previously raised concerns about the Port Adelaide Maritime Corporation and his report states:

The need for improvement in documentation of policies and procedures adopted by the corporation covering aspects of asset accounting and frameworks for contract management and legal compliance, also aspects of the corporation's documentation of its delegations and authority, required review, including the need to provide a general contracting delegation.

Will you give an assurance that issues raised by the previous auditor-general will be followed by Defence SA?

**The Hon. K.O. FOLEY:** I am advised that all those comments have been taken on board—as they would be—and very diligently worked through. My advice is that the recent audit has been completed and we came up trumps.

**Dr McFETRIDGE:** I refer to page 2.39. When will construction of the common user facility be completed?

**The Hon. K.O. FOLEY:** The wharf is due to be handed over in March 2009, the dry berth will be completed by July 2009 and the ship lift will be available from February 2010. Equally—and I am not getting this advice but, rather, just mentioning it—this is a significant physical construction in what is not the easiest environment—water and land. I am not advised at this stage of slippage. Equally, I put a caveat that all these things are subject to engineering and availability issues with the various contractors, and so on, that we need to bring in. At this stage we are tracking okay.

**Dr McFETRIDGE:** There is a fairly specific valuation of \$27.23 million on the land around Techport that is expected to be sold. Who undertook the land valuations, and will this land be sold by tender?

**The Hon. K.O. FOLEY:** We used a range of real estate valuation companies to do our valuations. We have two real estate agents on commercial terms selling the land. It should be remembered that, initially, we were considering—in fact, we had gone a reasonable way through the process of looking at—whether we would bring in a lead developer, but the considered advice of the board—and this is where we are fortunate to have some highly skilled private and public sector people working on the board and within Defence SA—was to come back to government and say, 'Our initial thought that we should partner, JV or contract out the subdivision to a private contractor is not the best way to go. We don't capture sufficient value back to the taxpayer. Given the type of land release that is involved it is eminently within the skills set of a government agency to manage it.'

So we now do it ourselves and get a better return to the taxpayer. It is all done at commercial rates. My guess is that if you are smart you will get in now and buy a block of land because this land is some of the most attractive industrial land anywhere in South Australia, arguably in Australia. We will be selective in whom we allow to go down there. This is not a general industrial park for any widget maker who may want a piece of this land. It must be a company that is consistent with our vision for this overall area.

**Dr McFETRIDGE:** I refer to Budget Paper 4, Volume 1, page 2.39 and Budget Paper 3, table 2.4. What has the state government contributed to date for the secure electronic common user facility? Will the minister also give some background about the project?

**The Hon. K.O. FOLEY:** The secure electronic common user facility (SECUF) is being established in Endeavour House, Technology Park, Mawson Lakes. The establishment of the SECUF is of strategic importance to the state's defence, academic and industry communities and, in particular, will assist in positioning the state as the leader in network centric warfare, defence electronics and systems integration. The multilevel secure common user environment will be a hub for SA universities and industry, particularly SMEs, along with key defence customers to work collaboratively on innovation and commercialisation opportunities.

Common user facilities of this type and scale are not currently available or accessible in Australia and will markedly differentiate the state's offering to defence, academia and industry. Detailed planning for the SECUF is under way. The budget allocates funding of \$8.12 million for SECUF Stage 1, \$5.26 million for building refurbishment works, and \$2.888 million for ICT infrastructure and network within the building. The SECUF will provide office and laboratory space to support advanced engineering and research activities, including modelling and simulation environments of complex networks. The facility will operate initially up to a secret level and will be managed independently by Defence SA. Defence SA is currently in negotiation with prospective tenants for the SECUF, which is scheduled to be available for occupation by February 2009.

This is a very important piece of infrastructure for our state. It is a little different in respect of what we might normally be used to, but in modern warfare and electronics we need to have a facility that gives an opportunity for SMEs and the research community to develop their applications and systems in an environment that is available more commonly in the United States. Many corporations in the United States would have these facilities themselves, but, if we want to have a growing electronics defence sector and small to medium enterprise companies developing their technologies, we have to give them an environment in which to do it. That is why we are investing this money. Again, it is about ensuring that, not only do we differentiate ourselves from the other states but that we also take a quantum leap forward.

I say to all the young people in the gallery (even the Crows supporters) that if you want a job as an engineer—if you are interested in electronics, science and engineering—the defence sector is a very exciting opportunity. You can get jobs in small companies at the cutting edge of technology as a student or, indeed, as a member of academia at a university. You will have access to arguably some of the best facilities anywhere in the world. Then you can go and work for larger prime contractors.

Imagine a career where you could go to university, you have the best equipment and technology available to you to practise your skill and you get a job with BAE Systems, Lockheed Martin, Raytheon or Saab Systems. You could find yourself in the middle of Europe or the United States. Companies such as Raytheon and Lockheed continually train and upskill their staff. I am serious about the students in the gallery. If you want to get into engineering and electronics, the defence industry is the way you should head. I cannot think of a more exciting industry sector to be in. When people look at Australia for developing, building and contracting to the national government for defence projects, we want them to see that the best engineering and electronics skills will be here in Adelaide.

**Dr McFETRIDGE:** Thank you, minister. I can vouch for that, because my son has a PhD in electronic engineering and robotics. He is working for a South Australian company that now employs 80 people in India and America. He was conference calling to America this morning.

**The Hon. K.O. FOLEY:** Which company does he work for?

**Dr McFETRIDGE:** Australian Semiconductor Technology. It is Jay Yantchev, who was the head of Freescale, which is part of Motorola. It has decided that South Australia is a good place in which to work and it has rapidly gone from about a dozen guys to over 80.

**The Hon. K.O. FOLEY:** That is a perfect example of what we are talking about.

*An honourable member interjecting:*

**Dr McFETRIDGE:** He is another Dr McFetridge; he is a PhD doctor—a real one.

**The Hon. K.O. FOLEY:** He did not want to be a vet, obviously.

**Dr McFETRIDGE:** We will not go down that path. We will move on to the Army. I refer to Budget Paper 4, Volume 1, page 2.39. Other than the \$500,000 budgeted in the 2008-09 budget, is there any other in-kind support that will be provided by the state government to the Army to facilitate the establishment of the new 7<sup>th</sup> Mechanised Battalion?

**The Hon. K.O. FOLEY:** Again, this is a great success story. A lot of the credit would go to the current Governor, who was then head of the defence unit, and then Army officer Richard Bosci, who was working for us. They and other officers did a lot of work initially, which has now been more than ably picked up by Defence SA and built upon, in convincing the Army that we are a great place in which to have a battalion. In conversations with the former head of the Army, General Peter Leahy, I understand that Darwin is pretty well maxed out, in terms of its ability to provide amenity to the Army. There are only so many soldiers you can put in a city of 70,000 or 80,000 people before you tip the balance, in terms of what is on offer.

**Dr McFETRIDGE:** Does the minister know when they are moving here?

**The Hon. K.O. FOLEY:** Yes. I will read the brief. We welcome the December 2005 announcement that a mechanised battalion group would be raised and personnel relocated to Edinburgh in 2011 as a key component of the commonwealth's Hardened and Networked Army initiative. Construction of capital facilities worth \$623 million have just begun. In May 2008, the Department of Defence called the first tenders for this project. The government of South Australia is committed to ensuring that the men and women of our Defence Force are fully supported while living and working in the state.

To this end, Defence SA has been working with the Army and local government to facilitate the successful establishment of 7RAR Mechanised Battalion Group at Edinburgh. The National Institute of Labour studies, through Flinders University, has been engaged to undertake a socioeconomic impact study of the relocation of 7RAR to Edinburgh. The study will analyse the economic impact at the local and state levels as well as the impact on community facilities and services.

The total cost of this study is \$130,000 and it is being jointly funded by the Army, Defence SA and the cities of Playford and Salisbury. The total cost for Defence SA is \$50,000. This study should be completed by the end of 2008 and will inform the government about what initiatives are

needed to support the successful establishment of the battalion. Defence SA has budgeted \$500,000 in 2008-09 to facilitate the implementation of recommendations arising from the socioeconomic impact study.

We may well need to put in more money in future years. We will make those assessments when we get the work done. Andrew and his team have done an outstanding job. It was not just a matter of getting a battalion. We are talking about effectively moving 2,500 people—1,200 families—into a community. A lot of after sales service is required to make sure that we have the housing, the schooling and the jobs for the partners—who in most cases are women, but not always. We need to have work available and to make the families comfortable. We need to ensure that there is enough entertainment and that the quality of life is very good, because our big selling message to the Army will be that, if this is a good process and it is worked well, Edinburgh will become a super base.

It will be used by both the Army and the Air Force. We could put a very strong argument that the Army should relocate other personnel. We will not get another battalion, I would have thought, but we could get other units and brigades of particular skill sets—operational units—and we are talking to the Army about that now. Anything in the defence forces is about having a really good relationship. Andrew and his team are in Canberra every month, probably, talking to people in the defence organisation and the brass; and our defence advisory board, of course, has a number of senior, recently retired military leaders.

What struck me is how important it is to have a close personal rapport with decision makers and understand the whole world. Andrew comes from an engineering and construction background, and Chris and Kelly, of course, get on top of everything very quickly.

**Dr McFETRIDGE:** In relation to the Maritime Skills Centre (Budget Paper 4, Volume 1, page 2.39), has training at the facility begun and, if so, how many skilled workers are currently being trained?

**The Hon. K.O. FOLEY:** We have just finished the building but, again, this was a result of some early discussions on the defence advisory board when we were first putting together a framework in terms of how we would bid for these projects. We are very lucky to have some outstanding individuals. One in particular comes to mind but they are all of outstanding quality.

John White (who used to head up Tenix), when they built the ANZAC class ship, made it very clear that there were a couple of things we had to do if we were serious and we had to ensure that the ASC was cognisant of it. We had to have a labour agreement and ensure that the unions understood that there had to be a workplace agreement, as such, or whatever we wish to call them—enterprise bargaining agreement—that was competitive with the Tenix shipyards in Victoria.

John's advice was that we should work with the unions, which we did behind the scenes. We brought a highly regarded and respected person from the Eastern States to work with the union leadership here to ensure that we had an agreement with the unions that was as good as, if not better than, what was being offered in Victoria.

The other thing John said was that we have to demonstrate that we have an ability to develop the skills that are needed, and retrain and keep the skill set at leading edge right through the project, because there will be a question mark over whether we have the skill set here. His advice to us at the time, which was quickly picked up by the board and is now being implemented by Defence SA, was to put together a maritime skills centre—a dedicated learning college, not just relying on a TAFE college or a university, and that is what we have done. It is not operational yet. Construction commenced in June 2007 and was completed in March 2008—on time and on budget, I might add, at \$5.3 million. A general manager was appointed in April 2008 and the facility handed over to ASC in May ready for ASC to commence training from the centre on a priority basis.

Where capacity permits, the Maritime Skills Centre is being marketed for use for training which has a wider benefit to South Australian users (that is, third party use). ASC Shipbuilding will fund the operational cost of the Maritime Skills Centre for the life of the AWD project. Ongoing management and coordination of the centre will be funded equally by Defence SA and ASC. Again, it is an important building block in our strategy for securing the air warfare destroyer contract. But, again, if you look at it in the broader context such as with the SECUF and other things that we are doing, it gives us a unique capability and competitive advantage as compared to other states.

**Dr McFETRIDGE:** I have another 10 or 15 questions which are really just accounting questions, and I am happy to put them on notice. I thank your staff for their time.

**The CHAIR:** I thank the Treasurer and witnesses. In thanking the Treasurer I note for the benefit of some committee members that the Treasurer has answered a number of questions that were not in order, but I want to point out one in particular in case I am accused of ruling it out of order in the future. The question that was based on the Auditor-General's Report was clearly not in order. However, I could see that the minister's staff were able to provide advice and the minister was happy to answer it. I just do not want that to come back and bite me.

**The Hon. K.O. FOLEY:** Can I say that I have enjoyed the committee today and the constructive approach of the member and, indeed, all members. I also say to my colleagues thank you for your non-contribution in terms of allowing the process to be speeded up by not asking questions.

I also say, as it relates to all of my committees, that if there is anything I have said that is wrong or incorrect, my misleading, if there has been any, has not been intentional, and I will correct the record at some later point if I have in any way said something that I should not.

**The CHAIR:** I declare the examination of the proposed payments for the Venture Capital Board and Defence SA closed, and the examination of the remaining lines under the Department of Trade and Economic Development is adjourned until 27 June.

#### **Membership:**

Mr Hamilton-Smith substituted for Dr McFetridge.

The Hon. I.F. Evans substituted for Mr Griffiths.

#### **ATTORNEY-GENERAL'S DEPARTMENT, \$95,378,000**

#### **ADMINISTERED ITEMS FOR THE ATTORNEY-GENERAL'S DEPARTMENT, \$55,673,000**

#### **Witness:**

The Hon. M.J. Atkinson, Attorney-General, Minister for Justice, Minister for Multicultural Affairs.

#### **Departmental Advisers:**

Mr J. Maguire, Chief Executive, Attorney-General's Department.

Mr S. Forrest, Executive Director, Multicultural SA.

Mr R. Lean, Manager, Multicultural SA.

Ms D. Contala, Executive Director, Corporate and Business Services, Attorney-General's Department.

Mr. A. Swanson, Director, Strategic and Financial Services, Attorney-General's Department.

Mr T Anastasiou, Manager, Portfolio Financial Services, Attorney-General's Department.

Mr D. Mazzone, Acting Director, Office of the Chief Executive, Attorney-General's Department.

**The CHAIR:** The estimates committees are a relatively informal procedure and, as such, there is no need to stand ask or answer questions. The committee will determine an approximate time for consideration of proposed payments to facilitate changeover of departmental advisers. Do we have an agreed timetable?

**The Hon. M.J. ATKINSON:** Yes.

**Mr HAMILTON-SMITH:** Yes.

**The CHAIR:** Changes to committee membership will be notified as they occur. Members should ensure 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 18 July. I propose to allow both the minister and the lead speaker for the

opposition to make opening statements of about 10 minutes each, although, given the half hour sessions, that might not be appropriate.

There will be a flexible approach to giving the call for asking questions based on about three questions per member, alternating each side. Supplementary questions will be the exception rather than the rule. A member who is not part of the committee may, at the discretion of the chair, ask a question. Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced. 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 the minister's advisers. The minister may refer questions to advisers for a response. I also advise that for the purposes of the committee, television coverage will be allowed for filming from both the northern and southern galleries.

I declare the proposed payments open for examination and refer members to the Budget Statement, in particular, pages 2.14 to 2.19 and Appendix C, and the Portfolio Statement, Volume 1, part 4.

**Mr HAMILTON-SMITH:** I thank the minister and his staff for the effort that they have put into today. From my experience, there is bipartisanship in multicultural affairs. I know that the minister is very committed to his portfolio, and so am I. I want to thank Simon and Roger, in particular, for the work they do. I refer to Budget Paper 4, Volume 1, page 4.59, Sub-program 2.1: Multicultural Services and Advice, in regard to additional grants provided by Multicultural SA to various groups. Last year I asked for this information. I hear that it may now be on the website, but I do not remember having received it, but I may have. I like to compare the grants from one year to the other. Can the minister provide a list of all the organisations that have received funding from Multicultural SA in 2007-08, the amount that each organisation has received, as well as the list for 2006-07?

**The Hon. M.J. ATKINSON:** Our understanding is that that information was provided to the member last year as part of an answer to omnibus questions. The information is also provided on Multicultural SA's website.

**Mr HAMILTON-SMITH:** For both financial years? This year's is already posted.

**Mr FORREST:** The first and second rounds will be available in about a week's time.

**Mr HAMILTON-SMITH:** And there are no grants that do not appear on the website?

**Mr FORREST:** Our ethnic community organisation land tax grants do not appear on the website because there is no competition for those grants. Every applicant who meets the criteria receives a grant to the full amount of their land tax.

**The Hon. M.J. ATKINSON:** Some of the grants to pay for ethnic clubs' land tax are very modest indeed, but I recall there was one group that had extensive property holdings and they received the same as every other ethnic club. However, it cost the government somewhere between \$10,000 and \$20,000 to pay that club's land tax because of its extensive landholdings. When I queried the department about that, the answer was that they qualified—they met the test and received it.

**Mr HAMILTON-SMITH:** Given that those grants do not appear on the website, could the opposition be provided with a list of those?

**The Hon. M.J. ATKINSON:** Yes. I could provide you with them immediately as I did last year but I take it that you would not want that.

**Mr HAMILTON-SMITH:** I am sure it will be swiftly provided. I refer to Budget Paper 4, Volume 1, page 4.51: Highlights 2007-08. Could the minister explain in more detail the expanded work with ethnic communities—in particular, new and emerging communities—listed as a highlight for 2007-08?

**The Hon. M.J. ATKINSON:** For many years ethnic communities have been reluctant to showcase their heritage to the broader public. The focus of ethnic communities has been just to keep the culture and language alive and pass it on to children and grandchildren. As a result, they have primarily displayed their culture to other members of their own community and, in many

cases, they have held festivals where most of those who attend are of the same cultural and linguistic background. So, the Chairman of the South Australian Multicultural and Ethnic Affairs Commission has emphasised the importance of raising the level of awareness and understanding of the English-speaking majority about our diverse cultures. Pleasurable though the festivals may be, it is important to bring to them a wider audience.

**Mr HAMILTON-SMITH:** Getting back to the question of grants, I refer to Budget Paper 4, Volume 1, page 4.59, subprogram 2.1. Last year there was a bit of misunderstanding over grants made from outside the Multicultural SA budget in a particular case by the Premier. Is the minister expecting any other grants to be made in the coming year from sources outside of the department's normal grants process? When such grants are made, do they in any way come through Multicultural SA or are they completely divorced from Multicultural SA?

**The Hon. M.J. ATKINSON:** I can tell the leader that the Multicultural Grants Scheme has two rounds of funding per year. The leader is asking whether multicultural groups and ethnic clubs are going to get lucky outside that framework. The answer is that I cannot tell in advance but sometimes they do. Former premier Olsen made very generous grants from his community fund well outside the Multicultural Grants Scheme; indeed, my understanding of them is that there was no competitive application for those funds and that Joan Hall, former member for Morialta and minister for tourism, made grants to ethnic community groups from her tourism budget, including at least one generous grant to a group in her electorate.

My understanding is that there was controversy last year. The Hon. Rob Lucas became hysterical about a grant made by the Premier to the Parish of St Dimitrios at Salisbury Plain, and that eventually precipitated an apology from the leader of the Liberal Party to Fr Chris Tsoraklidis of St Dimitrios, Salisbury Plain, and Fr Diogenis of the Parish of St George, Thebarton. It would be good if the leader could confirm to the committee that he did explain and apologise to those clerics for the allegation of impropriety made against the Greek Orthodox Church and the Premier by his Liberal Party colleague the Hon. Rob Lucas. Ethnic clubs are routinely successful in getting community benefits SA grants and long may it continue.

**Mr HAMILTON-SMITH:** I refer to Budget Paper 4, Volume 1, page 4.51: Highlights—

**The Hon. M.J. ATKINSON:** I'm sorry. I thought the leader was going to explain whether he had apologised to those clerics.

**Mr HAMILTON-SMITH:** You may have thought whatever you may have thought, minister, but I would make the point that I think in that case there was more of a misunderstanding and I think you would be quite clear on the reasons for that.

**The Hon. M.J. ATKINSON:** Perhaps the leader could explain to the committee what the misunderstanding was.

**Mr HAMILTON-SMITH:** I do not think we need to canvass that again.

**The Hon. M.J. ATKINSON:** Really?

**Mr HAMILTON-SMITH:** I make the point that it is very—

**The Hon. M.J. ATKINSON:** The member for Mawson is interested. I am interested.

**Mr HAMILTON-SMITH:** —important that there is openness, accountability and disclosure with all government grants, and that all government grants are administered fairly, accountably and properly, regardless of who is in government. I think that is the point.

**The Hon. M.J. ATKINSON:** I think the implication of the Hon. Robert Lucas for the Liberal Party was that this was corrupt.

**Mr HAMILTON-SMITH:** Well, that is not my recollection, actually.

**The CHAIR:** If we could return to asking questions.

**Mr HAMILTON-SMITH:** Madam Chair, if you do not mind, actually the minister started asking questions. You did not pull him up. So, if you would like to stop him from asking questions and instead get him to answer them, that might be good.

**The CHAIR:** You know that if you stray, the minister is allowed to stray. If you get back on point, the minister will be kept on point.

**Mr HAMILTON-SMITH:** Well, let's get to the questions and maybe we will get some answers from the minister. I refer to Budget Paper 4, Volume 1, page 4.51: Highlights—

**The Hon. M.J. ATKINSON:** It is usually ministers engaging in evasion rather than members of the opposition.

**The CHAIR:** It is all right, minister; we will just let the question be asked.

**Mr HAMILTON-SMITH:** Who are the members of the Youth Advisory Committee to the South Australian Multicultural and Ethnic Affairs Commission? How many times has the committee met and what outcomes have been achieved?

**The Hon. M.J. ATKINSON:** The Youth Advisory Committee held its first meeting on 1 August last year. It has held a youth breakfast to meet members of the Somali community and to assist them with a mentoring program. Somalia is on the Horn of Africa. Today is indeed Somalia Day, and on my lapel I am wearing the Somali flag. I do not have the names of the Youth Advisory Committee with me, but I will arrange to get them to the Leader of the Opposition.

The breakfast was on Saturday 12 April at the Pilgrim Centre, and about 40 youth representatives were there, including people from the Sudanese, Afghan and Burmese communities. There were, I gather, speeches from the Chairman of the South Australian Multicultural and Ethnic Affairs Commission—who is also the Lieutenant-Governor—and also from young people from Sudan, Afghanistan and Sierra Leone, which are all major sources of migrants for Australia. The committee also provided advice to the South Australian Multicultural and Ethnic Affairs Commission on the need to provide youth-friendly pages on SAMEAC's website.

**Mr HAMILTON-SMITH:** On that same subject, where is the Youth Summit planned to be held?

**The Hon. M.J. ATKINSON:** Just to round that off, if I may, Michelle Dieu from the Chinese community (formerly of the Overseas Chinese Association) is the Chair of the Youth Advisory Committee, and she is a member of the South Australian Multicultural and Ethnic Affairs Commission.

**Mr HAMILTON-SMITH:** Where will the Youth Summit be held and how will it be organised and funded?

**The Hon. M.J. ATKINSON:** I will hand over to Mr Forrest to answer that.

**Mr FORREST:** It will probably be held on a Saturday in the middle of October. We are yet to negotiate a venue for it. It will be funded from the Multicultural SA budget. The theme will be about the fact that ethnic communities have provided advice in community consultations held by the South Australian Multicultural and Ethnic Affairs Commission. On several occasions they have talked about the fact that they are concerned that the youth in the communities are no longer engaging with their communities, especially in the more established communities—those who arrived after World War II. The forum will engage the youth and the leaders of those established ethnic communities in ways to try to engage the youth in the life of the communities again.

**Mr HAMILTON-SMITH:** I refer to Budget Paper 4, Volume 1, page 4.51: Targets. What are the details of the proposed multicultural awards scheme to recognise cultural diversity? Who will administer the scheme and what are the criteria? How much will the scheme cost in full?

**The Hon. M.J. ATKINSON:** In November last year, the chairman convened a meeting to explore the possibility of awards. At the meeting, it was agreed that the awards should acknowledge outstanding achievement and encourage people to recognise cultural diversity as a positive influence. It is pleasing that the Governor has agreed that there will be a set of awards, called the Governor's Multicultural Awards—as distinct from the Leader of the Opposition's awards—and he has agreed to host a reception at Government House.

**Mr HAMILTON-SMITH:** How will the scheme be administered, what are the criteria and how much will it cost?

**The Hon. M.J. ATKINSON:** I will hand over to Mr Forrest on that.

**Mr FORREST:** The current intention is that the scheme will be administered by a committee established by the South Australian Multicultural and Ethnic Affairs Commission in collaboration with the Multicultural Communities Council. That will be the group that administers the scheme and, of course, there will be liaison with Government House on that. The cost will be minimal because the event itself—the presentation of the awards—will be held at Government House, and Government House will pay for it. So, the cost will really be for the printing of the application forms, etc., so it will be minimal.

**Mr HAMILTON-SMITH:** I refer to Budget Paper 4, Volume 1, page 4.59, Sub-program 2.2: Interpreting and Translating. Why has there been an increase in the budget of this sub-program from \$55,000 in 2007-08 to \$170,000 in 2008-09 for interpreting and translating services?

**The Hon. M.J. ATKINSON:** The increase in the net cost of the sub-program from the 2007-08 budget of \$55,000 to \$170,000 in 2008-09 is mainly owing to the increase in expenditure for interpreters of Aboriginal languages. As the leader may know, we have difficulties in the justice system securing interpreters in Aboriginal languages for criminal trials who are not, in some way, tied to the accused person or the alleged victims by kinship. It occurs from time to time that a trial is scheduled at, say, Port Augusta and the interpreter shoots through. All the cost of the judge, the jury, prosecution and defence is then wasted. We have decided that a better way to boost interpreting in Aboriginal languages would be to persuade people already in the employ of the state government—nurses, school teachers, social workers and the like—to act as interpreters, and we have set aside this money accordingly. I think the increase is good news and I would hope that the leader would agree with me about that.

**Mr HAMILTON-SMITH:** I refer to the amount of \$124,000 on page 2.16 of the budget paper. Does that mean that there is only \$46,000 available for other interpreting and translating services in the 2008-09 financial year?

**The Hon. M.J. ATKINSON:** The answer to the leader's question is no. The other parts of the interpreting service are cost recovery. To expand that: the net costs in the sub-program represent the difference between total expenses and total revenue for interpreting and translating services. These figures need to be considered in the context of a revenue and expenditure budget of about \$3 million.

**Mr HAMILTON-SMITH:** Referring to the same budget line, same page number, how much of the estimated result of \$72,000 in 2007-08 was spent on Aboriginal language interpreting services?

**The Hon. M.J. ATKINSON:** We will take that one on notice. Our record is that, for non-Aboriginal languages, other than English, we meet about 97 per cent of requests, but for Aboriginal languages we are only meeting about 70 per cent of court requests. The extra money is to try to put Aboriginal languages in the same position as languages other than English.

**The Hon. I.F. EVANS:** For \$120,000 extra for Aboriginal interpretation, how many extra people will be trained?

**The Hon. M.J. ATKINSON:** We have only just announced the initiative.

**The Hon. I.F. EVANS:** Is it to train one person or ten?

**The Hon. M.J. ATKINSON:** We are employers, not trainers, and we are waiting for employees to be attracted by this package. I would have thought a Liberal is familiar with the idea of incentive.

**The Hon. I.F. EVANS:** Once you have spent \$120,000, what is the agency's advice as to how many people would have taken advantage of that incentive and been trained? At this time next year when you have spent \$120,000 extra, has one person been trained, five people, 10 people, how many?

**The Hon. M.J. ATKINSON:** We are trying to recruit people to work for us, but we are not training them. We are giving them—

**The Hon. I.F. EVANS:** Your earlier answer said that you were training nurses, school teachers and police in their languages, that is, those already employed. That is what your answer was.

**The Hon. M.J. ATKINSON:** I am afraid we misunderstand one another.

**The Hon. I.F. EVANS:** No, check the *Hansard*. You clearly said that you were going to train existing employees.

**The Hon. M.J. ATKINSON:** I am sorry then.

**The Hon. I.F. EVANS:** So what, the answer is that you will recruit people?

**The Hon. M.J. ATKINSON:** We are employing them; we are recruiting them.

**The Hon. I.F. EVANS:** When you recruit them, will they be employed?

**The Hon. M.J. ATKINSON:** Yes, they will be employed.

**The Hon. I.F. EVANS:** You are employing them. How many people are you budgeting to employ?

**The Hon. M.J. ATKINSON:** We do not know how many will accept our offer. We are aiming, in the first instance, to attract three interpreters of Aboriginal languages and that will be of great assistance, particularly in the courts. We will reimburse them for their expenses.

**The Hon. I.F. EVANS:** Let me get this crystal clear then. We are not employing them, we are hiring them on contract. They are reimbursed for their expenses. I am now totally confused. We have gone from being employed to not employed, to being employed to being recruited, to being contracted.

**The Hon. M.J. ATKINSON:** No, the only person who is confused is the member for Davenport.

**The Hon. I.F. EVANS:** It is unclear to the committee, minister. Are they being employed by the agency or are they contracted in on an as needs service basis?

**The Hon. M.J. ATKINSON:** They are employed by their current government agency and when their interpreting skills and Aboriginal languages are required, we will pay their agency for their services and provide them with additional incentives to do this kind of work.

**The Hon. I.F. EVANS:** In an earlier answer you talked about the land tax exemptions for certain groups.

**The Hon. M.J. ATKINSON:** Yes.

**The Hon. I.F. EVANS:** Would it not be easier for the government simply to amend the Land Tax Act, rather than have the agency shuffle all the paperwork every year and issue cheques? Would it not save a lot of the bureaucracy's time simply to put in the Land Tax Act exemptions for certain groups? While it is a nicety, at the end of the day, it is just a waste of the agency's time. I am sure that, if you brought legislation in to put those groups in as exemptions to the Land Tax Act, that would save everyone time and you would probably get support.

**The Hon. M.J. ATKINSON:** There is much unpretentious common sense in what the member says, but Treasury has promulgated otherwise. I asked this question and I am assured by Treasury that, all things considered, this is the easier way to achieve the end.

**The CHAIR:** The time agreed for examination of this line having expired, I advise that the proposed payments for the Attorney-General's Department and administered items for the Attorney-General's Department remain open, and I call for the proposed payments to the Attorney-General's Department to be considered.

#### **Membership:**

Mrs Redmond substituted for Mr Hamilton-Smith.

**The CHAIR:** Attorney, do you have an opening statement?

**The Hon. M.J. ATKINSON:** Nothing other than to say that justice has done very well in the budget process, so much that there is a story in this week's Messenger saying that the Rann government spends too much on the justice portfolio and there are complaints from the head of the Offenders Aid and Rehabilitation Service, Leigh Garrett, saying that justice is sucking too much out of the budget. I respectfully disagree, I think the money is well spent, and again today, for I think the fifth or sixth successive year, the Australian Bureau of Statistics has announced that crime is down in South Australia—this year, 4.7 per cent.

**The CHAIR:** Member for Heysen, do you wish to make an opening statement?

**Mrs REDMOND:** No, Madam Chair. I want to clarify, first of all, this being the opening of the Attorney-General's budget lines, do you want me to do the omnibus questions now or at the end of the session?

**The CHAIR:** You can get them out of the way, if you like.

**Mrs REDMOND:** I will do that, if I may.

1. Will the minister provide a detailed breakdown of the baseline data that was provided to the Shared Services Reform Office by each department or agency reporting to the minister: including the current total cost of the provision of payroll, finance, human resources, procurement, records management and information technology services in each department or agency reporting to the minister, as well as the full-time equivalent staffing numbers involved.

2. Will the minister provide a detailed breakdown of expenditure on consultants and contractors in 2007-08 for all departments and agencies reporting to the minister, listing the name of the consultant and contractor, cost, work undertaken and method of appointment?

3. For each department or agency reporting to the minister how many surplus employees there will be at 30 June 2008, and for each surplus employee what is the title or classification of the employee and the Total Employment Cost (TEC) of the employee?

4. In financial year 2006-07 for all departments and agencies reporting to the minister what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2007-08?

5. For all departments and agencies reporting to the minister what is the estimated level of under expenditure for 2007-08 and has cabinet already approved any carryover expenditure into 2008-09? If so, how much?

6. (i) What was the total number of employees with a total employment cost of \$100,000 or more per employee, and also as a sub-category the total number of employees with a total employment cost of \$200,000 or more per employee, for all departments and agencies reporting to the minister as at 30 June 2008; and

(ii) Between 30 June 2007 and 30 June 2008, will the minister list job title and total employment cost of each position (with a total estimated cost of \$100,000 or more):

(a) which has been abolished; and

(b) which has been created?

7. For the years 2006-07 and 2007-08 will the minister provide a breakdown of expenditure on all grants administered by all departments and agencies reporting to the minister, listing the name of the grant recipient, the amount of the grant and the purpose of the grants and whether the grant was subject to a grant agreement as required by Treasurer's Instruction No. 15?

8. For all capital works projects listed in Budget Paper 5 that are the responsibility of the minister list the total amounts spent to date on each project?

I will now commence my questions. First, I refer to Budget Paper 4, Volume 1, page 4.56, and also Budget Paper 2, page 7 and Budget Paper 1, page 9. These documents show that an amount of \$7.5 million is being put towards addressing workload issues in the office of the DPP, but Budget Paper 3, page 2.14, states the amount is \$5.3 million over four years (as opposed to \$7.5 million) 'in addition to resources already provided as part of the initial response to the Children in State Care Commission of Inquiry'. What money has been provided already as part of the initial response to the Children in State Care Commission of Inquiry, when was it provided and what was it to pay for?

**The Hon. M.J. ATKINSON:** The correct figure is the higher figure. The reason that it is the correct figure is that the increase in funding to the Office of the Director of Public Prosecutions comes in five different packages: one increase for the firearms legislation, one increase for the serious and organised crime bill (the bikie bill), another package for the Mullighan inquiry (because we expect that arising out of the Mullighan report the police will send prosecution files to the office of the DPP for them to be adjudicated to see whether they should go to trial), another package for the criminal case backlog reduction program (that is the reopening of the modest, sensible red-brick courtrooms at Sturt Street in the city) and the largest package is to address current workload issues in the office. That is why there are different figures but the biggest figure is the correct one because it is the total figure.

**Mrs REDMOND:** I will repeat the question. What money has been provided as part of the initial response to the Children in State Care Commission of Inquiry?

**The Hon. M.J. ATKINSON:** That would be \$2.2 million over three years for ODPP to deal with matters that are thrown up by the Children in State Care Commission of Inquiry, and that would mean 7.7 full-time equivalents.

**Mrs REDMOND:** So 7.7 full-time equivalent staff in the office of the DPP?

**The Hon. M.J. ATKINSON:** In 2009-10. It goes up to 4.2 additional in 2008-09 and 7.7 additional in 2009-10 for the ODPP's dealing with matters that the Mullighan inquiry brings about.

**Mrs REDMOND:** Given that that is part of the initial response (to quote from the documents to the Children in State Care Commission of Inquiry), what further money is to be allocated for the balance of the response to that commission?

**The Hon. M.J. ATKINSON:** I just gave it to you. I hope I am not being too precipitate in answering, but I am sure I just gave you that answer.

**Mrs REDMOND:** If you gave it to me, it was not in answer to the question I asked—and that is what I am trying to clarify. Are you now saying that the \$2.2 million over three years is the whole of the government's response in terms of extra staff for the office of the DPP to respond to the Children in State Care Commission of Inquiry? It is not a trick question; I am trying to get clarity.

**The Hon. M.J. ATKINSON:** There are five different increases.

**Mrs REDMOND:** Yes, I understand that.

**The Hon. M.J. ATKINSON:** They are earmarked, and the largest single increase is to address the current workload in the office.

**Mrs REDMOND:** Yes, and I will come to that in due course. However, at the moment I am simply asking about the Children in State Care Commission of Inquiry. Budget Paper 3 at page 2.14 states that the amount is \$5.3 million over four years in addition to resources already provided as part of the initial response to the Children in State Care Commission of Inquiry. What I am trying to get at is: if that is part of the initial response, what is the rest of the initial response, and what is the total response expected to be to the Children in State Care Commission of Inquiry?

**The Hon. M.J. ATKINSON:** The increase arising from the Mullighan inquiry is as we have stated it. There is not another package; that is it.

**Mrs REDMOND:** So, it is not part of the initial response into the Children in State Care Commission of Inquiry. In terms of the Office of the DPP, it is the response to the Children in State Care Commission of Inquiry, albeit over three years?

**The Hon. M.J. ATKINSON:** It is, until we see how many prosecutions arise from the Mullighan inquiry. I will not forswear the possibility that there will be more. For instance, when we finally overcame the opposition of the Liberal Party—and, in particular, my predecessor, the Hon. R.D. Lawson—to prosecuting alleged sexual offenders for pre 1 December 1982 sexual offences, we had to allocate money to the Office of the DPP to deal with those prosecutions that we thought would result. In some cases, we were somewhat surprised that elderly accused, who were accused of committing crimes many years ago—difficult cases to prove after so many years—pleaded guilty, and that reduced somewhat the burden on the Office of the DPP.

So, we do not know yet whether there is a need for another increment above the \$2.2 million we have given the Office of the DPP for prosecutions arising from the Mullighan inquiry. It is quite possible that matters will be referred to the police and that, in many cases, the Office of the DPP may adjudicate those cases in a way that they do not go for prosecution, because under its guidelines the Office of the DPP decides that there is no reasonable prospect of conviction.

I think the member for Heysen would understand that one cannot tell with precision in advance what resources will be required. Indeed, with the serious and organised crime bill, it has to be a possibility that the Office of the DPP will be keeping quite a lot of change if there are not as many prosecutions as were anticipated. All we can do is make a reasonable estimate, but the Office of the DPP gets to keep the change—and it likes that, let me tell you.

**Mrs REDMOND:** I have got no doubt that it does. But I am just trying to clarify this in my own mind. It sounds from your response as though, when it states \$5.3 million over four years at the bottom of page 2.14 of Budget Paper 3—and this is in addition to the resources provided prior to the budget as part of the initial response to the Children in State Care Commission of Inquiry—what I should read there is that this is in addition to the resources that are, so far as the

government can tell, what will constitute its response to the Children in State Care Commission of Inquiry, subject, however, to the fact that you might need some more if it turns out to be bigger than you think at the moment?

**The Hon. M.J. ATKINSON:** I do not want the member for Heysen to fall over in astonishment, but I am advised that the reason we announced it this way is that we had previously announced some money outside the budget cycle for the Office of the DPP to deal with the Mullighan inquiry and, God forbid, we did not want to be seen to be reannouncing that. So, I am making it clear that they were two separate packages of money. Ditto with organised crime.

**Mrs REDMOND:** I am afraid the Attorney has now confused me, because my understanding from all the previous responses was—if you look at the bottom of page 2.14 of Volume 3, the second to last paragraph—that the budget provides resources of \$5.3 million over four years. When that is added to the \$2.2 million over three years that the minister has spoken about, that does make \$7.5 million, which is the amount that was announced as being put towards workload issues in the Office of the DPP. So my understanding was that the \$7.5 million comprised \$5.3 million being now budgeted and \$2.2 million budgeted in pre-budget documents, which is now being acknowledged in the budget documents. Is that not correct?

**The Hon. M.J. ATKINSON:** It sounds correct to me. My understanding is that the director may have been planning a news conference on the day of the budget but that the news conference did not go ahead. News conferences are not much fun when the only announcement is that the government has done the right thing and provided all the resources that were asked for.

**Mrs REDMOND:** The very next sentence of that same document says:

Combined—

that is, the \$5.3 million plus the \$2.2 million—

this will enable one full additional work team in the office to assist to manage case loads.

What is one full additional work team? I assume it is perhaps a senior prosecutor, an instructing solicitor, a junior prosecutor and secretarial or support staff, but can you clarify what is meant by 'one additional full work team', and what is meant by the term 'to assist to manage case loads'?

**The Hon. M.J. ATKINSON:** With respect, I think the latter is the bleeding obvious and there is no need for me to promulgate the definition of that. As to the first, it is 17 full-time equivalent employees.

**Mrs REDMOND:** Are they all prosecutors?

**The Hon. M.J. ATKINSON:** Yes, that is all people, rather than inorganic matter.

**Mrs REDMOND:** The Attorney may think he is being terribly humorous, but I would like to know what is comprised in a work team. As I said, I assume it will be a range of people consisting of prosecutors, possibly instructing solicitors, junior people, administrative assistants, secretarial staff and support staff of various kinds, and I am interested in finding out—

**The Hon. M.J. ATKINSON:** Yes, the member for Heysen has answered her own question.

**Mrs REDMOND:** But I want to know the breakdown of those 17 people in terms of what is a work team.

**The Hon. M.J. ATKINSON:** We will get that for the member for Heysen, but she will find it unsurprising because she has pretty much clinched it. She has got it right in her question. The proposal to divide the Office of the DPP into work teams was a recommendation of the Lizard Drinking report, that is, the much-touted review of the Office of the Director of Public Prosecutions.

**Mrs REDMOND:** Budget Paper 2 at page 7 talks about that \$7.5 million to address workload issues in the Office of the DPP and goes on to state:

...as a result the number of staff in the [Office of the DPP] will have more than doubled since we came to office.

Does this assertion relate to a doubling from 2001-02 to the present or is that a doubling of the staff from 2001-02 to 2011-12 when the budget figures of that \$7.5 million will have been expended?

**The Hon. M.J. ATKINSON:** This summarises funding and full-time equivalent changes in the ODPP since 2002-03. The member for Heysen may recall that I have said this before, and I will say it again: when I first became Attorney-General a Liberal backbencher, speaking to me about

the Office of the DPP, said that, 'Under us,' that is, under the Liberals, 'the office is running on the smell of an oily rag. You have to do something about it.'

I took that Liberal very seriously, and he remains to this day one of my friends. I can tell you what we have done. In 2002-03, it was 70 full-time equivalents and \$7.1 million. In 2003-04, it was 75 and \$8.8 million. In 2004-05, it was 81 and \$10.1 million. In 2005-06, it was 109 and \$12 million. In 2006-07, it was 111 full-time equivalents and \$12.7 million. In 2007-08, it was 113 and \$13 million. Next year, it will be 132 and \$15.1 million; the year after, 148 full-time equivalents and \$17.6 million. In 2010-11, as Attorney-General, I will be pleased to see it at 146 full-time equivalents and \$18.2 million; and, in 2011-12, 147 full-time equivalents and \$18.6 million. As you can see, the Office of the Director of Public Prosecutions is one of those agencies that have prospered enormously under a Labor Attorney-General.

**Mrs REDMOND:** I do not dispute the figures. I just want to clarify that in fact the assertion of having more than double the numbers since you came to office relates from when you came to office until the outlying years of this government.

**The Hon. M.J. ATKINSON:** The year 2009-10; that's right. Of course, doubling full-time equivalents in an agency is a milestone, and that it is to be completed in the next financial year hardly detracts from the achievement.

**Mrs REDMOND:** What is the workload per prosecutor? Some time ago there was clear evidence that the caseload for each prosecutor in this state was significantly higher—I understand as much as three times higher—than the average caseload per prosecutor in the other states. Has this changed?

**The Hon. M.J. ATKINSON:** If one compares the workloads of prosecutors in the various states and territories, it is difficult to compare apples with apples. I will take that question on notice, but it has often been a highly conjectural question. What I can say is that, whatever the figure is, we are doing something about it.

**Mrs REDMOND:** I accept that it may be difficult to compare apples with apples in different states, but I would also suggest that there is indeed enough similarity from state to state for an overview to be applicable.

**The Hon. M.J. ATKINSON:** Lizard Drinking tried to do it, and I am not sure that even Brenton Wright was satisfied that you could get a neat comparison.

**Mrs REDMOND:** I refer to Budget Paper 4, Volume 1, page 4.56, sub-program 1.2. The overall budget for the Office of the DPP is forecast to increase by \$2.805 million from 2007-08 to 2008-09. How much of that is taken up with just maintaining the existing staff? What is that increase actually going to buy in terms of additional staff and prosecutors?

**The Hon. M.J. ATKINSON:** The member for Heysen is asking about 2007-08 versus 2008-09?

**Mrs REDMOND:** Yes; an increase of 2.8 million, roughly.

**The Hon. M.J. ATKINSON:** Is the question from the member for Heysen, therefore: what would be the cash cost of increased wages and CPI on materials bought by the office, and subtract that from the increase that we have given?

**Mrs REDMOND:** Yes, in general terms, and I assume that the extra would then be spent on—

**The Hon. M.J. ATKINSON:** I will have to take that on notice.

**Mrs REDMOND:** I refer to Budget Paper 4, Volume 1, page 4.66: Ombudsman Services. Program 5 refers to the fact that the acting appointments were made following the retirement of both the Ombudsman and the Deputy Ombudsman. My recollection is, in fact, that the Ombudsman resigned rather than retired. The appointment of Ken MacPherson as Acting Ombudsman continues to trouble me, in light of the fact that the act clearly provides that the Ombudsman cannot hold office—

**The Hon. M.J. ATKINSON:** I think it troubles all Liberals.

**Mrs REDMOND:** Well, it troubles me because of the legal situation, because the act clearly provides that the Ombudsman cannot hold office past the age of 65 and that—

**The Hon. M.J. ATKINSON:** I think it is what he found out about the Liberal Party when he was Auditor-General that troubles you.

**Mrs REDMOND:** —the term Ombudsman includes Acting Ombudsman—

**The Hon. M.J. ATKINSON:** I can feel your pain.

**The Hon. I.F. EVANS:** On a point of order, improper motive is being alleged by the minister. I ask him to withdraw. Standing orders clearly state that you cannot have improper motive. He is suggesting something that is simply untrue.

**The CHAIR:** I did not understand that suggestion.

**Mrs REDMOND:** In any event, every time I raise this issue the Attorney is at great pains to try to speak over me to stop me from alerting the public at large to the fact that the Ombudsman Act definitely provides that the Ombudsman cannot be appointed past the age of 65. The act also provides that the term Ombudsman includes Acting Ombudsman. I am troubled by the fact that someone over the age of 65 has been appointed. The Attorney has already responded to a question from me previously in question time about having obtained legal advice as to the lawfulness of that appointment. From whom did he obtain that advice, and is he prepared to make a copy of the advice available?

**The Hon. M.J. ATKINSON:** I obtained the advice from the Crown Solicitor's office. Where else would I obtain it? When you have hundreds of lawyers working for you in the building you do not go somewhere else. I will not be tabling it, because I do not seem to recall in eight years of Liberal government Trevor Griffin ever breaching the convention that the government does not table its legal advice. The member for Heysen may be familiar with the concept of legal professional privilege. If she would like to abolish it, then speak up by all means.

The delay in appointing a permanent Ombudsman has been brought about by a combination of factors, including that the only applicant for appointment to the office, *prima facie* suitable for consideration of the Statutory Officers Committee, withdrew the application; and consideration by the Statutory Officers Committee of a proposal to amend the Ombudsman Act to provide for an appointment to a term not exceeding 10 years. Currently, the act provides for a permanent appointment to age 65. To show that the government does not engage in misogyny, we would have been more than pleased to appoint a woman to the position of Ombudsman, but as it turned out there were not suitable people to present to the Statutory Officers Committee, so we are looking afresh.

Pursuant to section 6(1) of the Ombudsman Act, the Governor may, on recommendation made by a resolution of both Houses of Parliament, appoint a person to be Ombudsman. Section 6(1)(a) states that, upon a vacancy occurring in the office, the matter of inquiring into and reporting on a suitable person to fill the vacancy rests with the Statutory Officers Committee. The Office of the Ombudsman became vacant on 23 June 2007. I was treating Mr Eugene Biganovsky as having retired. I understand the Hon. Rob Lucas wanted to turn his retirement into some kind of scandal. I still await the details from Rob Lucas. I still do not know what he was going on about, but smearing people is his stock in trade.

The Statutory Officers Committee appointed a panel to assist in fulfilling its obligations pursuant to section 6 of the act. The people on that panel were: Jerome Maguire; Vivienne Thom, Deputy Ombudsman, Commonwealth Ombudsman's Office; Rod Payze, executive recruitment specialist, and a member of South Australia's finest football club, the Woodville West Torrens Eagles.

**The Hon. I.F. EVANS:** Stop misleading the house!

**The Hon. M.J. ATKINSON:** Premiers in 2006 and 1993.

*The Hon. I.F. Evans interjecting:*

**The Hon. M.J. ATKINSON:** No, 1953.

**The Hon. I.F. EVANS:** I think it is somewhere in there.

**The Hon. M.J. ATKINSON:** Yes, but we did have a premiership in the late forties as well. Apparently we were behind and the siren sounded but no-one heard it and then we kicked a goal. Also on the panel was Ken MacPherson, a former auditor-general, and Acting Ombudsman.

I remind the member for Heysen that Suzanne Carman was appointed Acting Ombudsman but became seriously ill and resigned from the acting role. I do not recall the Liberal Party engaging

in a storm of dissent over the appointment of Suzanne Carman. The Office of Ombudsman position was advertised in the *Notice of Vacancies* on 27 July 2007 and in *The Advertiser* and *The Weekend Australian* on 28 July. The closing date for applications was 10 August, and 28 applications were received. The panel met on 4 September for short-listing and short-listed five applicants. One applicant had appropriate experience to warrant short-listing but, after legal advice, the panel unanimously agreed not to do so as the applicant did not meet the essential minimum qualifications of a relevant degree—for instance, public administration, management or law.

Interviews were held on 26 October. The panel was advised on the day that one of the short-listed applicants had attended for interview but left before its commencement. The applicant subsequently telephoned and withdrew the application. The panel unanimously agreed that one name should go forward to the Statutory Officers Committee for consideration, subject to due diligence and referee checks, but the applicant withdrew on 30 October.

The panel met again on 19 November and agreed that no other applicant was suitable for consideration by the Statutory Officers Committee; that a recommendation should be made to the Statutory Officers Committee that the unsuccessful applicants be notified; that the selection process be recommenced; that the selection process incorporate targeting of applicants as appropriate through an executive search agency; and, before recommending the selection process, a review of the remuneration and the essential requirements of the position be done; and recommendations made to the committee as to whether an increase in remuneration and an amendment to the job and person specification would be appropriate.

By letter dated 30 January this year the Chief Executive wrote to the Statutory Officers Committee enclosing the panel's report and recommendations. On 13 February the Chief Executive attended a meeting of the Statutory Officers Committee to discuss the panel's report and recommendations. By a letter of 18 February the committee instructed the selection panel to recommence the selection process. I could go on but that is—

**Mrs REDMOND:** The Attorney has guessed where my questioning was going because it seems to me that it has been a long time since July last year when the position was first advertised and he has given a more than adequate explanation as to what happened in the six months following—

**The Hon. M.J. ATKINSON:** You have been with me as shadow for a long time, and I get to anticipate your moves, and you mine.

**Mrs REDMOND:** —and nothing seems to have happened since—

**The Hon. M.J. ATKINSON:** That is not quite right.

**Mrs REDMOND:** I can understand over that six months until the end of 2007 there is a more than adequate explanation as to what delay there has been but there seems to have been no attempt to fill the position. The government seems quite content to leave Mr MacPherson as Acting Ombudsman.

**The Hon. M.J. ATKINSON:** Mon dieu!

**Mrs REDMOND:** If he were a public servant when he was appointed, he would have been subject to a restriction of a three-month appointment but because he had retired and ipso facto was over the age of 65 and, therefore, in my view should not have been appointed lawfully to the position—

**The Hon. M.J. ATKINSON:** But that is not the real reason.

**Mrs REDMOND:** It is the real reason. It is absolutely my only reason for questioning the appointment. Why has no further advertising for staff been taken this year to address the issue of appointing a substantive appointment to the Ombudsman's office and, just by the by, is Suzanne Carman over the age of 65? I think she is not.

**The Hon. M.J. ATKINSON:** I try not to talk about a lady's age. On 18 February the committee instructed the selection panel to recommence the selection process, incorporate into the selection process the targeting of applicants as appropriate through an executive search agency and re-advertise the position, amend the job and person specification to specify that a university degree is desirable, and align the salary for the position to the equivalent of a stipendiary magistrate. Before the position was advertised, the Chief Executive received a minute dated 20 March from the Acting Ombudsman and it brought to the Chief Executive's attention that South Australia is the only state in Australia where the Ombudsman is appointed to age 65. In other

states the appointment is for a maximum term ranging from five to 10 years. Well, there is the germ of an idea.

After consideration of this correspondence by me by letter dated 15 April, the Chief Executive wrote to the committee seeking its views about the possibility of changing the term of appointment of the Ombudsman, and I am sure that the member for Heysen and the Liberal Party would not want to be viewed as ageist. I know that the members of the committee are minded to bring about the appointment for a maximum term. The secretary of the committee advised on Friday 13 June that the committee would respond within a matter of days.

**Mrs REDMOND:** Why is this government so determined to keep Ken MacPherson in a highly paid job?

**The Hon. M.J. ATKINSON:** I do not really want to go into the smear and innuendo that accompanies that question. The point is that former auditor-general Ken MacPherson is an outstanding public servant—

**Mrs REDMOND:** Who has retired.

**The Hon. M.J. ATKINSON:** He is truly a fighter of impropriety in administration, and it was in that capacity that he earned the undying hatred of the Liberal Party by exposing impropriety by several Liberal ministers and they have not forgiven him, hence the question.

**Mr HANNA:** I refer to Budget Paper 4, Volume 1, Sub-program 8.4: Justice Youth Reform, at page 4.73. I query why there has not been a continuation of programs such as Street Legal or the various variations of that program that we have had running in Adelaide over the years whereby young people at risk, particularly potential Aboriginal offenders, have been engaged in car restoration work and so on. I note the programs in 8.4 and there is nothing like that there. Is there an actual policy decision not to continue with such valuable programs?

**The Hon. M.J. ATKINSON:** The reason, Madam Chair, the member for Mitchell is having trouble finding the relevant line is that the lines he mentioned were not funded by the Attorney-General's Department. So, if the member wants to put a minister in the frame for discontinuing those, it would not be me. However, I can tell him, and he will be very pleased to hear this, I hope, that in the Crime Prevention Grants announced yesterday I funded a project called Cars Because, which is run by the Barossa Council, because this is a government with strong representation from the countryside—the members for Chaffey and Mount Gambier are ministers in this government. The description of the program is 'Youths rebuild a car to roadworthy condition'. This challenges offending behaviour, builds practical skills, delivers information on the costs of car care, and also provides information on drugs and drink driving and responsible driving.

As to this government encouraging a crime prevention approach, as distinct from a putative approach, we have tried both. The budget provides big investment into stopping youth crime at every stage by carrying out Monsignor David Cappelletti's Break the Cycle recommendations. They focus on chronic repeat offenders, cross-discipline management of young offenders and preventing children from entering criminal circles. We have invested \$5.6 million in the Community Protection Panel; \$4 million in the youth justice teams; \$1 million in the Tirkandi School Retention Program; \$143,000 in the Kurruru Indigenous Youth Performing Arts; and \$829,000 in the David Kennedy Model, which I think will have its name changed to a Kurna word meaning 'to become', and we will get the exact Kurna word in a minute.

*The Hon. I.F. Evans interjecting:*

**The Hon. M.J. ATKINSON:** A very good interjection from the member for Davenport, which I hope Hansard obtained. Professor David Kennedy is from the John Jay College of Criminal Justice in New York. The approach has been developed and implemented in many locations across the world, and it is described as a deterrent strategy targeted at a specific cohort of offending. The targeted nature of the approach assists in providing a tailored intervention to shift the decision-making of the criminal group to choose not to engage in offending behaviour. It calls upon, in the case of Aboriginal people, the grandmothers and grandfathers and the uncles and aunts to cooperate with the police and the police to make changes in their approach to encourage that cooperation. The focus of Professor Kennedy's trip was on the targets of the police operation Operation Mandrake. Professor Kennedy plans to return to South Australia later in the year.

We also funded the Aboriginal Power Cup, which is an outdoor youth development program. The government has committed \$98,000 a year for three years to the project. The Port Adelaide Football Club has also pledged a significant contribution to the project. In the inaugural year, the cup has already recruited 120 Aboriginal students from six metropolitan and regional

schools where the South Australian Aboriginal Sports Training Academy has a presence. They are: Ceduna, Port Lincoln, Port Pirie, Kurna Plains, Para West and Wiltja, Woodville High School. The Power players visit all the schools in the program to meet the students of the academy. Students are required to adhere to the training program (which includes attending class), recruit community mentors and coaches, liaise with local media and design a team guernsey. Agencies are providing additional support. SA Police Star Group is assisting the Wiltja team and Henley High School is also helping out.

The Aboriginal Power Cup grand final will take place on 15 August 2008 (on none other than the Feast of the Assumption of Our Lady) as a curtain-raiser to the Port Adelaide versus Collingwood clash at AAMI Stadium. I urge the member for Mitchell to break his usual habit and attend a footy match and watch the curtain-raiser to the Port/Collingwood game.

**The Hon. I.F. EVANS:** One last question.

**The CHAIR:** Member for Davenport, will you be very brief in your question?

**The Hon. I.F. EVANS:** A very brief question. I refer to Budget Paper 4, Volume 1, page 4.56: Public Prosecutions. Does the Attorney believe it appropriate for government investigators to offer inducements for testimony?

**The Hon. M.J. ATKINSON:** If the member for Davenport gives me an example, I will consider it.

**The Hon. I.F. EVANS:** The Thomas Easling case.

**The CHAIR:** The question is out of order. Perhaps it could be framed in a way that is in order.

**The Hon. I.F. EVANS:** The Attorney said that, if I gave him a case, he would consider it. I have given him a case.

**The CHAIR:** It does not mean to say that it is in order. Attorney, are you able to supply relevant information?

**The Hon. M.J. ATKINSON:** I will take the question on notice and give the member a response in due course.

**The CHAIR:** The time set aside for the examination of matters relating to the Attorney-General's Department having expired, I declare the proposed payments completed.

#### **Membership:**

Mr Venning substituted for Mr Goldsworthy.

**STATE ELECTORAL OFFICE, \$3,973,000**  
**COURTS ADMINISTRATION AUTHORITY, \$80,533,000**

#### **Departmental Advisers:**

Ms K. Mousley, Electoral Commissioner, State Electoral Office.

Mr D. Gully, Deputy Electoral Commissioner, State Electoral Office.

**The CHAIR:** I declare the proposed payments open for examination and refer members to the Budget Statement, in particular, pages 2.14 to 2.19 and Appendix C, and the Portfolio Statement, Volume 1, part 4.

**Mrs REDMOND:** I want to make a brief comment about the State Electoral Office, and it is nothing but complimentary. Every year, I am puzzled as to why we officially spend half an hour—it might be a few minutes less this time—on the State Electoral Office when I only have 45 minutes to question the Attorney on his portfolio. Secondly, can I confirm that the omnibus questions that I have already read into the record will apply even though the Attorney is now the Minister for Justice?

**The Hon. M.J. ATKINSON:** The Electoral Act, I think we can say, is bread and butter for politicians and, therefore, because the estimates committee consists of politicians, there is a

rigorous examination of the Electoral Act. Certainly, when Trevor Griffin was attorney-general and I was the shadow—

*Mr Venning interjecting:*

**The Hon. M.J. ATKINSON:** Of blessed memory—and I was the shadow, I used to ask a list of tiresome and detailed questions about the Electoral Act and the State Electoral Office. I am sure that the Electoral Office is flattered by the attention it receives. Sure, we could have the Equal Opportunity Commissioner in here, we could have the Public Trustee, we could have the Ombudsman, we could have the Police Complaints Authority, Mr Wainwright; there are any number of other small agencies and statutory authorities within my portfolio. I have a gaggle of them, but it has been customary for politicians to want to talk to the State Electoral Commissioner, so here she is for half an hour.

**Mrs REDMOND:** It just still surprises me that the budget line of the Attorney-General is close on \$100 million and the Courts Administration Authority on \$80 million, and this budget line is \$3.9 million, such a small amount, but on with the questions, if I may.

**The Hon. M.J. ATKINSON:** The State Electoral Office is to politicians what transubstantiation is to Catholic priests.

**Mrs REDMOND:** I refer to Budget Paper 4, Volume 1, page 4.129. The highlights for 2007-08 refers to 'redeveloped state-specific software for the Electoral Education Centre'. That wording of 'redeveloped' lead me to presume, and I would like to confirm first of all, that there was already software. Can I find out why it needed redevelopment, who undertook it and at what cost; and, for education purposes, why did it need to be state-specific?

**The Hon. M.J. ATKINSON:** I will ask the Electoral Commissioner to answer that question.

**Ms MOUSLEY:** The current modules that we have on the mobile centres and the Electoral Education Centre, which is a shared concept between the Australian Electoral Commission and the State Electoral Office, has to be updated after each state election to represent the new members who have been elected to parliament. We thought in doing so that, in collusion with the South Australian Strategic Plan target 5.4 of encouraging youth to vote, we would put some new concept on the platforms to encourage the young ones to take more interest in the centre.

What we have done is engage the services of Ryan Fitzgerald, known as 'Fitzy' to the younger generation, and he has put a presentation on those modules for us that talks about the power of democracy, what is democracy and how it works, and he explains it in a fashion which we are hoping will actually engage the youth at a higher level. That is also available on the website, and we are making it available to all the state schools.

**Mrs REDMOND:** In that same table the highlights refer to 'developed a disability action plan' for 2007-08. Why is there no reference to implementing the disability action plan in the targets for 2008-09?

**Ms MOUSLEY:** We have developed the disability action plan, and part of that process is to include stakeholders' feedback in that process. We are now at the process stage of sending the disability action plan out to a range of stakeholders to get comment from them to ensure that what we have put in that plan is appropriate to their needs as well. When we have the feedback we will then have the final plan and we will then have the final product as well.

**Mrs REDMOND:** That would suggest that it really should not have been listed as a highlight in the sense that it was not a developed plan: it was simply a discussion document.

**Ms MOUSLEY:** It is a draft document, so we think that, yes, it is a very good finished product but, of course, it will be open to suggestion if there are any other comments from each of the consultants that we are speaking to.

**Mrs REDMOND:** The highlights also refer to preparing and planning for relocation and refurbishment of the office. Can you give an explanation as to why and what are the cost implications? I know already from the budget documents that \$1.29 million will be spent, but what has prompted the relocation? Is there an expiry of lease? What is the need for the relocation, and what is the new location going to cost in comparison to the existing location?

**The Hon. M.J. ATKINSON:** There appears to be a great deal of fermentation in the member's mind about an agency in which she professed to have not a great deal of interest.

**Mrs REDMOND:** I didn't say I had no questions.

**The Hon. M.J. ATKINSON:** There must be an enzyme at work. I will ask the Electoral Commissioner to answer the question.

**Ms MOUSLEY:** I believe in the year 2004, there was an approach or a consideration by the office to look at the standard of the offices in which we were currently (and are still) located, at Rose Park. The office itself is quite old, and the State Electoral Office has been there for some nine years. A facilities report was undertaken by a team of external consultants who have dealt extensively with state government departments for the same such reason. They came back with the fact that the standard of the office was considerably substandard because of a number of different factors—a number of those were occupational, health and safety issues as well—and was not fit for state public servants.

In part of that process we also looked at the cost of refurbishment, the cost of staying in our current location and also having it fit out, but to do that it would have cost in the vicinity of \$600,000 for the current landlord to update the premises to State Public Service requirements. We then put a bid through to Treasury for relocation expenses of \$1.29 million. We were successful in that bid and, as far as I am aware, that will be the cost of the process but, of course, bearing in mind that the figures were put together in 2005 and we do not know what escalation there might be for the 2008 final product, but we believe it should be still in that same vicinity.

**Mrs REDMOND:** Where is the office going to be moving to?

**Ms MOUSLEY:** The office is at 60 Light Square. It is a brand new 4½ to 5 star green rating building and it is of similar size (about 100 square metres less, I think, than our current premises). It is a brand new building and it should be ready for moving into in December of this year. It is on the eastern side of Light Square next to the Australian Central Credit Union.

**Mrs REDMOND:** The target refers to undertaking 'a review of iRolls, personal digital assistance and develop a plan for their introduction at the 2010 election'. I am known as a great lover of computers and technology throughout the parliament, I am sure. Can you, Minister for Justice, or the Electoral Commissioner explain what iRolls are, why we are introducing them and at what cost? Is it intended that we will have some sort of electronic gismo for voting? Hanging or pregnant chads spring to mind, and I am just worried about the direction that our State Electoral Office is heading with personal digital assistance.

**The Hon. M.J. ATKINSON:** I will refer that to the Electoral Commissioner.

**Ms MOUSLEY:** iRolls, as we refer to them, are a Blackberry-style hand-held device. Other states have used them in loading all the enrolment details onto a file which is inserted into each of those iRolls. For the 2010 state election we are looking to borrow some 2,000 from Queensland, paying only the transport costs (a very good reciprocal arrangement so, hopefully, at some stage we will have something we can hand back), and using those iRolls.

So, when people go to a polling place on polling day, in our pre-poll or our early voting centres they are able to come up to the declaration table and give their address, and we can confirm the address for which they are on the roll. This protects the franchise in ensuring that more people are voting for the address at which they are correctly enrolled, rather than saying, 'I think I am at such and such an address', when they are no longer there.

Obviously, when we are giving them a vote for a particular address it is the address they are claiming, but this will give us more information regarding whether or not they are correctly enrolled. So it is a faster process and hopefully it will also enable more people to vote for their correct address at the election.

**Mrs REDMOND:** Will it replace the current printed rolls, where one attends and has one's name crossed through?

**Ms MOUSLEY:** No; not at this stage. For the 2010 election we are still proceeding with the certified list. So that is considered an ordinary vote; you are voting within your electoral district and when you attend a polling place your name will be scored from that roll in the same manner as usual. There are some development concepts out there and we are looking to further that; perhaps we can take this process further in the 2014 or 2018 election.

**The Hon. M.J. ATKINSON:** I want to add that, although I am open to new technology in our electoral practice, on my watch South Australians will always be able to walk to their local polling booth, have their name crossed off, and cast their vote with a blunt pencil.

**Mrs REDMOND:** I am delighted to hear the Attorney say that, because I am a great believer in the KISS principle. I think our voting system is actually one of the best in the world because of its simplicity.

**Mr HANNA:** My question is based on the reference to the Anangu Pitjantjatjara Yankunytjatjara Council forthcoming elections (page 4.133). Is the electoral office conducting the review of electorates on the APY lands; if so, what is the cost and the time frame? Also, what is the anticipated cost of running the elections on the lands?

**The Hon. M.J. ATKINSON:** I will ask the commissioner to respond to that.

**Ms MOUSLEY:** In relation to your first question, we are not required to conduct the review of the districts under that legislation; under the APY legislation our requirements are to conduct the election, not the review of the boundaries at all. With regard to the second question referring to the cost of running the APY elections, we have put some \$60,000 aside in our budget.

**Mrs REDMOND:** Still on Budget Paper 4, page 129, the highlights also refer to implementing the birthday card youth enrolment strategy—and I seem to remember that we had something of a discussion about this last year. First, where do you obtain information about young people's birthdays?

**Ms MOUSLEY:** That information is downloaded from the South Australian Secondary Schools Assessment Board data, which captures all year 12 students sitting for their final year exams. It is only through the powers the Australian Electoral Commission has enforced that we are now able to extract the data from the SSABSA information and use that to download and produce birthday cards that are sent out monthly to students turning 17 and 18 years of age.

**Mrs REDMOND:** You may have touched on the subsequent part of my question and where it was headed—that is, it is not subject to privacy provisions. I take it, from what you have said, that the Australian Electoral Commission has exerted some sort of authority under its act to enable that information to be accessed, notwithstanding any privacy considerations.

**Ms MOUSLEY:** It is under the Australian Electoral Commission. They have now had a change to their act. It was passed in the past 12 months, two years, I suppose, where they are able to demand powers from different agencies, and SSABSA was one of the agencies that they directed that demand power to obtain that data. Privacy considerations are obviously paramount to everyone in the industry. We ensure that that data is done electronically in the Canberra office and then transferred electronically to the South Australian office. Then the information is downloaded, forms are produced with a letter and a birthday card sent out to each of those who are turning 17 or 18 within that period.

**Mrs REDMOND:** Do we know what percentage of young people receiving that birthday card then proceed to enrol?

**The Hon. M.J. ATKINSON:** I will ask the commissioner to reply.

**Ms MOUSLEY:** At the moment, the take-up is about 30 per cent. We are not happy with the statistics that we are getting. We thought it would be somewhat higher than that, but we will start some investigations very soon on how we might improve that. We went to great length in developing the whole project and in designing a birthday card that we thought was appropriate for the cohort whom we were addressing in designing a mobile phone that opens up with a SMS text message inside. We will try to get some research on that to ascertain why there is only a 30 per cent return.

**Mrs REDMOND:** Still on that idea of the youth enrolment, on the target side you have 'maintaining the state's higher than national average youth enrolment rate'. I know I asked you about this last year. Last year you indicated that the national average was 60 per cent of 18 year olds nationally and South Australia had 67 per cent; and 70 per cent of 19 year olds and South Australia had 77 per cent. Are those figures consistent or has there been a change over the past 12 months?

**The Hon. M.J. ATKINSON:** I will ask the commissioner to respond to that.

**Ms MOUSLEY:** As at March 2007, there were 70 per cent of eligible 18 year olds and 86 per cent of eligible 19 year olds enrolled to vote. The national average for the same period was 69 per cent for 18 year olds and 86 per cent for 19 year olds. We are marking pace with the national figures at this point, but obviously it is only in a lead-up to a state election that we will see an absolute spike in the figures when we have a targeted campaign for South Australian youth to get on the roll and vote for that election.

**Mrs REDMOND:** Can I clarify your figures? Did you say that we were 80 per cent of 19 year olds and that the national average was 86 per cent?

**Ms MOUSLEY:** No, 86 per cent of each.

**Mrs REDMOND:** So they are identical.

**Ms MOUSLEY:** It was 70 per cent of 18 year olds; 86 per cent for 19 year olds for South Australian purposes.

**Mrs REDMOND:** And 69 and 86.

**Ms MOUSLEY:** That is correct.

**Mrs REDMOND:** Again on the targets, you have 'changing the name of the office to a commission and establishing a new corporate image'. Can I ask for each of those why and at what cost?

**The Hon. M.J. ATKINSON:** I will ask the commissioner to reply to that.

**Ms MOUSLEY:** In relation to the why question, everyone refers to us as 'the commission'. Very few people know that we are the State Electoral Office. Research indicates that we are the only office (as such) left within the electoral industry in Australia, and I thought that it was perhaps about time that we change our name to 'the commission'. Everyone is referring to us as a commission and, in doing so, that then ties in with getting a new corporate logo. It would depend on whether we become the Electoral Commission of South Australia, the South Australian Electoral Commission, but whatever the nomenclature we might be using, we would develop a new image to go with that process and I would suggest it would be within our current budget.

**Mrs REDMOND:** On the workforce summary, which is at page 4.13, obviously the State Electoral Office is only a small office with only 22 full-time employees in 2007-08. What is the explanation for an increase of 3.7 full-time employees in 2008-09?

**Ms MOUSLEY:** Last year we undertook an organisational review of the State Electoral Office. The review findings came back to indicate that we were somewhat down in our staffing numbers to meet the demands of the workload. In doing so, they have identified that we would need an additional elections manager to manage the elections branches that are currently split into two areas—one being the parliamentary, the other the non-parliamentary branch—and to put an additional person into the community awareness and research branch. Originally, they were two quite separate branches. The review determined that it would be best to bring those two branches together to form the community awareness and research branch into one area because there was a lot of overlap of responsibilities, and the remaining positions were to top up half a position in the local government area and the other half was for the top up of the information person on the front counter.

**The CHAIR:** We now conclude this line and move to the Courts Administration Authority, the line for which has already been opened.

#### **Departmental Advisers:**

Chief Justice John Doyle, Courts Administration Authority.

Mr T O'Rourke, Director, Corporate Services, Courts Administration Authority.

Mr M. Harrison, Manager, Business and Financial Services, Courts Administration Authority.

**Mrs REDMOND:** I refer to Budget Paper 4, Volume 1, page 4.13, the workforce summary. I notice that there has been a decrease in full-time employees in the Courts Administration Authority from 839.1 in 2007-08 to 837.5 in 2008-09. Where will this occur and how will this reduction assist in reducing backlogs in the courts system?

**The Hon. M.J. ATKINSON:** Michael Harrison will answer that question.

**Mr HARRISON:** Looking at the 2006-07 numbers, the main difference is the number of staff. When you compare that to the 2007-08 and the 2008-09 budget, the staff will come on board with the road safety program, the program related to the red light and speed cameras. The variation between 2006-07 and 2007-08 is 36.4 FTEs, and in the main that relates to the road safety programs. The difference between 2007-08 and 2008-09 is that there are five additions

relating to the criminal case backlog initiative, but also a reduction of 7.3 staff relating to CARDS (Court Assessment and Referral Drug Scheme), which is not in the 2008-09 budget just yet. Those numbers will be in the revised budget; Treasury adjusts that budget in the revised estimates.

**Mrs REDMOND:** I refer to page 4.105, particularly the targets and highlights. The 2008 highlights note 'the complete audit of court infrastructure'. What did the audit find? Can I be given a description of the most troublesome findings?

**The Hon. M.J. ATKINSON:** I refer that question to the Chief Justice.

**Chief Justice DOYLE:** I will answer that in a fairly general way. It was an audit of infrastructure. We conducted a desktop audit which related to all our sites across the state. I understand that we have 30 sites with a total value of \$118 million, almost \$119 million. I am not sure what would be our most troublesome finding, if that is what you asked.

We have a lot of fairly decrepit court premises in outlying areas, and a major issue for us is to what extent, in the interests of decentralisation and servicing local communities, do we keep them going, even though they are below standard, and to what extent, in the interests of efficiency and economy, do we close them in an attempt to centralise services?

It is the age-old problem. Do you put money into little used court buildings to make them of a better standard or do you put the money into more centralised premises where you get a better return for the dollar? I could not identify a particular court. I understand from general discussions within the administration that some buildings are under review. I do not have in my head which ones they are. In a sense that was the main issue with that infrastructure review.

**Mrs REDMOND:** I take it from the Chief Justice's response that the audit found most problems in outlying courts. I seem to remember in the Chief Justice's annual report to the Attorney-General that there were some occupational health, safety and welfare issues in courts in the city, in particular in the Supreme Court, that led to the closure of some parts of our courts, at least for some time, on occupational health and safety grounds. Were those things disclosed in that particular audit?

**Chief Justice DOYLE:** The short answer is I do not know whether they were disclosed in that particular audit, but we are well aware of them. There are problems. As everyone knows, parts of the Supreme Court building are very old and parts are in rather poor condition.

On the southern side of the building in the registry area we had some major problems with cracking. In the end, engineers suggested that we try to rehydrate the soil. It seemed to be relating in some way to trees on the pocket part at the corner of Wright Street and King William Street. I think that has been moderately successful. As I understand it, I think we are now ready to chase out the cracks, patch them and repaint, but we will always have problems there. With extremes of seasons those problems will be ongoing.

They got to the stage where in one sense it was quite serious because we could not shut the fireproof door to the secure storage area where a lot of wills and probates are stored. In terms of state history and state records that is quite serious. It is not just the impact on the staff—which is bad enough—but also the impact on our ability to keep these records in a safe condition. In the broad we are sort of managing but, as the Attorney-General has heard me say ad nauseam, these buildings have come to the end of their economic life.

**Mrs REDMOND:** The next question follows on from that answer. Given the completion of the audit in the 2007-08 highlights, why is there no target to address the issues of the audit in the targets for 2008-09?

**Chief Justice DOYLE:** I suppose the answer is that, when you get a little box like this, you must be highly selective of what you put in there. There is a limit to the number of targets you can include. I think that all I can say is that, as to our facilities across the state, we are, in a general way, considering whether there are some that we should shut down and dispose of in relation to the city area, and in particular the Supreme Court. We are constantly looking at what we can do within our budget in terms of not so much upgrading but at least maintaining the buildings in a satisfactory state.

I suppose we could do some particular thing in a particular area. For example, say we were going to pour in a fair bit of money and bring about a noticeable achievement, we may well have put that in as a target. All I can say is that our aim is to do the best we can with the money we have and avoid spreading it so thinly that we do not achieve anything worthwhile.

**The Hon. M.J. ATKINSON:** I might add that this is a court building government. Since we were elected to office in 2002, we have built courts at Port Pirie, Victor Harbor, Berri, Port Lincoln and, most notably, Port Augusta. I commend those courts to the honourable member. I hope that the member for Heysen will be able to visit all of them in due course to see the construction that has occurred under this government.

**Mrs REDMOND:** I will ask a question about the Port Pirie court in particular in a minute.

**The Hon. M.J. ATKINSON:** I thought you might. The building is not the problem anymore.

**Mrs REDMOND:** First, have the areas that were closed because of occupational health and safety issues been treated sufficiently to be reopened?

**Chief Justice DOYLE:** I am not sure that any were actually closed. I know that, at one stage, in a couple of rooms bits of plaster were falling, and the relevant staff or staff members were moved out. As I understand it, in any event, all areas are in use. As I said, I am not sure that any were officially closed in the sense of having been declared unsafe or unfit for use. We just took staff out because bits of plaster were dropping. I do not know whether the honourable member is referring to the separate problem of flooding. There was a problem of flooding in the library, and so for some weeks the library was closed while we in effect dried it out, took out the carpet, fixed things up, put back the carpet and reopened the library. That was a short-term thing due to a failure in a water filtration system that allowed water to run down over the course of a weekend. I think it was from courtroom No. 4 into part of the library.

**Mrs REDMOND:** Just by way of explanation through the Attorney, the reference that I read made no indication as to what it was based on, but it was the Chief Justice's report at about, I think, page 1.

**Chief Justice DOYLE:** I may have used the term, because I know of this particular room where bits of plaster was falling from the ceiling. We moved a couple of staff members out of that and then, after a time, it was fixed and they were moved back in. I am not sure why I said 'closed' in particular, but I do not think it had, as it were, official overtones. We just took the staff out of the room.

**Mrs REDMOND:** Will the minister explain the financial background and implications of the sale of the Port Pirie court site and the costs by way of a comparison under the public-private partnership arrangement which is now in place?

**The Hon. M.J. ATKINSON:** I will ask Michael Harrison, Manager, Business and Financial Services to answer that question.

**Mr HARRISON:** I can tell the honourable member that we sold the Port Pirie site for about \$445,000. I am pretty sure there was a slight gain of about \$100,000 on the sale of that building. I cannot tell the honourable member at the moment the total cost of the PPP for Port Pirie.

**Mrs REDMOND:** Can I ask you to take it on notice, because I would like to know the overall cost of that PPP: what cost per annum, over how many years, and what provision there is for increases in those costs. And also, if it is available, whether there is any indication as to a comparative cost between refurbishment of the existing building and the change to the PPP, which I assume there must be.

I want to ask some questions about the specialist courts, which appear at page 4.109 of Budget Paper 4, Volume 1. The number of offenders accepted onto the Drug Court program was 60 in 2007-08 and is expected to be 70 in 2008-09. I assume that the number of offenders for whom drugs play a significant role in their offending is many more than those numbers would suggest. Why are such low numbers accepted onto the program? Are all who are referred to the program accepted and, if not, how many are referred but not accepted and, if they are not accepted, why are they not accepted?

**The Hon. M.J. ATKINSON:** I will refer that question to the Chief Justice.

**Chief Justice DOYLE:** I will attempt to answer it, but I cannot give numbers. My assumption would be that not all referred to the Drug Court program are accepted onto it, and I think there would be two reasons. First of all, there are fairly carefully worked out eligibility criteria, and a given individual might not meet them. Secondly, I think there is a physical limit to the number of people who can be taken onto the program. It is quite a resource intensive program, so there is a limit to the number of people that the program can take on board. Did the member also ask about a comparison between this year and the following year?

**Mrs REDMOND:** No. I know I am not to ask the Chief Justice questions directly, but can I just say that I was not after any comparison. I am just interested in the fact that it seems to me that the numbers are fairly low: 70 this year and 60 last year accepted into the program. I am not looking for a comparison, but that seems to me to be quite a low number, given the percentage of people that I would have thought would be convicted in our courts for whom drugs are a significant factor in their offending. I was curious as to why so few seem to be being referred. The Chief Justice has indicated that there would be—

**The Hon. M.J. ATKINSON:** If I may hazard an answer, the Drug Court program can be a rigorous program for substance abusers, and many substance abusers would just rather go through the standard court system and cop their punishment rather than go through the rigorous processes, particularly the regular urinalysis of the Drug Court program. Moreover, a person going through the Drug Court program needs to plead guilty. I will refer it to the Chief Justice.

**Chief Justice DOYLE:** One other point has been drawn to my attention. There is a separate program called the Court Assessment and Referral Drug Scheme. I suppose, in broad terms, it is not quite as intensive or demanding as referral to the Drug Court. About 500 referrals are expected to that scheme for the 2007-08 year. So, the Drug Court and CARDS, I suppose, have to be seen as a total strategy.

With respect, I agree with what the Attorney said about the Drug Court. There would be a number of people who probably would take the view that they will just take their punishment and they do not want to submit to that regime. I suppose, pessimistically, one would say because they either do not think that they can get off the drugs or they do not particularly want to and, therefore, they are not motivated to go into the scheme.

**Mrs REDMOND:** I was going to ask the same question about the Mental Impairment Court, but perhaps I could move on. If you look at the performance indicators on page 4.109, in both cases the indicators show the percentage of participants completing the course, but I am curious as to whether we have statistics on the percentage of participants who, having completed the course, reoffend and then come back into the criminal justice system. In other words, what is the actual success rate not of completing the drug course or the mental impairment program but of diverting those people from reoffending?

**The Hon. M.J. ATKINSON:** We do not know. We can ask OCSA to try to find that out.

**Mrs REDMOND:** I do not mean that as a criticism or as some sort of trick question. It seems to me that, if we are to have performance indicators, at the end of the day the appropriate performance indicator is how successful these programs are in diverting offenders from the path of reoffending. I ask that the Attorney give consideration to seeking to have that sort of information available or included in the budget papers.

**The Hon. M.J. ATKINSON:** When I get back to the office I will fossick for it.

**Mrs REDMOND:** Thank you. I refer to Budget Paper 3, page 2.16, which relates to the refurbishment of the Sturt Street facility. It appears to have a total cost of \$3.206 million, only \$361,000 of which is to be spent in 2008-09, and apparently the balance will be spent in 2009-10. So, it appears that it will take at least until the end of the 2009-10 year to expend the balance of the 2008-09 money. What is the timetable for the refurbishment? If we already own the building, why cannot more be done in the 2008-09 year?

**The Hon. M.J. ATKINSON:** Most of the architecture and building work is done in the first half of 2009. The expensive part is the fit-out, and that is done in the second half of 2009. That is why much of the expenditure is then. The Chief Justice advises me that we expect to move into this marvellous modest redbrick accommodation in October next year.

**Mrs REDMOND:** October 2009 is the commencement date?

**The Hon. M.J. ATKINSON:** That's right. By that time, I think we will have a total of three extra District Court judges, two of whom would operate those two courts. We hope over five years to do 300 more trials than we otherwise would have done.

**Mrs REDMOND:** To what extent is the lack of courtrooms a factor in the criminal case backlog?

**The Hon. M.J. ATKINSON:** My understanding is that some of our difficulties can be owing to a lack of courtrooms and some to the lack of a judge. It is the District Court to which I refer, and I will ask the Chief Justice to expand on that.

**Chief Justice DOYLE:** We could probably discuss the answer to that question almost all night. If every case took half as long as it does with the existing courtrooms, we would get through perhaps not twice the number of cases but a lot more. In part, a factor is the time that each case takes to hear. However, putting that to one side, I think the figures we have looked at show that there just are not enough courtrooms to enable us to keep abreast of the number of cases coming into the system, let alone wind back the backlog. So, we really have a double-barrelled problem. Year by year we are, in effect, adding more cases to the backlog.

Sturt Street—that is, two additional courts—is a way of increasing the number of courts and therefore, we hope, of not only keeping our heads above water, as it were, but also reducing the backlog. Obviously, the state of work can vary. The result of the former Justice Mullighan's inquiry will bring a number of cases of a particular kind into the system. Just say, and I am hypothesising purely, if they prove to be longer than average cases then we will not necessarily get through the number of cases we hope to get through. There is always a lot of averaging and estimating in this, but I am sure it is clear that we need more courtrooms if we are to reduce the backlog, and I suppose no doubt at some stage in the next two or three years we will have to review the situation and see whether, long term, even more are called for.

If, on the other hand, with the two additional courtrooms we are steadily getting into the backlog, it may be possible to say that at a certain point in time we will not even need those two courtrooms. I would be surprised if that is the conclusion. I think long term we will need at least two additional courtrooms, perhaps more. But, as I said, this always depends on the length of cases and number of cases. They are probably only two of the crudest measures you use. There are other factors as well.

**The Hon. M.J. ATKINSON:** I would like to add to that. Even if we had unlimited court rooms and unlimited judges, there would still be delays because delays are part of the culture of the criminal justice system. There are always going to be problems in preparation for prosecution and defence, and there is going to be argy-bargy between them about procedural matters. Witnesses are going to be unavailable, people are not going to stand up to proofing, new evidence is going to become available at the last minute, and there are going to be complaints of non-disclosure by either side. Part of the reason for the backlog is that defence attorneys are only really looking at their cases late in the piece; they are not sufficiently across them early in the piece and able to engage in a useful charge negotiation. Criminal defendants like to put off the evil day and do not really turn their mind to the case until the courtroom is facing them and then they make their plea of guilty on the doorstep. These are things that money will not necessarily help.

That is why we have the Criminal Justice Ministerial Taskforce, part of whose remit is to look at the culture of the system. My view is that, if legal aid could be concentrated earlier in the process rather than later in the process and if the Office of the DPP was able to do reliable and authoritative adjudications earlier in the piece rather than later, the system would be better for it. I have to say, and this is something I will be looking for the cooperation of the opposition on, that any sentencing discounts available to accused people should not be available so late in the system as they are now. They should, by statute—by parliament promulgating it—be at the front end. That is to say, the biggest sentencing discount should, by law, be available within, I think, six weeks of charging.

**Mrs REDMOND:** The Attorney's comments about defence attorneys illustrate nothing more than the fact that he has never practised law. I move on to Budget Paper 4, Volume 1 at page 1.10 and the civil jurisdiction. The performance commentary on the civil jurisdiction indicates:

A significant proportion of District Court civil matters relate to personal injury, which has an effect on the backlog indicator due to the time it takes for the full extent of the injuries to be assessed.

I was a little puzzled by that, because I did a lot of personal injuries work and the reality is that most injuries are settled within three years.

There are exceptional cases obviously where injuries are not settled within that time, but, given that that is the statutory limitation period, and given that all people issuing proceedings, be they practitioners or people in person, have to submit to a pre-issue procedure of attempting to negotiate a settlement, all of those things would indicate that cases coming into the civil jurisdiction largely would involve people who have their injuries already settled in terms of their medical outcome. You must give notice of your intention to issue and negotiate with the other side before you are allowed to issue, so I am puzzled as to why it is suggested in the commentary that this has an effect on the backlog indicator. Would the Attorney care to comment?

**The Hon. M.J. ATKINSON:** I refer the matter to the Chief Justice.

**Chief Justice DOYLE:** First of all, what you say is right: the system is heavily geared towards encouraging people to negotiate early and settle early, and they do. Then you get a residue, I suppose, of what you might call the 'hard nut' cases that go to the District Court. They go there because the parties have not been able to settle without litigation, and my understanding is that the cases that in effect are affecting our performance indicators tend to be those where, for one reason or another, the plaintiff's condition has not settled down sufficiently to enable a final assessment.

It is broadly true to say that, in the civil area, we are not flooded with work. In other words, generally, for example, in civil and certainly in the Supreme Court, if you are ready we can usually find you a judge. So the problem is more with the cases not being ready. It is not a problem of lack of judges or lack of court rooms.

Unfortunately I do not have the absolute numbers, that is, the number of cases that 43 per cent represents, so I will ask the Chief Judge to write to you separately and give you that information if you wish. I wish I could quantify it in terms of an actual number of cases, but as I said I think it boils down to the fact that there is a certain residue of cases where the plaintiff is not ready to have the damages assessed, and that is what that note refers to.

**Mrs REDMOND:** I would appreciate it if the Chief Justice could arrange for the Chief Judge to do that, because it seems to me that there is big disparity between a target of 10 per cent and an outcome of 43 per cent. It suggests to me that possibly there were delays due to factors other than the fact that the personal injury had not settled because, as I said, I did a lot of personal injury work. So, except in the most extraordinary injuries, largely, you would be able to progress within three years.

I did have the occasional case that went for 16 years while we waited for someone to grow up and so on, but largely you would finish them within that time. I would appreciate also if you could ask the Chief Judge to comment on whether that discrepancy between the 43 per cent outcome and the 10 per cent target is due to factors other than that which is indicated in the performance commentary.

**Chief Justice DOYLE:** I will ask him to do that. If I could just add one other thing, and this is not said critically. Offhand, I do not know how anyone arrived at the figure of 10 per cent as the right target. When you bear in mind that we have the same target for the Supreme Court, our work is quite different from District Court work. These figures are supposed to be comprehensible within a state and nationally, but it does not make sense to have the same target for, say, the Supreme Court and the District Court.

In that sense, the target is arbitrary, and it is probably fair to say that, when you look at the case-mix of the Supreme Court and the District Court, if you could achieve 10 per cent it would be absolutely amazing. In fact, I suspect that no court in Australia ever does. However, in the interests of having a target and in the interests of keeping it simple so that they are the same targets court by court, we have all submitted to what may seem a rather arbitrary discipline. It does not alter the fact that one would like to see us getting as close to that target as we can.

**Mrs REDMOND:** Still on the civil jurisdiction and on the same page, the overall budget for the civil jurisdiction has been increased only very marginally. In my calculation it is about half of one per cent from \$23.939 million actual to a budget of \$24.084 million in 2008-09. It is actually less than the 2007-08 budget of \$24.363 million. How can an actual decrease in the budget hope to address a backlog problem? What services will be cut, given the cut in the budget overall?

**Chief Justice DOYLE:** These costings are arrived at by reference to caseload. In other words, I think that the figures are arrived at by saying about 50 per cent of the Supreme Court time goes on criminal, and, say, 50 per cent on civil, and, therefore, the money is allocated accordingly. It is not, as it were, an item-by-item allocation. Secondly, over the last few years all around Australia civil work has been diminishing slightly, so you would actually expect that, in proportion to crime, we are tending to put more judicial time into crime and less into civil. This means that, in effect, by a retrospective process, more funding is notionally allocated to crime than to civil.

From our point of view—that is, that of the court—there really are no resource problems with civil. In other words, if the Attorney said to me (I doubt that he ever would), 'Would you like some extra money to spend on civil? What would you do with it?' I would have to say, 'Well, I need to think about that. I am not sure there is anything I could do with it.' Another thing is that there are differing views on this. Some courts favour what they call 'intensive case management', where the court becomes heavily involved. I think that this has proven to be a bit of a shimmer. I do not really think intensive case management achieves a great deal. If you said to me, 'Well, would you like to

have an additional master and get him to intensively case manage all the outstanding civil cases?' I think I would actually say, 'No; I'd rather have the money for something else.' I do not really think that, in the civil area, there is a resource problem.

**Mrs REDMOND:** In fact, I wonder whether there is a backlog problem. That is what confused me when I read the papers, because it seemed to me to be exactly what the Chief Justice says. I wonder whether 'backlog indicators' is an appropriate term in the civil jurisdiction.

**Chief Justice DOYLE:** It is questionable. About six months ago, when I looked at these figures and at the backlog, I asked to have, in effect, an audit—not a true audit, but a check made of the outstanding civil cases in the Supreme Court, because I thought that number was higher than it should have been. I am told by those who went through them that all those cases are under active management by our two masters. I think it would be fair to say this to virtually all of them: if the parties said, 'We'd like a trial date; we can give it to you,' really, it is a matter of the parties being ready. In our case, there are not many personal injury cases. They range from complex liquidations to all sorts of complex disputes. It just brings home that it is useful to have these targets so that year on year you can see if there are changes, but you probably should not put too much weight on the target as an actual measure of efficiency or the expected outcome.

**Mrs REDMOND:** I refer to page 115: the Fines Payment Unit. Subprogram 3.1 shows a significant increase in the budget (not significant—about 4.5 per cent), but there is utter failure to produce better results in fines recovery, which remains static at 61 per cent. Income, shown on page 1.14, shows that some \$4.477 million is expected from fines recovery, which is up from \$4.212 million in 2007-08. What percentage of fines is simply paid by people without the need for any effort by the fines recovery unit, just the administration notifying what the fine is and receiving and receipting it?

**Mr HARRISON:** In the debtor time payment arrangements we have looked at, it does take a considerable effort for that money to come in. We have to put people on time payment arrangements—those who come to us and say that they cannot pay. It does take a fair while for that money to come in, and it is really intensive work to bring it in. I think only about 66 per cent to 70 per cent of the money that we raise ever gets collected, and without being—

**Mrs REDMOND:** Can I re-express the question? Obviously, a fair amount of effort is put into recovery of moneys from people who have had fines imposed but who cannot pay for whatever reason, and you do a lot of work chasing them. Presumably, a lot of people are issued with a fine in court (or wherever) and they are notified about that fine or they know about it because they have been in court, and they pay it without being prompted, other than perhaps a letter saying, 'Here is the formal notice of the fine that has been imposed.' Do we know what percentage of people respond in that way? How many people actually pay their fines without any follow-up, and how many are then required to have follow-up?

**Mr HARRISON:** Sorry; I cannot answer that. We do not keep stats on who pays up without any effort to follow that up. I can try to provide an answer for you and we can write to you about that. I think that would be best. I can look into that, but I am not aware whether we do keep those stats.

**Mrs REDMOND:** Can I clarify that, based on the fact that you cannot tell me that, the figure that shows—the 61 per cent result in sub-program 3.1, the percentage of fines collected—is actually 61 per cent of the group of people that you do have to follow up, not of the whole cohort of people who have had fines imposed. Is that correct?

**Mr HARRISON:** That is all fines.

**Mrs REDMOND:** So that includes the cohort of people who just pay up?

**Mr HARRISON:** Yes; that is all fines.

**Mrs REDMOND:** In that case I would appreciate knowing what percentage of people we are actually chasing, and with what success. That is what I am trying to get at. It seems to me that is really the relevant part of the program. To what extent do we have to chase people, and to what extent are we then successful in chasing them? I will now move to page 105. I can almost hear the Attorney telling me, before I have asked the question, how wonderful the Labor government has been in increasing payments to jurors.

**The Hon. M.J. ATKINSON:** The first government for about 20 years.

**Mrs REDMOND:** I acknowledge that it was a long time between drinks for people getting any increase in jury payments, and I do thank the Attorney and acknowledge that they have been

increased. The highlight I refer to at the bottom of the highlights on page 4105 is 'increase the maximum amount payable to jurors for income reimbursement and travel expenses'.

However, I have had a letter referred to me by the new shadow minister for justice, Christopher Pyne, in the federal jurisdiction. He raises concerns on behalf of a constituent about recent changes to the regulations governing jury duty in South Australia, particularly with the requirement for employers to make up only 10 days' pay for employees who have served a full month of jury duty.

First of all, is that the case under the current arrangements? Is there any redress for an employee? I seem to recall that there is some special provision for people who are engaged as jurors in long and complex trials, but I just want to clarify what the outcome is and whether it is the case that someone might be engaged in a trial for a month or more and only receive pay for up to 10 days of each month.

**The Hon. M.J. ATKINSON:** I will refer that to the Chief Justice who will try to answer it.

**Chief Justice DOYLE:** I do not think a juror could miss out because the juror is now entitled to the allowance up to a maximum of \$125 a day. So, if you put it to the juror there would not be a problem. I must admit I am not really sure about the position of the employer who then has the juror absent, say, for weeks, but I cannot see that there is any problem for a juror because there is no time limit on the number of days the juror is paid for. As the Attorney mentioned, I think when it is a particularly long case there may be a better daily rate for such cases, so I am not quite sure what Mr Pyne is getting at.

*Mr Bignell interjecting:*

**Chief Justice DOYLE:** I am not saying there is not a problem there: I am just saying that I am not sure what he is getting at.

**The CHAIR:** Time for the examination of these papers has now expired. I thank the witnesses for their wisdom and their time. I declare the examination of the proposed payments to the State Electoral Office and the Courts Administration Authority concluded. I also advise that the proposed payments for the Attorney-General's Department and Administered Items for the Attorney-General's Department be adjourned to Estimates Committee B on Monday 30 June.

At 18:32 the committee adjourned until Friday 27 June 2008 at 11:00.