

## ESTIMATES COMMITTEE A

22 to 24 and 29 to 30 June 1999

## REPLIES TO QUESTIONS

Premier, Minister for State Development, Minister for  
Multicultural Affairs

## CONSULTANTS

In reply to **Hon. M.D. RANN.**

**The Hon. J.W. OLSEN:** The following information was provided by the Treasurer:

I refer the honourable member to the media release dated 23 June 1999 put out by the Treasurer regarding consultancy expenditure for electricity asset leases.

In reply to **Hon. M.D. RANN.**

**The Hon. J.W. OLSEN:** The Treasurer has provided the following response:

I refer the honourable member to the Treasurer's media release dated 23 June 1999. The media release provided a detailed listing of consultants associated with the project and forecasts of fees and expenses which include accommodation costs.

In reply to **Hon. M.D. RANN.**

**The Hon. J.W. OLSEN:** The following information was provided by the Treasurer:

I refer the honourable member to answers provided by the Treasurer during Estimates Committee A on 23 June 1999 to the same questions asked by Mr Foley.

## RESOURCES PROVIDED TO INDEPENDENT MEMBERS

In reply to **Hon. M.D. RANN.**

**The Hon. J.W. OLSEN:** The Treasurer has provided the following response:

Both Mr Cameron and Mr Crothers upon becoming independent members were allocated staff and equipment resources consistent with those provided to the other independent member of the Legislative Council, Hon. Nick Xenophon. These three members have a staff allocation of 1.6 FTE Personal Assistants and have each been provided with an additional personal computer for their second staff member, a fax machine and shredder. Given that independent members do not have access to the equipment and research facilities of the major Parties, these resource allocations are considered appropriate for them to perform their duties.

## CHIEF EXECUTIVE CONTRACTS

In reply to **Ms HURLEY.**

**The Hon. J.W. OLSEN:** There are no Chief Executives on contract in the public service who have provisions for a termination payment that exceeds 12 months salary.

The standard provision is for the terminating Chief Executive to receive an amount calculated at the rate of one-quarter of salary as at the date of termination for each whole unexpired year of employment in the contract, and pro rata for any unexpired period less than a whole year provided that the total of such termination payment does not exceed an amount equal to the Chief Executive's salary for one year.

## FORMER MEMBERS

In reply to **Ms HURLEY.**

**The Hon. J.W. OLSEN:** Neither the former member for Elder, Mr David Wade, nor for Mitchell, Mr Colin Caudell, are currently members of Government boards recorded on the Boards and Committee Information System.

Ms Julie Greig, former member for Reynell is currently on two Government boards, the Boundary Adjustment Facilitation Panel and the Dog and Cat Management Board.

The Government has no jurisdiction over nor records of memberships of non-Government boards.

In relation to the appointment to Government employment, payroll records show the former member for Mitchell has not been employed by Government or appointed as a Government representative to any board.

The former member for Elder has for 1998-99 been employed as a part-time Personal Assistant to the member for Light from 20 May 1998 to 22 June 1999, and also as a part-time Personal Assistant to the member for Kavel from 1 October 1998 to present.

The former member for Reynell has for 1998-99 been employed as a part-time Personal Assistant to the member for Heysen from 30 March 1998 to 3 May 1999, and also as a part-time Personal Assistant to the member for Kavel from 30 March 1998 to present.

## RALPH, Mr D.

In reply to **Ms WHITE.**

**The Hon. J.W. OLSEN:** Mr Denis Ralph is a permanent public servant; his executive contracts have been and continue to be tenured contracts.

As a permanent public servant, Mr Ralph's employment conditions are determined by the provisions of the Government Management and Employment Act, 1985 and the Public Sector Management Act, 1995.

Under those provisions the Government has a binding agreement to guarantee Mr Ralph employment as long as he, having passed the minimum voluntary retirement age, chooses to remain in Government employment.

Contrary to the understanding expressed in the question, there is no compulsory retirement age. As a result of changes to the relevant legislation in 1990, age discrimination with respect to retirement is not legal.

Under the legislative and contract provisions Mr Ralph is first entitled to maintenance of the CEO salary for the duration of his contract term. Under this provision Mr Ralph would be entitled to his January 1995 TEC of \$174 096 adjusted for subsequent annual increases. To this would be added consideration of the non-re-employment hurdle for pension scheme members, or 80 per cent of current remuneration. This would indicate a TEC of around \$185 000.

These are minimal requirements. As always the Government retains the right to negotiate at its discretion about such minimums. In establishing the SA Centre for Lifelong Learning and Development the Government wished to retain the services of Mr Ralph and so elected to maintain his current remuneration, i.e. \$230 000 until February 2003.

## MAPICS—PRESS SERVICES AVAILABILITY

In reply to **Mr LEWIS.**

**The Hon. J.W. OLSEN:** The Minister for Information Services has advised that the MAPICS project will be providing access to a range of third party online services. The final choice of services to be offered will depend upon the preferences of members as expressed through the MAPICS members' forum and also upon available resources. No decision has yet been made on the specific services to be made available.

The question was specifically directed at codification of services.

News feeds from some news/press services can be tailored, e.g. to cover South Australia only. However, due to the variety of formats provided by such services, no standard codification is envisaged, although a search facility is available on most services.

Media monitoring services are not within the scope of the MAPICS project. I understand that the Parliamentary Library is considering ways to make such a service available to members.

## OFFICE OF THE LEADER OF THE OPPOSITION

In reply to **Mr LEWIS.**

**The Hon. J.W. OLSEN:** The Treasurer has provided the following response:

The Leader of the Opposition's office does not operate using a global allowance account, but does receive a budget allocation each financial year from which the Leader funds all costs associated with running his office and remunerating his staff, at his discretion. The budget allocation for 1998-99 was \$662 000 with an additional

\$159 000 being carried over from the previous financial year. Final expenditure details are not available at this point in time.

The office has two credit cards issued in December 1998 and as at 31 May 1999 expenditure totalling \$7 496.08 had been incurred.

The office operates eight mobile telephones and as at 31 May 1999 expenditure of \$4 871.03 had been incurred.

I do not have detailed information regarding media monitoring services utilised by the Leader's office or numbers of staff involved.

The Leader of the Opposition's funding allocation is incorporated within the support services to parliamentarians budget which is administered by the Department of Treasury and Finance, and subject to the same audit regulations as other Government agencies.

#### INVESTMENT ATTRACTION, TELETECH

In reply to **Hon. M.D. RANN.**

**The Hon. J.W. OLSEN:** The Minister for Industry and Trade has advised me as follows:

This question is in reality two separate questions. In relation to the first part, ie. dealing with an amount of \$1.2 million to be provided from the Department of Industry and Trade for investment attraction I draw your attention to the Minister for Industry and Trade's reply at that time and reflected in Hansard, wherein he stated '... the funds that the leader refers to. . . . are basically an eight or nine month allocation to the Office of State Development, which comes back under my Portfolio as of 1 July.' These funds were recurrent operating funds to support some functional transfers from the Department to the Office of State Development.

In relation to the second part of the question relating to Teletech: as indicated by both the Minister for Industry and Trade and myself, the business circumstances upon which the Teletech project was predicated have varied, with the result that the project is unlikely to proceed in the form and in the time frame envisaged in the announcement. However, discussions with the company are continuing.

#### Minister for Tourism

##### SENSATIONAL ADELAIDE 500

In reply to **Ms CICCARELLO.**

**The Hon. J. HALL:** The road closures for the Sensational Adelaide 500 commenced at 6.30 p.m. on Easter Thursday evening (being 1 April 1999).

During the period of the Grand Prix in Adelaide, road closures normally began from 7.30 a.m. on the Saturday morning of the week prior to the event.

The 36 hour earlier closure undertaken by the Sensational Adelaide 500 was on the advice of the South Australian Police given their other operational requirements over Easter such as Oakbank.

Given that the Easter break was one week before the commencement of the Sensational Adelaide 500 and that Dequetteville Terrace, Bartels Road and Hutt Street were all opened at 7 p.m. on Monday 12 April 1999, these roads were only closed for five business days, compared to seven business days during the Grand Prix.

Further I advise that all road closures were clearly communicated through radio, newspaper and television announcements as well as direct mail to all residents living in close proximity to the track.

The total build period (including set up, event and pull down) for the Sensational Adelaide 500 (excluding the capital works on the track surface) was 15 weeks compared to 20 weeks for the Grand Prix.

#### TOUR DOWN UNDER

In reply to **Ms CICCARELLO.**

**The Hon. J. HALL:** The UCI expects the route of internationally sanctioned road races to be changed from year to year. As the route changes, it is inevitable that councils hosting stage starts and finishes will also change. In planning the route for the Tour Down Under, the UCI expects the organisers to place an absolute imperative on safety and requires that the degree of difficulty of the race be reflective of the UCI points rating assigned to the event.

The inaugural Tour Down Under had a UCI points rating of 2.4. The UCI points rating ranges between a 'high' of 2.1 and a 'low' of 2.7. It is unusual that an event should be assigned a mid range points rating of 2.4 in its first year, as occurred with the Tour Down Under. Impressive as this might be, the organisers of the tour have, as their

objective, the elevation of the event to a rating of 2.3. Two factors emerged from an analysis of the inaugural Tour Down Under—some route alterations had to be made in the interests of safety and stages had to be redesigned to improve the prospect of the UCI elevating the event to a points rating of 2.3 in 2000. Safety considerations have meant the elimination of a number of roads and this has led in many instances to a radical redesign of the stages for Tour Down Under 2000. As a further example of the emphasis being placed on safety, councils will be required to remove pavement bars in the approach to stage finishes of Tour Down Under 2000.

The prospect of the Tour Down Under being elevated to a points rating of 2.3 in 2000, or perhaps 2001, depends in part, on perceptions of the whole character of the chosen race route. The route needs to be one which provides fair opportunity of success for sprinters, climbers and endurance riders alike. The changes made to the route for Tour Down Under 2000 will mean that climbers will have a better chance of being rewarded for their efforts, especially as the race progresses. This outcome should enhance the likelihood of Tour Down Under being elevated to a UCI points rating of 2.3.

The importance of a high UCI points rating cannot be underestimated in attracting quality teams to the Tour Down Under in future years. The higher the UCI rating, the greater the number of UCI points that can be gained by a team and its individual riders. The more points a team accumulates in a season, the greater the chance that this team will be offered a start in the European classic races, such as the Tour de France. For this reason, teams place greater emphasis on points, rather than prize money, in an event such as the Tour Down Under. The changes to the route for Tour Down Under 2000 have been made with these considerations very much in mind.

Two points need to be made in relation to the financial commitment by councils to Tour Down Under 2000. Firstly, this financial commitment is more accurately described as a financial 'contribution' by councils to the overall cost of presenting a stage of the event in their area, rather than a 'fee'. The cost of presenting each stage of Tour Down Under 1999 was approximately \$100 000. It was suggested to councils by tour organisers, at an early point in preparations for Tour Down Under 2000, that since these councils enjoyed much of the local level economic benefit generated by the passage of the tour through their region or area, it was not unreasonable that they consider assisting in a modest way with the overall cost of the presentation of a race stage.

After this proposal was fully explained, councils seemed generally to accept the fairness of this proposition. Councils are not being included or excluded on the basis of their preparedness to assist in meeting the overall cost of the tour.

#### Minister for Year 2000 Compliance

##### YEAR 2000 COMPLIANCE

In reply to **Mr FOLEY.**

**The Hon. W.A. MATTHEW:** This question assumes that the Regional Liaison Officers (RLOs) play a reactive role, it is in fact very proactive while they do receive inquiries, statistics on these are not routinely kept.

To maximise the impact of their efforts to promote an awareness of Y2K issues and action to address them, Regional Liaison Officers 'leverage' their activities by working closely with existing Economic Development Boards, local chambers of commerce, progress associations, service clubs, employment agencies, TAFE institutes, agricultural supplies companies, accountants and other such bodies to contact local businesses. They also support Primary Industry and Resources SA staff and regional electoral staff on this topic.

RLOs have regular contact with Local Councils to both support them in their own preparation for Year 2000 and to promote Councils taking a leadership role within their communities on this issue—e.g. to sponsor community presentations and workshops.

With sponsorship by councils, service organisations, chambers and local industry associations, RLOs have conducted over 50 presentations attended by over 2 000 participants, largely small/medium business operators.

They have distributed over 35 000 brochures throughout rural South Australia via council newsletters, inserts with local papers, school notices to parents, local computer services companies, through accountants' offices, with accounts from agricultural supply companies, etc. Discussions are underway with councils with a view to brochures being included with council rate notices.

RLOs are regularly on the radio and TV and in the press in regional areas—one has a monthly 'Bug Column' in papers covering Whyalla and the whole of the Eyre Peninsula.

Feedback suggests that regional businesses appreciate this 'special' effort by Government; there are many examples of issues being addressed that could have impacted on business continuity if ignored until after 31 December 1999.

In reply to **Mr FOLEY**.

**The Hon. W.A. MATTHEW:** There are a total of 18 staff employed at the Office for Year 2000 Compliance. The basis of their employment is detailed below:

11	Permanent Public Servants
4	Employees on a 12 month contract
1	Employee on a 6 month contract
1	Trainee (Employed as part of the Youth Recruitment Scheme)
1	Contractor—on 3 month contract from McArthur Recruitment Services

In reply to **Mr FOLEY**.

**The Hon. W.A. MATTHEW:** The cost to each individual portfolio is broken down as follows:

	\$
DAIS	6 256 080
DEHAA	953 000
DETE	9 633 321
DIT	60 000
DTUPA	7 568 322
Human Services	33 255 485
Justice	6 369 510
PIRSA	1 983 000
Premier & Cabinet	981 420
Treasury & Finance	1 783 762
Government Business Enterprises	19 528 264
Power	14 004 012
Total	\$102 376 176

Note that there is still the possibility that this known figure to date could increase to \$104 million.

In reply to **Mr FOLEY**.

**The Hon. W.A. MATTHEW:** The Office for Year 2000 Compliance together with the Business Centre (Department of Industry and Trade) has provided a variety of support mechanisms for vendors of Y2K fixes. It has been assumed that 'fixes' referred to in the above question includes software/hardware tools, methodologies and related services.

Government has assisted those businesses which provide specialist year 2000 solutions for both medium to large and small to medium businesses by compiling lists of these providers and posting them on the Government Y2K site [www.y2k.sa.gov.au](http://www.y2k.sa.gov.au) and the Business Centre site [www.tbc.sa.gov.au](http://www.tbc.sa.gov.au). These lists are posted out to inquirers to the 1800 11 2000 hotline who are looking for assistance.

The Government has not endorsed any Year 2000 remediation tools, however local firm, Paradox Computing Solutions Pty.Ltd., producing Viperscan received support in the form of a Government Grant and general assistance from the Department of Trade & Industry at the SEARCC (South East Asian Regional Computing Conference 1998).

Local vendors of Y2K tools have been encouraged by both the Business Centre and the Office for Year 2000 Compliance to advertise on the national Y2K website owned by Standards Australia where there is a special area dedicated to Y2K Tools.

In addition, the Commonwealth Government, through the Commissioner of Taxation, has approved special arrangements concerning the deductibility of Y2K related expenditure.

Despite the support outlined above there are only two South Australian Businesses which are both producers and suppliers which have approached the South Australian Government. They are Paradox Computing Solutions and IT Services Group Pty Ltd.

In reply to **Mr FOLEY**.

**The Hon. W.A. MATTHEW:** A similar question was asked in the House of Assembly on 2 June 1999 by the Hon. G.A. Ingerson, member for Bragg and can be found on pages 1553 and 1554 of Hansard. In relation to the programs mentioned, their budgets for 1998-99 and 1999-2000 are as follows:

	1998-99	1999-2000
Consumer & Business Affairs	\$786	400 000
Note: the expenditure for 1998-99 on small business and industry was minimal, however it is planned that the majority of the 1999-2000 budget will concentrate predominately on the business sector.		
Industry Program including hotline	\$330 000	250 000
Year 2000 Compliance Office	\$1 605 624	1 547 057
Total	\$1 936 410	\$2 197 057

In reply to **Mr FOLEY**.

**The Hon. W.A. MATTHEW:** The attached report outlines the current status of all agencies together with timeframes and reasons where an agency has indicated they will be unable to meet the 30 June 1999 deadline.

Reporting Units		Did this unit meet the 30 June 1999 deadline for correction and testing of all critical items	Work Remaining
DAIS	Whole of Portfolio	No	<ul style="list-style-type: none"> <li>The Government Human Resource Management System requires an upgrade and Government is waiting on receipt of replacement software prior to completion of testing.</li> <li>Final detailed testing on Government PABXs continues and will be completed by September 1999.</li> <li>External building owners have caused delays by failing to complete compliance status reports for 76 buildings leased by Government. This exercise is expected to be completed by the end of August 1999.</li> </ul>
DEHAA	Whole of Portfolio	No	<ul style="list-style-type: none"> <li>Minor testing remains to be completed in the Portfolio's:</li> <li>financial management system; and</li> <li>Digital Cadastral database.</li> </ul>
	DOSAA	No	Critical systems in remote Communities are owned by those Communities. Work is continuing with the Communities to ensure compliance, however no Year 2000 date problem issues have emerged to date.
DETE	Whole of Portfolio	No	The Schools Accounting System is being replaced through a technical refresh program unrelated to Year 2000 and will be installed by September 1999. Two DETE systems which have been replaced are to be tested, however these do not affect schools directly.
	SSABSA	Yes	
DIT	Whole of Portfolio	No	The swipe card system in the Terrace Towers building requires replacement, however the Myer Centre management must first replace their building management system before Government can upgrade their system. This will be completed by September 1999.

Reporting Units		Did this unit meet the 30 June 1999 deadline for correction and testing of all critical items	Work Remaining
DTUPA	Passenger Transport Board	No	The Telephone Information Centre requires a capacity upgrade to the PABX which will occur shortly. Testing will then be completed.
	TransAdelaide	Yes	
	Planning SA	No	Compliance testing is yet to be completed on those buildings which Government Real Estate Management handles for this Unit. This delay is due to lack of response from lessors of these buildings, however it is scheduled for resolution by the end of August 1999.
	Transport SA	Yes	
	Arts SA	No	Extensive testing is continuing for the libraries booking system.
Human	Housing & FAYS	No	Four systems governing call queuing, monitoring, waiting list management and security at training centres are awaiting final replacement and resolution. These issues are scheduled for resolution by September 1999.
	Health	No	Various system replacements across the Health sector have experienced delays due to slippage of timeframes by vendors of replacement systems.
Justice	SA Ambulance Service	No	<ul style="list-style-type: none"> <li>· Scheduled testing of a system which governs dispatch servers is due for completion shortly.</li> <li>· Testing of the '000' number cannot be done by SAAS, and further discussions with Telstra are required to ensure this occurs.</li> </ul>
	Correctional Services	No	One system replacement project is outstanding and will be complete by September 1999.
	Attorney General's	Yes	
	Courts Administration Authority	No	Two Information Technology systems require upgrade and will be completed by July 1999, with testing to be completed shortly after.
	SA Police	No	Three systems governing access control, logging and data are being replaced. Delays to date have occurred mainly as a result of difficulties in the delivery of hardware and software components from suppliers. Final completion of these replacements is scheduled for completion by September 1999 with testing to be completed shortly after.
	JIS Services	Yes	
	Legal Services Commission	Yes	
	Public Trustee	No	Testing delayed due to resource scheduling problems with the supplier during remediation. Due for completion by the end of July 1999.
	SA Country Fire Service	Yes	
	SA Metro Fire Service	No	Initial testing of one system has led to a requirement of further rectification. This and subsequent testing is expected to be complete by the end of July 1999.
	State Emergency Service	Yes	
	Fire Equipment Services SA	Yes	
PIRSA	Whole of Portfolio	No	PABX and building management issues have caused delays in completion of testing and sign off to readiness.
Premier	Whole of Portfolio	Yes	
Treasury	Whole of Portfolio	No	The testing of two financial management systems are yet to be completed, but are progressing well.
IND DEPT	Auditor-General	No	One audit system to receive final upgrade. Implementation and testing will be complete by October 1999.
	SA Electoral Office	Yes	
GBE	ETSA Power	Yes	
	ETSA Utilities	No	All work on Distribution supply Network completed Minor work on building systems readiness is to be completed. The delay has occurred due to supplier delays.
	ElectraNet SA	Yes	
	OPTIMA Energy	No	Additional testing for one Information Management system has now been recommended by the system vendor and are now occurring. This work will not affect Supply.

Reporting Units	Did this unit meet the 30 June 1999 deadline for correction and testing of all critical items	Work Remaining
SA Water	No	Minor testing is to be completed.
Homestart	No	Waiting only on compliance status of one building.
SA Lotteries	Yes	
SA Ports Corp	No	Completion of all items will be finalised by July 1999.
SA TAB	No	One communication issue requires finalisation by Telstra.
WorkCover	Yes	
Land Management Council	Yes	

In reply to **Mr FOLEY**.

**The Hon. W.A. MATTHEW:** It is up to each Chief Executive or their delegate to arrange purchase of any product and/or service.

In reply to **Mr FOLEY**.

**The Hon. W.A. MATTHEW:** The response is provided against the definition from the Department of the Premier and Cabinet's Policies and Procedures—Use of Consultants/Contractors Policy.

A consultant means a person who is engaged by an entity for a specified period to carry out a task which requires specialist skills and knowledge not available in the entity. The objectives of the task will be achieved by the consultant free from direction by the entity as to the way it is performed and in circumstances in which the engagement of a person under normal conditions is not a feasible alternative.

John Mitchell Public Relations \$18 487  
Period of engagement was from July 1998 up to and including November 1998.

**Treasurer**

#### MANAGING DIRECTOR, ADELAIDE CASINO

In reply to **Mr FOLEY**.

**The Hon. R.I. LUCAS:** The salary and employment conditions of Mr John Frearson, Managing Director of Adelaide Casino Pty Ltd, FSASER Hotel Pty Ltd and Riverside Offices Trust has not changed from that reported in last year's Budget Estimates Committee hearings, namely \$300 000 p.a.

#### STAMP DUTY ON CTP/REGISTRATION CERTIFICATES

In reply to **Mr FOLEY**.

**The Hon. R.I. LUCAS:** Stamp duties raised from CTP/registration certificates are estimated to exceed budget by \$0.6 million in 1998-99 reflecting a higher than budgeted level of registration renewals. The expected improvement above budget implies that the increase in the stamp duty fee (from \$15 to \$60) will raise \$32 million compared to the budgeted figure of \$31.6 million. The full year revenue gain increases from \$38 million to \$38.5 million.

Stamp duty on CTP/ Registration certificates	1998-99 Budget	1998-99 Revised
	\$m	\$m
Estimated receipts	44.7	45.3
<i>Of which:</i>		
Fee increase from \$15 to \$60 accounts for:	31.6	32.0

#### CAPITAL INVESTMENT PROGRAM

In reply to **Mr FOLEY**.

**The Hon. R.I. LUCAS:** Although the estimated total funding/cost of individual capital projects over \$4 million is available in the budget documents, in particular the Capital Investment Statement (formerly the Capital Works Statement), the final cost of completion of each project is not published.

As total project costs across financial years is not readily available, I have asked Treasury and Finance to gather this information, as a matter of urgency, from all Portfolio Chief Executives. Project information being sought has been limited to those projects which commenced construction from the 1997-98

financial year onwards and have a value greater than \$4 million.

On receipt of this information I will be in a position to provide a detailed response to the honourable member.

#### STATE DEBT

In reply to **Mr FOLEY**.

**The Hon. R.I. LUCAS:** Approximately 25 per cent of the State's non-commercial sector net debt funded through SAFA is at or below market rates. This is due to the fact that the State has borrowed at fixed rates and interest rates are currently at historically low levels.

Approximately 40 per cent of the nominal net debt of the non-commercial sector will mature or reprice (i.e. interest rate reset to market as in a floating rate note) before June 2001. A further 35 per cent will mature or reprice before June 2003. The implied rates of non-commercial sector interest costs are:

1999-00	9.1%
2000-01	8.2%
2001-02	7.7%
2002-03	7.7%

The interest costs assume that debt is refinanced or repriced at market rates ranging from 5.15 per cent to 6.60 per cent. The major proportion of the State's debt is raised by SAFA. Note 25 of SAFA's 1997-98 financial statements (refer page 46 of SAFA's 1997-98 Annual Report) provides details on when financial liabilities and assets mature or reprice and also the weighted average effective interest rate. This information will be also included in SAFA's 1998-99 financial statements.

The interest costs underlying the budget estimates and the implied interest rates will be significantly affected by the retirement of debt associated with the lease of the State's electricity assets.

#### COST PRESSURES/NEW INITIATIVES TOTALLING \$75 MILLION

In reply to **Mr FOLEY**.

**The Hon. R.I. LUCAS:** The 1999-2000 budget and forward estimates were framed against a background of ensuring the integrity of the Government's financial position while, at the same time, seeking to provide budget capacity to respond to the many challenges facing the State into the next century.

The honourable member for Hart may not be aware but each year, leading up to budget, many worthwhile proposals are submitted to Government for funding but are unable to be supported because the cost of implementation far exceeds the available resources.

Given the limited resources available, the \$75 million increase in current outlays has been directed to high priority Government initiatives that:

- promote and facilitate economic growth and regional development;
- builds on the successful employment programs established in the 1998-99 budget; and
- maintain and enhance core services to the community.

The attached is a list of the major cost pressures/new initiatives to be funded from the allocation of \$75 million.

#### MAJOR COST PRESSURES/NEW INITIATIVES FUNDING IN 1999-2000 BUDGET

Cost Pressures/New Initiatives	\$ million
Activity Increases and Cost Pressures in Human Services	18.0

Industry and Tourism Development/Attraction	19.0
Regional Infrastructure Development Fund and Establishment of Office	5.0
Major Events and Festivals	5.6
Employment Programs	5.0
Vocational Education and Training in Schools Strategy	4.5
National Road Reform Initiative	3.0
Drugs Strategy	2.6
Maintenance of Rural Arterial Road Network	3.0
Information Economy Policy Office	1.0
Water Resource Management Reforms	1.4
Government Radio Network Contract Unit	2.5
Other (inc. joint State/Commonwealth programs, Science Policy, Volunteer Policy, State Development resources)	4.4
	<u>75.0</u>

#### ADVANCES PAID (NET) OF \$243 MILLION FOR 1999-2000

In reply to **Mr FOLEY**.

**The Hon. R.I. LUCAS:** Advances paid (net) of \$243 million reflect the repayment of debt to the Treasurer. The \$243 million consists of:

- repayment by the South Australian Housing Trust of CPSIR debt of \$40 million;
- repayment of past loans of \$14 million made available to farmers through the Rural Finance Division of the Primary Industries and Resources portfolio; and
- the return, from prior years profits, of \$189 million from the South Australian Asset Management Corporation.

#### INVESTMENT PERFORMANCE MOTOR ACCIDENT COMMISSION COMPULSORY THIRD PARTY FUND/WORKCOVER/PUBLIC TRUSTEE

In reply to **Mr FOLEY**.

**The Hon. R.I. LUCAS:** The Motor Accident Commission has provided the following summary of audited results over the last three years ending 30 June:

Year Ended	MAC CTP Fund Return %	Benchmark Return	Excess return %
30 June 1996	10.0	8.9	1.1
30 June 1997	13.7	12.9	0.8
30 June 1998	8.2	6.9	1.3

It is noted that the above information is required for the 'sake of comparison' with other SA Government Agencies also responsible for the management of investment funds. It should therefore be noted that simple comparison of the 'numbers' will not provide a meaningful result given the underlying differences in rationale between the relative agencies. In MAC's case, some of the specific differences are:

- the MAC CTP investment strategy is unique in that it has been established in respect of CTP liabilities, under an asset/liability/matching policy. This policy recognises that the majority of MAC's liabilities will be paid out within five years and that the accounting value of these liabilities is most sensitive to movements in interest rates. Hence the majority of MAC's assets are held in the form of fixed interest securities with the objective of causing any change in the value of liabilities to be offset by a change in the value of assets so there is minimal effect on the net solvency of the Fund from year to year;
- the asset/liability matching principle has resulted in a more conservative strategy than that applicable for other Government agencies, the result being a much higher allocation to Fixed Income type securities;
- the relative and targeting solvency for the CTP Fund is not consistent with that of other Government agencies;
- the applicable time horizon associated with CTP liabilities is not consistent with the liabilities of other Government agencies. As explained above, the majority of the CTP Fund assets are held as fixed interest securities in order to minimise fluctuations in the solvency of the Fund, but to achieve this objective it is important that the maturity profile of the fixed interest assets should correspond with the anticipated liability payment dates. Currently MAC pays its liabilities in just under two years on average.

The Minister for Government Enterprises has advised that WorkCover Corporation has, since inception in 1987, tailored its

investment strategy to reflect the unique risks and characteristics of the workers compensation liabilities of that scheme.

This tailoring has resulted in low to moderate risk profiles being adopted with the average exposure to growth investments being 53 per cent over the ten years to 30 June 1998. The investment return over the same period was 12.6 per cent p.a.

The Attorney-General has advised that the Public Trustee manages funds for estates, trusts and attorney clients, and also for investors in classes approved by the Attorney-General. The amount managed now exceeds \$400 million. The funds are managed in seven sector Common Funds, which are grouped into five Standard Investment Strategies. The funds and the strategies which group them together are designed to meet the risk/return profile of the estates, trusts and clients.

The last available full year performance figures relate to 1997-98. The return after fees (a fee of 1/2th of 1 per cent per month management fee is applied to all common funds) were as follows:

Cash	4.77%
Short Term Fixed Interest	6.96%
Long Term Fixed Interest	8.71%
Overseas Fixed Interest	17.49%
Australian Shares	-0.14%
Overseas Shares	31.47%
Listed Property Securities	10.20%

The Standard Investment Strategy returns for the 1997-98 financial year (after fees) were:

Cash	4.77%
Capital Stable	7.81%
Balanced	9.97%
Balanced (for tax exempt clients)	10.57%
Growth	11.11%
Growth (for tax exempt clients)	11.13%
Equities	12.85%

Figures are available for the nine months to the end of the March quarter 1999. For the sector Common Funds, after fee performance is given for the nine months period (not annualised), and an annualised figure for a rolling twelve months figure to the 31 March 1999 is also provided:

	9 Months (not annualised)	Rolling 12 12 Months
Cash	3.03%	4.23%
Short Term Fixed Interest	4.63%	5.87%
Long Term Fixed Interest	4.48%	5.8%
Overseas Fixed Interest	5.22%	9.65%
Australian Shares	17.06%	12.67%
Overseas Shares	5.33%	11.52%
Listed Property Securities	8.04%	3.64%

For the Standard Investment Strategies, performance figures are available for the nine month period (unannualised and after fees) as follows:

Standard Investment Strategies 9 Months (After Fees)	
Cash	3.03%
Capital Stable	6.34%
Balanced	8.22%
Balanced (tax exempt clients)	7.7%
Growth	9.48%
Growth (tax exempt clients)	8.92%
Equities	13.19%

#### GAMING MACHINE TAX REVENUE

In reply to **Mr FOLEY**.

**The Hon. R.I. LUCAS:** Gaming machine tax revenue in 2000-01 and 2001-02 is estimated to grow at 3.5 per cent, in line with projected growth in household disposable income. In 2002-03 total gaming machine tax revenue is estimated to grow at a lower rate of 2.6 per cent reflecting continued underlying revenue growth of 3.5 per cent partially offset by the projected cessation of the gaming machine tax surcharge during that year. You will recall that this surcharge of 0.5 per cent of net gaming revenue was introduced from 1997-98 to recover the \$11.5 million shortfall against guaranteed tax revenue in 1996-97. On current estimates this total amount is estimated to be fully recovered during 2002-03.

#### REGULATORY FEES AND FINES

In reply to **Mr WILLIAMS**.

**The Hon. R.I. LUCAS:** Historically, regulatory fees have been grouped with fines in summary tables relating to Consolidated

Account revenues because of the compulsory nature of both of these types of revenue. Regulatory fees comprise those fees required to be paid in order to be licensed to engage in certain activities (eg, firearm licences, fishing licences, workplace registration licences). Fines include court fines and traffic infringement fines.

This grouping has been continued in the Operating Statement for the non-commercial sector.

The main components of revenue to be raised from regulatory fees and fines is detailed in the following table:

	1998-99	1999-2000	Increase	
			\$m	%
Court fines	14.4	25.2	10.8	75.1
Traffic fines	42.0	48.5	6.5	15.3
Total fines	56.4	73.7	17.3	30.6
Regulatory fees	91.1	93.3	2.2	2.4
Regulatory fees and fines	147.5	166.9	19.4	13.1

### GOODS AND SERVICES TAX

In reply to **Mr LEWIS**.

**The Hon. R.I. LUCAS:** Under the GST, the State Government will be treated in essentially the same manner as private sector businesses. Therefore activities that are taxable under the GST will be taxable no matter whether supplied by the private or public sectors.

GST-free coverage will be granted to the following:

- A large range of health services
- A large range of education services
- Exports
- Basic foods
- Supply of water and sewerage
- Child care
- Grants of freehold or similar interests by government
- Some charitable activities
- Government taxes and regulatory charges (such as licence fees)—a list of such charges is to be compiled and issued in the form of a determination by the Federal Treasurer

GST-free treatment is therefore granted to a significant proportion of the activities of Government, including education, health and water and sewerage. Goods and services supplied without charge will also not be impacted by the GST.

Some activities are input taxed under the GST. This means that no GST liability is incurred on the supply of an input taxed item, but the supplier cannot claim input credits for GST incurred on their purchases. Input taxed activities are financial services and residential rents. With respect to the latter, this means that public housing rents will not be liable to GST, but public housing providers will not be able to claim credits for GST incurred on their purchased inputs. The inability to claim input credits would ordinarily lead to upward pressure on prices, but in relation to public sector housing rents the Commonwealth has agreed to provide additional funding through the Commonwealth State Housing Agreement to offset the net additional cost impact of the GST on public housing rents.

Any goods or services supplied by the State Government which are not explicitly GST-free will be taxable. The major examples of items subject to the GST include:

- Electricity charges
- Port charges
- Public transport fares
- Sales of forestry products
- Insurance (CTP and Workers Compensation)
- Entrance fees (eg National parks, Art Gallery, Museum)
- Printing services
- Gambling services
- Rent of property
- Copies of documents, search and information fees
- Other goods and services sold for consideration

### GAMBLING

In reply to **Ms BEDFORD**.

**The Hon. R.I. LUCAS:** The Minister for Human Services has advised that no research has been commissioned out of the Gamblers Rehabilitation Fund to look into costs to the community for each problem gambler. The current research being planned is to focus on obtaining information that gives more understanding about the profile of the problem gambler in order to put in place effective preventative strategies and target community education programs.

In reply to **Ms BEDFORD**.

**The Hon. R.I. LUCAS:** The Minister for Human Services has advised that no research has been commissioned out of the Gamblers Rehabilitation Funds to look into why poker machines lead to problem gambling, including researching the actual features of the machines, such as the lights and the noises. A literature search could reveal independent studies done in this area and this could form part of the proposed research planned for problem gambling over the next two years.

### ACCRUAL BUDGETING

In reply to **Mr MEIER**.

**The Hon. R.I. LUCAS:** The introduction of accrual appropriations is intended to serve two purposes. First, by appropriating amounts that represent the total cost of providing outputs for a financial year, Parliament is better informed about the financial impact of the Government's programs on the community. The accrual basis of appropriation means that only those costs that are associated with the forthcoming year's outputs are reported. This in contrast to the cash based approach to appropriations that was used previously and under which Parliament was aware of only those expenses that required an outlay of cash during the current financial year. Further those outlays often bore no relationship to the forthcoming year's outputs on the basis that cash outlays in the current period may represent expenses incurred in earlier periods. They may also represent amounts paid in advance of expenses being incurred.

Second, the introduction of accrual based appropriations helps to make agencies themselves more aware of the total costs that they incur in providing outputs to their Ministers. This, in turn, is intended to provide the first step in a process intended to improve decision-making and resource allocation at the agency level.

Where money is appropriated for non-cash expenses such as depreciation or accruing long service leave, agencies are required to deposit those funds with the Treasurer. Those moneys are held in a Special Deposit Account that is maintained by the Treasurer. The funds may be drawn down by the agencies concerned with the Treasurer's approval and used for the discharge of non-current liabilities (for example the reduction of the liability for long service leave) or for the acquisition of assets (that is, used as an alternative to borrowing). This approach is intended to prevent moneys appropriated to meet significant non-cash expenses being used to meet day-to-day running expenses of agencies with the accompanying risk that Parliament will be called to again meet those expenses in the future.

### EMERGENCY SERVICES LEVY

In reply to **Mr CONLON**.

**The Hon. R.I. LUCAS:** The Minister for Police, Correctional Services and Emergency Services has provided the following response:

First, it is confirmed that the estimated proceeds of \$141.5 million from introduction of the Emergency Services Levy in 1999-2000 do not include any contribution by Local Government from savings to that sector from the emergency services funding arrangements.

Second, if the proposed amendment to the Emergency Services Funding Act covering Crown land under lease is not passed, there will be a shortfall in the estimated Levy collection target in the order of \$1 million to \$2 million.

In reply to **Mr WILLIAMS**.

**The Hon. R.I. LUCAS:** The Minister for Police, Correctional Services and Emergency Services has provided the following response:

The estimated cost of collecting the mobile property component of the Emergency Services Levy by Transport SA for 1999-2000 is \$1.1 million. Of this \$1.1 million estimate \$200 000 is to cover once off set-up costs and system programming changes. The remaining \$900 000 is the ongoing cost of collection and is calculated at 2.4 per cent of revenue collected not the 5.5 per cent which has been stated.

Compulsory Third Party collection is a mature service which Transport SA has been providing since 1972 compared with the Emergency Services Levy where the on going rate charged reflects a newly developed relationship which attracts a higher level of service and inquiry. It should also be noted that the fixed costs of administering the Compulsory Third Party collection are a lower percentage than the Emergency Services Levy due to the amounts

being collected. That is, approximately \$250 million is collected for Compulsory Third Party premiums compared with \$35 million for the Emergency Services Levy.

The on going commission rate of 2.4 per cent will be reviewed during the year (1999-2000) to ensure this rate is reflective of the services being provided by Transport SA. I believe the estimated costs to be charged by Transport SA are fair and justified.

#### PARLIAMENTARY SUPERANNUATION SCHEME

In reply to **Mr LEWIS**.

**The Hon. R.I. LUCAS:** The Parliamentary Superannuation is now fully funded as a result of the Government's policy decision taken in 1994 to fund the unfunded superannuation liabilities which existed at that time.

If the current parliamentary schemes which provide benefits as a pension were closed and existing members of Parliament moved over to a new scheme providing only lump sum benefits, there would not be any change to the accrued liabilities because in accordance with well established superannuation standards members must be entitled to keep their accrued benefits. The accrued benefits are fully funded.

#### LEGAL FEES

In reply to **Mr FOLEY**.

**The Hon. R.I. LUCAS:** The figure of \$16 794 000 comprises actual amounts to end of March 1999 and estimates at the time of the Budgets for the months of April, May and June:

	\$
Allen Allen & Hemsley	5 186 000
Arthur Robinson & Hedderwicks	7 208 000
Johnson Winter & Slattery	2 169 000
Finlaysons	1 931 000
Estimate for April to June	300 000
Total	16 794 000

#### Minister for Industry and Trade, Minister for Recreation, Sport and Racing, Minister for Local Government

#### HINDMARSH SOCCER STADIUM LEVY

In reply to **Mr WRIGHT**.

**The Hon. I.F. EVANS:** I have been advised as follows:

During the Estimates Committee session of 24 June 1999, Mr Simon Forrest, executive director, Office for Recreation and Sport in the Department of Industry and Trade provided a response to the Committee on this matter.

I have referred this matter to the Crown Solicitor.

When the advice from the Crown Solicitor is made available to me I will advise the honourable member accordingly.

#### VALUE OF ASSISTANCE

In reply to **Hon. M.D. RANN**.

**The Hon. I.F. EVANS:** I have been advised as follows:

The value of assistance paid during 1998-1999, and approximate forecast for payment during 1999-2000, by Australian New Zealand Standard Industrial Classification Codes is illustrated in Table 1 below:

Description	1998-99	1999-2000
	Actual	Forecast
Communication Services, Finance and Insurance	11 521 418	20 674 731

Cultural and Recreational Services	2 924 327	1 622 593
Education, Health and Community Services	2 951 236	2 722 191
Electricity, Gas, and Water Supply	482 621	387 105
Government Administration and Defence	3 234 400	1 624 760
Manufacturing, Transport and Storage	23 331 223	16 458 880
Property and Business Services	2 841 069	890 002
Grand Total	\$47 286 294	\$44 380 262

#### THAMES WATER ASIA PACIFIC

In reply to **Hon. M.D. RANN**.

**The Hon. I.F. EVANS:** I have been advised as follows:

The Minister for Government Enterprises has advised that United Water has complied with all of its key commitment obligations in relation to Thames Water Asia Pacific (TWAP). It has two such key commitments:

- (i) the relocation of Thames Water Asia Pacific Pty Ltd's procurement and quality control functions from Melbourne to Adelaide within 12 months of the signing of the contract.

This key commitment was met in the specified time and has been maintained since.

- (ii) and then its other operations to suit the growth requirements and the needs of the South Australian water industry.

United Water has advised that around six TWAP personnel have recently relocated to Adelaide to work on SA projects in conjunction with United Water. United Water have further advised that TWAP has initiated a program to relocate further personnel over the next two years. TWAP's procurement and quality control manager relocated to Adelaide during 1996. South Australian companies have won \$4.7 million export business through TWAP since the start of the contract.

Further, the Key Commitment does not require that TWAP relocate 100 people from Melbourne to Adelaide. It does state that TWAP will progressively relocate its Melbourne based activities to Adelaide over the life of the contract.

The contract further states that there was a reasonable expectation that over the life of the contract approximately 100 people would be employed by TWAP in Adelaide, if the level of and nature of business that TWAP was involved in at the time of contract negotiations was maintained.

United Water has complied with all of its Key Commitment obligations in relation to Thames Water Asia Pacific.

#### PICA ACTIVATED CARBON FACTORY

In reply to **Hon. M.D. RANN**.

**The Hon. I.F. EVANS:** I have been advised as follows:

In Estimates Committee B on 30 June the Minister for Government Enterprises in response to a line of questioning from the Member for Napier responded that '... There are now six full-time people working in the PICA activated carbon factory ...'

#### EXECUTIVE POSITIONS

In reply to **Hon. M.D. RANN**.

**The Hon. I.F. EVANS:** The attached documents outline the broad function of each executive position within DIT and show the respective positions in the organisational framework as at 24 June.

The salary package for the acting CEO is currently \$173 417 per annum (minimum untenured Executive Level D) at the time of your question but has since been increased to the minimum untenured Executive Level E (\$196 017).

Title	Job Description	Level
Director, SA Sports Institute	Direct the activities of the SA Sports Institute	A
Principal Investment Manager	Lead a team in identifying and securing investment for SA	A
A/Director, Office of Regional Development	Direct the activities of the Office of Regional Development	B
Manager, Regional Development Services	Manage the provision of development assistance to Regional Boards	A



Title	Job Description	Level
Director, Facilities Management	Manage the facilities associated with the Office of Recreation and Sport	A
Executive Director, Recreation & Sport	Direct the activities of the Office of Recreation and Sport	C
Executive Director, Industry Policy and Infrastructure	Direct the activities of the Industry Policy and Infrastructure Division	C
Director, Corporate Services	Direct the activities of the division that provides a range of support services to the portfolio	B
Principal Investment Manager	Lead a team in identifying and securing investment for SA	A
Principal Investment Manager	Lead a team in identifying and securing investment for SA	A
Executive Director, SA Centre for Manufacturing	Direct the activities of the SA Centre for Manufacturing	C
Principal Client Manager, The Business Centre	Manage a group which provides referral, advice and assistance to business in SA	A
Business Development Manager	Develop business clusters with the business community and others	B
General Manager, Sydney Office	Direct the activities of the Sydney office	C
Principal Investment Manager	Lead a team in identifying and securing investment for SA	A
Executive Director, Office of Local Government	Direct the activities of the Office of Local Government	B
Director, Project Coordination	Coordinate the implementation of projects of strategic importance to SA	C
Executive Director, The Business Centre	Direct the activities of The Business Centre	C
Executive Consultant (Finance)	Provide advice and assistance to councils in structural reform, finance and functional relationships between state and local government	A
Chief Executive, Industry and Trade	Provide strategic leadership and direction to the Industry and Trade Portfolio	F
Deputy Chief Executive, Industry and Trade	Assist the Chief Executive with the strategic leadership and direction of the Portfolio	D
Executive Director, Industry Investment	Direct the activities of the Business Investment Division	C

#### FTE POSITIONS

In reply to **Hon. M.D. RANN.**

**The Hon. I.F. EVANS:** I have been advised as follows.

	Actual FTE's
Department of Industry and Trade	
Executive Office	5.0
Industry Investment	34.0
Industry Policy and Infrastructure	24.0
Project Co-ordination	12.0
Prudential Management	1.0
Corporate Services	37.0
The Business Centre	54.8
(The Industrial Supplies Office—7 FTE's is an operational Unit of The Business Centre)	
Strategic Services	8.0
The Centre for Manufacturing	35.8
Office of Local Government	23.8
Office of Recreation and Sport	96.3
Office of the Small Business Advocate	4.0
Sydney Office	4.0
RIDA	16.0
Portfolio Total	370.7

#### TELETECH

In reply to **Hon. M.D. RANN.**

**The Hon. I.F. EVANS:** I have been advised as follows:

The standard procedure is for there to be a clear written offer and acceptance of the Government and company undertakings before investment proposals are announced publicly. This procedure was followed in the case of Teletech. These undertakings were developed in a lengthy series of meetings, presentations and correspondence. The detailed terms and conditions are commercial in confidence and will not be tabled. As indicated by both the Premier and the Minister for Industry and Trade the business circumstances upon which the Teletech project was predicated have varied with the result that the

project is unlikely to proceed in the form and in the time frame envisaged in the announcement. However discussions with the company are continuing.

#### ORS AND SASI

In reply to **Mr WRIGHT.**

**The Hon. I.F. EVANS:** I have been advised as follows:

As at the 16 June 1999, there were 97.4 FTE's including trainees and casuals within the Office for Recreation and Sport.

Of these, 41 FTE's are SA Sports Institute (SASI) positions. This number includes 2 trainees and 1 FTE casual position.

#### Deputy Premier, Minister for Primary Industries, Natural Resources and Regional Development

#### PERFORMANCE INDICATORS

In reply to **Ms HURLEY.**

**The Hon. R.G. KERIN:** The variation between the target for the number of prosecutions for 1999-2000 (141) and the target for the number of prosecutable cases (253) is because of the omission of Fisheries data for the number of prosecutions. The number of prosecutions should therefore equal the number of prosecutable cases, i.e. 253.

In reply to **Ms HURLEY.**

**The Hon. R.G. KERIN:** With regard to provision of the end of year estimated results for 1998-99 for the performance indicators for Output 1.1, reference is made to statements by the Deputy Premier and Chief Executive PIRSA that the 1998-99 data was not measured in the 1999-2000 categories.

Recognising that this would be the case in some portfolios, the Department of Treasury and Finance specified that the categories 'End of year estimated result 1998-99' and 'Targets for 1998-99' were not required to be completed if the categories had changed

and/or data collection was not in place for 1998-99. This being the case for PIRSA, the data for 1998-99 is therefore not available.

In reply to **Ms HURLEY**.

**The Hon. R.G. KERIN:** With regard to provision of the end of year estimated results for 1998-99 for the performance indicators for Output 2.2, reference is made to statements by the Deputy Premier, the Chief Executive PIRSA and the General Manager Policy and

Strategic Development, that the 1998-99 data was not measured in the 1999-2000 categories.

Recognising that this would be the case in some portfolios, the Department of Treasury and Finance specified that the categories 'End of year estimated result 1998-99' and 'Targets for 1998-99' were not required to be completed if the categories had changed and/or data collection was not in place for 1998-99.

The breakdown of targets for 1999-2000 for quantity and quality to the PIRSA Group level is as follows:

PIRSA Group	Quantity			Quality
	Number licenses/ registrations - new	Number licenses/ registrations - renewal	Number of accreditations	
				Our customers/stakeholders will rank our service as good or better against the agreed criteria eg responsiveness, accuracy (customers), compliance with service level agreements (stakeholders)
Agricultural Industries	57	480	5	93%
Fisheries/Aquaculture	20	1098	0	93%
Mineral Resources	300	2,000	75	93%
Office of Energy Policy	5	30	1	93%
Petroleum	30	91	0	93%
Total	412	3,699	81	93%

#### INTEREST ON LOANS

In reply to **Ms HURLEY**.

**The Hon. R.G. KERIN:** The breakdown of interest receipts for 1998-99 is as follows:

Interest on cash balances	\$3.061 million
Interest on Farm loans	\$4.798 million
Total	\$7.859 million

#### TUNA FARMING LICENCES

In reply to **Ms HURLEY**.

**The Hon. R.G. KERIN:** Tuna farming licences are issued pursuant to Section 53 of the *Fisheries Act 1982* on an annually renewable basis. Fifteen sites were licensed to farm tuna during 1999 with a total of 58 operators on these sites. Fourteen of these sites were licensed on 18 March 1999 and one was licensed on 1 June 1999. Tuna farming licences are subject to a number of conditions. I have provided a standard tuna farming licence and standard tuna farming conditions to Ms Hurley.

The quantity of fish held on tuna farming sites is prescribed in stocking density policies established by the Department of Primary Industries and Resources (PIRSA). These policies provide for the holding of a maximum of 200 tonnes of tuna per 20 hectare site. The maximum initial stocking density on these sites is 2.4 kilograms per cubic metre with a maximum stocking rate of four kilograms per cubic metre at any time. Stocking densities are included as conditions in the tuna farming licence.

Licence fees associated with tuna farming licences are determined annually and vary accordingly. During 1999-2000 tuna

farming licence fees will be \$661 per hectare. This total includes \$183 per hectare base licence fee, \$342 per hectare Fisheries Research and Development Corporation levy and \$136 per hectare environmental monitoring levy. The base licence fee and environmental monitoring fee are determined by fee for service and the Fisheries Research and Development Corporation levy is determined on the basis of 0.025 per cent of gross value of production on a three year rolling average.

#### LOUTH BAY TUNA FARMS

In reply to **Ms HURLEY**.

**The Hon. R.G. KERIN:** By way of clarification, the *Fisheries Act 1982* became operative on 1 July 1984 and my comments relate to this act. I am not aware of any charges laid in relation to offences committed under the Fisheries Act. Several alleged tuna farming offences under the Fisheries Act are currently under investigation. To date charges have not been laid in relation to these cases and it is inappropriate for me to comment further.

#### FISHERIES, FUNDING

In reply to **Mr HILL**.

**The Hon. R.G. KERIN:** In December 1998, SARDI submitted sixteen proposals to the Fisheries Research and Development Corporation (FRDC) to begin in the 1999-2000 financial year. These projects and the amount of money sought for the 1999-2000 financial year only are listed below:

1	Selective breeding of greenlip abalone	\$102,639
2	Induction of triploid and tetraploid abalone	\$80,139
3	Defining patterns of lipid metabolism in southern bluefin tuna	\$166,800
4	Commercial scale evaluation of manufactured feeds for southern bluefin tuna	\$20,000
5	A general stock assessment model for marine and estuarine finfish species	\$189,052
6	Determination of size of fishery management units for King George whiting	\$57,284
7	Evaluation of a marketing logo to fund stock enhancement	\$51,753
8	Value adding of southern calamari and cuttlefish	\$88,196
9	Live export opportunities for South Australian king prawns	\$129,076
10	Post harvest enhancement of sea urchin roe	\$64,264
11	Coastal upwelling, pelagic productivity and interannual fluctuations in pilchard recruitment	\$200,051
12	Trophic relationships among Australian salmon	\$83,317
13	Impact of commercial fishing on abalone populations	\$151,170
14	Fishermen as monitors of aquatic ecosystem health	\$117,651
15	Greening Australia's fisheries	\$47,761
16	National Recreational Fishing Survey	\$92,252

Of those proposals listed above, four (numbers 10, 14, 15 and 16) were approved for funding to be undertaken as three projects with numbers 14 and 15 combined.

The total funding for approved projects which is anticipated to be received in the 1999-2000 financial year totals \$1.6 million, clearly indicating the high level of success of SARDI proposals to the FRDC and the important contribution this research makes to the South Australian fishing and aquaculture industries.

New project funding for 1999 was less at only \$280 000, however another two projects; those relating to a model for the marine scalefish fishery and live export of prawns, are still being negotiated with the FRDC.

New project funding for 1998 and 1997 was \$620 000 and \$338 000 respectively.

It needs to be noted that not all of the funding from FRDC goes to SARDI each year. FRDC provides funding on a national basis, therefore SARDI has to compete with other research providers.

With regard to the so-called 'crisis' meeting, I understand that a meeting was held between the South Australian Fisheries Research Advisory Board (SAFRAB) and FRDC, where the Chairman of SAFRAB expressed concern at the overall level of funding to South Australia from the current round. SARDI simply provided a venue for this meeting to take place.

### MARINE BIODIVERSITY

In reply to **Mr HILL**.

**The Hon. R.G. KERIN:** SARDI has received a large amount of funding since about 1992 from the Federal Government through Environment Australia, principally for the purpose of carrying out surveys of benthic marine life in order to categorise the poorly known animals and plants occurring in South Australian waters and identifying areas of high conservation value. The grant referred to was originally approved for funding in 1995-96. However, because of a lack of progress on three projects funded by Environment Australia to the same scientist in relation to the benthic surveys, the funding was withheld by Environment Australia until the completion of these projects.

These projects were completed in 1999, but upon reviewing SARDI's capability to undertake the project, it was determined that it was neither technically feasible (as sorting of samples from the benthic surveys were incomplete) nor financially feasible (funds offered by Environment Australia were only a minor component of the total cost of the project) given changes to funding availability and priorities within the organisation.

SARDI sought to negotiate with Environment Australia to convert the funding towards areas of higher priority; that is, to continue sorting of samples collected from benthic surveys. However, these negotiations were not successful and SARDI exercised its option not to take up the funding.

### REGIONAL DEVELOPMENT

In reply to **Ms HURLEY**.

**The Hon. R.G. KERIN:** South Australia has many important projects which are of great benefit to Rural South Australia. For example we have a number of joint State and Commonwealth projects which benefit all South Australians, irrespective of where the project is located. These include:

- South East Freeway tunnel
- Blanchetown Bridge
- Sturt Highway works near Truro
- Adelaide Airport runway extension
- National Wine Centre
- Improvements to the RAH

These are all of benefit to city and country people.

Of the capital works budget we estimate that expenditure estimated for 1999-2000 on major capital projects in rural South Australia will be approximately \$140 million and a further amount will be expended throughout all agencies on minor capital works which at this stage is hard to delineate between regions. However the total state expenditure on all capital in regional areas could conservatively be in vicinity of \$200 million.

In reply to **Ms BREUER**.

**The Hon. R.G. KERIN:** The total cost of the Regional Development Task Force was \$648 136, for the period covering August 1998 through to 30 April 1999.

The majority of this cost was met on an equal basis by Dept of Industry & Trade and Primary Industries & Resources SA. The balance (\$73 500) was contributed by the Department of Premier & Cabinet towards Task Force members' fees.

Of the total cost, \$13 005 was spent on consultancy services, of which \$6 670 was spent on public relations services. The contract for which was put out to tender in accordance with government policy.

An additional amount (\$3 120) was spent on facilitator's fees for a number of workshops conducted by the Regional Development Task Force in their consultation process. This contract was let from responses received to a general call for expressions of interest for consultancy services advertised at the beginning of the Task Force's operation.

A further amount (\$2 340) was spent on a statistical profile of regional South Australia which was provided by the Australian Bureau of Statistics. This profile was used in the preparation of the Task Force Report. A copy of this profile has been included in the Report. This contract was not put out to tender due to the ABS being the recognised expert on the statistical information required.

The balance (\$875) was spent on editorial services for the Task Force Report, by people who had been involved in the Task Force's consultation process, and who were familiar with the context of the report. For these reasons this was not put out to tender.

I would like to thank the Member for Giles for her participation in the Regional Development Task Force's consultation process, and for her continued interest in the outcomes of the Regional Development Task Force.

### SARDI

In reply to **Ms HURLEY**.

**The Hon. R.G. KERIN:** In December 1998 the South Australian Primary Industries Research and Development (SAPIRD) Board completed the research priority setting process for application in 1999-2000. The board's recommendations were as follows:

#### CROPS

The overall direction of the crops program is to understand and respond to market requirements for a broader range of differentiated products. There is a clear trend towards greater differentiation of existing product and demand for new products to meet niche markets. In some instances the production systems are in place to produce to market specification, in others (for example grain protein) improvements are needed and reflect a research opportunity.

Specific opportunities (often more a change in emphasis rather than a major new initiative) to be incorporated into the crops program are:

- Enhance the contribution to crops biotechnologies, particularly via the Cooperative Research Centre for Molecular Plant Breeding. This would include emphasis on identification of molecular markers, rapid assessment of agronomic performance and quality characteristics, and use of double haploid technology.
- Development of sustainable production systems with greater emphasis on increasing grain quality and availability of break crops for better disease management. Root disease assessment technologies and climate risk assessment are key components of this opportunity.
- A durum variety with greater adaptability to SA growing conditions.
- A prime hard wheat variety with greater adaptability to SA conditions.
- Strengthen linkages between market requirements, R&D and producers by provision of information on the performance of new varieties.
- Strengthen the quality program in cereals, pulses and oilseeds, through support to crop improvement programs, for example, colour, dough characteristics, cooking time, oil quality.
- Investigate with PIRSA Agricultural Industries and the grains industries opportunities for alternative uses of cereals, for example, starch extraction, lecithin, mustard, and primrose.
- Investigate the opportunities for greater value adding R&D for the barley industry compared with the wheat and other cereal industries.
- Improved pest and disease management technologies for pulse and oilseed crops.

While the balance of the crops program will change and emphasis placed on the relationship between markets, industry and R&D strengthened, there is no major shift in the specific expertise required within the State funded component of the crops budget.

### LIVESTOCK SYSTEMS

Many of the livestock industries have undergone considerable change over recent years, in responses to market challenges. The sheep industry remains in a depressed position following over five years of low returns. The pig industry has suffered short term downturn in returns, as has the beef industry.

The board noted that major initiatives have been taken by SARDI to achieve critical research mass through a major collaboration with The University of Adelaide's Animal Science Department. The 'Sustainable Livestock Production' initiative would involve a significant restructuring of SARDI's resources, including some capital injection, a stronger alignment with the livestock industries and R&D Corporations, and is a strongly supported initiative.

The board noted that considerable reduction (up to 40 per cent) in State funded R&D for the livestock industries had occurred over the past 3 to 4 years. There has also been redirection of the program into meat and sustainable resources research.

The major recommendations in relation to R&D priorities are:

#### Dairy

- Implementation of the Dairy Research Review, in particular participation in national programs, greater emphasis on sustainable dairy production, feedbase utilisation and aligning research farm operations with commercial practice.
- Improved productivity improvement through pasture production and utilisation.

#### Poultry

- Maintain emphasis on animal welfare and improved production efficiency through feed quality assessment and utilisation.
- Support development of niche markets for free range poultry products.

#### Pigs

- Further development of food quality and safety technologies.
- Implementation of a commercial service to evaluate feed quality.

#### Sheep meat and beef

- Capitalising on the opportunities for genetic gain by establishing super nucleus flocks for the sheep industry.
- Provision of technical support to the Meat and Livestock Australia (MLA) program, Meat Standards Australia, including producing meat to specification. The opportunity to improve impact from R&D through quality assurance program should be further developed with industry.

#### Wool

- Provision of genetic support to deliver wool quality characteristics required by the market.
- The pastures program should increase emphasis on pasture production and utilisation in the high rainfall pasture zone and low rainfall regions of the cereal/sheep zone.

Based on the priority setting process used it is recommended there be a further transfer of \$100 000 from wool to meat research. A transfer of \$50 000 from dairy to meat research is also recommended, to be achieved by redirection of the parasitology and biochemistry program.

### HORTICULTURE

#### Research priorities:

- Priorities for grape research have been included in the renewal bid for the Cooperative Research Centre for Viticulture. They fall into two categories, winegrape specification and sustainable winegrape production. These initiatives should be pursued with greater industry and Government funding.
- Enhance research effort into winegrape variety improvement.
- Increased support to all horticultural industries to improve export marketing initiatives, particularly market identification, technology support to quality assurance systems and production systems.

Considerable adjustment has occurred within the horticulture program over the past two priority setting cycles. It is considered that the current base of State resource allocation is appropriate.

### AQUATIC SCIENCES

The board noted the complexities of recommending research priorities for the fishing and aquaculture industries, given that licence fees are collected for specific, agreed programs.

#### Capture fisheries

At the industry forum, there was general opinion that research on fisheries habitat/environment and biodiversity was an issue that the Government needed to address in order to maintain sustainability of fish stocks. This was subsequently discussed by the board, including whether licence holders should contribute for such work as they gained some benefit. However, the board recognised that this issue would also need to be pursued within the Fisheries Management Committee arrangements. This will be undertaken prior to the 2000-2001 budget process.

#### Aquaculture

The board was of the view that the Government needs to further consider the benefits of R&D to the aquaculture industry and consider making additional State funding available as there was significant potential for this sector to diversify into new species and to utilise alternative sites, systems etc. The board will address aquaculture R&D in greater detail during the next priority setting cycle.

### BIOTECHNOLOGY

During the recent priority setting process it became evident to the board that biotechnology was an important factor in primary industries R&D. The application of such technology was instrumental in achieving successful outcomes in plant and animal related R&D. For example, the use of double haploid technology improved wheat production as well as oyster production.

Given the importance of maintaining and further developing this technology, the board recommends that additional funding be made available to support biotechnology programs. This would need to be examined in detail during the next priority setting cycle.

The board's recommendations were endorsed and arrangements have been put in place to implement them during 1999-2000.

The SAPIRD Board has written to me separately in relation to research requirements for biotechnology, aquaculture and the marine environment, habitat and biodiversity. With regard to biotechnology, the board:

- noted the opportunity South Australia has to benefit from the development of a biotechnology based industry;
- encouraged the Government to establish the policy frameworks and business opportunity plan to attract national and international investment in such an industry;
- endorsed the establishing of a Plant and Food Biotechnology Centre complemented by appropriately structured and resourced biotechnology industry attraction initiatives; and welcomed the Government's recently announced contribution of \$2 million towards this opportunity.

With regard to aquatic sciences, the board suggested that South Australia should invest in a number of new positions in order to support the aquaculture industry and to ensure there is core research capability in the area of marine environment, habitat and biodiversity.

These recommendations will be considered as part of the portfolio's overall responsibilities.

### SARDI GROUP BUDGET

In reply to Ms HURLEY.

**The Hon. R.G. KERIN:** Information outlining the trend in sources of recurrent funding and a breakdown of the SARDI budget for 1999-2000 are tabled below.

#### Trend in Sources of Recurrent funding for SARDI

	Figures used in Estimates budget papers			
	1996-97	1997-98	1998-99	1999-2000
Industry grants to Rural & Aquatic research	8,856	10,696	11,711	12,267
Fishing licences - Share of total revenue	2,405	2,902	2,912	2,985
Recoups and fees for service	1,678	2,029	2,100	2,096
Produce sales and other Sundries	1,104	2,621	2,273	2,329
	14,043	18,248	18,996	19,677
State Government Recurrent Funding	10,264	13,282	13,790	13,826
<b>Total</b>	<b>24,307</b>	<b>31,530</b>	<b>32,786</b>	<b>33,503</b>

No direct Commonwealth Government funding is received by SARDI.

There was a transfer of research staff and Research Centres from other groups of the former PISA to SARDI during 1997-98.

RECURRENT BUDGET This information has been provided on a cash basis.

	Budget 1999-2000 \$'000
Sources of Funds	
State Government funding	13 826
Industry grants to Rural & Aquatic research	12 267
Fishing licences—Share of total revenue	2 985
Recoups and fees for service	2 096
Produce sales and other Sundries	2 329
Total	33 503
Application of Funds	
Crop Research and Development	
Salaries, wages and related payments	6 636
Goods and services	2 592
	9 228
Livestock Systems Research and Development	
Salaries, wages and related payments	6 023
Goods and services	3 334
	9 357
Horticulture Research and Development	
Salaries, wages and related payments	3 012
Goods and services	909
	3 921
Aquatic Research and Development	
Salaries, wages and related payments	3 396
Goods and services	2 740
	6 136
Support Services	
Salaries, wages and related payments	1 746
Goods and services	3 115
	4 861
Total payments	33 503

### Minister for Environment and Heritage, Minister for Aboriginal Affairs

#### OIL RECYCLING

In reply to Mr HILL.

**The Hon. D.C. KOTZ:** Approximately 23 megalitres of lubricating oil are sold annually in SA. Some of this oil is burned in motor vehicle engines or lost in other ways, thus only 50 per cent of it is available for recovery. This is a generally accepted estimate.

Approximately 11.5 megalitres of waste lubricating oil is available annually for collection for recycling or reuse in SA. An EPA study into waste lubricating oil concluded that 10.5 megalitres of waste lubricating oil is collected and reused in SA annually. This is over 90 per cent of all available waste lubricating oil in SA.

The study estimated that, on average, vehicle oil filters are replaced approximately annually. It was concluded that, in use, an oil filter contains approximately 0.5 litres of oil of which only 0.4 litres can be recovered. The remaining 0.1 litres of oil is absorbed into the filter medium or is difficult to drain out due to the shape of the container.

Using this information and more recent data from the Australian Bureau of Statistics (1997), it can be estimated that there are in the order of 992 200 oil filters disposed of in SA each year. If all the oil filters in SA were collected and all recoverable oil drained, then we would collect about 397 000 litres of waste oil; about 3.45 per cent of the total amount of recoverable waste oil in the State.

It was found during the study that some, if not most, of the motor vehicle service centres drain oil filters when they are removed from vehicles. More realistically then, the amount of oil lost in the filters would be about 99 000 litres, or less than 1 per cent.

Already, much of the waste lubricating oil is being returned for reuse, and most oil filters are drained prior to disposal. Mandating the recovery of oil filters would have little effect on the quantity of waste lubricating oil collected. The energy required to collect, store and process these filters may well exceed the environmental good which would be achieved from collecting the waste lubricating oil and oil filters.

#### PARKS EXPENDITURE

In reply to Mr HILL.

**The Hon. D.C. KOTZ:** The attached information is provided with regard to expenditure on Parks in 1998-99.

The information does not specifically relate to individual Parks but in many cases groups of Parks or Districts. It is not feasible nor could it be justified to record expenditure on all 315 Parks.

Definition	Expenditure 1998-99
Belair District	\$686 028.00
Berri district	\$146 404.00
Bookmark Biosphere Trust	\$368 684.00
Cape de Couedic	\$46 536.45
Cleland Wildlife Park	\$2 816 902.00
Deep Creek /Fleurieu	\$175 701.00
Desert Parks	\$638 308.00
Eyre East	\$201 396.00
Eyre West	\$230 842.00
Far West	\$283 218.00
Flinders Ranges	\$1 030 631.00
Fort Glanville	\$14 971.00
Gammon Ranges	\$209 386.00
Hawker District	\$251 604.00
Innamincka RR	\$208 082.00
Innes NP & Yorke District	\$949 046.00
KI East Cape Gantheaume	\$283 925.00
KI East Cape Willoughby	\$101 892.16
KI East Seal Bay	\$436 781.00
KI Kingscote	\$627 127.00
KI West Cape Borda	\$113 702.00
KI West Flinders Chase	\$2 839 433.00
KI West Kelly Hill	\$140 754.13
Lofty Districts	\$374 897.00
Lower South East	\$53 932.78
Mallee District	\$307 652.00
Meningie District	\$609 642.00
Morialta/Blackhill Districts	\$546 459.00
Mount Gambier Districts	\$257 373.00
Murray Bridge Districts	\$14 814.62
Naracoorte Caves	\$2 299 589.00
Newland Head	\$17 297.00
Parra Wirra	\$387 206.00
Penneshaw District	\$27 326.62
Port Augusta District	\$142 742.00
Port Lincoln District	\$53 501.18
Riverland District	\$717 321.00
Robe District	\$111 427.00
South East Districts	\$372 953.00
Southern Flinders districts	\$439 273.00
Sturt District	\$430 026.00
Tantanoola Caves	\$92 477.98
Upper South East Districts	\$33 621.53
Victor Harbour District	\$713 737.00
Witjira NP	\$289 255.00

#### PREVENTION OF CRUELTY TO ANIMALS ACT

In reply to Mr HILL.

**The Hon. D.C. KOTZ:** Mr Hill's question relates to three distinct but related issues, namely, caged layer hens, duck shooting, and the broader issue of review of the Prevention of Cruelty to Animals Act 1985. I would like to address these three matters as separate questions.

The Government has implemented the legislative recommendations of the Layer Hen Cage Review and supports housing improvements for commercial layer hens. The welfare of all livestock is more likely to be improved through the combined efforts of the industries concerned, Government and animal welfare groups such as the RSPCA. In South Australia a cooperative approach has been developed and has made significant advances in many aspects of animal husbandry. The Government believes that regulation and prohibition should only be considered as a final option. The modifications in layer hen housing and the research being undertaken by the industry have justified this policy. Consequently, the Government, at this time, does not intend to amend the *Prevention of Cruelty to Animals Act 1985* to prohibit caged egg production.

As I advised the House on 30 June 1999, this Government permits strictly regulated duck shooting to ensure the ability of shooters to identify ducks, the use of non-toxic shot, bag limits and the timing of open seasons bearing in mind the breeding and

conservation status of local populations. While the Government recognises the concerns of animal welfare groups, we also acknowledge the contribution made to conservation and wetland management by shooting associations and landowners with an interest in hunting within this State. It is not the intention of Government to legislate to prohibit recreational duck hunting but to encourage responsible hunting practices which minimise any potential suffering of game species.

In response to the honourable member's third question, I can advise that Competition Policy and Subordinate Legislation reviews have been undertaken for the Prevention of Cruelty to Animals Act 1985. The review panel endorsed the general directions and objectives of the Act, but has recommended a number of administrative and machinery amendments to clarify and simplify the legislation and to aid enforcement of its provisions. Although under the Competition Policy Agreement we are not obliged to implement such recommendations until the year 2000, it was recognised that such amendments would improve the Act. Consequently, a Statute Amendment Bill has been settled and I have approved this in principle. I anticipate presenting the Bill to my Cabinet and Parliamentary colleagues for consideration in the Spring session of Parliament.

#### DRUG TREATMENT AND ALCOHOL PREVENTION PROGRAMS

In reply to **Mr WRIGHT**.

**The Hon. D.C. KOTZ:** The honourable member has asked me to provide details of specific alcohol and drug programs in the various Aboriginal communities.

Substance abuse has been identified as a priority issue for Aboriginal Health Services in all regions of South Australia. It is addressed within the context of the generic budgets of those services, and, frequently, within the context of other activities. It is, for example, difficult, and, indeed, unwise to view substance abuse and family violence as unrelated matters. Any one program may therefore address a range of issues, including grief, violence, and substance abuse. This is particularly true of programs using the spiritual healing approach that is favoured by many communities. Where such programs are successful, it is possible to measure the effects on the relevant community. However, an attempt to impute a dollar figure for the efforts to address substance abuse would be likely to produce a figure that is open to so many caveats as to be useless.

The honourable member has also asked me to identify Commonwealth funding allocated for this purpose. I am aware of two sources of such funding. For one of these, the Aboriginal and Torres Strait Islander Substance Misuse Program, some of the difficulties of imputing costs are similar to those I have just detailed for State funding.

However, I can be more specific in relation to the National Illicit Drug Strategy. This has provided funding to two Aboriginal agencies to address petrol sniffing. The Ngaanyatjarra Pitjantjatjara Yankunytjatjara (NPY) Women's Council will receive \$810 307 over four years for direct program provision, whilst the Aboriginal Drug and Alcohol Council will receive \$855 652 to provide three years of train the trainer work in various remote communities. The NPY Women's Council will service an area that crosses the Northern Territory and Western Australian borders.

Some Aboriginal people hold the Salvation Army sobering up unit in high regard, whilst others are more critical. Arrangements are currently being made to employ two Aboriginal Support Workers in order to provide a better service. This will involve \$147 375 in Commonwealth funds over four years.

Methadone has been demonstrated to be an effective tool in assisting heroin users who wish to escape addiction. Aboriginal users have had some difficulties in accessing the program however. Nunkuwarrin Yunti, the Aboriginal community centre in Wakefield Street, will receive \$163 822 to increase such access.

All of these programs have been recently funded, and are still in early stages of establishment.

As I have previously indicated, the State hopes to attract significant amounts of additional Commonwealth funds to address substance abuse in the Aboriginal community.

It is clear, however, that the efforts made under the present administration are far more extensive than those of any previous administration.

#### ENVIRONMENT PROTECTION COMPLIANCE SERVICES

In reply to **Mr HILL**.

**The Hon. D.C. KOTZ:** The two prosecutions that I was referring to were against Remove All Rubbish Co Pty Ltd and Mobil Refining Australia Pty Ltd. I will deal with each in turn.

Remove All Rubbish Co Pty Ltd

The Remove All Rubbish Co Pty Ltd case related to an offence under the Waste Management Act 1987 on or about 23 September 1994. The case was originally led by Finlaysons for the Waste Management Commission.

Following procedural errors by Finlaysons, the case was dismissed and new charges were prepared by the crown.

The offence and collection of evidence occurred prior to the establishment of the Environment Protection Authority.

Following negotiations between the company and the Authority on the available evidence, the company pleaded guilty to one charge. A summary of costs are as follows:

Surveyor	\$2 438.00
Hydrogeologist	\$19 500.50
Drilling	\$1 835.00
Legal fees (Finlaysons)	\$28 476.00
Barrister	\$11 347.00
Settlement of costs of the first charges	\$50 000.00

The company concerned was convicted on 21 July 1998 and fined \$1000 with court costs of \$108.00

Mobil Refining Australia Pty Ltd

The Mobil Refining Australia Pty Ltd case related to a chemical spill from the plant at Port Stanvac. Court proceedings were instigated on 21 January 1999 in the ERD Court on a charge of polluting the environment and causing serious environmental harm at Lonsdale on 29 April 1998 when the chemical, ethyl mercaptan, was released to the environment. Seventeen people were taken to hospital and others received medical attention as a result.

The cost of the EPA investigation, the first successful investigation to be completed by the new investigations unit within the EPA, including salaries and administration was about \$13 400.

On Friday, 30 April 1999, Mobil appeared in the ERD Court and was fined \$24 000, plus \$600 prosecution costs.