

HOUSE OF ASSEMBLY

Thursday 13 September 1990

ESTIMATES COMMITTEE B

Chairman:

The Hon. T.H. Hemmings

Members:

The Hon. H. Allison
 Mr M.J. Atkinson
 Mr P. Holloway
 Mr W.A. Matthew
 Mr E.J. Meier
 Mr J.A. Quirke

The Committee met at 11 a.m.

The CHAIRMAN: I intend to adopt a relatively informal procedure. Changes in the composition of the Committee will have to be notified to the Chair before they take place. If the Minister undertakes to supply information at a later date, it must be in a form suitable for inclusion in *Hansard*, and two copies must be submitted no later than Friday 28 September to the Clerk of the House of Assembly. I propose to allow the lead speaker for the Opposition and the Minister to make an opening statement, and I suggest about 10 minutes should be sufficient for those statements.

We intend to take a fairly flexible approach based on three questions per member, alternating the sides. Members may also be allowed to ask a brief supplementary question to conclude a line of questioning before switching to the next member. I suggest to members of the Committee that they do not abuse the supplementary questioning process, because it really only affects other members of the Committee who may wish to ask questions.

Subject to the convenience of the Committee, a member who is outside the Committee who desires to ask a question will be permitted to do so once the line of questioning on an item has been exhausted by the Committee. An indication of this to the Chairman will be necessary. I also remind members that there has been a change in the Standing Orders, which allows members of Estimates Committees to ask the Minister for explanations on matters relating to Estimates of Receipts. I insist that questions be based on lines of expenditure and revenue as revealed in the Estimates of Payments and Estimates of Receipts. Reference may also be made to other documents, for example, the Program Estimates or the Auditor-General's Report, but members must identify a page number in the relevant financial papers and the line on that page. This makes it much easier for the Minister and his advisers to provide a quick response to the question. Questions must be directed to the Minister and not to the advisers. If the Minister then wishes to have an adviser answer the question, that is up to the Minister.

Police, \$200 515 000

Witness:

The Hon. J.H.C. Klunder, Minister of Emergency Services.

Departmental Advisers:

Mr P.M. Hurley, Acting Commissioner, Police.
 Mr D.J. Hughes, Director, Corporate Services Command.
 Mr M.D. Wall, Manager of Corporate Finance.
 Mr G.R. Schneider, Property Manager.
 Mr F.E. Bowering, Manager, Financial Services.
 Mr B. Quant, Manager, Computer Services.

The CHAIRMAN: I declare the proposed expenditure open for examination and refer members to pages 130 to 133 in the Estimates of Payments, page 45 in the Estimates of Receipts and pages 346 to 363 in the Program Estimates.

Mr MEIER: Much has been trumpeted about the police budget increase of a net \$18.5 million, or 7.8 per cent, as noted in *Police Post* issue No. 31 and other publicity. It should be exposed as being patently misleading. Unlike private enterprise, Governments can lump recurrent and capital expenditure into one lump sum. That in itself muddies the water.

The Federal Treasurer's prediction for inflation for Australia 1990-91 is 6.5 per cent. Not many economic commentators believe that figure, and if the Middle East crisis goes much longer the outcome for inflation is expected to be above 7 per cent. Further, inflation for the Police Force is not linked to a basket of household goods, but more to salary outcomes and such things as fuel prices. The best that can be said of this Police Department budget is that it is in real terms steady in 1989-90.

We can be thankful for small mercies in the light of the economic times. The Police Force is a vital community service, probably the most respected, expected and vital service a Government can offer the community. In times when the crime rate is increasing, we must not be fobbed off and distracted by spurious comparisons with other States, so far as staffing levels are concerned.

If we look at the total police budget we see that recurrent expenditure, containing the salaries and wages component is up 3.2 per cent in real terms, a cut of about 3.5 per cent. Only when we add the welcome increase in capital expenditure of \$11.9 million, does total expenditure increase by 7.8 per cent or around the rate of inflation, but that does not put more police feet on the ground.

Much of that increase is not funded by the Government through unrelated consolidated revenue, but it the result of projected Police Department receipts for 1990-91 which will increase by 44 per cent or \$14 million to \$45.8 million in 1990-91. Total expenditure on the Police Department funded by the Government from external sources has risen from \$204.9 million in 1989-90 to \$209.8 million this year—a 2.4 per cent increase or a cut of about 4.5 per cent in real terms, reduced further now by \$2 million with the leasing of two helicopters instead of purchasing one.

This is a far cry from what the ordinary policeman and the public are being fed about a net \$18.5 million increase in Government outlays for the South Australian Police Force. They have had enough of the old thimble and pea trick.

The Hon. J.H.C. Klunder: I trust that the statement I am about to make will allay some of the fears of the member for Goyder as well as being generally useful to the Committee in its consideration of the police budget. The Government has further demonstrated its commitment to law and order and social justice in this State by providing a record budgetary allocation to the Police Department for 1990-91. I am pleased to be able to report that, in every year since the Bannon Government came to office, police resources have increased in real terms.

As members would be aware, when comparing budget allocations between years, it is necessary to make adjustments between proposed expenditure and actual expenditure for the previous year for one-off payments such as occurred in police with back payment of the 3 per cent superannuation scheme of some \$5.1 million in 1989-90. Furthermore, provision for wage increases expected to be granted during the year is not included in the department's initial budget allocation but provided from 'Round sum allowances'—this involved \$3.1 million in 1989-90. When these factors are taken into account, the actual increase in the police budget in 1990-91 is expected to be of the order of 11.75 per cent, or when adjusted for inflation, about 5.75 per cent in real terms.

The department will be recruiting an additional 172.5 personnel in 1990-91, including 36 personnel approved in 1989-90. These personnel are for a range of initiatives and include:

- 36 additional police officers approved in 1989-90 for the second year of the Aboriginal Deaths in Custody initiatives and for general operational and other policing purposes.
- 41 additional positions (36 police officers) to support social justice initiatives in the area of victims of crime. These include staff for victim impact statements, child abuse, domestic violence and victim contact officer duties.
- 25 additional criminal investigation staff (22 police officers for drug, fire and fraud investigations, intelligence support and Bureau of Criminal Investigations).
- 32 additional clerical staff for operational areas including data entry staff for JIS. This will enable the release of police officers for operational duties.
- 38.5 additional position (seven police officers) for other priority areas—Aboriginal aides (urban areas), computing, resource management, internal investigations, road safety, and crime prevention Home Assist, Blue Light and School Watch programs.

It is important to note that this increase in personnel is in addition to the significant additional staff provided to the department in the last budget. The total staffing increase for the Police Department provided by the Bannon Government since 1982 has been 526.

A significant level of funding has again been provided for equipment and vehicle acquisitions in 1990-91 (\$22.8 million). This includes a record allocation of \$10.6 million for motor vehicles including funds to increase the fleet by 29 vehicles for initiatives relating to Victims of Crime, fraud, drug, intelligence support, patrols, Aboriginal aides, road safety, internal investigation and the Home Assist scheme.

Computer equipment/system upgrades and replacements have been allocated \$3.9 million. This includes funds for the upgrade of the department's mainframe computer, and for new systems for telephone interception, firearms, stolen vehicles, human resource management and crime case management. An allocation of \$2.7 million has been made for communication equipment requirements to enable final payment for Communications Centre equipment, the Country Communications Plan, and State Emergency Service communications upgrade.

Other general equipment to be acquired in 1990-91 (\$1.7 million) includes; a decompression chamber, soft body armour vests, speed detection equipment, video/audio recording suspect interview equipment, and a range of other operational equipment. The department's budget also includes provision for the replacement of the existing State

rescue helicopter in 1990-91, details of which I announced on Tuesday of this week. The allocation will also enable construction to commence on the replacement for Police launch *Warrendi* at a cost in excess of \$750 000.

Funding for buildings has increased from \$10.2 million in 1989-90 to \$21.2 million, an increase of \$11 million, an increase of (108 per cent). This is the highest level of expenditure on police buildings in the history of the department. This increased funding will enable expenditure on:

- Major works in progress:
 - Communications sites and towers, for Port Pirie/Barrier Highway, Port Augusta/Far North and Whyalla and environs
 - Port Adelaide Police courts complex
 - Ceduna Police complex
 - Kadina cells/offices
 - Berri cells/offices
 - Port Pirie cells/offices
- Major new works
 - Police Headquarters (feasibility study)
 - Elizabeth Police courts complex
 - Communications sites and towers (commence Port Lincoln/Ceduna)
 - City Watchhouse relocation
 - Christies Beach cells (upgrade)

A Minor Works Program of \$2.6 million has also been funded.

The housing program for 1990-91 will include the replacement of a number of houses. In addition, 15 houses will be provided to support the victim impact statement, Aboriginal aids (urban areas) and Aboriginal deaths in custody initiatives.

One of the most effective crime prevention initiative supported by this Government is Neighbourhood Watch. It is unfortunate that there is still a minority of people who continue to undermine this program, despite its outstanding success. I can assure the Committee that both the Commissioner of Police and this Government are strongly committed to expanding this program. As at 11 September 1990, 277 Neighbourhood and Rural Watch areas had been established. It is proposed to establish a further 100 areas in 1990-91.

In addition to sponsorship funds from the Commercial Union to the tune of \$80 000 a year, the Police department spent \$347 000 on the program in 1989-90, including an injection of additional funding by Government of \$132 000. Funding is assured in 1990-91 to meet the target of 100 new areas for that year. The success of the scheme is demonstrated by the fact that there has been a reduction in the incidence of crime in the areas where the program has been introduced. Public confidence is reflected by the 7 000 volunteer workers now participating in the scheme. The support and involvement of the Crime Prevention Services section of the Police Department, complemented by the Neighbourhood Watch Association, is vital to the scheme.

The Police Department will continue to support the Neighbourhood Watch Association by:

- preparing, printing and publishing regular Neighbourhood Watch news magazines;
- conducting training courses for civilian co-ordination;
- organising and conducting seminars;
- providing secretarial and stationery resources; and
- providing advice and discussion and attending association meetings as required.

South Australia continues to have the best resourced Police department of any State in Australia. The police to population ratio has for many years been the highest of any State in Australia. The member for Goyder, in his opening state-

ment, said that we should not be unduly concerned with interstate comparisons. I suggest that, if we had been at the bottom of the list instead of at the top, he would not have made that comment. I am pleased to advise the Committee that the staffing increases provided by this Government to the Police department in 1990-91 ensures that this favourable position will be maintained.

Mr MEIER: Referring to Crime Detection and Investigation Services on page 353, the Program Estimates state:

To continue support to the . . . NCA.

Mr Carl Mengler, the former Chief Investigator of the NCA, is reported in the *News* of 5 May 1989 as warning South Australians that there is as much corruption in South Australia as there is in New South Wales and Queensland. He is reported as saying:

Crime here is perhaps bigger than even I thought it might have been. I thought perhaps it was just here and there in South Australia when I came here. But now I am quite satisfied it is just as widespread as anywhere else. I would have thought this would have been one of the better States, but what I am saying is it's not.

That is almost identical with the views of Commander Hadgkiss 16 months later, yet the Attorney-General on 12 May 1989 responded to Mr Mengler in a press release by stating:

To date I have received no information which indicates that widespread institutional corruption of the kind or of the scale exposed in New South Wales and Queensland, exists in South Australia.

How does the Minister reconcile that statement by the Attorney-General with the views expressed by Commander Hadgkiss today?

The Hon. J.H.C. Klunder: I think the member for Goyder is labouring under a misconception about responsibilities in this area. There is a very clear distinction between the funding for the NCA, which comes as part of my responsibilities, and the responsibility for the NCA in its operational sense, which is the province of the Attorney-General. Therefore, I respectfully request the honourable member to address that question to the Attorney-General.

Mr MEIER: On a point of order, Mr Chairman, I believe that the NCA does come directly under the wing of the Commissioner, and in this case the Acting Commissioner. I suggest that this question is completely in order, and I am quite surprised at the Minister's response. I ask whether or not he would reconsider and provide an answer to the question.

The CHAIRMAN: If the honourable member is raising a point of order as a result of the Minister's reply, the Chair can only take direction from the Minister as to the lines of responsibility between himself, as Minister of Emergency Services, and the Attorney-General in the operation of the NCA in South Australia. I understood from the Minister's response that the funding of the NCA in South Australia is under the Minister's responsibility and that the day-to-day running and affairs of the NCA—

The Hon. J.H.C. Klunder: For everything else.

The CHAIRMAN: For everything else—they report to the Attorney-General. That is very clear. I suggest to the honourable member for Goyder that, if there is any questioning in relation to the NCA, he should direct those questions to the Attorney-General. The Chair makes clear that, with the way in which the Committee has operated over the past two days, we are trying to make it as easy as possible for members of the Committee to have questions answered.

We have here a direct conflict with one Minister funding an operation and another Minister of the Crown being responsible for direct dealings with the NCA. To give an

example of a similar problem that we have had earlier (and this may give the member for Goyder some guidance), questions were being directed to the Minister of Aboriginal Affairs concerning the Aboriginal Heritage Bill, which was the responsibility of the Minister for Environment and Planning. We got that cleared up smartly, and the line of questioning on Aboriginal heritage items was deferred and then asked of the Minister for Environment and Planning yesterday.

That matter was worked out to everyone's satisfaction. I suggest to the member for Goyder that, if there are questions about the funding of the NCA, for example, and if he believes that more funding should be coming from the South Australian Government, it would be correct and proper for such questions to be directed to the Minister at the table. However, anything to do with the way that this Government relates to the NCA on a day-to-day basis, or in respect of reporting, should be raised with the Attorney-General when he appears before the Committee.

Mr MEIER: Thank you. I seek a point of clarification. Will the Acting Commissioner or the Commissioner appear before the Committee with the Attorney-General?

The CHAIRMAN: My information is that they will not appear, but the point is that the Minister, not the Acting Police Commissioner, appears before the Committee. Whether the Minister has the Acting Police Commissioner sitting along side him to advise him is entirely up to the Minister. The Minister might have decided that he did not want the Commissioner or the Acting Police Commissioner alongside him. He chose to have the Acting Commissioner to be present to advise him in respect of his portfolio responsibility.

As I stressed in my opening remarks, the witness before the Committee is the Minister. Questions must be related to the Minister. Quite correctly in this case, the Minister has defined clearly his role in relation to the NCA and the Attorney-General's role in relation to the NCA. I should have thought that the Minister's response and my somewhat long-winded clarification has made that clear to the Committee.

Mr MEIER: Thank you, Mr Chairman. As time for questioning is so short, I will not press that issue. If we are to have continued support for the NCA, I believe that my next question will be totally in order. This morning's *Advertiser* reported that the Chief Investigator for the NCA, Commander Hadgkiss, is of the view that organised crime in South Australia is now at a level as serious as in the Eastern States, as I stated earlier. The report quotes Commander Hadgkiss as saying:

I don't think Adelaide has been spared the same crime problems as those in the east. I think the same problems are confronting South Australia as are really confronting the Eastern seaboard.

Does the Minister have evidence which would support Commander Hadgkiss's views?

The Hon. J.H.C. Klunder: Yes, quite clearly it is proper for me to comment on a question from the honourable member about crime in South Australia, and I am happy to do so. It is my understanding that crime in South Australia, as in Australia and the rest of the Western world, has increased markedly during the 1980s. However, I will refer the honourable member's question to the acting commissioner for a more specific answer, if that is possible, and for his comments.

Mr Hurley: I respectfully query the accuracy of the reporting. I certainly do not agree with some of the comments attributed to Commander Hadgkiss. South Australia does have some similar problems, but the size of the problem could not be equated to that in the eastern States. There is no evidence to support the view that the magnitude of the

problem in South Australia is similar to that in the eastern States. In fact, factors as fundamental as population size mitigate such a proposition. We do have drugs, including hard drugs, amphetamines and marijuana but, equally, I am convinced that the size of the problem does not equate with that on the eastern seaboard. In fact, I would venture to suggest that the member of the NCA, Mr Dempsey, would have views parallel to mine—and that is an assumption on my part.

Mr MEIER: As a supplementary question, and following the Acting Commissioner's response, through the Minister: I find it interesting that 18 months ago Mr Carl Mengler said, as I indicated earlier, that he is quite satisfied that crime is just as widespread here as anywhere else. He said that he had thought that South Australia would be one of the better States, but, it was not. We now have an answer to my question as to whether evidence supports the views of Commander Hadgkiss: there is no such evidence. Is the Minister prepared to see that further investigations are made, because it would appear that we have recently had two prominent voices indicating that organised crime is very much alive in this State? Whilst the Acting Commissioner has given his view, I still feel very strongly that perhaps South Australia needs to be looked at more closely in the interests of protecting South Australian citizens.

The Hon. J.H.C. Klunder: I think that the Government's record here is not a bad indication of the way in which it has been dealing with this matter. Basically, there are three things that one can do in the face of an increasing crime rate: increase the penalties for those crimes; increase the police resources to combat those crimes; and there are various kinds of crime prevention activities. I shall deal briefly with each of those. It should be no secret to any member that the Government has, over the past few years, spent a lot of time and effort in the Parliament increasing penalties for crimes, especially with regard to drug trafficking and various other offences.

When the Liberal Party was in office during the late 1970s and the early 1980s it instituted a program of taking appeals against low sentences, and I pay it due credit for that. However, the Liberal Government did not take that to any great length and it was left to the current Attorney-General to institute a number of appeals, whereby—and I am not entirely sure about the figures and I ask members to take them with a little bit of leeway in terms of the accuracy of my memory—if someone was convicted of murder in 1982, the average sentence was somewhere between eight and nine years, while it is currently somewhere between 13 and 14 years. Certainly, there has been a move towards stiffer penalties and that has been very strongly pushed by this Government.

A very large cost has been associated with that in terms of having to provide proper accommodation for people who are going to be in gaol longer. It is my private view that increasing penalties is not, by itself, a sufficiently strong deterrent, because most criminals who go out deliberately to commit crimes do not do so with the intention of getting caught and facing a gaol sentence. In fact, almost invariably, I presume, they would go out assuming that they would not be caught. I cannot imagine a burglar leaving home in the morning and saying to his wife, 'Look, dear, I'm just going out to get shopped for three years.' That seems ridiculous. I therefore assume that by itself the penalty does not constitute a sufficient deterrent.

That leads me to the topic of increased resources and, as I said in my opening statement, the Government really has no worry on account of its record in that area. We have increased resources in real terms during each year that the

Bannon Government has been in office, and I think it has been generally recognised that the Police Force has done very well under a Labor Government. Indeed, it should have done well under a Labor Government, given that this is a period when there are extra problems.

The third area, that of crime prevention, to a large extent is not under my control but, rather, under that of the Attorney-General. However, I can perhaps indicate that the Coalition Against Crime is an initiative of the Attorney-General and that \$10 million has been made available over five years for crime prevention initiatives. I have already referred to Neighbourhood Watch. So, in answer to the honourable member's question, which basically was, what is the Government doing, we have been doing a great deal and we intend to continue to do a great deal.

Mr MEIER: In relation to page 13 of the Estimates of Receipts, what is the breakdown of details for infringement notices issued and notices paid in 1989-90 for each offence? What is the basis of calculation for the budgeted increase in infringement notice expiation fees of approximately \$13 million over 1989-90? Is it proposed that any additional offences will become expiable and, if so, which ones?

The Hon. J.H.C. Klunder: If the honourable member wants a breakdown for each individual offence, there are literally dozens and dozens of offences and I do not have that sort of information at my fingertips.

Mr MEIER: Is the Minister able to provide that information by the later date as specified?

The Hon. J.H.C. Klunder: I am told that it is probably possible, but we would have to look at that. We will give the honourable member such breakdown as we have available.

Mr MEIER: On a point of order, Mr Chairman, my first question was ruled out of order and, therefore, officially I have had only two questions.

The CHAIRMAN: The first question was not ruled out of order. In his reply, the Minister said that the funding of the NCA was his responsibility and the day-to-day running and reporting of the activities of the NCA were the responsibility of the Attorney-General. That was the answer that the Minister chose. It was not ruled out of order.

Mr QUIRKE: The relationship that the police have with local members of Parliament on both sides of the Chamber is one that is to be commended. My work with the police in many areas in the past nine months has been one of the highlights of my job. I congratulate you, Minister, and through you the Police Force, on the role that they play in South Australia. I am aware that the Aboriginal police aides scheme introduced into the Pitjantjatjara lands of South Australia some four or five years ago is proving to be highly successful. I also note that in the Program Estimates on page 352 reference is made to an expansion of the scheme into major urban areas. Will the Minister provide an update on the scheme, and what expansion has taken place or is proposed for urban areas?

The Hon. J.H.C. Klunder: As the honourable member has indicated, the Aboriginal police aides scheme was established and introduced into the Pitjantjatjara lands of South Australia in 1986. It has proved to be successful in terms of providing an adequate level of policing to the communities in those lands. In February 1990, a project group recommended to the Commissioner of Police that the extension of the Aboriginal police aides scheme to urban areas was a viable proposition. The recommendation made by the project group is in line with the directions of the Muirhead royal commission.

The budget initiative for 1990-91 was put forward to expand the police aides scheme to urban areas where large

groups of Aborigines form part of the community. The initiative sought funding for a total of seven Aboriginal police aides to be included this year. Funding has been received in this current budget to establish those seven Aboriginal police aide positions. It is proposed that three Aboriginal police aides be placed in Port Augusta, three in the Salisbury-Elizabeth area, and one will go to the Yalata area. In the case of Yalata, the police aide will be in addition to the police aide to be established there later this year as a result of funding provided by the Aboriginal and Torres Strait Islander Commission in the 1989-90 budget. In terms of recurrent costs, the costing is somewhere between \$170 000 and \$190 000. Capital costs amount to \$651 000 due to the need for houses, vehicles and minor works, so the total is somewhere between \$821 000 and \$841 000.

Mr QUIRKE: As a supplementary question, where will the police aides in the Salisbury-Elizabeth area be based?

The Hon. J.H.C. Klunder: My officers tell me that that has not quite been decided as yet but, presumably, they will be based either at Para Hills or Elizabeth—it will be at an existing police facility in that area.

Mr QUIRKE: I am aware that, as part of the process of restructuring the Police Officers Award, a number of positions were classified as non-banded police positions, which I am given to understand are to be civilianised. I also note that on page 160 of his report to Parliament on 4 September 1990 the Auditor-General referred to the need for an acceleration of the civilianisation process within the department. What is the department's policy regarding civilianisation of police positions and how many police positions are to be civilianised as a result of award restructuring?

The Hon. J.H.C. Klunder: There has been an ongoing relatively slow civilianisation of police and, since the 1988 Police Officers Award restructuring, some 24 positions have been civilianised in that sense. The process of restructuring determined that the amount of remuneration received by police members would depend upon the level of skill or the band to which the honourable member refers and the responsibility or rank attached to individual positions. Four such bands were agreed.

During the process of restructuring, a number of positions were classified as non-banded in that the main requirement of the position related to situations where qualifications were normally found outside police occupations. Approximately 90 such positions will, as a consequence, be civilianised by attrition, the majority being occupied by mechanics, radio technicians and other tradespersons. Those positions were agreed on the basis that it was not essential that they have police powers. Existing members in those positions will continue to be police officers while they occupy those positions.

Based on current wage structures, the civilianisation of the positions will result in cost savings of wages in the long term. I understand that that was not always the case. That is a reversal of the position that occurred a number of years ago. As the process will take place by attrition, the full benefits will not be realised for some years. However, the department is considering options for retraining some of those members for transfer to full police duties, which will enable their positions to be civilianised earlier than would otherwise be possible. That approach also has the benefit of enabling new police initiatives to be put in place earlier than would otherwise be the case.

The Auditor-General has sought a quickening of the approach of civilianisation within the department. I hope that the approach that I have just outlined will be in line with that. The Commissioner of Police has indicated to the Auditor-General that he is optimistic of continuing progress

being made in civilianisation, but of course the sensitivity to civilianisation of police officers and the Police Association needs to be considered.

The coordinating committee formed under the structural efficiency principles, which is examining improvements to policing functions, has agreed further to examine the possibility of civilianisation of identified police positions. In consideration of civilianisation the primary test of whether a position should be a police position is whether the person is required to exercise police authority. There are, of course, other considerations, and the department has endeavoured to adopt a responsible approach to the question by wide consultation. Outside the award restructuring positions that have previously been civilianised in such areas as the State emergency services, computer services and special projects. Other actions that support civilianisation where appropriate are that the 1990-91 budget include 32 clerical positions for operational areas including JIS and data entry. That is aimed at releasing police personnel for operational duties. It included three civilian positions for the fraud squad to enable employment of financial and other specialists in areas normally employing police officers. Communication planning, computer services and the JIS project team previously reported to the Chief Superintendents in the services command. From 27 August of this year those functions were transferred to the corporate services command, which was previously administration and finance, into the new technology branch to be headed by a senior civilian. That is in line with the review of the department's Information Technology strategy.

Mr QUIRKE: With the introduction of new Australian standards for diver and diver training, I understand that there is no appropriate mobile decompression chamber available within the State Government which meets legislative requirements for diver and diver training needs. The Program Estimates refer at page 359 to the purchase of a decompression chamber by the Police Department in 1991. Will the Minister provide an overview of the current position and explain how the equipment will be utilised within the Police Department?

The Hon. J.H.C. Klunder: This is a relatively complex situation. There are a lot more players than I originally anticipated when I looked at the matter. In August 1989, the Department of Labour released a report on diver training for South Australia. The report identified that new Australian standards for diving and diver training are being adopted Australia wide as the basis for legislation on diving. The revised Australian standards which recently came into effect require an operational twin lock decompression chamber to be on site when various conditions—there are five—apply. They are, first, when the depth of diving exceeds 20 metres; secondly, when decompression stoppages are required for a dive; thirdly, when free or buoyant ascent training is being conducted; fourthly, when shallow diving exceeds the limit for safe exposure; and, fifthly, when the nature of the work and local conditions create a significant risk of emergency ascent or prolonged dive.

Those standards must be met for the Government to comply with the requirements in the Occupational Health and Safety Welfare Act. In addition, the Department of Industry, Technology and Resources of Victoria, which accredits diver training establishments nationally, requires a twin lock decompression chamber on site at all training courses. The South Australian Department of Labour requires that standard for all diver training venues in South Australia.

The Police Department, which is currently accredited to Part 2 of Australian Standard 2815—that is up to 20 metres

for the training of its divers—has been advised that it will be upgraded to Part 3 status by the Victorian Department of Industry, Technology and Resources as soon as it is equipped with a twin lock decompression chamber. Therefore, the South Australian Government, as the largest employer of divers, has responsibility to provide training and equipment to perform its own diving safely and an infrastructure for the support of diving operations in South Australia.

At present the Police Department has eight accredited operators for decompression chambers and would supplement the present facilities at the Royal Adelaide hypobaric medicine unit, which is a stationary unit.

Until recently the South Australian Police Department had been operating with a single lock decompression chamber which did not meet specifications. It is no longer available as it has recently been sold and returned to Victoria. There is currently no appropriate mobile decompression chamber available within the State Government which meets the legislative requirement for diver and diver training requirements. The South Australian Police Department and other agencies are frequently required to perform diving operations that require the provision of a twin lock chamber on site for dives above and below a 20-metre depth level, and funding of \$250 000 has been provided in the current budget to enable the purchase of a suitable decompression chamber.

The Police Department will initially be responsible for the training of divers for other Government departments in the operation in the twin lock decompression chamber to the required standard. Other Government agencies will use the decompression chamber on a user pays basis. Although it is not currently intended that decompression be made available to private industry on a full cost recovery basis at this stage due to staffing constraints, consideration may be given to that concept in future.

Mr MATTHEW: Page 355 of the Program Estimates states that Neighbourhood Watch continues to successfully expand into further suburbs in the metropolitan and country areas. As a precursor to my question, success and expansion relates not only to additional programs but also the stability and operation of existing programs. Although Neighbourhood Watch has continued to expand, it is not without problems. As Neighbourhood Watch heads towards 300 programs, I have been reliably informed that it has been subjected to coordination and financial worries. As a former State executive member who is now a member of Parliament, I am not surprised that members of the State executive have been approaching me to express their concern.

Bearing those points in mind, what funding is being provided to the Neighbourhood Watch Association of Australia, and by whom? Despite the Minister's statement, why has secretarial assistance to the Neighbourhood Watch Association of South Australia been withdrawn? Why is there no financial support for the association to continue to carry out the important task of coordinating all groups throughout 1990 and 1991? Does the Minister understand that there is a problem and will he commit himself to sitting down with the association and with members of the Opposition to look at the problem in a bipartisan way to remedy the problems and to ensure that the organisation is viable and vital in future?

The Hon. J.H.C. Klunder: I am pleased indeed to hear the member for Bright speak the word 'bipartisan'. For a little while over the weekend I thought that that word had disappeared from the Liberal Party lexicon. I have a press statement by the shadow Minister of Emergency Services, Mr Jamie Irwin, dated 9 September 1990. I rather

feared that the tone of that press release and its terrifying inaccuracies signalled an end to the bipartisan approach to Neighbourhood Watch.

I will not go through the entire statement made by the Liberal shadow Minister of Emergency Services, but I want to point out one or two of the really disastrous pieces of information he put before the press—and I might even talk a little about how the press responded. The Hon. Mr Irwin indicated that Commercial Union sponsors Neighbourhood Watch to the tune of \$400 000 per year as part of a five-year deal which expires at the end of 1992. I am pleased to say that he actually had some of that right.

He did not have the \$400 000 per year right—the amount is \$80 000 per year, and to be misquoted to that extent must have been rather embarrassing to the Commercial Union, which has done a tremendous job in sponsoring Neighbourhood Watch. It was not a five-year deal—it was a three-year deal. It does not expire at the end of 1992—it expires in March or May, fairly early in 1992. The honourable member did have the 1992 correct.

He made the comment—that has just been shadowed in perhaps a somewhat different form by the member for Bright—that the association goes into the 1990-91 year without the secretarial assistance previously financed by police—and we must be fairly clear that we are talking about two different situations when we talk about Neighbourhood Watch and the Neighbourhood Watch Association. That information is incorrect.

I have given some indication of what Neighbourhood Watch does and indicate that the Police Department will continue to support the Neighbourhood Watch Association by preparing, printing and publishing regular Neighbourhood Watch magazines—and this is the second time I have said this—and by conducting training courses for civilian coordinators, organising and conducting seminars, providing secretarial and stationery resources and providing advice and discussion and attending association meetings as required.

The Hon. Mr Irwin proposed that the Government consider a one-to-one subsidy to the Neighbourhood Watch Association. Before making that comment in his press release, he indicated that the Government had been squandering taxpayers' money. I find those two statements rather contradictory and rather interesting: that the Government was squandering money, yet he then proposed open-ended funding for the Neighbourhood Watch Association. In other words, the Government would provide funding on a dollar-for-dollar basis, so, if someone particularly liked the Neighbourhood Watch Association and funded it to the tune of \$10 million, the State Government would have to find \$10 million from somewhere.

I have never made any bones about it: I do not like open-ended funding arrangements, whether they be hypothecation, one-for-one subsidies or even one-for-four subsidies. In my opinion, they are not the best way of going about it, unless one sets a limit on it. The way in which we deal with situations in which perfectly worthwhile organisations such as the Neighbourhood Watch Association want some funding is that they come to the Minister responsible and ask for that funding. There is then an investigation of their own fund-raising capacity, what their job is and, if there is a gap, the Government needs to consider whether or not it has the funds available to make that sort of money available to the organisation.

The statement by the Hon. Mr Irwin—which I am pleased that the member for Bright did not echo—that I had refused funding to that organisation, is totally incorrect. In fact, only last week I met with the acting Commissioner of Police

and asked him to expedite the checking of whether or not funds were available, what the need for funds by the Neighbourhood Watch Association was and to what extent we would be able to assist that association.

Mr MATTHEW: As a supplementary question, the Minister stated that assistance would be provided to the association in preparing, printing and providing secretarial assistance, and so forth. I am reliably informed that the staff member who was employed to undertake that service, a Mr Kelvin Bertram, is now unavailable to provide that service although he retains the same job within the Police Department and, accordingly, the State Executive of the association has been advised that it will have to find its own way of undertaking that work in the future.

It was also mentioned that, should the groups require funding they should approach the appropriate Minister. I put it to the Minister that that was done in 1988 when they sought a secretary and a one-off grant of \$100 000, and those requests were not met.

The Hon. J.H.C. Klunder: The detail as to what specifically Mr Kelvin Bertram is supposed to do I do not have at my fingertips, and will ask Mr Hughes to deal with that aspect.

Mr Hughes: I am not aware of what the honourable member is referring to in terms of the duties Mr Bertram was supposed to undertake and the fact that he is not now undertaking those duties. To answer the question fully, it would be of assistance if the honourable member were to expand on that aspect. What needs to be recognised is that departmental support for Neighbourhood Watch is not just from one person or several people: it is from the crime prevention services generally and from police officers across the State.

Mr Bertram still occupies the position to which he was appointed after the Government's undertaking to appoint an administrator for Neighbourhood Watch some two years ago and, to the best of my knowledge, is still providing support in accordance with that agreement. I stress that the support for Neighbourhood Watch is provided by a number of people. It was our understanding that the major issue raised by the association when it recently requested \$5 000 was to have a minute secretary at meetings; because of the extensive executive support service that Mr Bertram was required to provide, it was necessary to provide someone else to take the minutes and distribute them. Once we determined that that was the problem, we immediately gave an undertaking to provide departmental resources for a minute taking facility and the necessary distribution of those minutes at the meetings of the association. To my knowledge, since that offer has been made there has been no indication that our response was not in accordance with the wishes of the association.

Mr MATTHEW: When the answer to the question was given, the implication was that I should expand on my question, and I shall do that as a further supplementary.

The CHAIRMAN: Perhaps we should make things very clear. I accepted that last question to the Minister as a genuine supplementary. I reiterate to the Committee that there is limited time for questioning and I do not want to spend too much time giving guidance. However, I suggest that if the member for Bright ends up with, say, six questions to the Minister, three of them normal and three of them supplementary, that is to the detriment of other members of the Committee. It does not make much difference to the Chair, apart from giving guidance, and I am sure that it does not make any difference to the Minister, who can answer only so many questions, whether straightforward or supplementary.

I should like members to have some understanding and consideration for other members of the Committee. Is the member for Bright saying that, because we are on the same line of Neighbourhood Watch, it falls into a supplementary category?

Mr MATTHEW: With respect, some clarification was implied by the gentleman answering the question.

The CHAIRMAN: I accepted the last question as a genuine supplementary.

Mr MATTHEW: I am seeking to clarify before going into my second question.

The CHAIRMAN: Let us hear the question.

Mr MATTHEW: I have been advised by members of the State Executive that Mr Bertram's services in areas such as preparing newsletters, assisting with printing and providing secretarial assistance have been withdrawn and the organisation has been given no replacement service for that facility.

The Hon. J.H.C. Klunder: My understanding is that the current level of support to Neighbourhood Watch is to be maintained, and we will deal with its request for an extra \$5 000, in terms of the way I have expressed it in answer to the previous question. I am conscious of the fact that I indicated that I would deal with another aspect of the Hon. Mr Irwin's press release, but I have not done so. I shall not do so now, in deference to the implied cooperation from the Opposition in maintaining a degree of bipartisan support for Neighbourhood Watch.

Mr MATTHEW: After conferring with my colleague, I would rather hand over my next question to the Hon. Mr Allison.

The CHAIRMAN: I hope we will not be confused here. I suggest we are doing questions on alternate sides and, if the member for Bright no longer wishes to ask a question, he will have to do as the member for Mitcham has done, when he asked one or two questions and the questioning went over to the Opposition side. We did not build up a bank so that either Government or Opposition members may ask questions. You have two questions remaining, and I would advise you to ask the questions yourself or hand over to the member for Mitcham.

Mr MATTHEW: I accept that advice and continue. As of 30 June 1990, how many police officers of various ranks were in the Police Force and, during the 1989-90 period, how many officers left the force, and for what reason? How many support staff were employed to 30 June and how many cadets were included in this number?

The Hon. J.H.C. Klunder: I am delighted to get this one question from the honourable member, in which he asked about six separate questions. While my officers are trying to get the information together, let me make the general point that it is always necessary to be precise in finding out whether people are talking about average full-time equivalents for the year or about a snapshot picture at a particular date. My understanding is that the honourable member has asked for a snapshot picture at a particular date which may, of course, have been affected by the retirement of 10 people the previous day or an intake into the police academy the previous day. So, the numbers will always tend to be much more varied from year to year if one compares snapshot pictures than if one compares average full-time equivalents.

I have a great amount of information in front of me which will probably take me half an hour to read into *Hansard*. I wonder if I might just pick out the bones and then provide the honourable member with a more detailed response by the due date; if that is acceptable to the honourable member for Bright, I am prepared to go on that basis. The honourable member has indicated that he is

prepared to let me pick the eyes out of it at the moment, and provide the rest of the information in terms of a question on notice.

We can provide a reasonable figure for the attrition rate. At 30 June the attrition rate during the year had been 124 people, the active strength was 3 404; there were 226 trainees and, hopefully, that makes a total of 3 630 employees. There were 544 other staff, giving a total at that time—30 June—of 4 174 people. However, as I indicated to the honourable member earlier, the total average full-time equivalent was 4 092.3. I do not think that the honourable member particularly wants me to read out a breakdown in the ranks, from Commissioner to cadets. I think it might be better if we provided that information to the honourable member in some form of detail, to avoid wasting the time of the Committee.

Mr MATTHEW: I refer to page 350 of Program Estimates. The 1989-90 proposed 3 297.4 full-time equivalent police fails to materialise by 80, and support staff fell below budget by 26. What is the explanation for this, and what guarantee is there that the 140 full-time equivalent police and 51 support staff will be realised in 1990-91?

The Hon. J.H.C. Klunder: That is the sort of information on which I would ask Mr Hughes to comment.

Mr Hughes: We can provide a more detailed reply, but the transfer of police positions to civilian positions under the 1988 award restructuring would have been one of the aspects that caused a variation between police and civilian numbers.

The Hon. J.H.C. Klunder: I am not sure that we have given quite as much of an answer as the honourable member wants. The question was why there had been a drop from the number proposed to the actual number and what guarantee we have that those numbers will come up this year. I guess the honourable member's guarantee is that the proposed number for 1990-91 is in fact larger than either of those two. We should be looking at the figures on page 346 to indicate what the overall situation is proposed for 1990-91.

Mr HOLLOWAY: My question relates to home security assistance, and I understand that a scheme has been established to provide such assistance. Can the Minister provide some details of this scheme and can he say what is available to assist people with security arrangements?

The Hon. J.H.C. Klunder: The Home Assist Scheme was launched in July 1990 and is a partnership between the Commonwealth and State Governments and participating local councils. It provides home security advice, property marking and assistance or advice in reducing or modifying personal at-risk practices or behaviours to low income or financially disadvantaged people and to the frail, the aged and younger people with moderate to severe disabilities.

I ought to comment that the aged frequently fear that they are very much at risk from criminal elements in our society. Statistics show that they are very much less at risk than they think, so I would not want my comments here to be taken as an admission by the Minister that the aged were very much at risk. They are not as highly at risk as is generally assumed but, clearly, there is still a need to protect them and allow them to protect and assist themselves in order to limit that risk still further.

The initiative about which the honourable member asked is in its infancy, but Crime Prevention Services participate in it by providing assessment and recommendations on security of the houses of the target group, at the request of councils and other agencies.

Members of the Security Advice Unit conduct public lectures on personal and home safety for the aged as part

of this scheme. Training in the basics of home security will also be given to employees of other service agencies such as domiciliary care, etc., so that problems can be recognised and be referred to appropriate agencies.

Funding of \$89 100 per annum on a three-year recurrent basis for two police officers and a one-off payment of \$40 000 for two vehicles has been approved by the Home and Community Care Support Unit of the Department of Family and Community Services.

Two motor vehicles have been allocated and two police personnel have been allocated to the scheme. These resources will greatly assist in implementing the program and it is envisaged that 7 000 clients will be assisted each year. The Security Advice Unit had major input in producing a video for HACC entitled *A State of Mind* in efforts to reduce the fear of crime and promote sensible security amongst the aged. I have seen that very capably produced video, and it will go a long way towards assisting those people in the at-risk categories.

Mr HOLLOWAY: I am sure that people in the community are well aware of the difficult and sometimes dangerous tasks faced by our police officers. Undoubtedly, these tasks lead to stress in a number of instances. Will the Minister advise what measures are taken by the Police Department to increase the awareness of police officers about stress, and can he say what measures are being taken to assist police officers to overcome stress-related problems?

The Hon. J.H.C. Klunder: The Police Welfare Office, Police Psychology Unit and the occupational health nurse cooperate in the development and delivery of programs designed to increase the awareness of members about stress and its impact on health and work performance. These proactive measures cover all recruits and some in-service training courses. Voluntary confidential counselling services are also provided by the Welfare Office, the Psychology Unit and the occupational health nurse.

A Police Rehabilitation Committee, comprising the Staff Officer, Personnel (Chairman), Senior Police Welfare Officer, Chief Police Psychologist, Police Medical Officer, Rehabilitation Coordinator and Personnel Services Establishments Officer, meets on a structured basis each month to assist in the management, treatment and rehabilitation of employees suffering severe stress reactions. Members suffering from other long-term health problems sometimes have stress or psychological components to their condition. This committee operates in confidence and works towards the resolution of the individual's situation by rehabilitation, alternative placement or invalidity retirement, etc.

Post trauma intervention procedures have been fully implemented. These procedures are aimed at providing immediate assistance to members who have been involved in a major stressful incident in the line of duty. The procedures provide for the member to be debriefed by a departmental psychologist and, where necessary, for follow-up counselling to take place.

These departmental programs and procedures are constantly reviewed with a view to minimising stressful situations, providing better stress management techniques and appropriate support and assistance to the members affected.

Mr HOLLOWAY: What action has been taken by the Police Department to reduce the incidence of graffiti and related forms of vandalism, and what impact has that action had?

The Hon. J.H.C. Klunder: Graffiti vandalism is one of the major problems facing the transit police in dealing with its causes and solution. It appears to be a social epidemic at the moment, showing no particular trends or types of offenders. The only common denominator is that most such

offences are committed by persons under the age of 18 years. The most common type of graffiti encountered on the transport system is what is commonly known as 'tagging'.

Offenders apparently adopt certain designs, letters or initials peculiar to themselves and, by use of either spray paint cans or texta, tag State Transport Authority vehicles or property. Transit Squad have some 176 known graffiti vandals on file and is constantly updating intelligence on known offenders. Traditionally trains and train stations were targets for such vandalism; however, STA buses are now receiving similar attention.

While it may seem like a very major effort to try to deal with people who only use spray cans, and there may be that sort of feeling in the community, it costs the State Transport Authority \$1.5 million each year and therefore has a quite considerable impact on the services that the Government can offer the people of this State.

In the period of the last financial year, 209 separate incidents of graffiti vandalism were reported to the Transit Squad. This figure does not truly indicate the extent of the problem as it is believed that many more incidents go unreported. During the last financial year, the Transit Squad reported 60 offenders for graffiti vandalism. Transit police have identified several small groups who appear obsessed with this activity, to the point of being organised and holding meetings when they plan and coordinate what are, in fact, illegal but very costly activities. The Transit Squad is obviously building up a considerable amount of intelligence on the leaders and members of these groups.

The Hon. H. ALLISON: Referring to Crime Detection and Investigation Services on page 130 of the Estimates of Payments, or Determination/Institution of Criminal Proceedings on page 131, in view of the allegations that hundreds of South Australians who have purchased cars through Medindie Car Sales could be driving unregistered and uninsured cars, have the police established any investigation to determine if that is so and, if it is true, how it could have occurred and whether or not offences have been committed?

The Hon. J.H.C. Klunder: We ought to take those questions on notice. A number of things happen every day, and I am not really in a position to provide answers to individual activities that come to the notice of the police.

The Hon. H. ALLISON: There have been a number of complaints to Government agencies about Medindie Car Sales by members of the public in recent months. At least one of the principals of Medindie Car Sales is referred to in Mr X's statement given to police to investigate as one of four people who 'run Adelaide'. In the light of the dramatic closure of Medindie Car Sales, the allegations and the complaints made, have police undertaken any investigations, and will they be undertaking any investigations in conjunction with finance companies, the receivers and others to determine whether or not offences were committed?

The Hon. J.H.C. Klunder: Obviously, if complaints are made to the police, the police will investigate those complaints.

The Hon. H. ALLISON: I thought the Minister dismissed fairly lightly a question concerning an additional \$13 million which is proposed to be raised, and I refer to page 45 of the Estimates of Receipts and page 132 of the Estimates of Payments under program 9—Road Safety. I would have thought that a major increase in income of that nature, comprising fees, fines and infringement notices, could have been itemised. If that question is taken on notice, it may assist. It may be that additional offences could become expiable.

It could be that an increased number of red light cameras will be installed. It could also be that an additional number of radar speed detection devices or random breath testing stations and other activities could be set up. I would be surprised if a fairly precise figure such as \$24.694 million income over and above the \$11.77 million income of last year has not already been precisely itemised by the Minister's staff.

The Hon. J.H.C. Klunder: Certainly, had I known that the question was aiming at that, I would have perhaps dealt with it in a slightly different manner. It might merely have been a communication difficulty. Certainly, one of the reasons why the Estimates of Receipts is considerably higher this year than last year is due to the advent of the two speed cameras that will be used around Adelaide and the rest of the State. They are part of the road safety strategy. We have far too many people being killed and maimed on the roads of this State. Anyone who wishes to avoid being part of the statistics in relation to paying expiation notices needs only to avoid speeding; not only will it make it less harmful for the hip pocket nerve but the rest of the person's nerves will also survive the experience of driving on our roads.

Mr ATKINSON: At page 360 of the Program Estimates we see that it is a target for this financial year to install a Traffic Information Office in the new Communications Centre Building. Can the Minister tell us what the Traffic Information Office will do and why it needs to be in the Communications Centre?

The Hon. J.H.C. Klunder: The prime function of the Traffic Information Office is the provision of a central advisory service from which the public and media can obtain information about road traffic matters. The section has a staff of three. In the past year a total of 7 474 inquiries were answered by the Traffic Information Office. The office has also presented 21 static displays and offered information on road safety awareness and traffic law to the public. Some of the places where it made such displays were the Adelaide Grand Prix, the Adelaide Motor Cycle Show and various shopping centres, such as Colonnades, Marden and Ingle Farm.

The Traffic Information Office last year was responsible for formulating and distributing some 53 traffic campaign media releases on behalf of the Officer in Charge, Traffic Support Division. Information on road conditions, traffic congestion, traffic safety and road traffic law is available between 6.30 a.m. and 7 p.m. weekdays and 8 a.m. to 4.30 p.m. on weekends from the office. A daily radio broadcast is also provided. To improve the Traffic Information Office accessibility to the public, the section has relocated from Thebarton Barracks to the new Comcen Building in Carrington Steet, which is the second part of the member's question.

Mr ATKINSON: Some police officers who leave the department might be retained if they could be employed part time. I notice in Financial Information Paper No. 5—the Women's Budget—that a part-time employment pilot program for police officers is proposed. Can the Minister tell us about this pilot study and the benefits for the department should part-time employment be allowed?

The Hon. J.H.C. Klunder: On 16 June 1989 the Police Department approved, in principle, part-time employment options for all police officers and that a working committee be established to implement a pilot study into part-time employment. The activities of the working committee are oversights by a management committee, chaired by the Assistant Commissioner (Personnel). The working committee has met several times and a full-time project officer has

been seconded to research, coordinate, and implement the workings of the committee. The committee has adopted the following fundamental principles for the pilot study:

Any member of the Police Force is eligible to apply to work part time.

Part-time employment is primarily intended to respond to the needs of the employee.

Employees cannot be forced to work part time.

Applications for part-time employment are to be given positive and reasonable consideration.

Pilot study objectives have been agreed to by the working committee and they will be used as a basis for the evaluation of the study. These objectives include examining the value of part-time employment, determining the changes required to accommodate part-time work, determining the training needs of management and marketing strategies for the implementation of part-time study.

Interest was sought from serving members of the Police Force for inclusion on the pilot study. Sixteen members (12 women and 4 men) expressed interest in being included on the pilot study. A further 20 officers formally indicated their interest in part-time work at sometime in the future. Those members who have applied to be included in the pilot study come from a variety of locations, including operational and non-operational, uniform and plain clothes officers. They also have different reasons for wanting to be included.

It is anticipated that some members will commence involvement in the pilot study in the near future. The final date for inclusion of members in the study is 31 March 1991. A final date for the duration of the study has not been set and it is anticipated that different people will start and end their involvement at different times.

An interim report, including recommendations, will be presented to the Senior Executive Group by the middle of next year, but this will not result in the end of the evaluation process, as it is an interim report.

Following agreement between the Police Association and the Department of Personnel and Industrial Relations, the Police Award has been varied to allow for the pilot study to be conducted. The Public Service model is being used as a guide for the study which will identify if the changes which have been made are sufficient and if this model meets the needs of the Police Force. In general terms the Police Force is facing increasing demands as a result of the changing nature of society, and the department needs to develop flexible strategies, of which this is one.

Mr MEIER: What productivity savings have been achieved in each of the past three financial years in the Police Department, and can these be identified by program and amount of savings?

The Hon. J.H.C. Klunder: I understand that this is the question that has been asked of all Ministers, and I understand that the Premier has replied that that information is available within the documents in front of us, and that reply is the one that I ought to give as well.

Mr MEIER: What contribution will the Police Department make to the 'no policy change expenditure estimates for 1990-91', as announced in the Financial Statement (page 22)? What is the proposed program savings and qualification of cost?

The Hon. J.H.C. Klunder: I give virtually the same answer. That is what the document contains; it is a matter of teasing that out by questioning if people wish to have further information.

Mr MEIER: The reports of the Commissioner up until 1986 always carried information regarding his overseas trips. Since then that has not been accounted for separately, but put into a larger budget line. How many overseas trips have

been made by the Commissioner since his appointment? To what destinations has he travelled? What have been the costs? Who has accompanied the Commissioner and at whose expense?

The Hon. J.H.C. Klunder: That is a question that I am prepared to take on notice. The Commissioner is currently overseas, so that is at least one trip that we can account for.

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

Works and Services—Police Department, \$21 590 000

The CHAIRMAN: I declare the proposed payments open for examination and refer members to page 197 in the Estimates of Payments, page 45 in the Estimates of Receipts and pages 346 to 363 in the Program Estimates.

Mr MATTHEW: As a precursor to my questions, I think it is important that I make the following short introduction, because although the Minister's advisers would probably remember some of the documents to which I will refer they may not have them in their hands at the moment. In February 1983 Touche Ross Services released a report on the South Australian Police Department, which was entitled 'Review of the Department's computer strategy and its integration with the Justice Information System'.

The report makes a number of major recommendations, including recommendation 3.8, as follows:

The department's long-term computing plan.

The department should undertake the development of the 15 departmental systems plus the two control systems identified in a previous section. These systems will require from three to four years to develop.

Exhibit A10 of that report indicates the plan with a schedule and elapsed time recommended for the development of these systems. The exhibit also indicates the hardware and software plan for each police application. Seven years later, the 1990 Auditor-General's Report indicates that the rate of progress being achieved in respect of information technology systems is slow. The department attributes the slow rate of progress to (and I quote from page 159 of the Auditor-General's Report):

... difficulties encountered in finalising the department's Information Technology Strategic Plan, and time frames experienced in progressing individual projects through central approval processes.

Bearing that in mind, why, seven years after the Touche Ross report, has an information technology strategy plan still not been completed? Why was that report not used as a base for the strategic plan and why has it been necessary to spend—as is quoted on page 158 of the Auditor-General's Report—\$400 000 on consultants since early 1988 to develop a strategic plan? Why, after all this time, did the department indicate to the Auditor-General that 'the role of JIS in Statewide strategy is so far unclear', despite the fact that the Touche Ross report clearly stated the role of JIS in the computerisation program, or in fact was Touche Ross substantially in error?

The Hon. J.H.C. Klunder: In view of the number of questions that the honourable member has raised, I do not feel confident both in terms of the time span to which he referred and in terms of the number of questions that he has asked that I can do justice by giving an off-the-cuff answer. I will take this question on notice.

Mr MATTHEW: I am happy for that to occur at this stage. In the same vein, what is being done to streamline the central approval processes for individual information

technology projects to eliminate the delays highlighted on page 159 of the Auditor-General's Report? At the same time, of the 15 departmental systems and two control systems identified by Touche Ross (which they said seven years ago would take three or four years to develop) which of those systems have been now finally developed and used by Police Department staff?

The Hon. J.H.C. Klunder: Again, I think the water is a bit too muddy at this point. I would be happy to take this question on notice. Clearly, there have been difficulties in getting some of these things organised; some of the problems have been coordination difficulties and others have been subject to further review, and so on. Again, it would be better if I give this information to the honourable member in a proper format.

Mr MATTHEW: I am aware that the Minister has an adviser with him today. These things have been pointed out in the Auditor-General's Report; they have been ongoing for at least seven years; and \$400 000 has been spent on consultants' fees. I find it difficult to understand why the Minister is unable to answer at least that fairly simple question: what streamlining has occurred?

The CHAIRMAN: Before the Minister answers the question, I make the point that we are in a grey area here and I do not want to unduly take up the time of the Committee. However, my final comment to the Committee when I opened this morning's proceedings was that questions should be directed to the Minister. No Committee member can, in effect as a preamble to his question, say that because a certain adviser is here the Minister cannot say that he will take a question on notice. There is a mechanism in place which allows Ministers to provide further information by a certain date. There can be no conditions placed on the Minister by any member of the Committee.

The Hon. J.H.C. Klunder: Clearly, Mr Chairman, I accept what you say and agree with it. However, since the honourable member is pressing for an answer right now, and I have indicated that all I can do at this stage is to give him a fairly informal answer, if that is what he wants that is what he can have. However, I will still give him a proper answer at a later date. Clearly, an off-the-cuff answer in a complex situation is never going to be as satisfying or comprehensive as an answer to a question on notice. However, I will ask Mr Hughes to give some indication of the situation.

Mr Hughes: It is recognised that the events leading to the final approval of the department's information technology strategy has taken some time. However, it has been regarded as vital that the plan be sound in every respect as it will form the basis for the subsequent development of information technology within the department for a number of years. It is also important to recognise that the Government Management Board and its information technology unit have continually stressed the need for this firm base and, hence, the approach taken. We have developed our plan in two phases. The first phase saw the development of a broad level strategy for the use of information technology within the department and the second phase was to take each of these broad level strategies and develop them into detailed plans, which include cost effectiveness studies for each activity.

Although it has taken some time, that approach was taken to achieve the most realistic framework possible and, therefore, to achieve credibility for the costs and benefits to be identified in a detailed information technology plan. The department was particularly sensitive to the need for thoroughness in this type of analysis, considering recent criticisms of other major information initiatives as a result of

independent reviews conducted by the Public Accounts Committee and the Auditor-General. The Commissioner considered it essential that the Government Management Board be involved from the early stages and, in fact, it was involved.

The principal adviser from the Information Technology Unit participated in our process right from the start, in addition to seconding other advisers from that unit to work on particular teams. When the Commissioner attended the Government Management Board meeting on 3 April 1990 to present his information technology strategic plan to that board for approval, in general terms the approach taken by the department and the processes were well received by the Government Management Board.

It must be recognised that the department has to work within the framework of those central processes and I think we would all agree that it is better to err on the side of caution rather than rush into these things and end up with further criticism. It is expected that board approval of our plan is now imminent and we are proceeding accordingly in anticipation of that approval. Funding has been provided in this year's budget to enable our plan to be implemented.

As to the reference in the Auditor-General's Report to the delay in progressing individual projects through the central approval processes, I suppose that I have just answered part of that query with respect to our and the Government Management Board's wanting to ensure that there was a high degree of thoroughness in the preparation in terms of the cost effectiveness studies.

In the past 12 months or so a number of new project evaluation techniques for economic analysis have been introduced by the Treasury. It would be fair to say that there has been a considerable settling down process as to what Cabinet considers appropriate for those economic analyses. I cannot answer for Treasury but, as a result of our consultation with it, I believe those settling down processes have now occurred and that the delays that resulted from past systems will no longer occur. In fact, the systems to which the Auditor-General referred in discussions with our department—our central processing capacity, our fire-arms system and our telephone interception system—have all since proceeded through that process and have been approved by Cabinet.

Mr MATTHEW: I am reliably informed that development is in its advanced stages for the introduction of a brief enquiry and management system (BEAM) within the Police Department to provide things like management statistics, details of matters before the courts (including witness, victim and defendant details), and preparation of summonses, and to act as an offender-based tracking system. I understand that this system will mean that from 3 December this year the Police Department will obtain outcomes of all criminal matters through these programs.

I understand also that at this time a paper proposing BEAM stage 2 is also being finalised. However, I am concerned that in the meantime the Justice Information System seems to be developing a similar system that is due to be implemented in late 1991.

This duplication of effort and potential for waste raises a number of questions. I have time to ask only one of those but, before asking that question, I also point out that page 37 of the 1983 Touche Ross report to which I referred earlier states:

JIS could compromise the control the Police Department would normally have over its data processing projects.

Bearing that in mind, in the absence of an information technology strategic plan for at least the previous seven years—and much earlier—have similar systems been devel-

oped concurrently by the Justice Information System and police systems staff without consultation and, if so, is this also particularly due to the fact that police systems staff are concerned that they have no control over the development of JIS systems?

The Hon. J.H.C. Klunder: As I understand it, the question asked by the honourable member is very similar to one which he asked in Parliament some time ago, and to which I answered 'No'. At that stage the question was whether there was a duplication of effort and hence a waste of money in regard to there being a duplication between the BEAM system being developed by the police and the JIS system. My understanding is that the answer is still 'No' and that in fact the Government Management Board in December 1989 removed that part from the JIS system and that consequently there was no longer the duplication to which the honourable member refers.

I presume that that is the case. Further, I make the assumption that, since the honourable member who is asking this question used to work for the JIS people at the time, he may not have been aware of the changes that took place after he left the employment of the JIS to take up his seat in Parliament. I hope I am wrong there and I hope that the honourable member received the information in an entirely different fashion, because the honourable member holds a relatively marginal seat and may not, as indeed I cannot, count on continued employment within the Parliament. If he is forced to take employment within private industry, I am quite sure that he would not want it on his record that he uses information—

The Hon. H. ALLISON: On a point of order, the Minister seems to be attributing improper motives at least to the honourable member's action; and threatening a member in the course of his normal parliamentary duties is a second possibility. I would ask the Minister to withdraw his last comments and that they be expunged from the record.

The CHAIRMAN: I take the point of order made by the member for Mount Gambier and ask the Minister to withdraw the statement. We have a long and gruelling day ahead of us and I would like to see the previous goodwill extending right through to the end of the day. As for expunging it from the record, the member for Mount Gambier knows that the Chair, this Committee or even the Speaker could not give that direction.

The Hon. J.H.C. Klunder: I am perfectly willing to indicate that I certainly hope none of those situations exist and that is indeed what I said. If I have caused some degree of discomfort to members, I will certainly withdraw whatever comment gave them that feeling of discomfort. All I can say is that there appears to be a lack of the duplication to which the honourable member referred because, as far as I understood it, the Government Management Board removed that from the JIS in December 1989.

Mr MATTHEW: On a point of order, Mr Chairman. The Minister still did not answer the final part of my question, after his deviation.

The CHAIRMAN: I remind the member for Bright that whether the Minister has answered the question to the honourable member's satisfaction is not in our Standing Orders. The Minister can give a reply. If the member for Bright is not satisfied with the answer that he has received, there is a mechanism within the Committee system, such as a supplementary question, but not on a point of order for me to direct the Minister to reply.

We must make the matter perfectly clear. The Chair cannot direct a Minister before the Committee to do anything. The Minister is asked a question and he answers it. A little while ago the Minister chose to take a question on

notice. Subsequently, one of his advisers gave part of the answer to the member's question. The result is that we are now coming close to 1 o'clock, and no-one else has had a chance to ask a question.

The Minister may choose at any time to give an answer to the Committee there and then or to take the question on notice. The Chair cannot direct the Minister in that regard. Bearing in mind that it is five minutes to one, if the member for Bright wishes to ask a supplementary question because he feels that the Minister has not gone all the way through, that is his prerogative, and I shall grant him that. In the interests of fairness to the Committee, I hope we shall end up with at least another member being given the chance to ask a question on a capital line. I thought that we were working quite well towards that earlier on.

Mr MATTHEW: I appreciate that advice, Mr Chairman. I jumped in quickly because I feared that the question was about to be handed over to an honourable member on the other side of the Committee. I wish to ask a supplementary question.

I also asked, as part of my question in the first place, whether there is a problem with police systems staff who are concerned that they have no control over the development of JIS systems.

The Hon. J.H.C. Klunder: The quick advice that I have been given is that there is no such problem. Clearly I do not know that directly because I have not spoken to those people.

The CHAIRMAN: The member for Spence. Again I ask the member for Spence to be brief, and I ask the Minister to be equally brief.

Mr ATKINSON: Page 46 of the Capital Works Program refers to the construction of the Port Adelaide police station and courts. What is the reason for consolidating justice and policing at the Port Adelaide site, and which operational policing units will work from the new building?

The Hon. J.H.C. Klunder: The project involves the replacement of police facilities at Port Adelaide which are currently in quite poor condition and spread between three buildings at Port Adelaide and Birkenhead. The project also covers the replacement of similarly unsatisfactory court buildings. In the case of both agencies the facilities have been outgrown by high levels of activity and services to the public in the area.

The two separate but adjacent buildings will be constructed on the site of the former Port Dock railway station. The two-level courts complex will comprise six court rooms with associated rooms for magistrates chambers, common room, library, offices for staff, waiting rooms, and holding cells. The police component will also be on two levels, consisting of subdivisional command administration, police station patrols, traffic police, prosecution service, CIB, staff amenities and the cell block. The cells will be linked to the court complex by an underground tunnel. The court building contains additional expansion space which is to be constructed in such a way that it can be leased to a third party in the short term. Construction commenced in February of this year.

The CHAIRMAN: Being aware of the agreement of the Committee that the police line would finish at 1 p.m., and there being no further questions—

Mr MEIER: Could one question be taken on notice?

The CHAIRMAN: I have to get this thing through by 1 o'clock.

Mr MEIER: It will take 10 seconds.

The CHAIRMAN: The member for Spence has two more remaining questions. I have taken the member for Spence off the list because we are now coming to two minutes to

1 o'clock, and I must get this vote through, unless the Committee wants to suspend and continue until two—it is up to the Committee.

Mr MEIER: I would be happy to do that, but the agreement was 1 o'clock. That is the awkward thing.

The CHAIRMAN: The rules are three questions on alternate sides. The member for Spence still has two questions remaining. I have stopped him asking those two remaining questions because it is nearly one minute to one.

There being no further questions I, declare the examination completed.

[Sitting suspended from 12.59 to 2 p.m.]

Minister of Emergency Services, Miscellaneous,
\$19 450 000

Chairman:

The Hon. T.H. Hemmings

Members:

The Hon. H. Allison

Mr M.J. Atkinson

Mr P. Holloway

Mr W.A. Matthew

Mr E.J. Meier

Mr J.A. Quirke

Witness:

The Hon. J.H.C. Klunder, Minister of Emergency Services

Departmental Advisers:

Mr D.A. Grubb, Chief Officer, Metropolitan Fire Service.

Mr W.W. Haby, Deputy Chief Officer.

Mr B.K. Treagus, Director, Administration and Finance.

Mr R. Tidswell, Accountant.

Mr B.J. McNeil, Management Information Systems Officer.

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

Mr MEIER: Has any action been taken following the Davies and Whinnen reports so far as new funding arrangements for the MFS are concerned?

The Hon. J.H.C. Klunder: I gave an undertaking to various people (I am not sure whether I did so in the House, or not) to have a good look at the funding arrangements for the two fire services and ascertain whether I could find another system that was better. I did so during the recent winter break. Everyone was urging me to change a number of things so that they would have to make a lesser contribution, with a greater contribution being made by somebody else.

Having had a good look at the various figures, I came to the conclusion that the present system is not as bad as it is often shown to be if one compares it to virtually any other system, because almost any other system would have collection of money costs added to it which would make life very difficult and would require a greater amount of money to be collected, because the collection costs would have to be subtracted before arriving at the same amount of money as we have now. I have therefore put it on the back burner. I am not convinced that a change at this stage would lead to a system that would have the same money available for the fire services and at the same time produce lesser costs for the various groups interested in making such a change.

Mr MEIER: Has the former Chief Fire Officer, Mr Bruce, been advising the Minister about how and when to amalgamate the MFS and the CFS?

The Hon. J.H.C. Klunder: The question is partly right and partly wrong. I have been advised, and I am still in the process of being advised, by the former fire officer, but his advice is not in terms of amalgamating the two fire services. I have made clear that I do not wish that to occur. I wish for a closer interaction between the two services in certain areas. The types of area in which I can see our having a more integrated approach and thereby saving money, which I then anticipate would go back into the fire service for its purposes, would be in training, where it seems unnecessary to have completely separate training facilities for the two fire services when, to a very large extent, they could do a common training course or at least elements of common training courses. I envisage other areas such as communications in which a great deal of efficiency is to be gained from a common approach. It is in these sorts of areas that Mr Bruce has been advising me and, indeed, I have been talking to the heads of the two organisations about the advice that he has been giving me.

Mr MEIER: I take it from the Minister's answer that no consideration has been given to amalgamation of the CFS and the MFS.

The Hon. J.H.C. Klunder: That is absolutely correct.

Mr MEIER: Is it correct that the CFS communications are soon to be taken over and controlled by the MFS?

The Hon. J.H.C. Klunder: It is the first I have heard of it.

Mr MEIER: The Minister indicated that communications, for example, could be jointly shared between the MFS and the CFS. Has the Minister received any reports on whether this should occur and, if so, when and how could it occur?

The Hon. J.H.C. Klunder: It is too early for that. It is one area in which I consider that changes are possible, but I am talking in terms of extra efficiencies of people perhaps using aspects of each other's communications networks rather than building separate towers next to each other, in order to have totally separate networks. It is at that level. I certainly do not intend that there shall be a CFS communications network which the MFS is allowed to use, or the other way around. I am looking for efficiencies within the common elements of the two services where we can produce the kind of economies that can be ploughed back into the two services where currently they are duplicating effort.

Mr QUIRKE: In November 1989 a fire occurred on a second sheep carrying ship at Outer Harbor which required the attendance of the fire services for several weeks. What costs were associated with fighting this fire, and were they recovered? What action is being taken to avoid a similar incident?

The Hon. J.H.C. Klunder: The honourable member is quite right. The Metropolitan Fire Service attended a fire on the *Mukairish Al Sades* at Outer Harbor on 18 November 1989. The fire involved about 900 tonnes of sheep pellets in the forward starboard hold of the ship, resulting in an explosion approximately seven hours after the ship berthed. The incident took 15 days to control, and some of the statistics are quite interesting. It took 298 tonnes of carbon dioxide, 161 tonnes of high expansion foam and, finally, 1 157 tonnes of water.

As was reported in the press at the time, the pellets were dumped in the gulf between 3 December and 15 December 1989, and senior fire officers remained in attendance throughout the entire period. Firefighting costs associated with this incident, another staggering statistic, were \$874 000.

However, that was recovered from the ship's agents. As a result of the incident, the MFS requested that the Commonwealth Department of Transport and Communications review safety standards applicable to this industry, and initiate research into the storage, handling and combustion characteristics of the pellets.

A research project on sheep pellets has since been carried out by Dr Patil, Agricultural Engineering School, University of Melbourne, with funds provided by the Bureau of Rural Resources, Australian Quarantine Inspection Service and the Department of Transport and Communications. Interim recommendations in relation to fire prevention and fire protection standards for live sheep-carrying ships has been developed by the Department of Transport and Communications in consultation with the MFS and the live sheep industry. That sort of research and discussion is continuing.

Mr QUIRKE: For some time there has been criticism of the annual amount that the Commonwealth Government provides to the State by way of compensation for fire protection services in relation to its properties in South Australia. Will the Minister comment on that?

The Hon. J.H.C. Klunder: Over a number of years the Metropolitan Fire Service has detailed submissions through the Minister and Treasury on the inequitable contribution made by the Commonwealth. Due to the efforts of Treasury and MFS, the State has now been able to finalise a new arrangement with the Commonwealth effective from 1 July 1990. The new arrangement (for a five-year period) has been agreed on a formula of use of emergency response services (in man hours) to Commonwealth property/divided by total use of emergency response services (in man hours).

The agreed percentage of 1.64 per cent MFS and .39 per cent CFS is based on the past three years' activities. The new arrangement will increase the Commonwealth's financial commitment from \$385 000 in 1989-90 to \$740 000 in 1990-91.

Mr QUIRKE: During the past 12 months the fire boat *Karlo* has been required to assist firefighting at several major incidents. There has been media criticism of the age and capabilities of the *Karlo*. What action is proposed for the replacement of this craft?

The Hon. J.H.C. Klunder: The current fire boat was built, I understand, in 1944. In 1971, the *Karlo* was given to the fire service as a temporary replacement for the previous vessel, which was unseaworthy. The *Karlo* has been surveyed regularly by the Department of Marine and Harbors and maintained as required. However, it is obviously ageing, and there are some general limitations on it. So, it would be appropriate to move to a separate vessel, if possible.

The fire boat has been used in recent years on the Shell fire, Torrens Island Power Station incident, ICI chemical spill, the two live sheep transport ship fires, a cargo vessel fire, a grain ship fire and salvage operations. It is proposed to replace the *Karlo* with a fast attack multi-purpose fire/rescue craft which, I presume, is a fancy title for a much more modern ship, which will provide greater flexibility for this kind of work.

The concept of the proposed new vessel is being developed by the fire service based on information obtained during an examination of the role of fire/rescue boats in the United States.

It is intended that the new boat will assist land-based firefighting resources in the areas between the inner harbor and Port Adelaide to the refinery at Port Stanvac. Risks will include bulk fuel, LPG storage, chemical plants, industrial premises, recreational and commercial boating facilities and aircraft emergencies. Registrations of interest in the

supply of the replacement vessel closed on 27 August 1990 and are currently being assessed.

Mr MATTHEW: Has a decision been made regarding the appointment of a new Chief Fire Officer to replace Mr Grubb, and has the position been, or will it be, advertised locally and interstate? How long does the Minister expect the MFS to function without a Chief Fire Officer?

The Hon. J.H.C. Klunder: Perhaps I should draw attention to the fact that Mr Grubb, who is sitting on my left hand side, is on his second to last day as Chief Officer of the Metropolitan Fire Service. It must be an interesting experience to go out on a high such as an Estimates Committee. The position of Chief Fire Officer has been advertised and applications have closed. The normal procedures will be followed for choosing a new person.

Mr MATTHEW: Why have approximately 20 new white Acco fire trucks been placed in a shed in Wakefield Street, showing the CFS badge with MFS clearly printed in the centre; where will these appliances be used; and who will control them?

The Hon. J.H.C. Klunder: There is some incredulity here. Perhaps we could have the question repeated, as we may have misheard it.

Mr MATTHEW: I am given to understand that 20 new white Acco fire trucks are actually housed in a shed in Wakefield Street, and that those trucks bear CFS badges with 'MFS' clearly printed in the centre of those badges.

The Hon. J.H.C. Klunder: I am afraid that the repetition of the question has not really shed much light on the matter. My advisers are not aware of that, and inquiries will need to be made. I find it astonishing. The comment has just been made that we do not actually have a shed in Wakefield Street that houses 20 trucks, so, obviously, there is some confusion somewhere. We will take the question on notice and provide an answer to the honourable member.

Mr MATTHEW: In that same shed in Wakefield Street, I am given to understand that there are a number of hard hats clearly marked 'SA Fire Services'. Is this the name of the proposed amalgamated service and, if so, why is there so much deception and dishonesty surrounding the blatantly stealthy planning slowly but surely to take over the CFS?

The Hon. J.H.C. Klunder: I must thank the honourable member for asking this question so dispassionately without any implications of dishonesty and whatever else he said. I have already answered the question and, if the honourable member had been listening, he would have picked it up. I have no intention of amalgamating the MFS and the CFS. Consequently, that part of the question which deals with my dishonest and blatant attempt to combine the two by stealth is rather irrelevant.

As to the shed that contains these 20 units also containing a lot of hats, obviously, if we are not aware of a shed in Wakefield Street—which, I presume, is at the MFS headquarters—and as we cannot find a shed of that size we may have some trouble locating the white hats inside it. Obviously, we will provide an answer for the honourable member, but he might also want to check the validity of the information he is provided with.

Mr MATTHEW: Bearing in mind the Minister's answers to those questions, does the name 'SA Fire Services' mean anything to him, and is that indeed to become the name of a fire service in this State?

The Hon. J.H.C. Klunder: No, I am not aware of that name. There is the South Australian Metropolitan Fire Service, and I wonder whether the 'M' has been mistaken for something else in the middle. As far as I know—and I would be very irritated if I was not informed about this—there is no intention to create a South Australian Fire

Service either out of the Metropolitan Fire Service, out of the CFS or, indeed, out of any combination of the two.

Mr HOLLOWAY: My question relates to the problem of false call-outs, which have always been a concern in the operation of fire services. Can the Minister indicate what action has been taken to reduce the number of those false call-outs?

The Hon. J.H.C. Klunder: Yes, false call-outs are indeed a major concern for the Metropolitan Fire Service. Since January 1989, the MFS has required a device called alarm verification facility to be installed on all new—I stress, 'new'—smoke and thermal fire alarms. The purpose of this alarm verification facility (AVF) is to allow the alarm system to be reset automatically once, to check that the alarm is other than a faulty signal. If the alarm is activated again within 120-300 seconds of the original signal, the fire service is alerted to respond.

The initiative by the MFS in having the AVF installed on all new fire alarms connected to the fire service and on previously existing fire alarms which have created frequent false alarms is a positive step in reducing unnecessary false calls from automatic fire alarms. Statistics for 1989-90 reveal that there was a reduction of 9.3 per cent to false call-outs from automatic fire alarms installed in premises and connected to MFS (2 943 compared with 3 217 in 1988-89). As premises replace their fire detection systems with new smoke and thermal fire alarms and with the alarm verification facility, the false call-outs should continue to decrease in number.

Mr HOLLOWAY: With the emphasis on rehabilitation of injured employees in current workers compensation legislation, what steps have been taken by the fire service in relation to the provision of rehabilitation programs for these employees?

The Hon. J.H.C. Klunder: The fire service has special requirements in relation to the fitness of staff. Earlier this year a working party consisting of representations from WorkCover, the Department of Personnel and Industrial Relations, the United Fire Fighters Union and the fire service was established to set the framework for the development of a practical policy for rehabilitation within the fire service. This work has now been completed. A limited number of positions have been formally identified for use in rehabilitation programs and a single rehabilitation provider has been appointed to ensure consistency and continuity of case management. Programs will be properly monitored and include provision for retraining and alternative employment in circumstances where a return to full operational duties is not possible.

Mr HOLLOWAY: My next question refers to page 371 of the Program Estimates, particularly, the issue of emergencies relating to hazardous chemicals. I note from some statistics that are under the heading 'Issues' that attendances to emergency incidents over the past five years indicate a steady trend in greater use of fire service resources for emergencies other than fires. It is a matter of some concern to me as I have the Edwardstown industrial area within my electorate, and a serious accident occurred there earlier this year involving a chemical spill. Will the Minister provide a breakdown of those statistics in relation to each fire station, particularly, the St Marys fire station? I appreciate that that might have to be taken on notice. Will the Minister also provide some details as to how the preparation within the fire brigade for handling such dangerous substances will proceed, particularly at the St Marys station.

The Hon. J.H.C. Klunder: With regard to the statistics, we would have to take that on notice as we do not have the total information available, but we will get it to the

honourable member in due course, in whatever capacity we can and, indeed, his general concern with regard to St Marys fire station will also have to be taken on notice. However, with regard to his general question, large quantities of hazardous materials are transported by road and rail between the major industrial centres of Australia and, indeed, within this State each year.

Recently, there has been a greater awareness of the potential of life risk, widespread damage and damage that could occur from a serious accident in the transportation and/or storage of these materials. The South Australian Government has adopted the provisions of the Australian code for the transportation of dangerous goods by road or rail in its legislation relating to the transportation of hazardous materials.

The Metropolitan Fire Service and the Country Fire Service have recommended to the Department of Labour that there should be a requirement, as a condition of licence for premises storing or using dangerous substances, for the licensee to prepare an emergency response plan for the premises to be approved by the relevant fire service. This emergency response plan must include an assessment of the hazards for the premises and detailed plans for the containment, neutralisation or absorption of all chemicals used, and for the evacuation of the premises and notification of the emergency services in case of a major incident and, indeed, a large number of people are already doing so as a matter of course.

It is proposed that the licensee will also be required to supply a plan of the premises showing safety equipment, material safety data sheets, inventory of hazardous materials and safe access points for emergency vehicles. This proposal is currently being evaluated by the Department of Labour, with a view to introducing it on a trial basis. There has been some concern about the compatibility of such requirements with recent and proposed occupational health and safety legislation, but discussions with the relevant departments suggest that the likelihood of some conflict is fairly small.

Mr ALLISON: I refer to page 369 of the Program Performance budget papers under 'Broad Objectives and Goals'. I ask the Minister why there appears to be an omission under that heading, and whether it is deliberate or whether it is because the program that existed last year has been completed? I refer to the inspection of high risk properties. If the program was completed last year, how many buildings in the central business district of Adelaide were identified as not meeting fire risk standards? Are any Government owned and, if so, how many? If the program is not completed, why does it no longer appear in the program papers? Has the inspection been discontinued for another reason?

The Hon. J.H.C. Klunder: I will pass that question across to Mr Grubb, who can deal with this area.

Mr Grubb: The subject of the inspection of high risk buildings as a generic area is ongoing. As such, the crews, as part of their normal familiarisation visits, have it programmed into their deployment forms to carry out these inspections—not that we label particular buildings as high risk, but we try to identify where there are specific risks to the buildings, and we try to provide data from them to a computer bank so that we can retrieve it at the time of an incident.

It is an ongoing thing and, as such, it was considered that it did not really need to be highlighted at this time. I am unable to provide statistics at this stage in relation to the number of inspections that are carried out, but we will take that question on notice and provide that information later.

The **CHAIRMAN**: I declare the examination of the vote completed.

Works and Services—Country Fire Services, \$2 520 000

Chairman:

The Hon. T.H. Hemmings

Members:

The Hon. H. Allison

Mr M.J. Atkinson

Mr P. Holloway

Mr W.A. Matthew

Mr E.J. Meier

Mr J.A. Quirke

Witness:

The Hon. J.H.C. Klunder, Minister of Emergency Services.

Departmental Advisers:

Mr D. Macarthur, Chief Executive Officer, Country Fire Services.

Mr F. Muldoon, Accountant.

Mr MEIER: With reference to page 255 of the Auditor-General's Report, how much is on deposit with the Treasurer with regard to workers compensation and general insurance? As the CFS Board is a self-insurer are non-trained CFS volunteers still covered by insurance, and is the board ultimately responsible for insurance, or is it the station officer if a declaration is signed by that officer that a fire truck has been properly serviced and a fire-related accident follows involving that fire truck?

The Hon. J.H.C. Klunder: I will ask the Chief Executive Officer and the Accountant to answer the different parts of this question.

Mr Macarthur: By the CFS Board's self-insuring its volunteer persons, the board has established a fund in the vicinity of \$300 000 to \$400 000. It is maintained at that level and invested with Treasury. All registered volunteers with the CFS are covered on what we term fire brigade activities, whether it is travelling to and from training or a meeting, etc. This insurance also covers casual persons who assist the CFS at the time of an emergency.

With respect to the maintenance and roadworthiness of vehicles, I am pleased to say that the recent round of mechanical inspections have identified very few faults with the trucks, so the old problem with the less than satisfactory standard of maintenance of equipment has, thankfully, gone away. I believe there will not be any problems in the future with the board maintaining that inspectorial role, problems arising where insurance may be void should some deficiencies show up in the equipment. Mr Muldoon has indicated from his figures that, as at 30 June 1990, \$445 000 was in that fund for insurance purposes.

Mr MEIER: As a supplementary question, is the board ultimately responsible for insurance or is it the station officer?

Mr Macarthur: The board is the ultimately responsible body for that insurance. It is underwritten by Treasury. It is an ongoing fund that is maintained and the payments are made in line with the workers compensation scheme of this State. We have a little flexibility to treat some cases on a needs basis where there are extraneous circumstances.

Mr MEIER: Again referring to page 255 of the Auditor-General's Report, the MFS makes provision for vehicle replacement and long service leave. Why is this not done with the CFS? Contributions to the CFS would perhaps

better reflect the true cost of running the CFS if it were provided for.

Mr Macarthur: As from 1 July 1989, the CFS board has taken into account in its books the depreciation factor, if you like, of the vehicles and all equipment within the CFS portfolio. We will show in our annual accounts, which are yet to be completed for this year, that true cost of running the fire services as well as the cash accounting model which is the requirement of Government. We have two sets of figures: one which identifies the depreciated cost of the service, a replacement fund if you like, as against the real cost or cash accounting cost. In terms of long service leave, we do make provision for extraneous leave in that new accounting system.

Mr MEIER: In the financial statement that I assume will accompany the annual report, will it reflect a true replacement cost in its detail?

Mr Macarthur: The true cost will be reflected in the notes to the accounts.

Mr MEIER: When is the CFS board to be directed to make provision for the repayment of capital loans now standing at \$9.225 million, which is a rise of \$3.3 million or 55 per cent from the 1988-89 figures, and another \$2 million in capital purchases projected for 1990-91?

The Hon. J.H.C. Klunder: I am not entirely sure of the import of the honourable member's question. Does the honourable member want that money to be repaid? In a very real sense, since the Government provides a fair amount of the money for the CFS, it would be a transfer of funds if we gave the CFS money in order for it to pay it back. I am not entirely sure what the honourable member is getting at.

Mr MEIER: Is the Minister saying that the money is a pure grant for capital proceeds and that the Government does not expect any repayment?

The Hon. J.H.C. Klunder: At the moment we are certainly content with the loans being serviced, but the money to which the honourable member refers is the money that has been made available to increase the truck purchase program in order to get rid of the old trucks that have been in service for such a long time.

Mr MEIER: Exactly what is the policy of the CFS Board concerning the disposal of old fire vehicles? Is it a firm unconditional and consistent policy that old vehicles exchanged for new vehicles must in all cases be returned to the board in Adelaide? Is it true that, where the vehicle is unsuitable for use as an emergency vehicle, the sale arrangements will ensure that, if the vehicle is sold, it cannot be used as a fire appliance and that that may entail such action as stripping the vehicle and cutting the chassis in half and trying to sell the component parts?

The results of this action may mean a disregard for maximum return on taxpayer's money and a waste of volunteer time in wrecking a vehicle. Why is it that farmers, who in one way or another contributed the lion's share in purchasing the vehicle, cannot be given a chance of buying the old vehicle intact for its parts or as a going concern? Will the policy persist when the 20 year dictate is replaced by, say, a 10 year dictate, when it would be the height of irresponsibility to wreck a truck of that age?

The Hon. J.H.C. Klunder: The honourable member has asked a question about board policy, and I will pass him on to the chairman of the board.

Mr Macarthur: In the vehicle replacement program we wish to withdraw from service old and aged appliances which have caused many problems with maintenance standards in the past and replace them with better equipment. Last year the board allowed local people in country areas

to dispose of those vehicles as they saw fit, with the permission of the board, but requiring the removal of any CFS identification such as lights, sirens and radios, etc. However, this program has not been satisfactory because many of those aged vehicles are still there, where people can use them for whatever purpose and those people may be at risk because of the mechanical condition of some old vehicles.

The board has reviewed its policy and now requires arrangements to be made for the satisfactory dispersal of those vehicles that go out of the service. On a one for one basis for replacement, we restrict the number of vehicles in the CFS fleet to a reasonable number in accordance with the standards of fire cover. Of the vehicles that we take back, some can be reconditioned for allocation to those less active brigades. Some can be sold on a cab/chassis basis, and some will be stripped and sold as parts.

This policy is complimentary to the board's standard of fire cover and it achieves the best value for money of those old vehicles in the market place. Unfortunately, we have had instances where vehicles have been sold well below market parity price and this has been a loss to either the CFS or the community that funded them. As to the comments about the 20 year age limit, once we get a level of appliances to that nominal 20 year age, it may be appropriate to review the policy in toto before any further changes are made.

Mr MEIER: I take it that farmers are not allowed to purchase CFS trucks?

Mr Macarthur: Some of the vehicles that go up for sale as cab/chassis would be available that way. If they are good enough for farmers, we believe that they are good enough to recondition and reallocate.

Mr ATKINSON: The CFS has had big increases in recent years. Of the 1990-91 allocation, what part shall be of direct benefit to brigades and what part is the cost of administration?

The Hon. J.H.C. Klunder: The CFS has had considerable increases in funding in recent years. Of that amount, 54 per cent goes to the direct benefit of brigades, and it is made up as follows:

	\$
Brigade equipping and maintenance	2.8 million
Regional operations	0.9 million
Training	0.6 million
Major fire support	0.4 million
Communications	0.3 million

Administration costs are about 24 per cent and support in other areas such as compensation, fire prevention and debt servicing comprise the remaining 22 per cent. I have been provided with a pie graph highlighting expenditure, but it is not suitable for insertion in *Hansard*.

Mr ATKINSON: Under the 1989 Country Fire Services Act, regulation 7 (6) requires that CFS volunteers undertake personal safety and operational duty training. How many volunteers undertook such training during the year, and what was the direct cost in providing this training?

The Hon. J.H.C. Klunder: First, 3 471 volunteers participated in CFS training courses throughout the year. That is a staggering figure when one realises that there are only about 19 000 volunteers in total. Further, 1 397 volunteers participated and completed level 1 training. The remaining volunteers out of the 3 471 undertook training in a range of operational areas including vehicle accident rescue, dangerous substances spillage, the use of breathing apparatus and first aid. The costs associated with providing this training were \$310 000. It should be noted that from 1985 to now, some 9 636 volunteers have undergone formal CFS training. That is a tribute to volunteer commitment in

giving up their time to train and practice their skills for the benefit of the community.

Mr MATTHEW: Has Sacon been commissioned to investigate alternative locations for the CFS headquarters at Keswick? If so, has a decision been made to extend the MFS headquarters in Wakefield Street, and when does the Minister expect that move to take place?

The Hon. J.H.C. Klunder: I will pass the question over to the chairman.

Mr Macarthur: Some years ago the board approached Sacon with a view to purchasing either office accommodation in the regional areas or expanding the headquarters building to accommodate the upgraded CFS. At this time we have been successful in achieving reasonable accommodation in the CFS country regions, and Sacon is still looking at options for an increase of space within the Keswick property.

Only recently we were able to acquire a three-cornered parcel of land to the rear of CFS headquarters at a very favourable price, and Sacon is still looking at what options there are in terms of trying to achieve, on a cost neutral basis, either the sale and relocation of CFS or the addition to the plan designed into the building of CFS headquarters in 1975 or 1976. The answer is basically, 'Yes.' One of the options looked at concerns the use of MFS headquarters. There has been no decision made yet and much water is to go under the bridge before we reach any resolution of the accommodation problem.

Mr MATTHEW: What reduction has occurred in CFS fire appliances since the introduction of the arbitrary 20 year aging ruling and the application of standards of fire cover? How many brigade-owned appliances funded by the community are considered to be essential for satisfactory fire protection by the CFS field management, and is this management of resourcing the CFS field units to continue?

The Hon. J.H.C. Klunder: The Public Accounts Committee looked at the Country Fire Service in the early 1980s and brought to light the fact that no standards of fire cover existed. As Chairman of the committee that information was brought to my attention and to the attention of the members of the committee. It was absolutely astonishing that we had a Country Fire Service where the standards of fire cover were not known. In other words, the degree of risk and the degree of response to that risk in various parts of the State were not clearly identified. One of the recommendations of the PAC at the time was that that needed to be done. Clearly, some people were unhappy with that because they believed that they had a reasonable thing going in their location at the time. However, it seems to me very clear that if one has a funded service for fighting fire, then one ought to know what are the risks of fire in particular locations and that one should deploy the available resources in order to meet that risk to the best advantage. However, I will ask Mr Macarthur to provide the honourable member with the details.

Mr Macarthur: The Country Fire Service had on its data base approximately 750 appliances of all shapes, types, colours and so on. As the Minister correctly said, the standard of fire cover has identified a risk factor for all areas of the State and has applied fire service criteria to those risk factors. We now have an optimum nominal 550 appliances across the State. We believe that those 550 appliances should meet a standard as a fire appliance, and that councils have a responsibility to fund them in conjunction with the subsidy payment from the board.

In terms of the 20 year ruling, as it was quoted, the board had to put on an age limit to develop its criteria and the 20 years is a nominal figure whereby vehicles should be

phased out. At present we are phasing out a few vehicles that are not yet 20 years old, while we have also granted some an extension of the 20 year limit for some vehicles. On top of the 550 vehicles, we encourage brigades to contribute to the fire fighting resources of the State and we have provided for certain concessions and assistance to brigades to fund their own appliances, known as 'brigade-owned vehicles'. I hope that that covers the complexity of the question.

Mr MATTHEW: Has the CFS validated its theoretical standards of fire cover on a brigade basis by simple inspections of areas involved? If so, can the Minister explain why Kingscote and Ceduna, for example, have a higher structural hazard than do Mount Barker and Nuriootpa? Why does Stirling North have a higher rural hazard than Belair and Blackwood? If not, can the Minister indicate whether there is an intention to test the validity of the theoretical methods used?

The Hon. J.H.C. Klunder: I would normally take questions requiring that detail on notice, but the Chief Executive Officer believes that he can assist the honourable member immediately.

Mr Macarthur: The validation of the Country Fire Service standards of fire cover—which I mentioned in an earlier answer—is based on the criteria on which other fire services, nationally and internationally, work their fire services based on response time, or on ensuring, because of some spatial dimension, that there is adequate cover. In terms of being specific in quoting the risks at Kingscote and Ceduna, the honourable member has selected two towns that have an isolation factor. There is very little assistance to Ceduna and to Kingscote and, as a result, their risks have a multiplier factor, to raise their structural factor because they are not able to be backed up specifically in a short period, as are some of the honourable member's other comparisons. The same thing would apply to the other towns nominated. There is a density of equipment factor, which comes into play in the more densely populated areas, where back up resources are more readily available.

Mr QUIRKE: As a volunteer fire fighter in the 1980 and 1983 bush fires, my overwhelming impression was that during those two exercises in the Hills there was a paralysis within the CFS that was primarily because of communication failure or breakdown or the fact that there was virtually no communication at all. In fact, in 1983 there had been very little change since 1980—none that I could see. I wonder whether that situation has changed and whether, if a terrible disaster of that type were to occur again, at least the troops out on the front line would have some idea of what was going on so that they would not get themselves into dangerous situations, as did the team in which I was involved, particularly in 1980.

The Hon. J.H.C. Klunder: Indeed, one of the issues that was raised both in the Public Accounts Committee inquiry and during the coronial inquiries into those bushfires was that communications were a problem. Recommendations were put forward to overcome those problems. Of course, it is not purely a matter of communication. If everyone has access to a handset but there is no proper command structure, one will still have a great deal of difficulty. In relation to both the command structure and the communication system, the CFS has made some quite major strides and, indeed, I can indicate what has happened in the past year or so.

In accordance with the draft CFS Corporate Communications Plan, the communications upgrade was concentrated at local and district level. The major item of capital expenditure was mobile radios. Their replacement program was

completed in 26 CFS groups, involving some 325 installations. Other completed works, such as paging, radio base and other network facilities totalled 199 for the National Parks and Wildlife Service and 414 for CFS.

All local government authorities in CFS protected areas have transferred licensing responsibility for radio facilities used for rural fire fighting to the CFS board. This action has allowed the board significant network rationalisation opportunities, while improving communications to support the incident management system.

In 1990-91, the capital budget of \$700 000 will complete the initial program of replacing mobile radios aged 10 or more years. The ongoing replacement of radios as they reach the end of their life will continue. Network improvements at brigade and group level will be completed for areas facing the highest fire threat. These initiatives will rectify the local deficiencies which were, as I said, found by the PAC and the coroner in inquiries into those earlier fires.

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

Mines and Energy, \$22 666 000

Chairman:

The Hon. T.H. Hemmings

Members:

The Hon. H. Allison

Mr M.J. Atkinson

The Hon. Jennifer Cashmore

Mr P. Holloway

Mr I.P. Lewis

Mr J.A. Quirke

Witness:

The Hon. J.H.C. Klunder, Minister of Mines and Energy.

Departmental Advisers:

Mr R.K. Johns, Director-General, Department of Mines and Energy.

Mr T.R. Watts, Deputy Director-General.

Mr A.R. Marrett, Director, Administration and Finance.

Mr R.G. Nelson, Director, Ministerial Development.

Mr R.A. Laws, Director, Oil, Gas and Coal.

Mr P.R. Hill, Director, Policy and Project Development.

Mr J.N. Fenton, Director, Mining Operations.

Mr R.P. Janssan, Senior Accountant.

Dr M.J. Messenger, Director, Office of Energy and Planning.

Mr J.D. Noble, Assistant Director, Office of Energy and Planning.

Mr LEWIS: The Opposition, and indeed the Liberal Party, always has scientific fact as the basis for all policies and views that it expresses publicly. That is particularly so in this instance, as we examine the vote to be provided through the Estimates and the budget for the purpose of mines and energy. We note some interesting ways of describing the great benefits which these natural resources provide to us as not only members of Parliament but also representatives of the broader community.

It is fair to say that, whilst South Australia does not derive a large amount of revenue from mining and the amount of energy that it has to generate for its domestic purposes, nonetheless it has a continuing necessity to depend upon the mining, the energy generation, and reticulation industry.

Scientists who have looked at the evidence of what is available to us have inferred that we have more buried treasure than we have discovered. We note that, unless we make the effort to expend the necessary funds to discover where those treasure chests are likely to be found, they will remain outside our grasp and we will not derive any benefit from them. So, the Opposition acknowledges the truth of the axiom that one only gets what one looks for and one only gets as much of it as one is prepared to put energy into discovering. We commend the Government for what it has done to date, but it has not been as much as the Opposition would have wished. We trust that in the future the Government will continue to give more favourable consideration to the necessity for that exploration and development than has been the case in the past.

If we do not undertake increased exploration, then we will fail not only to have sustainable development but also to have development of any kind, and we will fail in our responsibilities to ourselves and our children. We will be treated by posterity with the ignominy which our indifference deserves.

On behalf of the Opposition, I do not say that we would simply rapaciously seek out, exploit, and leave behind any mess which might result from that process—that has never been our approach to things. As always, the approach would be responsible and in keeping with accepted community standards. We simply want to place on record our belief in the great importance that the mining industry has to the economy of this State and this nation.

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

Mr LEWIS: Page 379 of the Program Estimates refers to 'Minister and Minister's Office' and 'Executive, professional, technical, administrative and clerical support'. Within the resources provided, what submission has the Minister prepared to the review of policy currently being undertaken by the Federal ALP on the question of uranium mining?

The Hon. J.H.C. Klunder: I am not entirely sure to which of these reviews the honourable member is referring, but from time to time we make our views quite clearly known to the Federal ALP with regard to mining of any particular substance, or substances in general.

Mr LEWIS: Is there to be any change in the policy as seen by the South Australian Government and therefore by the Minister to the current policy of the State and Federal ALP of supporting three uranium mines and, if so, in what direction will the recommended change be made?

The Hon. J.H.C. Klunder: The Government of South Australia is not proposing any change to the existing three mine policy.

Mr LEWIS: I take it, then, that the South Australian Government supports the existing three mine policy, however ridiculous, which the ALP has nationally?

The Hon. J.H.C. Klunder: Yes.

Mr LEWIS: We note that, under the programs and sub-programs referred to in the Financial Paper No. 1, on pages 377 to 379, a number of items are used of a capital nature, and they include motor vehicles, although the number of vehicles involved is not specified. How many motor vehicles are used in each of the programs or subprograms, and what is the total in each of the divisions and the department? What increase, if any, has there been in the number of motor vehicles over the past year. How many are for the exclusive use of any one executive officer of the department or for the exclusive use of any officer in any of those programs?

The Hon. J.H.C. Klunder: I gave up counting the number of questions in that question. That information is not imme-

diately available. I will therefore take it on notice and provide the information to the honourable member.

Mr LEWIS: I am most grateful to the Minister. If he could provide that table of information, could he also, in the course of so doing, identify which of those vehicles have small four cylinder motors or larger motors, and which are run on petrol? Have any been converted to natural gas or LPG? How many are four-wheel drive vehicles and what kind of fuel are they using? How many are trucks or heavy haulage vehicles? I am curious because it will enable us to come to an understanding of whether the Government is seriously and sincerely setting an example to the rest of the business community and private motor vehicle owners on the kinds of fuel that the vehicles use and the types of vehicles in which that fuel type is being used.

The Hon. J.H.C. Klunder: We will try to provide that information to the best of our ability, depending on the cost of extracting that information, although I cannot imagine that it will be impossible to do. If the honourable member wishes departmental vehicles to use, for example, LPG in areas where access to supplies of LPG is difficult, obviously that would be a silly decision for the department to take. We will make whatever information we can available to him.

Mr QUIRKE: Under the program 'Safety in and near the workplace' how many health and safety issues were referred to the inspectors of mines and what were those issues?

The Hon. J.H.C. Klunder: Two matters were referred to an inspector of mines for a resolution, and they both came from the same operation. Two large walls of a particular plant were allegedly clad with asbestos sheeting and were to be demolished without implementation of appropriate asbestos removal procedures; at least that was the information that was given to the inspector. Secondly, LPG was allegedly escaping from storage cylinders and was entering the workplace. The investigation by the district inspector of mines revealed that the cladding did not contain asbestos, and there was no evidence of gas leakage, as confirmed by the gas supplier who regularly inspects the storage facility.

Mr QUIRKE: Earthmoving equipment rollovers in mines or quarries are a major cause of fatal and severe injuries. What measures have been taken to reduce the severity of injuries from rollover accidents?

The Hon. J.H.C. Klunder: In South Australian surface mining operations in the past 17 years, 25 per cent of all fatal accidents and 17 per cent of severe injury accidents have been the result of earthmoving equipment rollovers. On average there is one fatality or incident resulting in a serious injury every year. While using an approved rollover protective structure (ROPS) with seat belts, the chance of a fatality or severe injury is much reduced. Statistics have shown that the chances of surviving a rollover are as follows: with an approved rollover protective structure and the operator wearing a seat belt, there is almost a 100 per cent chance of survival; if a seat belt is not worn but an approved rollover protective structure is in place, in about 75 per cent of cases there is a likelihood of survival; and, if there is neither a seat belt nor a rollover protective structure in place only 45 per cent of cases result in a person surviving or escaping serious injury.

The rollover protective structure, as detailed in Australian Standard AS22/94 is required by mining legislation in most States. To implement this requirement in South Australia, the Chief Inspector of Mines has directed that all earthmoving equipment operating on surface mines and quarries is to be fitted with ROPS and seat belts. This applies immediately to all earthmoving equipment manufactured after 1 January this year, while a period of two to five years,

depending on equipment age, is allowed for machines manufactured prior to this date.

Mr QUIRKE: Given the cost of energy in its most obvious form, namely, petrol at the bowsers, would the Minister advise us of the status of petroleum exploration in South Australia currently?

The Hon. JENNIFER CASHMORE interjecting:

The CHAIRMAN: Whilst it is technically correct the questioner must relate his question to a particular line in the Program Estimates, Estimates of Receipts, or Estimates of Payments.

Mr QUIRKE: I refer to program 4, page 384 on oil, gas and coal resources. Will the Minister outline the current status of petroleum exploration in South Australia given the currency of the issue since the Gulf crisis?

The Hon. J.H.C. Klunder: The 1990 exploration program for this State is expected to be 50 exploration and appraisal wells and 3 348 km of seismic at a total estimated cost of \$59 million. That is a minor reduction in wells and total cost, in comparison with 1989, when there were 52 wells and \$69.2 million expenditure, but it represents a significant increase in the seismic program for last year, which was only 1 628 kilometres compared with 3 348 this year. The drilling program in 1989—this will come as no surprise to honourable members—concentrated on PELs 5 and 6, and again this year, out of the 50 exploration wells, 45 are likely again to be drilled within the Santos licences.

The encouraging aspect of exploration in 1990 was the amount of onshore seismic work that was done in the Otway Basin. Seismic was recorded in all but one onshore licence and a total of 1 057 kilometres was the second highest annual total in the basin. Two exploration wells will be drilled onshore in the Otway Basin before the end of the year and it is expected that a further six wells will be drilled in 1991 following this year's seismic activity.

Offshore, 1 002 kilometres of seismic has been recorded in the two Otway Basin exploration permits. BHP is farming into each of the permits and that is expected to accelerate exploration activity. Four new licences have been granted in the Simpson Desert area and a fifth is on offer near Lake Eyre. Two other licences are currently on offer, one onshore at Otway Basin and one in the Stansbury Basin adjacent to Adelaide. In October, applications will be received for four areas on offer over the Birdsville Track and five areas in the Great Australian Bight. A further four areas in the north-west of the State will be offered for licensing in early 1991.

The present activity in onshore and offshore licences, together with the recent jump in world oil prices, should lead to rising levels of exploration expenditure in South Australia from the latter part of this year onwards.

Mr QUIRKE: As a supplementary question, what is the current number of oil barrels being produced in South Australia each day? I am happy to take that question on notice.

The Hon. J.H.C. Klunder: We might be able to provide it for the honourable member fairly quickly. I shall have to metricate the honourable member. We have the information in kilolitres rather than barrels—a terrible change. The quantity in 1989 for crude oil was 1 569 522 kilolitres and condensates the figure was 694 983 kilolitres.

The Hon. JENNIFER CASHMORE: I refer to page 263 of the Auditor-General's Report on the Electricity Trust of South Australia under the heading 'Statement of Significant Accounting Policies'. The notes on depreciation indicate that depreciation on assets is commenced during the year in which the expenditure is incurred and the useful life of a power station is presently assumed to be 35 years. Is that 35 year period calculated on present levels of production?

Is ETSA planning an energy and conservation program which would reduce levels of consumption and therefore levels of production? If that is occurring would the life of a power station be expected to be extended as a result of an energy conservation program?

The Hon. J.H.C. Klunder: I shall try to give some answer to that question now, but I seek your guidance in this matter, Mr Chairman. I have officers from ETSA here as well. They are not currently sitting at the table with me. If we are to mix questions on ETSA mines and energy I shall have a football team sitting behind me. Alternatively, I shall have to keep changing people around. I wonder whether we can come to some agreement.

The Hon. JENNIFER CASHMORE: I am happy to defer the question, but in previous committees Ministers brought people forward as the questions were asked. I do not mind asking questions en bloc at a certain stage.

The Hon. J.H.C. Klunder: I can deal with the question now. I am in the hands of the Opposition. If they wish to mix their questions, I shall bring people forward, but it will be a slower process.

The CHAIRMAN: I can understand the Minister's view. Perhaps after this question has been answered by the Minister we can arrange that a certain percentage of the time is devoted to dealing with matters pertaining to ETSA—would that be satisfactory to members of the Committee?

The Hon. J.H.C. Klunder: I think that it would save the Committee time if officers were seated at the table for a certain time.

The Hon. H. ALLISON: To what extent is the Department of Mines and Energy complementing the work of ETSA with regard to the energy planning on page 136, program 3? Is that specifically an ETSA function, or is the Department of Mines and Energy working either in cooperation or quite separately from ETSA? In that case, questions relating to energy could be directed to the officers presently at the table also.

The Hon. J.H.C. Klunder: In terms of the Office of Energy Planning, I acknowledge that there is an overlap as far as questions are concerned: some of the matters that it deals with can also be dealt with by Electricity Trust people and by Mines and Energy people. The answer is to keep all the staff here and to try to make progress in blocs.

I shall now deal with the honourable member's question. The role of a power station changes over its lifetime. It usually is brought in to provide base load, which means that it provides very close to the maximum of its capacity for much of the time that it is running. Later it moves to providing a mid range load, and eventually it is brought in only to supplement electricity when required on a peak load. When we talk about the life of a power station being 35 years, we are talking of different functions of the one physical structure over the 35-year span.

At any time during the 35 years there will be attempts to extend the life of the power station in its particular role, because it is more cost effective to have it in base load operation than in mid range and peak loads. At any time during its operation there will be attempts to extend its life provided that all other parameters are favourable. I refer to parameters such as the cost of fuel, the cost of maintenance and various other factors, including the stuff that comes out of the chimney. To the extent that we say that the life of a power station is 35 years, that is for the purpose of having a formula available for depreciation rather than as an indicator of exactly how long it maintains which function.

The Hon. JENNIFER CASHMORE: I originally asked whether any energy conservation program is being planned

and, if so, what effect if any that would have on the predicted life of the power station.

The Hon. J.H.C. Klunder: The life of a power station is dependent on a number of factors. If the honourable member is asking whether we will be able to postpone putting in new power stations because of energy demand strategies, the answer is 'I most certainly hope so.'

The Hon. JENNIFER CASHMORE: Yes, but that was not the question.

The Hon. J.H.C. Klunder: In that case, I am still confused as to exactly what the question is.

The Hon. JENNIFER CASHMORE: If there is a diminished load on the power station over the period of time predicted for its life, will its life then be extended? If so, what is the financial effect?

The Hon. J.H.C. Klunder: That is the sort of technical advice I need from one of my officers, as I am not in a position to be able to indicate whether a power station operating at 95 per cent capacity will last a longer or a shorter time than one operating at 75 per cent capacity. I shall call on Mr Marrett to respond.

The Hon. JENNIFER CASHMORE: It seems to me that there are profound economic implications in this answer. When Mr Marrett is answering, perhaps it will be relevant for him to answer whether the financial arrangements mean lower leasing payments this year than they were last year or will be next year, and so forth.

Mr Marrett: First, in relation to the question of the life of power stations, to the extent that a power station is not running at maximum capacity but at something less over a long period of time, that will have some relatively marginal effect on its overall life. It stands to reason that, to the extent that you do not push something to its limit, it will last longer.

The other aspect of the question that Ms Cashmore raised was whether, in the process of introducing energy efficient modifications to power stations, you could increase their life, and the answer to that is 'Yes'. For example, in the Torrens Island Power Station we have recently, because of maintenance requirements, changed blading in some of the turbines. In the process of improving the life of those turbines, we have also improved their efficiency, which improves the economics of the station.

We have also improved the station's capacity (which increases its output) and increased the fuel efficiency (which also improves the economics and reduces the amount of CO₂ that is released into the atmosphere). The third question was, to what extent do our leasing payments reflect the ageing of the power station. Usually, any leasing arrangements entered into up front have arrangements for repaying the lease. Those arrangements can reflect a number of factors—mainly financial—but, very clearly, any leasing arrangement is usually concluded well before the end of the physical life of the power station, for obvious reasons.

The Hon. JENNIFER CASHMORE: What plans does the Electricity Trust have to decrease consumption, not so much through power station efficiency as through efficiency at the consumer end, by provision and promotion of energy efficient products, and what studies, if any, have been made of the Victorian experience and experiences in the United States where energy savings of multiple tens of percentages have been made through promotion and availability of energy efficient appliances and products?

The Hon. J.H.C. Klunder: I understand that question to deal mainly with demand management, so I will ask Mr Marrett to answer it.

Mr Marrett: We are attacking this question on a number of fronts. Perhaps we are not attacking it as vigorously as

Victoria is, because Victoria's problems at this time are considerably greater than ours. For example, they are in the process of making major investments of billions of dollars in power stations. In regard to our forecast, we are not looking at a major base load power station until well into the future.

Indeed, between now and the end of this decade we are probably only looking at peaking load stations, which will be fired by natural gas, the best fossil fuel as far as atmospheric emissions are concerned. Our power stations in South Australia fire two-thirds on natural gas, which means that the CO₂ that is produced per kilowatt hour of electricity in South Australia is about 20 per cent less than the average for the whole of Australia and about 75 per cent less than Victoria.

That gives an indication of the magnitude of the problem in Victoria and the slightly smaller magnitude of the problem here in South Australia. Nevertheless, we do not take this as a reason for inaction in this State, and a number of initiatives are already in place. The labelling of appliances is a larger issue than involving just ETSA but one which ETSA has supported. Refrigerators and freezers are subject to that labelling at present, and other electrical appliances will follow in the next 12 months.

We are actively promoting that labelling in the flagship of ETSA's interaction with customers at Norwood, and we are also running an advertising campaign in various forms of the media. We have established a Business Development Division within ETSA which is now going out to our major customers. We concentrate on our 100 major industrial customers in South Australia and are working with them to see how they can use energy more efficiently.

We see it as a role of ETSA not only to help the economics and cost structures of those industries but also to see that those large energy consumers in the community use energy efficiently. We are cooperating with the Office of Energy Planning to ensure that initiatives such as improvements in building insulations, both domestic and commercial, can be evaluated. We are studying the question of low energy lighting, particularly its use within large commercial premises where it can be installed and show a payout, in terms of our preliminary calculations, within two to three years.

We are following some of the work that is being done overseas, but we note that in many cases, particularly in the United States, many of the drives which are sometimes suggested as being done for environmental reasons are perhaps done for commercial reasons, because of the regulatory arrangements, and some of the distortions that occur as a result of those regulatory arrangements in the United States.

On the supply side, we are looking at the various options for new generating capacity. As I indicated earlier, we will not need new generating capacity of a base load type for some time to come, so we have time to look at all the options available with the newly emerging technology so that, when the time comes for a major investment in base load power station capacity, we will have researched the matter and will be able to indicate the cost of various options, and take into consideration the CO₂ emissions from those various options which have an environmental impact.

The Hon. J.H.C. Klunder: I can add to that. There are a number of things that rate a mention there. One is that ETSA has gone a long way towards encouraging cogeneration, which will have the effect of reducing demand on ETSA's excess power stations by increasing its buy-back rates significantly, but I have already indicated those in the House, so I will not go over them again. Secondly, there is a thing called sequential wave distortion, which is a signalling device and which ETSA is in the process of devel-

oping. It will facilitate direct contact between industrial and domestic appliances and ETSA substations and it can be used to control peak demand, since it is the peak demand that requires power stations to be built. Clearly, we are in a situation of having gone some considerable way. The other one that is having a significant effect on our need to build new power generating capacity is the interconnection and, again, a lot has been said about that. I prefer not to go on with that here.

The Hon. JENNIFER CASHMORE: Still on that same page, using it as a reference point, last night in the Estimates Committee on water resources, I noted, under the Irrigation Services line, the cost of electricity for pumping for irrigation services is expected to be \$1.6 million this year. Mr Marrett's reference to new technologies prompts me to ask whether ETSA or the Office of Energy Planning have any thought of using new technologies, such as solar technology, for those pumping stations in the irrigation areas, which are obviously ideally placed, in terms of their location and sunlight to generate power through solar energy as is done in many areas throughout this country already? If so, what would be the cost savings?

Mr Marrett: In answer to Ms Cashmore, the greatest use of solar energy in remote areas is usually for the relatively low power requirements of telecommunications, and this is used fairly extensively throughout the world. I am not aware, although I do not know whether it exists at all, of its being used to a large extent to drive irrigation pumps. I would have thought the power consumption required there would be fairly significant and indeed, one would be looking at a considerable cost. Solar energy at best now is three or four times the cost of power from fossil fuels and I would have thought that that would be a major consideration.

Mr HOLLOWAY: My next questions all relate to page 385 of the Program Estimates, the Mineral Resources Development and Management Program. What was the value of mineral production to South Australia during 1989 and how did this compare with the previous year?

The Hon. J.H.C. Klunder: During 1989 the ex-mine value of minerals including oil, gas and condensates increased by 21.7 per cent over that of the previous year to a record \$1.17 billion. This was almost \$19 million more than the previous record output achieved in 1985. Petroleum operations in the Cooper Basin contributed an additional \$92 million in ex-mine value over that of the previous year, while the Olympic Dam operation provided an increased contribution of \$140 million in gross revenue.

The Cooper Basin continues to be the mainstay of the State's resources with natural gas contributing \$341 million, oil \$232 million, condensates \$98 million and LPG \$76 million. However, Olympic Dam is playing an increasingly important role with major contributions from refined copper (\$94.5 million), uranium oxide (\$40.5 million) and gold (\$5 million). Further increases can be expected in future as the world market for copper remains remarkably strong and uranium sales are recovering from the very depressed levels of recent years.

As reported in the *Advertiser* on 21 August 1990 increasing contributions from bullion sales can also be expected as production rises to 20 000 ounces of gold and 120 000 ounces of silver annually. I can still remember the figures of a couple of years ago when we produced 1.5 kilograms of gold in this State per annum. We have certainly moved a long way since then.

Mr HOLLOWAY: Can the Minister say what has been done to develop the State's resources of kaolin and other clay minerals?

The Hon. J.H.C. Klunder: My department is currently working on a joint project with the CSIRO division of soils at Urrbrae. The fundamental properties of South Australian kaolin and other clay minerals are being studied using scanning and transmission electroscopie microscopy, amongst other techniques. The aim is to identify potential uses. Particularly for paper coating requirements for some of these materials, which are relatively widespread throughout the State. Already, some funding has been provided by a private company so that these techniques can be applied to the company's own deposit, which it is trying to develop. Development of this type of expertise using existing facilities within the State is considered an important contribution to the mineral industry.

Mr HOLLOWAY: What attention has been given to the problem of noise and dust in the mining industry and what programs does the Department have to quantify those problems?

The Hon. J.H.C. Klunder: Complaints regarding dust coming from quarries has been an on-going problem for some time. Since I live reasonably close to a quarry, I can sympathise with people who are caught in that situation. They are investigated by long term monitoring in accordance with the Australian standard for the gravimetric determination of environmental dust. To quantify the precipitation or deposition rate of dust from quarry operations monitoring, stations are established at various points within the quarry, on the quarry boundary and where necessary at a remote site suitable for background measurements. Determination of the background dust deposition rate allows the level above background to be determined. Similarly, dust resulting from activities outside the mining lease, such as farming dust, can also be quantified.

These environmental dust measurements are conducted monthly. They are continued over a 12 month period to determine the average rate of dust deposition. Simultaneously, quarry operations are modified to minimise emissions so that the dust deposition rate at the boundary is less than 4.0g/m²/month.

Complaints regarding noise levels of quarries are investigated by monitoring noise levels of the quarry and individual items of equipment. These measurements are made within the quarry, at the boundary and at the site where the complaint is registered. From these results it is possible to determine and implement control measures to ameliorate quarry plant noise levels to below prescribed limits.

The Hon. H. ALLISON: The Minister was asked by one of his colleagues several weeks ago about the visit of Professor Faiman from the Ben-Gurion University of the Negev, Israel, and to what extent the use of solar power in South Australia would be practical. I thought that question was dismissed by the Minister simply on the basis of being too costly and with no subsequent explanation as to the extent of investigation or interest by either the Department of Mines and Energy or the Electricity Trust. I thought it useful to place on the record the fact that Professor Faiman visited South Australia and his estimates were interesting because he said:

A 'judicious mix' of three proven solar power technologies would meet 100 per cent of the Electricity Trust of South Australia's peak summer demand and 60 per cent of the overall annual demand.

That is interesting in the light of what the General Manager of ETSA said a short while ago, that the majority of our power is currently produced by gas which is, among fossil fuels, one of the minimal producers of CO₂.

I connect that with a statement made by the Minister for Environment and Planning yesterday, and published in today's press, that South Australia expects, according to our

research, a rise in the sea level of about 12 cm within the next 30 to 40 years, and about 25 to 30 cm by the year 2100. That carries with it a number of other associated problems, including implied rising temperatures. When it is considered that South Australia's other source of power is from brown coal, sub-bituminous coal, a dirty coal by any standard—in fact, one of the world's dirtiest power producers (although a previous Labor Minister of Mines and Energy said I was talking rubbish when I mentioned that fact)—I still believe that we have far more satisfactory sources of power, even from the coals in Australia. We are exporting a vast quantity of good quality coal to Japan and other places. David Faiman said:

Israel's Luz corporation has sold eight of its large-scale parabolic concentrator systems to California in the past five years. Even the largest, supplying 80MW, took only a few months to build and commission. Twenty of those would go a long way to supplying the electricity needs of South Australia.

The three technologies that he suggested we should investigate were, first, the parabolic trough concentrator to heat oil to 400C, which in turn would heat water for steam-driven power; secondly, in the Outback, as we have vast areas of cloudless skies, he suggests that 300 square kilometres of saltpans would become solar ponds in which a metre of heavily salted water would be layered over with a metre of fresh water piped from the Murray River. The salt water cannot rise because of its density. It reaches boiling point beneath the layer of fresh water and then is drawn off to drive specially designed turbines, which in Israel supply power to the main grid.

The third alternative was the direct photovoltaic (silicon cell), which needs a substantial amount of ground over which to spread, and which converts ultraviolet to electricity and supplements power generation on cloudy days. He said that only in winter would the combined effects of grey skies and low temperatures require some burning of natural gas to drive the turbines. He commented that, for a small subsidy now, successive generations would be guaranteed cheap and unlimited power into the twenty-first century and beyond, and I wondered to what extent the Department of Mines and Energy and ETSA, combined or separately, had listened to Professor Faiman. Did they contact him while he was here? How excessive is the current cost of those parabolic and other systems to which he referred when he was here compared with the current generating price of electricity?

The Hon. JENNIFER CASHMORE: And exploration.

The Hon. H. ALLISON: And exploration, including the transportation of coal, and other factors, including dirt. This is worth pursuing on the basis of long-term alternatives. Perhaps the Minister's reply will give some reassurance that his department and ETSA are looking at alternative technologies and taking visitors seriously when they come to Australia with proven technology.

The Hon. J.H.C. Klunder: There is no doubt that we do take people seriously when they come to us and suggest that there are alternatives. In some cases, we find that the alternatives they suggest are in fact proper and reasonable, and we look at them. Mr Marrett referred to the work with light bulbs, and that is a perfectly proper way to go. The member for Mount Gambier put his finger on it, probably without realising it, when he indicated that he was interested in how the alternative energy proposals that he mentioned compared with the current ways of generating electricity. That is where his mistake was. It is not how they compare with it; it is how much they are on top of it, because when you generate solar power, by definition you will have difficulty at night and during times when the sky is sufficiently overcast. Therefore, you would need to have either this solar

generated power available to the grid only at certain times or you would require a very large storage capacity for solar power.

The Hon. H. ALLISON: With respect, I did say that. We already have natural gas as a major source, and we are looking to obviate the need for the use of the dirty coal—the lignite sub-bituminous.

The Hon. J.H.C. Klunder: Fine, I will accept the interjection, but the situation still is that what is being asked for here is a massive infrastructure on top of the existing infrastructure. The moment we get a more effective system with the same reliability component as the current system, I will be very interested. I will get Mr Welford to come forward and speak on this matter because he is far more of an expert than I in this area.

Additional Departmental Adviser:

Mr J.P. Welford, Manager, Generation Planning, ETSA.

Mr Welford: We have spoken with Professor Faiman when he was here and we have been very interested in solar technologies for many years. We have visited some of the major installations in California; in fact, I have been there personally. Looking at Professor Faiman's proposal it had three elements to it. He spoke about the Luz system of parabolic troughs, the solar ponds and the photovoltaic systems. The only one of those which in any way could be considered here is the Luz system, and they are only commercial in California. At present, the cost of those systems is three times the cost of our power.

It is interesting to note that those technologies are not used in Israel, although press reports may have given the impression that Professor Faiman was talking about this as an Israeli technology, and obviously Israel has a climate like South Australia. In fact, they do not use it there. California is the only place that makes substantial use of the technology at all, and it only uses the Luz parabolic trough system. The solar ponds is the only substantial pilot scale program and is a five megawatt system used in Israel. However, they would not claim it to be anything more than a test facility.

As to photovoltaic systems the largest systems are only one or two megawatts, and those are used in California. Apart from the Luz system it is not a commercial technology. We are keeping a close watch on and, with the sort of advances that people would hope will be achieved in future, it may well become a technology for the next century. Presently it is certainly not a viable technology for us.

The other thing about Professor Faiman's proposal which is worth mentioning is that he concentrated very much on what he saw as a technical possibility for meeting our energy requirements during summer. He made no claim about our being able to meet energy requirements during winter, so there were some limitations in that respect, also.

The Hon. J.H.C. Klunder: I will ask Dr Messenger of the Office of Energy Planning to comment further. I get advice from several sources.

Dr Messenger: We have been interested in the Luz technology. In fact, I talked with the Luz people in Canada last year, but the problem of the Luz arrangement is basically as John Welford outlined, namely, that it is related to a particular situation in California. It relates to the way in which the tariff structure is defined to encourage peak power. The Luz power people only sell power, as we understand it, under peak demand periods and supplement their power generation by up to 25 per cent using natural gas. For two-thirds of the day they do not generate, but the most impor-

tant thing to note is that it really is just a peaking arrangement. It is connected with the grid, and much of its power, especially at the peak, comes from natural gas supplementation. We understand that the cost of the power is something of the order of 12c from converting their figures. That is about 2.5 times the value to the ETSA system of the power. If costs can be got down, clearly the thing can make more contribution. However, I hasten to add that it is not even a question of the night problem: during the day power demands are supplemented by natural gas on top of the parabolic trough arrangement.

Mr ATKINSON: I refer to page 384 of the Program Estimates, which mentions a review of the petroleum potential of the Stansbury Basin. Why is the review necessary and is there now exploration in the Stansbury Basin?

The Hon. J.H.C. Klunder: There were sedimentary rocks on Yorke Peninsula, Fleurieu Peninsula and northern Kangaroo Island partially enclosing Gulf St Vincent. Seismic surveys conducted by oil exploration companies in the 1960s, and by the Department of Mines and Energy in 1985, indicate the same sequence of rocks extends below the sea floor under the gulf. The sediments form part of the Stansbury Basin of early Cambrian age, which I am told is about 530 to 570 million years old.

Unlike many sequences of this age, which occur in other parts of the world, the rocks have not been greatly deformed, and there is a strong chance that gas, and possibly oil, have been preserved. The sediments are marine in origin and composed of carbonate with some sandstone. Similarities exist between these rocks and those which produce large quantities of oil and gas in the Lena-Tunguska petroleum province of Siberia. Since 1986 the department has been involved in two phases of investigation:

- detailed mapping and sedimentological study of outcrops on Yorke and Fleurieu Peninsula; since 1989 this has also involved re-examination of the outcrops on northern Kangaroo Island.
- geophysical studies which involved the funding of a marine geophysical survey in southern gulf waters in 1985, and two sparker surveys in 1989-90, with a third survey planned for next year. The sparker surveys are conducted by boat and have a shallow depth of penetration compared with conventional seismic. They can, however, provide an image of the seafloor sediments in locations much closer to the coast than is possible with seismic boats.

The results of this work, which is ongoing, are so far:

- greatly improved stratigraphic correlation from fossil studies. This was the result of collaborative work with specialists in Paris and Moscow. The latter specialist, from the Palaeontological Institute of the Academy of Science, visited Adelaide in 1988 and conducted research here funded by the Department of Industry, Technology and Commerce.
- detailed modelling of the ancient environments of deposition with improved understanding of the subsurface geometry of potential hydrocarbon source and reservoir rocks, and of the structural style in outcropping areas.
- organic geochemical study of potential source rocks.
- confirmation that the succession continues beneath the gulf and delineation of some structures which are potential hydrocarbon traps.
- preliminary subsurface mapping of major seismic reflectors.

The data have been made available to the exploration industry via poster displays at conferences, brochures, and technical discussions. Some geological aspects of this work have been published in journals or are in preparation. Offi-

cers of the department have also provided advice to tertiary students from the University of Adelaide and SAIT on research projects associated with the Stansbury Basin. An application for a petroleum exploration licence was recently received for the Stansbury Basin and an offer subsequently made to Oakman Pty Ltd and Preview Resources.

Mr ATKINSON: I refer to page 382 of the Program Estimates under the title 'Underground Water'. Investigations of the quantity of ground water in the Willunga Basin are mentioned as an objective this financial year. What are the results of the investigations that have already been carried out on ground water in the Willunga Basin?

The Hon. J.H.C. Klunder: My department has over the past three years undertaken various drilling and aquifer testing programs to assess the ground water resources within the Willunga Basin. In addition to the establishment of investigation wells, a number of wells were completed as observation wells to improve the monitoring of the response of the ground water system to increasing irrigation ground water development. A water salinity observation network was also established.

As a result of the foregoing investigations and observed trend in declining water levels, indicating an imbalance between replenishment and ground water usage, the proclamation of the Willunga Basin under the Water Resources Act 1990 was recently announced. About \$150 000 has been spent to date by the department carrying out these investigations, and a further \$85 000 has been budgeted for this financial year.

Mr ATKINSON: At page 385, the Program Estimates say that one of the department's objectives this financial year is to publish an opal handbook. Will the handbook explain the opal field principle of one person one claim and how that principle is enforced?

The Hon. J.H.C. Klunder: The following procedures are carried out to monitor and enforce the principle of one person one precious stones claim on the opal fields. The identity of applicants for precious stones prospecting permits (PSPP) is checked against signatures on either driver's licence, bank book, credit card or similar documents. Where personal identity cannot be verified, the applicant is refused a permit.

Each permit holder is issued with four PSPP plates containing the PSPP number and expiry date for securing to the four corner posts of the precious stones claim. On each field, a personal card for each permit holder is kept. When an application is made to register a PSC, a check is made to see that the person does not already have a registered PSC, and that the signature on the application matches that on the card.

The application is then sent to the Registrar, who checks that the person does not have a PSC on another field. Previous stones prospecting permit holders must register or renew their PSCs at the nearest opal field office. During daily field inspections by area officers on each field, random checks are made to ensure correct numbers and dates appear on corner posts and to ascertain that the claims are being worked.

Claim forfeiture is sought when claim holders have failed to comply with these requirements after being warned by letter. These measurements are aimed at ensuring that one person can hold only one such claim and that excessive areas on the field are covered by non-working claims.

Mr LEWIS: The department, like the whole of the State Government, is an equal opportunity employer, and in the budget paper 'The Budget and its Impact on Women' we can find reference to a section which indicates that there are 18 committees in the Department of Mines and Energy.

Is that figure correct? If it is not, what is the correct figure? By what names are those committees known and what are they established to do? When was each committee established, that is, for how many years or months (if it is only in recent times) have they existed? Upon which committees are there members who are not departmental employees?

Upon which of the committees are there members who are paid a sitting fee, other allowance or emolument of any kind? Upon which of them are there members who are not permanent public servants? It is not only departmental employees who are involved; there may be other employees from other Government departments, statutory authorities, and so on, who sit on these committees. Also, other members may not be in any way connected with the Public Service. Can the Minister provide this information?

The Hon. J.H.C. Klunder: Not immediately, but I will attempt to make it available by the deadline.

Mr LEWIS: Can the Minister indicate what qualifications are possessed by the people who have been appointed to the committees? What is the reason for their belonging to the committees if they are not departmental employees? Also, who appointed to the committees persons who are not members of, or otherwise connected with, Public Service departments or other Government agencies? Does the department know how much it costs to service these committees in their respective functions? I am really interested in the bottom line. Will the Minister provide that information in a table and provide a column indicating how frequently the committees meet?

The Hon. J.H.C. Klunder: I will try to get that information as well.

Mr LEWIS: I am curious about the extent to which the Government seeks expert opinion and advice on matters of policy relevant to major decisions that it makes or even on internal administration policies in each of the departments. This department is no different from any other, and I ask the Minister to inform the Committee of the number of consultancies involved during the past 12 months. What amount of money does the department expect will be spent this financial year in this respect? Also, what agencies, programs or committees will those consultancies relate to or have related to? I have looked for the information about that but I cannot discover it. It is reasonable that the Committee and Parliament should know about that.

The Hon. J.H.C. Klunder: As the milk of human kindness is flowing so strongly at the moment, I am even willing to give the honourable member an estimate of the cost of answering his questions.

Mr LEWIS: I would be grateful if the Minister would do that, too. It would not surprise me if the information was not there in some form or another already, and that it merely needs rearranging in the data base of the computer systems that the department has to monitor its internal functions.

We note that there is a Uranium Information Committee, which the department has had running for some time. However, we do not know much about what it has been doing since early last year. Can the Minister provide the Committee with the current membership details of the committee and indicate the activities in which it has been engaged? Has it had much contact with international organisations that can provide valid scientific information to the department and the Government about uranium? I refer, for instance, to Urenco-Centec and similar organisations? Is it still alive and functioning?

The CHAIRMAN: Before I ask the Minister to respond, I remind all members of my earlier request to link questions with either the Estimates of Receipts, Estimates of Pay-

ments, Program Estimates or the Auditor-General's Report. I seem to detect a slackening off of that request by the Chair. I ask members to bear that in mind.

The Hon. J.H.C. Klunder: I am happy to report that the Uranium Advisory Committee is alive and well. It reports to me quite regularly on various aspects of the uranium industry on a world-wide basis. It therefore maintains an oversight of the world uranium market: its supply, demand, price and various other aspects, and from time to time I get a report from the committee indicating what it has been doing.

Mr QUIRKE: In relation to program 4 page 384 'Oil, Gas, Coal Resources', can the Minister advise what progress has been made in the preparation of codes of environment practice for petroleum operations?

The Hon. J.H.C. Klunder: The original codes of environmental practice date from 1984 and were jointly prepared by the department and the operating companies in the Cooper Basin. The new petroleum regulations make these codes the responsibility of the companies and must be of a standard acceptable to the Director-General of the department, who seeks comment from the Department of Environment and Planning before giving any necessary approval. No operation under the Petroleum Act can commence unless an appropriate code of environmental practice is in place. Compliance with the code is mandatory under the petroleum regulations.

For petroleum operations in the South-East of South Australia interim codes have been completed for seismic, drilling and pipeline transportation. The final code for seismic operations is presently being printed, as is the final code for drilling. The pipeline code will be finalised by the Pipelines Authority of South Australia before the Katnook to Mount Gambier line is commissioned. An extension of time was given to Santos for the revision and rewrite of the established codes for work in PELs 5 and 6 and the associated petroleum production licences. Indeed, the petroleum regulations are quite a large job. I am advised that the rewritten seismic code and the amended drilling and work-over and production codes will be provided relatively soon.

Mr QUIRKE: In relation to the same program, is the department carrying out any research work into the nature of the gas reservoirs in the new discoveries in the South-East at Katnook and Ladbroke Grove?

The Hon. J.H.C. Klunder: A petrophysical study of Otway Basin reservoirs began in June 1990, having attracted research and development funding from industry, Federal and State sources. Funding is \$68 000 from the PEL 32 joint venturers, represented by Ultramar Australia, for core analysis data and NERDDC and SENRAC have each contributed \$30 000.

The funds will be spent chiefly on high quality special core analysis under controlled laboratory conditions. From equations developed by officers of the department, the laboratory data will be correlated with wireline logs run in the Katnook and other exploration wells. The wireline logs will then provide quantitative data on the volume of original hydrocarbons-in-place for gas reserves calculation.

Departmental expertise in this field, built up since 1985, is being increasingly recognised by the petroleum industry. This is the third such study, the first two concentrating on the Cooper and Eromanga Basins in north-eastern South Australia. The Otway Basin study is scheduled for completion late next year or early the year after.

Mr QUIRKE: Again in relation to program 4, what steps is the Government taking to ensure that fields in the Cooper Basin are being produced in the most efficient manner?

The Hon. J.H.C. Klunder: The 1989 regulations brought into use reservoir management plans as the major way in which the Government could assure itself that the development of the petroleum resources in the State were being undertaken in an optimal manner. The reservoir management plan concept recognises several important factors: the companies have easy access to a large pool of experienced personnel, both directly employed and accessible as consultants, and, secondly, that at any given point in time the data available about a reservoir is restricted and subject to uncertainty and alternative explanations and interpretations.

Thus, the reservoir management plan requires the company to summarise the current knowledge of the field, make predictions of its future performance, state how it is going to maintain surveillance of the field's performance, maximise recovery and what action will be taken if actual performance is different from prediction. The company is also required to update the reservoir management plan at intervals dependent on the complexity of the fields involved. Personnel from Oil, Gas and Coal Divisions are actively involved in discussions leading up to the presentation of plans for approval, in approving the plans and in ensuring that the plans do lead to optimal development of the fields.

Mr LEWIS: To proceed from where I left off in connection with the questions about inter-agency supports which the Minister has available to him, particularly the one that is known as the Uranium Advisory Committee, can the Minister tell us whether, in the past 12 months, that Committee has produced a report—on any topic whatsoever?

The Hon. J.H.C. Klunder: The Chairman of that committee reports to me on a quarterly basis, usually with some notes for my guidance, on a variety of matters.

Mr LEWIS: In terms of policy then, would those matters have included, for instance, uranium enrichment as a prospective development in South Australia or nuclear waste storage?

The Hon. J.H.C. Klunder: The Chairman of the committee has provided information to me about uranium enrichment, but not *per se* about uranium enrichment in South Australia. He has given me a report on uranium enrichment throughout the world and the problems and opportunities that are facing that industry.

Mr LEWIS: And nuclear waste storage?

The Hon. J.H.C. Klunder: Again, I think it was a watching brief rather than a particular set of plans for South Australia, because the committee knows what the policy is in this State and, consequently, is not going to come to me recommending that I go against Government policy.

Mr LEWIS: Supplementary to that question: is the Government policy that there be no nuclear waste storage or uranium enrichment in South Australia?

The Hon. J.H.C. Klunder: Indeed.

Mr LEWIS: Does the Minister intend to make the Mining Act subject to legislation brought in by the Minister for Environment and Planning?

The Hon. J.H.C. Klunder: I do not understand the question. I do not know how one Act can be made subject to another Act, or how I can make the Mining Act subject to an Act relating to another department.

Mr LEWIS: It is quite simple: the Act simply states 'This Act takes precedence over all other Acts'. If a sufficient number of members in Parliament vote for such a Bill then it is proclaimed as an Act and it is law.

The Hon. J.H.C. Klunder: I understood the honourable member to ask whether I was going to make the Mining Act subject to an Act under the Minister for Environment and Planning's administration.

Mr LEWIS: The Minister for Environment and Planning told us today at a Chamber of Mines and Industry luncheon that in fact the Mining Act will be made subject to an Act to be introduced relating to her department. Does the Minister know nothing about this?

The Hon. J.H.C. Klunder: I know that the Minister for Environment and Planning and I have a great deal of discussions about whether we can make mining co-exist with fairly stringent environmental requirements. If the Minister's view is that she needs to do that by legislation in a certain fashion then, fine, I am willing to talk to her about that. At the moment I am not aware of an environment and planning Act which is going to subjugate the Mining Act to that extent. Obviously, I would have to read the speech by the Minister for Environment and Planning before I could give clear advice to the honourable member.

Mr LEWIS: As clarification of that point, does the Minister consider that the Mining Act provisions relating to the rehabilitation of the area surrounding mining operations are inadequate? From the remarks he just made, that would appear to be the case.

The Hon. J.H.C. Klunder: There are a number of parts to that question. In some areas the provisions of the Mining Act are perfectly adequate. In other areas, for instance, where there are difficulties with housing intruding upon the 400 metres that is required around mining activities, there are problems which the Minister for Environment and Planning and I have discussed several times, sometimes with people from the quarrying industry and sometimes by ourselves. We recognise that in that regard there are problems involving the Mining Act and the Planning Act.

Mr LEWIS: Did you ever discuss opal mining?

The CHAIRMAN: The member for Murray-Mallee is really stretching the bounds of friendship. I am sure that, once I have gone to another member of the Committee, his colleagues on that side of the Chamber will defer so that he can resume this line of questioning to the Minister, but until that time and he gets the call—

Mr LEWIS: I will just let the Minister finish.

The CHAIRMAN: The Minister will not finish. I have not allowed that question. If the member for Murray-Mallee wishes to repeat it after, say, the member for Mitchell or the member for Spence have asked their questions, the Minister can then respond.

Mr HOLLOWAY: My previous question related to dust and noise problems faced by the general public as a result of mining operations. How does the department ensure that health standards for noise, dust, gases, temperature, airflow, humidity and air quality are met at Olympic Dam?

The Hon. J.H.C. Klunder: The Department of Mines and Energy has a field branch located at the Government building complex at the Roxby Downs town site. That branch is permanently staffed by two people—one a senior mining engineer and the other a scientific officer. The branch laboratory is supplied with equipment to monitor noise, dust, toxic acids, temperature, airflow, air quality and humidity levels. This equipment is used when and where deemed necessary in the course of weekly auditing of the mine and surface working environments. Where monitoring shows that the standards are not being met, the Chief Inspector of Mines requires appropriate remedial measures.

Mr HOLLOWAY: Again referring to page 381 of the Program Estimates, the safety in and near the workplace program, with regard to mines and quarries, can the Minister provide the Committee with the accident statistics for 1989-90 and how do these statistics compare with those of the previous year? How many inspections and scientific measurements were undertaken during 1989-90 to audit

occupational health and safety, environmental and tenure compliance by operators? Can the Minister also compare those results with those of the previous year?

The Hon. J.H.C. Klunder: There were 114 accidents reported during 1989-90 to the Chief Inspector of Mines, involving the loss of three or more days of work. I am very happy to be able to say that in the previous financial year there were no fatalities. During the previous year there were two fatal accidents and 125 reportable accidents.

The total number of inspections undertaken were as follows: for mines and quarries, 1 169 in 1988-89 and 1 363 in 1989-90; and for opal fields, 1 838 in 1988-89 and 4 695 in 1989-90. I am happy to give the honourable member the details of scientific measurements later, but there was a major increase in most of the scientific measurements that are undertaken, with the exception of dust, where the number of inspections fell.

Mr HOLLOWAY: In relation to page 385 of the Program Estimates and the mineral resources development and management program, can the Minister provide any information on the operations conducted by Moonta Mining in the Moonta area?

The Hon. J.H.C. Klunder: Moonta Mining is currently extracting the remaining ore from the Poona open cut mine prior to establishing a decline to mine ore from below the bottom of the pit. To date, production totals 135 000 tonnes of ore averaging 5.2 per cent copper and 1.8 grams per tonne of gold. The ore is treated at the company's Kadina concentrating plant to produce a copper concentrate containing about 33 per cent copper and 10 grams per tonne of gold, which is sold either to Mount Isa Mines or Electrolytic Refining and Smelting at Port Kembla. To date, sales have totalled 3 508 tonnes of copper and 117 258 grams of gold valued at \$10 million. The company is actively engaged in exploration to locate further local sources of ore and drilling has successfully outlined a small mineable ore body at Wheal Hughes, south of the Poona open cut mine.

Mr LEWIS: In pursuing the matters that we were contemplating just a short while ago, I understood the Minister for Environment and Planning to say that provisions relating to the mining of precious stones in South Australia, particularly opal, as contained in the Mining Act at the present time were unacceptable and that, therefore, changes to that legislation were being drafted and that consultation with the industry would be a part of that process or had already been part of that process. Is it the Minister's intention to allow the Mining Act to be amended or subject to the provisions of other legislation where it relates to opal mining and other similar precious stones?

The Hon. J.H.C. Klunder: Again, for fairly obvious reasons, I was not able to go to the luncheon this afternoon and consequently I am not privy to what the Minister for Environment and Planning indicated. There are two separate sets of rules, depending on whether opal mining takes place on a prescribed field or whether it is off such fields. I suppose the problems that the honourable member has referred to as having been alluded to by the Minister for Environment and Planning probably derive from the opal mining off the prescribed fields. The difficulty we will always have is that, if mining takes place in a very concentrated form at any one stage—like the gold rushes of the 1860s in Victoria and so on—it attracts many people to a given area. My understanding is that, even Lambina, the area which attracted most of the attention of the opal miners, comprised only two or three square kilometres out of a very large area.

If it turns out that there is a major conflict between different forms of land use, clearly we shall need to look at

it. However, currently there are obligations on opal miners—any miners—to clear up after themselves, which may not be fully appreciated by people who have always worked on an area that has been prescribed particularly for opal mining.

Perhaps I may hand over to the expert and ask the Director-General to give some information on the things that need to be done by people who go opal mining outside precious stones fields and the kind of cleaning up that they need to do afterwards.

Mr Johns: Outside precious stones fields, one of the first requirements is for the miner to give notice of entry. Twenty-one days notice must be given. The miner is not allowed to do any mining until the occupier has an opportunity to object to that notice. At the same time, the provisions provide for no camping within a 500-metre radius of a dam or constructed stock watering point. There is to be no mining within a 150-metre radius of a dam or watering point, no camping within a 1 km radius of any house, shed or building, and so on. There are limitations on the use of water, the erection of structures, the cutting of timber, the pollution of water sources, the abandoning of goods, and so on.

Having given notice of entry, the miner is also required to get approval to use declared equipment before he can mine in those conditions. Having got those approvals, he may then apply for registration of a precious stones claim. He is then required to give notice of mining operations. The chief inspector considers that, and that is the final approval that is required.

In surrender of a claim and the taking up of another claim he will have been required to have left the workings in a condition that is satisfactory to the chief inspector. Of course, one must understand that rehabilitation in that sort of country would not be the sort of rehabilitation that might be required in a high rainfall area. There is little or no soil. One can understand that once the soil has been disturbed the requirement is for drillholes to be filled and tamped to prevent subsidence, and sides of cuts to be battered back to make them safe and to conform with natural contours so far as that is achievable. Overburden dumps are required to be contoured and all rubbish is to be removed from the site. There is also a provision for the payment of a bond to establish that whatever damage is occasioned can be made good.

Although Lambina is at present attracting some attention, it needs to be appreciated that opal is fairly widespread in the pastoral country at a number of centres. They include Granite Downs, Vesuvius, Welborne Hill, Sarda Bluff, Ouldeburra Hill, down through Coober Pedy all the way to Andamooka. That area is about 1 000 km long and about 100 or more kilometres wide. The latest interest in opal mining at Lambina is not a new activity; it is just another mining excursion outside the proclaimed fields.

Mr LEWIS: Supplementary to that question, I greatly appreciate the Director-General's answer in support of what the Minister has said. I add my belief that the provisions as they are currently contained in the Mining Act cover the circumstances that are likely to be encountered and have been encountered in this most immediate example of where precious stones have been discovered on other than a proclaimed field. Of course they will be discovered outside proclaimed fields in the locality to which the Director-General referred, because that is where the phenomena left the aberrational occurrence of the material in the geological development that produces opal. There will not be a precious stones field until it is discovered. If we do not allow

the kind of activity that discovers opal, we can kiss the opal industry goodbye.

The people who operate and are known to produce at least about \$70 million a year and arguably produce about five times that much just as miners, will pack up their gear and take it interstate if they find things too difficult. I believe that people are lobbying strongly to increase the difficulty of prospecting and development, and then the cost, which must be met up front in the form of a heavy bond, which in effect becomes a *de facto* fine simply for being a miner, will destroy that industry. Those changes are not warranted, given the already stringent provisions which exist within the Act.

People who are currently arguing—if I may say so in support of what the Minister and the Director-General have said—that we need changes to the Act in respect of that kind of mining activity need to remember that a bigger area of Australia has been devastated by human occupation than that area which has been changed not only by opal mining, coal mining, gold mining, uranium mining and any other mining. That area is currently occupied by the hotel-motel accommodation industry. It is totally devastated; not a blade of natural vegetation is left. The land is gone forever. People will go there, talk to each other, walk around on carpets, and drink, sing and dance and carry on, yet not one word is uttered against that activity because it is seen to be an economic good and something which everyone enjoys. However, it has changed the face of the natural environment arguably to the point at which it can never be changed back. Imagine trying to restore the Terrace, the Grosvenor, the Hyatt, the Hilton or any other of our large hotel complexes to their natural state prior to human occupation in civilised form.

The provisions in the Act allow for adequate control to be imposed by mining inspectors under the direction of the Director-General and the Minister without there needing to be any change to them. I want that point to go on the record. I thank the Minister and the Director-General for their frankness and common sense in that respect.

The CHAIRMAN: I listened carefully to what the member for Murray-Mallee said. At no time did I detect a supplementary question to the Minister, which is the reason for the member for Murray-Mallee speaking in the first place. Do I take it that that was just a statement and that the honourable member will now move to his second question?

Mr LEWIS: Yes, Mr Chairman.

The CHAIRMAN: You do not need to answer that, Minister.

Mr LEWIS: Thank you, Mr Chairman. It was a statement similar to the one that the member for Henley Beach made last night about consultants. Will the Minister give the Committee any information at all—again relative to the support services, and so on—about the desirability of proceeding with the badly needed rare earths refining plant in Australia? Without rare earths we will never get the kind of energy efficiency we seek in low cost, low impact (in terms of energy use) lighting, high efficiency magnets, and ceramics that are outstanding in the way in which they can be bonded to metals, and so on. So without rare earths we really cannot go into the clever society that uses energy very efficiently and thereby reduce the impact of pollution by getting more out of what we use, when we use it. Is the Minister able to give us any information about progress in getting the rare earths refining industry established here in South Australia, particularly at Port Pirie?

The Hon. J.H.C. Klunder: Clearly, SX Holdings is attempting to set up such a plant. The input that I have as

Minister is either to sanction or not to sanction the use of the tailings material that is currently in the dams for whatever they want to do with it once they take it out of the tailings dams. Also, the Minister for Environment and Planning and the Minister of Industry, Trade and Technology will be involved in this area. I see my part in this as being relatively small and, once the tailings dams have been exhausted, the role of the Minister of Mines and Energy really drops to nothing, as it becomes a straight commercial venture with, presumably, materials gained from other sources.

Mr LEWIS: Is the Minister aware that, despite what I have noticed as the normally high standard of behaviour of inspectors from the Department of Mines, one inspector has been heard publicly to boast about his involvement with a union and trying to unionise the work force in the exploration industry by subjecting one of the most successful and, probably largest, exploration firms in the oil and gas industry to harassment over the past few months?

I am talking about inspector Kevin English and the way in which he has been attacking, it seems, from what he has been saying in indiscreet circumstances, the firm called Schlumberger, into agreeing to unionise its work force. He is doing that by continuing to impose upon that company prohibition orders of one kind or another under the Occupational Health, Safety and Welfare Act (under which he is also an inspector), and has made it known to people outside the department, members of the public, that this is the purpose of his current endeavours.

They are not necessarily concerned with the occupational health and safety of the work force of that exploration company, and it disturbed me to have that information given to me and to be able to cross-check it with the companions of the people who first reported it to me. What will the Minister do to discipline this inspector if, in fact, this is what has been going on?

The Hon. J.H.C. Klunder: I am a little sorry that the honourable member did not continue with his original line of questioning that put it into the context where names were not mentioned. Had he continued with that, I might have been able to have a word with him afterwards and let him know what the situation is at the moment. By mentioning the name and giving one side of the story, he makes it very difficult for me.

Mr LEWIS: I was only giving the side of the story reported to me by members of the general public.

The CHAIRMAN: The member for Murray-Mallee has asked his question: the Minister is attempting to respond.

The Hon. J.H.C. Klunder: It does make it fairly difficult for me to respond, since I have a feeling that people will argue that attacks on individuals (for whatever cause and however much the honourable member believes he may be right) should not be made under parliamentary privilege unless the member of Parliament has checked both sides of the story and come to a reasonable conclusion.

As the honourable member has indicated, he has heard one side of the story. Some difficulties have been drawn to my attention with regard to Schlumberger's operations. Through the Department of Mines of Energy these are being pursued and we will end up with some resolution. I am not willing at this stage to have extraneous material dragged into that situation, as that will complicate the matter.

I have not heard the accusation the honourable member has made that an inspector has been seen clearly to side with one side in a dispute for a particular purpose.

Mr LEWIS: I didn't even know there was a dispute.

The Hon. J.H.C. Klunder: I was not using the word 'dispute' in the formal sense of a dispute before the Indus-

trial Commission. I am concerned that the honourable member should have brought the name of a person into this discussion on the basis of having heard only one side of the story. This matter is being looked at, but I prefer not to say anything more about it at this point.

Additional Departmental Advisers:

Mr J. Riddle, Secretary, Electricity Trust of South Australia.

Mr B. Barker, Director of Distribution and Customer Service, ETSA.

Mr P. Newman, Treasurer, ETSA.

Mr ATKINSON: How is the interconnection of the South Australian electricity grid with the New South Wales and Victorian grids benefiting South Australian consumers?

The Hon. J.H.C. Klunder: The interconnection of the electricity grids of ETSA, the State Electricity Commission of Victoria and the Electricity Commission of New South Wales is one of the largest projects undertaken by ETSA. The four-year project was completed as originally planned on 1 December 1989 and began commercial operation on 1 March this year.

The direct capital costs attributed to the project were \$140 million, of which \$97 million was contributed by ETSA. The final costs, I am pleased to say, were 5 per cent below budget. This interconnection is effectively a 275 kV transmission line stretching from the existing Tailem Bend substation to a new substation near Mount Gambier onto a new 500/275 kV substation at Heywood near Portland in Victoria. This link will allow an exchange of opportunity energy to a maximum of 500 MW import or 250 MW export.

Savings in generation costs on the three State systems arise through the purchase and selling of electricity on an opportunity basis, if spare capacity is available in one system and if there is financial incentive to transfer electricity. The authority, which would otherwise use higher cost plant, could instead transfer electricity at a lower cost from another authority with spare capacity on lower cost plant. This opportunity energy transfer benefit is estimated to provide a savings to South Australia of \$6 million per annum, based on an expected full year's energy exchange of 1 500 GWh.

In addition, the electricity production costs can be lowered, because the interconnection system enables the reserve capacity on the interconnected system to be shared and hence to reduce the size of reserve needed in each isolated state system. The benefit of this reduction for South Australia is estimated to be about 250 MW of reserve plant, a saving of approximately \$90 million.

The interconnection also increases the security of supply to all customers, particularly for unexpected outages of ETSA generating plant, as, for example, occurred during the fire at Torrens Island Power Station in 1985. In these situations the shortfall of capacity can be offset by supply over the interconnection and so avoid load shedding and customer blackouts. Since the interconnection was commissioned there have been four occasions when possible blackouts have been avoided.

These benefits resulting from interconnection will be passed on to ETSA's customers—domestic, industrial and commercial—and will provide the Electricity Trust of South Australia with the opportunity to contain future tariff increases and at the same time improve security of supply.

Mr ATKINSON: What are the main terms of the agreements between ETSA and local government about vegeta-

tion clearance around power lines in areas not at risk from bushfires?

The Hon. J.H.C. Klunder: Over the past six months ETSA and local government have been negotiating on vegetation clearance agreements for public supply lines on public land in non-bushfire risk areas. In a small number of cases agreements have been signed. However, most councils have deferred finalising negotiations until such time as ETSA and the Local Government Association (LGA) agree on the form of these agreements. Discussions have been held between ETSA and the LGA, and it is anticipated that the form of these agreements will be finally agreed in the very near future.

The Hon. JENNIFER CASHMORE: I preface my next question by saying, in response to the question from the member for Murray-Mallee, that in so far as I know Inspector Kevin English, I know him to be a man of considerable integrity and ability.

My next question relates to page 382 of the Program Estimates, and I refer to the authorisation under the Water Resources Act and the assistance in the preparation of water resources management plans as specific targets and objectives for 1990-91. Last night, I asked the Minister of Water Resources, under her program line of irrigation, about the need for the wine industry in this State to improve its water resource base in order to improve its yield and quality, bearing in mind that South Australia's proportion of the total wine crush has continued to decline over the past 10 years and is still declining, even though the yield is improving.

Because the product is important to South Australia in so many ways, and because the industry places such stress on the availability of water resources for irrigation, can the Minister tell the Committee whether the department is satisfied that in each of the wine-growing areas of the State where irrigation is used there will be sufficient water resources for the needs of producers and, if not, in which areas the department is worried that resources may not meet the industry's needs?

The Hon. J.H.C. Klunder: The honourable member for Coles seems determined to give my officers exercise, because she has just asked a question about mines and energy, rather than the Electricity Trust. I can see whether any of my officers can give information on the spur of the moment. In the absence of officers who may know something about this—and the question is fairly detailed and requires an answer on a lot of areas—it may be better to take this hydrology question on notice and provide the honourable member with an answer.

The Hon. JENNIFER CASHMORE: Certainly. I will ask another hydrology question. What is the status of the hydrological records for the Flinders Ranges area? I have read comments of Professor Gordon Stanger of Flinders University's Earth Sciences Department, that reports are inadequate and that we do not have sufficient knowledge as to the extent of water resources, particularly about their long-term viability under drought conditions. Can the Minister tell me whether the department is satisfied with the status of the records and, if not, what plans the department has to bring those records up to date?

The Hon. J.H.C. Klunder: I will have to defer to the knowledge of specialists in that area.

Mr Johns: I did not hear the first part of the question.

The Hon. JENNIFER CASHMORE: I asked whether the department was satisfied with the standard and status of hydrological records for the Flinders Ranges area and, in summary, if not, what plans does the department have to bring them up to date to make them comprehensive? I have

heard criticisms made by Professor Gordon Stanger from the School of Earth Sciences at Flinders University that the records are patchy and inadequate in areas that are of particular concern to the Government at the moment.

Mr Johns: I guess I should say that we will never be satisfied with our knowledge of the earth and that which lies under its surface. The department has been almost obsessed with the search for and the evaluation of ground water and energy resources from the outset and here, 150 years later, we are still particularly concerned, about those two aspects of resources in this State. We have problems in this State by virtue of low rainfall and limited recharge; we have problems wherever one likes to look, such as in the South-East, Eyre Peninsula, the Adelaide region or, indeed, the Flinders Ranges. The Flinders Ranges are no more or less neglected, unknown or deficient than any other region.

One must use one's resources to the best of one's ability, recognising the discovery and improvement of ground water resources in such places as the Flinders Ranges, which do not form a predictable regime as do the basin areas: the Murray Basin area or the Great Artesian Basin, where the behaviours of the ground water are far better known and more predictable than in the Flinders Ranges, for example, where the matter of storage, withdrawal and recharge are matters of geological happenstance, of structure, and so on.

I lived at Leigh Creek for three years and, apart from a preoccupation with the assessment of coal, my other major duty was in a review of water for the Leigh Creek township. You would know that the supply of water for Leigh Creek exercised much attention from the day the decision was made to mine coal at Leigh Creek. Indeed, the Great Artesian Basin was considered at one stage. Finally, water was drawn from sliding rock until such time as that was seen to be inadequate to provide the quality and amount required for a new township a little ahead of maybe a decision to build the new town, and a reservoir was constructed at Aroona. That was seen to be the answer to Leigh Creek's water supply problems.

With siltation and irregular and erratic rainfall, that proved inadequate but, lo and behold, about four or five years ago, a new oil field was developed in an entirely unsuspected environment only a few miles from Leigh Creek, very fortunately placed. I relate that piece of history as an example of what I think will continue to be the pattern. I do not think that any one of us could predict with any degree of certainty the limitations on water supply or the availability of water quality. It will be a question of drilling holes, testing and trying to extend one's knowledge from places of the known to places of the unknown.

The Hon. JENNIFER CASHMORE: In the South-East, I understand that a proclaimed area has been declared near the site of a newly established potato factory at Penola. Some of the producers are already concerned at the draw-down on the water supplies from horticulture, which is now booming because of this potato factory, which can process I forget how many hundreds of thousands of tonnes per year. What activity is the department undertaking in that area, because I do not see it mentioned under the targets and objectives, to ensure that the recharge is sufficient to meet the needs of producers?

The Hon. J.H.C. Klunder: I will defer to the knowledge of the Director-General.

Mr Johns: We have a geologist based at Naracoorte, and he has been down there for a number of years. Also, we maintain an office at Mount Gambier. The South-East, it must be said, contains the largest resource of usable water for irrigation that there is in this State. For that reason, it needs to be managed and put to best use. I am not aware

of the particular locality or circumstances to which the honourable member refers, but I am not surprised that there are concerns by existing users of water which, in a new development, may be an intensive use. All I can say is that we are very conscious of a deterioration in ground water salinity, of increased withdrawals and of a need and concern to come to grips with what is a sensible and sustainable development of those resources.

Mr QUIRKE: Referring to ETSA's debt and interest, the electricity industry in Australia has been said to be heavily burdened by debt and associated interest costs. This has put substantial pressures on electricity tariffs and borrowing allocations for other worthwhile public projects. What is the position for ETSA in South Australia? Further, it is well known that the Australian electricity authorities have borrowed substantial amounts of money overseas and have suffered major losses as a result of the fall in value of the Australian currency, particularly in the middle 1980s. What is ETSA's position on that?

The Hon. J.H.C. Klunder: It is an interesting question because ETSA is an acknowledged leader in the Australian electricity industry in the field of prudent corporate financial management practices. The prudent practices have led to a situation where ETSA has by far the lowest debt burden after due adjustment for different sizes of the authorities. ETSA's ratio of net debt to income is about 1.2 to 1, which is the lowest in the country. The ratio is doubled, tripled or even more for some of the other authorities. Correspondingly, ETSA's net financing charges now represent a modest 16 per cent of total operating costs. These costs can be 40 per cent or more for some of the other authorities.

Since 1985, ETSA's net indebtedness has declined from \$991 million to \$906 million. That is, there has been a decrease in indebtedness of about \$85 million. In real terms, this represents a considerable decline. In fact, in real terms, ETSA's net indebtedness is now at the same level as it was in 1982, despite ETSA's having had to finance the construction of the Northern Power Station and the interconnection project.

Mr QUIRKE: What is the current premium paid by ETSA for bushfire risk insurance?

The Hon. J.H.C. Klunder: I have a considerable amount of information on that matter. Most of us are aware that, straight after Ash Wednesday 1983, ETSA was unable to obtain insurance for the protection of the people of South Australia at any price. When insurance was obtained in April 1984, it was at a premium of \$8.26 million or \$91 000 per \$1 million of cover. Since 1984, that cost has decreased. The greatest decrease occurred in the light of the then proposed legislation in 1987, when the cost fell from \$79 700 per \$1 million of cover to \$29 500 per \$1 million of cover. ETSA is now paying \$10 500 per \$1 million of cover for a total of \$480 million of cover, and the premium in July 1990 was negotiated at \$5.044 million with a \$20 million excess.

In fact, I have here a table from which I will quote some figures. The cost dropped from \$91 000 per \$1 million in April 1984 to \$90 000 in 1985, and then to \$79 000 in 1986-87. After the legislation was mooted for the control of trees in proximity to power lines, it dropped to \$29 000 and is currently about \$10 500 per \$1 million of cover.

Mr QUIRKE: Can the Minister advise the Committee about the provision of electrical services to the Golden Grove region and the placement of very large stobie poles in Milne Road? These stobie poles have been the source of discontent in my electorate. What community consultation is there concerning the placement of such poles and would it be possible for other stobie poles in the same streets to

be removed so that residents have to put up with only one array of stobie poles? Is it possible for smaller stobie poles to be used, rather than having large and extremely ugly stobie poles recently placed in my electorate?

The Hon. J.H.C. Klunder: The requirement for a 66 kV line to be above ground in Golden Grove was part of the indenture agreement that went through this Parliament. Therefore, it can hardly be claimed to have been hidden in some way or another. I understand that a number of people living in Golden Grove got a rude shock that those lines went through above ground. One can sympathise with people who assumed that everything was going to go underground, yet right from the beginning it was openly and clearly stated in the South Australian Parliament that anything above 11 kV would have to go above ground.

The purpose of that 66 kV line is to improve the reliability of the supply to the north-eastern suburbs, including Golden Grove. I am not familiar with the exact detail of whether this was part of a loopline, but there are good reasons why it had to be there. If it had not been constructed, the security of supply to Golden Grove in particular, would be far less than it is at present. I understand that the cost was \$1.4 million over 7.8 km. The erection of the overhead line was accepted by the Department of Environment and Planning, the City of Tea Tree Gully, the City of Salisbury, the Golden Grove housing developers and, as I indicated, it was part of the indenture. The installation of underground cable was discussed with a number of parties, but there were no offers to meet the additional costs of underground cable compared to the overhead line which would have been at least an extra \$8 million.

Mr QUIRKE: As a supplementary question, is it possible that the trust could look at the removal of other stobie poles in close proximity so that there is only one network of stobie poles through the area? Perhaps other power lines could be attached to those poles, instead of retaining the jungle that we currently have on Milne Road.

The Hon. J.H.C. Klunder: I have to give the standard reply. If anyone has stobie poles in their location and wants them removed, there are two ways of proceeding. One is to pay for that, on the basis that people who get the extra benefit ought to be paying for the stobie poles to be removed. That can be done by approaching the local council and getting extra money put on one's rates over a number of years in order to pay it off or, alternatively, if it is seen as a public good as distinct from a private good, to approach the powerlines environment committee, which has \$2.6 million a year available for a 2:1 subsidy with local government for the removal of powerlines in areas where it is seen as a public rather than a private advantage.

The Hon. H. ALLISON: On page 264 of the Auditor-General's Report, paragraph 1.11 'Insurance', there is the following comment:

[Last year] ETSA [covered] its insurance by payment of premiums (\$7.9 million in 1989-90) . . .

Interestingly, a self-insurance reserve is created in respect of potential future uninsured losses. The report indicates that the insurance is intended to cover the estimated claims for known events, and it states:

An amount of \$15 million was appropriated to the Self-Insurance Reserve in 1989-90 (\$25 million).

Is it intended that there should be a ceiling on that reserve? Is the present reserve currently in excess of the \$20 million excess to which the Minister just referred? If so, by virtue of that response, are we now over-insured on estimated losses?

The Hon. J.H.C. Klunder: I will ask Mr Marrett to respond, because he has that information at his fingertips.

Mr Marrett: The self-insurance provision is included in our accounts to provide for insurance claims which we know are in existence. There is a Self-Insurance Reserve, which essentially does the same thing for insurance claims which may occur in the future but for which at present there is no claim. The Minister mentioned that in the case of bush-fire risk there is a \$20 million deductible, and that of course is one of the insurance risks that ETSA has to bear, but it is not the only one.

For example, we have a deductible of about \$5 million on our own assets, power stations and other facilities to do with running the business. We cover entirely damage to our own vehicles and we cover our own workers compensation liabilities. It has been assessed by our risk and insurance experts that about \$100 million to \$130 million, at least as we see the situation now, would be an adequate provision or reserve for self-insurance. It is expected that in the medium future the provisions that have been made in recent years to build that reserve up to the current level of \$100 million will thereby reduce.

The Hon. H. ALLISON: About a decade ago the Ziegler report was handed down to the Federal Government on energy resources across Australia. Included in that report were several recommendations relative to South Australia. One was that we might have a dedicated power station constructed interstate on or adjacent to a coalfield and simply wire the electricity to South Australia. Another one was that we increasingly use good quality and higher calorific value interstate coal, such as quality coal to which I referred as being of export quality and leaving Australia in vast quantities.

We used to have the exchange of dolomite and limestone from South Australia to Newcastle, with coal coming back from Newcastle to Whyalla in the halcyon days when Whyalla was a highly productive manufacturing centre. The other alternative was that we establish a national grid. A few years ago when I asked that question of a previous Minister, the response given for not accepting any of the recommendations was that South Australia would lose control, that there was a high incidence of union strikes interstate and opposition from unions within South Australia. Now that we have the breakthrough with the South Australia-Victoria interstate grid I wonder whether that, plus any of the other recommendations, was under consideration and whether the interstate grid might be further expanded to allow us to further defer the construction of a major base-load power station?

The Hon. J.H.C. Klunder: Certainly, the existence of the interconnection, with its capacity to bring 500 megawatts into South Australia has enabled us to defer the building of a further power station. The question as to whether or not we would consider a power station interstate is an awkward one. It still is, but probably now for different reasons than in those days. We would, if we could at all, put a new power station on gas rather than coal, because of its much better environmental situation.

At this stage, the amount of gas that we have in this State is still relatively fluid. We do not know how much Katnook is likely to end up providing to the State; we do not yet know what quantities of gas are likely to be available in the future from south-western Queensland, the Northern Territory or, indeed, in the longer term from the north-west of Western Australia. The only thing I can say at this stage is that we are in the very fortunate position of not having to rush to make up our mind, as the Victorians are having to, because we happened to have a number of factors that have, so far, enabled us to defer the construction of the Northern Power Station from 1992 to 1998.

There is no guarantee that it may not be deferred further and, indeed, I think everyone on both sides of the Chamber would be perfectly happy if we were able to defer it even further still. At that stage we would need to balance coal from various sources as against gas from various sources as against the option of a power station interstate. However, we need to consider that by putting in a power station interstate we will not increase the capacity to take power from interstate above 500 megawatts, unless we duplicate the interconnection line somehow. So, we already have the capacity for taking power interstate should that be necessary. Although, clearly, the intent of the Government is to do it only on an opportunity basis.

The Hon. H. ALLISON: I understood from previous press releases by the Minister regarding the Katnook/ Ladbrooke Grove gas exploration and discovery that there were other options for the use of gas. One would be to bring it to Adelaide and another would be to export it from South Australia to Portland for use in the smelter. Only last week the Victorian Government announced that gas would in all probability now be taken from the eastern end of the Otway Basin, from Port Campbell, to Portland smelter. It already goes to Warrnambool, so it would be an extension of that line. Given that recent decision, will that impair further exploration within the Otway Basin in South Australia, around the Katnook area? Will it delay any decision by the partners to carry out further exploration?

The Hon. J.H.C. Klunder: I think that the reverse is rather the case. The extreme speed between the drilling of that well and the actual sale of gas, which has been somewhere in the order of two years, will encourage a lot of people because there are a lot of places where one can find enormous reserves of gas and only sell such condensate as happens to come up with the gas. The fact that markets are available in South Australia for that gas is probably the most encouraging factor making people explore for it.

The current reserves of the gas are not sufficient to do anything more than is currently being done. We cannot put a power station down there because there is not enough gas for it. We cannot supply Adelaide or export gas from that area. Clearly, we are all hopeful that that position will be altered as a result of further exploration and, indeed, further exploration is taking place. Under these circumstances all one can do is cross one's fingers and hope—and have some reason for that hope because of the high prospectivity of that area.

The Hon. H. ALLISON: My question relates to the proclaimed water area adjacent to the South Australian/Victorian border. Recent advertisements called for applications for a number of increased allocations as opposed to all potential users receiving a direct grant. Was that decision to make more water available in that area because of an increased proven resource on the South Australian/Victorian border and, also, have we come to any firm conclusion as to whether the water does reach that area, particularly north of Penola where the water comes, say, underground from the Grampians?

I ask that question because, the further north one goes, in the south there is a much higher rainfall than there is an evapotranspiration rate but, once one reaches Naracoorte travelling north up to Bordertown and the Murray-Mallee, the evapotranspiration rate is much higher than the known rainfall. So, we are looking at an alternative source of water. I am looking for some conclusion from the Department of Mines and Energy as to whether fossil water is being used in areas such as Padthaway where at present there is a great proliferation of vines, or is there a very substantial recharge which will guarantee the viability of the horticulture

throughout that area between, say, Bordertown, Keith, Padthaway and Naracoorte for a very long time?

The Hon. J.H.C. Klunder: I will refer that question to the Director-General.

Mr Johns: My department has undertaken a number of studies to assess the ground water resources along the South Australian/Victorian border zone with the investigations being concentrated in those areas where the resource has been fully allocated under the present licensing system. To date about \$250 000 has been spent carrying out drilling and pump testing to define more accurately the nature of ground water occurrence in those areas. Some of those studies have been carried out in conjunction with the CSIRO to determine the annual rates of replenishment of the aquifer and further work on this aspect is currently being undertaken.

Using the available results of these investigations, the reassessment of ground water availability has shown that additional volumes of ground water are available in some of those areas and that further irrigation development could be approved. The Border Review Committee, the interstate body responsible for the management of the ground water resources within the designated area along the State border, has considered the results of the latest ground water assessment and the volumes of ground water available for extraction in most areas have been increased. The allocation of these resources is being examined at the present time by the Upper South-East Water Resources Advisory Committee.

In relation to recharge, my knowledge is that little of the rainwater actually reaches the ground watertable, except in the lower portion of the South-East where the rainfall is much higher and where the conditions of the ground are such that water is readily taken underground. However, where there are pine forests, and so on, one would wonder whether any of that water would reach the ground watertable.

The Hon. H. ALLISON: Page 382 of the Program Estimates refers to ground water resources in the Otway Basin and the fact that the Department of Mines and Energy is constantly conducting research. Does its investigation include an examination of the water quality? I refer particularly to the nitrate content from fertilisers, superphosphate from animal faecal coliform presence because of the animal husbandry, dairy cattle, sheep farming, etc., and the presence of any other pollutants such as heavy metal poisoning, arsenical compounds from timber mills, and the like, or is that sort of thing left strictly to the E&WS Department?

The Hon. J.H.C. Klunder: I think it might be best if I took that question on notice.

[Sitting suspended from 6 to 7.30 p.m.]

Membership:

Mr Oswald substituted for the Hon. Jennifer Cashmore.

Mr HOLLOWAY: What are the techniques used by ETSA in forecasting electricity demand? What is the predicted growth in electricity demand and what implications does that have for the new generating plant?

The Hon. J.H.C. Klunder: The ETSA long-term demand forecasts are based on what is called an econometric analysis supplemented by end user information and trends. Econometric analysis involves identification of significant economic variables such as price, income and economic growth affecting electricity sales sector by sector, establishing a statistical relationship between electricity sales and those variables and forecasting future growth movement in the

variables to predict future sales growth. For example, end user analysis involves the study of residential appliance ownership, efficiency trends and the prediction of future sales based on such trends.

That type of analysis is further supplemented where appropriate by further projections of major loads, such as E&WS water pumping and major industrial loads such as Olympic Dam, based on information obtained directly from those customers. The techniques that are employed permit a range of outcomes to be predicted on different economic growth assumptions, as well as different end use efficiency and demand side management assumptions.

Mr LEWIS: On a point of order, Mr Chairman, now that the Minister has given that information, why did he not answer that as part of question No. 5 on the Notice Paper in the House? It has been there since the beginning of this Parliament.

The CHAIRMAN: I do not count that as a question for the Minister.

Mr LEWIS: These are questions in the Estimates Committee which are already on notice.

The Hon. J.H.C. Klunder: Did you ask for the techniques?

Mr LEWIS: I asked for that in March and you did not answer.

The Hon. J.H.C. Klunder: That is interesting because I thought that it had been answered. Okay, I shall look at that. I thought that there were only a couple of questions that I was sending from last session. I did not think that that was one of them. Obviously it was.

The CHAIRMAN: The Chair did not hear the question that the member for Mitchell asked. I know that I have a reputation for making people smile in this place, but that was not intended to be a joke. I did not hear the question by the member for Mitchell. I do not have a copy of the Notice Paper in front of me, nor does the Clerk. If that question was identical the point of order by the member for Murray-Mallee would be correct. Until I can see the question—obviously it will be in *Hansard*—and the Minister's answer, I will not be able to give a ruling. If it is identical, the member for Mitchell may have inadvertently committed a misdemeanour. I am sure that the member for Mitchell would not do that unintentionally and I am sure also that the Minister would not have wanted the member for Mitchell to do so.

I can check *Hansard*. I cannot guarantee coming in especially tomorrow to see it, but I shall check it at the first opportunity and then perhaps formally uphold the point of order that the member for Murray-Mallee is making. If Committee members have a question to ask of the Minister and they know that there is a similar question on the Notice Paper, I would respectfully suggest that members of the Committee not ask such questions. I cannot see anything sinister in what the member for Mitchell is doing. I know that the Minister's reputation is that of an impeccable member of the Government and I am sure that he would not have anything to do with such a dastardly deed.

Mr HOLLOWAY: I must confess that I have not closely examined the questions asked by the member for Murray-Mallee on the Notice Paper. How do the licensing provisions of electrical workers and contractors in South Australia compare with arrangements in other States?

The Hon. J.H.C. Klunder: I can only add my comments to those of other members. Had I been aware that that question was similar to a question on the Notice Paper I, too, would have been aware of transgressing the Standing Orders.

All States in Australia require licensing of electrical workers for certain categories of work. Those licensing arrange-

ments were the subject of a review that was recently conducted by Mr Tregillis of the Department of Labour Advisory Committee. An analysis of the review indicates that South Australia is one of the leading State authorities in terms of flexibility of licensing arrangements. Examples of that are that South Australia does not restrict work on extra low-voltage installations as some other States do. South Australia issues an A class licence for people who wish to set up business in South Australia on sighting an equivalent licence from other States. South Australia has recently implemented an agreement with the Sanitary Plumbers Examination Board to provide for the cross-licensing of certain maintenance and replacement work on electrical water heaters. That agreement provides for appropriately trained plumbers to work on certain electrical aspects of water heaters and provides for electricians to work on certain plumbing aspects of those water heaters.

Mr HOLLOWAY: What is the Electricity Trust policy on buying power from small independent generators, and what are the buy-back rates that apply in such situations?

The Hon. J.H.C. Klunder: As I have indicated, ETSA is prepared to buy power back from any small independent generator, provided that satisfactory interconnection arrangements are in place. Of course that is not quite as crucial as the price at which ETSA is prepared to buy back electricity. In the past that buy-back rate has been between 2c and 3c, and that has discouraged a number of people from taking a cogeneration option. The rates that are now in place vary from 2.5c per kilowatt hour of energy purchased on an *ad hoc* basis during off-peak times to more than 10c per kilowatt hour for highly reliable supplies purchased under long-term contractual arrangements during peak summer loads.

Mr LEWIS: By way of clarification, when does the Minister intend to answer question No. 5 on the Notice Paper?

The CHAIRMAN: I cannot allow that question. I will not include it as one of the honourable member's three questions. The Estimates Committee is an examination of the Minister on the Estimates of Payments, the Estimates of Receipts and the Program Estimates and any comments that the Auditor-General may have made in regard to the Minister's portfolio responsibilities. The Committee is not here for any member—not just the member for Murray-Mallee—to ask the Minister when a particular question on notice will be answered.

There are forums of the House to which this Committee belongs by which the member for Murray-Mallee (or any other member) can put another question on notice or even ask a question of the Minister directly to the Minister as to when he will reply. It is not for this forum to say. I suggest to members of the Committee that time is slipping by. We have a fairly strict timetable to adhere to, and I do not want to be in the position of having to spend more time than necessary talking to the Committee.

It is the Committee's job to ask questions and the Minister's to answer them. I will rule that question out of order, but I will let the member for Murray-Mallee proceed with his bracket of three questions.

Mr LEWIS: I have your assurance, Sir, on that point, thank you. Before proceeding, in 30 seconds can I simply say that, during the Estimates Committees of 1980, an honourable member did ask that question and the question was admitted. However, I do not want an answer to it: I simply make the point that if what you have ruled, Mr Chairman, is to be the case, those of us who have questions that go to the nub of what is happening in the budgeting process in departments and statutory authorities, will have to take them off notice the last day before the Estimates

Committees sit, if we are to get answers to the damn things. Clearly, they could stay on notice for ever and never be answered, and the Government simply remain unaccountable. I regret that that is the way it seems to me I will have to proceed next year.

The CHAIRMAN: Again, I do not wish to delay the Committee—

Mr LEWIS: I will leave it there.

The CHAIRMAN: I do not wish to delay the Estimates Committee, but what the member for Murray-Mallee has said has forced me to say this. The documents before us are part of the whole budgetary process, and the reason why we have a Minister of the Crown sitting here tonight before this Committee. If the member for Murray-Mallee or any other member has any concerns about questions that have been put on the Notice Paper, I am sure that they have enough intelligence (and I say that kindly—that is not a criticism) to frame a question to the Minister based on the Estimates of Payments, Estimates of Receipts, Program Estimates and the Auditor-General's Report.

As Chairman, I should like to think that I have a Committee of professionals facing a Minister who is a professional. Let us act like professional people.

Mr LEWIS: Why has ETSA not promoted the availability of or published the new buy-back tariff, or even published the guidelines regarding the contractual structures which ETSA intends to offer? It does not appear to be consistent with the Government's intention that expansion of co-generation will be a priority.

For my authority, I refer to the Premier's energy policy speech last year. It is, nonetheless, included in statements which have been made by the Minister and about which questions have been asked by other members of this Committee. The Minister made some rather enthusiastic comments in Parliament recently, as reported in *Hansard* of 8 August, wanting to give publicity and set a perception that this was happening rather than doing anything about it. I am most anxious that we discover exactly what the Government is about. Is it fair dinkum or is it just about setting public perceptions?

The Hon. J.H.C. Klunder: For the honourable member's benefit, we can send him a copy of the *Energy News for Industry and the Community*, which was published some time in July of this year and which does, in fact, contain the published buy-back rates. The honourable member's comment that the rates have not been published is, of course, not correct and, as he has already indicated, I referred to those rates in an answer to a question in the House.

The reason why it has not been very high profile (if that is what the honourable member wishes to allude to) is that ETSA has spent some time talking to the people who are likely to be co-generators and has taken to those people directly what ETSA's buy-back rates are. ETSA has talked to those people about their capacity to co-generate under those new buy-back rates. So, there has been no attempt to hide these figures. There has been a process of consulting with industry and commerce and, as I said, the figures were published some time in July of this year.

Mr LEWIS: Supplementary to that, will the Minister be kind enough to give me a copy of a response by the Manager of Technical Development and Special Projects in the Office of Energy Planning; I suppose the Minister will have to know what that gentleman says when he replies to a letter which he has received from the Gas Company and which was written by the Gas Company on behalf of a number of prospective co-generators who are keen to get into the business because they see it as reducing their costs and, what is more, providing generation capacity to ETSA—very effi-

ciently, from ETSA's capital investment point of view—which will extend its ability to supply any proportional expansion of the market without having to make those capital investments.

Will the Minister give me a copy of the letter which goes to the Gas Company in response to the inquiries that have been made in that letter of 31 August written by Mr Dunlop of the Gas Company? I leave until some subsequent date in the House the issue of co-generation.

The Hon. J.H.C. Klunder: I must admit that I am a trifle confused as to what has happened here. Apparently, a Mr Dunlop of Sagasco wants to know something about buy-back rates by ETSA and writes to the Office of Energy Planning in order to ascertain what it is all about. Clearly, this has somehow bypassed what I would call the sensible thing to do, which is to write to ETSA, if you are asking about ETSA's buy-back rates. But I will have a look at the correspondence to see the situation.

Mr LEWIS: What consultation was there with the ETSA board by the Government before the \$47 million contribution was made, as referred to in item 10 on page 266 of the Auditor-General's Report for last financial year?

The Hon. J.H.C. Klunder: It became clear in 1990 that ETSA had had a very good financial year because of seasonal conditions and, therefore, had a stronger than expected sales growth and a certain amount of surplus money.

Two things can be done under those circumstances. One can try to put that money into a reduction in tariffs, or one can take that money and put it towards the owner of ETSA, if you like. We tried to do both. There was a substantial reduction in real terms in ETSA tariffs, and there has been an extra amount, being the \$47 million that the honourable member refers to, that was paid to the Treasury from ETSA. That total figure that was paid by ETSA equates to a return on the capital of ETSA, depending on how one calculates it, of between 4 and about 5 per cent, depending on which particular set of figures one looks at. I think it is reasonable that there should be a real rate of return on the capital that is employed in this situation.

Mr LEWIS: Supplementary to that, we note that there has already been a payment back to the public purse of 15.1 per cent in addition to the \$47 million, and that 15.1 per cent was earned on the money that ETSA has had contributed to it by SAFA. That was \$110 million, with another \$47 million on top of that. I would have thought that that was a pretty good return on SAFA's capital, when that other \$47 million is added. I would like to know how much is budgeted for this year to pay to SAFA over and above the nominated interest return on SAFAs funds in ETSA at the nominated rate that is struck, whether it is 12, 15, 16 or 18 per cent. What has been included in the budget, or does ETSA not do budgets like other businesses? Does it wait for the Government to tell them how much it will be slugged for?

The Hon. J.H.C. Klunder: As I understand it, the amount that is paid to SAFA as an interest payment on the \$110 million has been reasonably constant over a number of years. It does not vary up and down; it is the \$47 million that is over the top. It may vary by a few per cent every year, but, by and large, it has been a reasonable amount. So, I would expect that the returns on that \$110 million would continue along the trend line that has been experienced in the past. The return above that, which is the category that the \$47 million falls into, is something on which I really cannot give an answer, because that will depend to a very large extent on the kind of year that ETSA has. One can only have a reasonable rate of return.

Mr LEWIS: There is a 5 per cent return on revenue, a public interest rate on the money SAFA has in the trust, and then, whatever figure you decide to take out of the air. The trust does not have a figure budgeted in its Estimates of Payments for this coming 12 months; it waits until the end of the year when it is told what extra it has to pay?

The CHAIRMAN: I remind the member for Murray-Mallee that there is a Committee of more people than himself and the Minister.

Membership:

Mr Groom substituted for Mr Quirke.

Mr LEWIS: What is the estimated percentage of total sales from ETSA used for the purpose of lighting (domestic, civic and industrial lighting) as a percentage of all power? We have various figures being bandied about by such expert people as Ellie Fricker, who are telling us that a high figure of 41 per cent of all electricity generated is for lighting and that we could save an enormous amount of electricity if we went to rare earth, high energy-efficient bulbs, and postpone almost into the distant future any necessity to extend our generating capacity. That is the view of some of the dark greens and has been put around the community by them through the process which, I thought, was referred to by the Minister as extensive consultation with the public by the Government to hear what the Government had to say about those matters of concern. It disturbs me that neither the Minister nor any representative of the trust has disabused the public on what I am sure is an inaccurate assertion on the part of those people led by Ms Fricker, regarding a figure of 41 per cent.

The Hon. J.H.C. Klunder: A figure is available for public lighting. Apart from public lighting, all lighting in private homes, and so on, would come under an 'M' tariff and, consequently, it is not possible to sort it out. So, my guess is that anybody who is able to give a precise figure is doing so with more luck than skill. The energy forum is a body that I have appointed to give me advice on how the community thinks, rather than for me to give the community advice on how it should think. Consequently, when the energy forum decides in various ways to gather public opinion, presumably, it will gather public opinion from a wide variety of people and use a wide variety of mechanisms for doing so. The various meetings that were organised for the energy forum by Ms Ellie Fricker were part of the energy forum's trying to gather a wide variety of information that it could pass back to me, rather than in the reverse direction.

Mr LEWIS: When will the Minister release the green paper that was promised by the Government in His Excellency's speech when Parliament was opened in February, in which we were told that the green paper would be out early in the year, and then some time in July? Is it intended to release the paper this year, or not?

The Hon. J.H.C. Klunder: Yes, it is certainly intended to be released this year. It came back to me at one stage and I returned it to the Office of Energy Planning, because I believed that a number of issues that had been raised by the environmentalists who visit Australia might well be looked at with the purpose of including them, if that was desirable and reasonable, into the green paper. It has since come back to my desk in a draft form, and I am in the process of looking through it to see whether or not I am now happy that the document does include that information in a form I am happy with. If last minute changes need to be made they should take only a short time and we should certainly have that before the end of the year.

The CHAIRMAN: I take it that the member for Murray-Mallee has no further questions, but I again remind him that we are not a Committee of one.

Mr ATKINSON: The Minister recently announced that he would form a power line environment committee, which was to oversee the extension of the program of undergrounding power lines. What will be the committee's scope and, more importantly, what will be its finances?

The Hon. J.H.C. Klunder: We have a committee called the Power Lines Environment Committee which is funded by the Electricity Trust. It has funds to the tune of \$2.6 million per year available and it is prepared to use its funds on the basis of \$2 from ETSA for \$1 from local government for projects of public worth. It is perhaps worthwhile pointing out that it is a committee which is responsible directly to me and has representation from local government, the Department of Environment and Planning, Tourism South Australia, the Conservation Council, the Department of Road Transport, ETSA and the community. Molly Byrne is the Chairperson who, as members would recall, is a former member of this place. Indeed, she was the member for Todd some years ago.

Only yesterday I signed a letter to the Chair of that committee indicating my approval for six projects, involving a total ETSA contribution of \$755 000. They were amongst those projects submitted by local government bodies following the committee's call for undergrounding proposals in June. Perhaps I will very briefly list those six projects. The Adelaide City Council—location Hutt Road, from Glen Osmond Road to South Terrace; the estimated cost is \$87 000 for undergrounding by ETSA and \$43 300 by council. The Gawler District Council, Main North Road, Evanston, from Alexander Avenue to Dundee Street; a contribution by ETSA of \$24 640, council contribution of \$7 000, with the Department of Road Transport to provide \$56 810. The Hindmarsh council, Port Road, from Adam Street to East Terrace; \$195 000 contribution by ETSA and \$98 000 by the council.

The Kensington and Norwood City Council, the northern side of The Parade, Edward Street to George Street, and George Street, from the southern side of The Parade north to Webbe Street; ETSA to provide \$39 000 through the PLEC and council to provide \$21 250. The Salisbury Council, Grove Way/Main North Road intersection, Main North Road to Taronga Court; \$131 740 by ETSA and \$32 690 by the council, with \$71 290 by the Department of Road Transport. Finally, the West Torrens council, South Road, Hale Street to Birmingham Street; \$278 000 contribution from ETSA, through PLEC, \$73 000 by the council and \$370 160 from the Department of Road Transport.

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

Works and Services—Department of Mines and Energy,
\$3 080 000—Examination declared completed.

Minister of Mines and Energy and Minister of Forests,
Miscellaneous, \$298 000

Chairman:

The Hon. T.H. Hemmings

Members:

The Hon. H. Allison

Mr M.J. Atkinson

The Hon. Jennifer Cashmore

Mr P. Holloway
Mr T.R. Groom
Mr I.P. Lewis

Witness:

The Hon. J.H.C. Klunder, Minister of Forests.

Departmental Advisers:

Mr D.R. Mutton, Chief Executive Officer, Woods and Forests Department.

Mr K. Freeman, Director, Support Services.

Mr D. Geddes, Director, Commercial.

Mr R. Cowan, Director, Forest Operations.

Mr I. Millard, Director, Strategic and Technical Services.

Mr G. Higginson, Chairman, Satco.

Mr M. Curtis, Finance Manager.

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

Mr LEWIS: What is not provided in the programs and subprograms referred to on pages 389 to 391 are the details of the number of motor vehicles owned by the department and its agencies? Would the Minister be kind enough to provide that information, breaking it down into categories, indicating the size of the motors—four-cylinder cars and larger—and providing details of four-wheel drive vehicles and heavier vehicles such as five tonne to eight tonne trucks and semi-trailers. Would he indicate which, if any, of those vehicles are for the exclusive use of any executive officer or other members of the department or statutory staff.

Since each member of this Committee has an interest in energy conservation matters, would he indicate what fuel those vehicles use—natural gas, liquid petroleum gas, diesel or petrol?

The Hon. J.H.C. Klunder: That information can be collected and I will be happy to provide it to the honourable member. I have already been informed that no vehicle in the Woods and Forests Department is for the exclusive use of any officer, but that is the only information I can give off the cuff. I will provide the remainder of the information by the due date.

Mr LEWIS: As to the 30 committees in the department identified in the 'Budget Strategy and its Effect on Women', can the Minister provide the names of those committees? Is that the precise number that has been established in the past 12 months? What was each committee established to do? When were they each formed? On any of the committees are there people who are not departmental or statutory authority employees associated with the department? Are there any committee members who are not members of a Government department or statutory authority, that is, just ordinary members of the public? Are they paid a sitting fee? Of the people who are simply members of the general public, why were they appointed? Who appointed them? Does the department have an estimate of the budgeted cost of servicing those committees? If the Minister can identify that information it would help us understand more clearly how committees impinge on management decision making. I would like to know how many committees there are and whether the budget document got the number right.

The Hon. J.H.C. Klunder: As it turns out, we have a certain amount of the information available now and we will provide it straight away, but clearly there are some matters that we will need to take on notice because it will take time to get all the information together. The Director of the Woods and Forests Department will give as much information as we now have available.

Mr Mutton: The list that appeared in the budget paper concerning women identified 30 committees. The definition of 'committee' was used in the broadest sense. Some of them are things like working parties and planning groups, as distinct from what might be regarded traditionally as committees. They include committees that are currently in place in the department for the whole process of award restructuring. A number of the committees are associated with occupational health and safety in the organisation.

Certainly, all of them are part and parcel of the directions laid down by the Government as to the consultative process in occupational health and safety. There is a Forests Occupational Health and Safety Committee operating in the central northern region and a similar one in the South-East. There are occupational health and safety committees in each of the three mills, and an overall departmental policy advisory committee as well as committees that perform an important role in occupational health and safety matters within the department.

There is a contracts consultative committee. We are doing much work in the department now in respect of total quality commitment, which is very much a process by which the department's employees are directly involved in improvements in the workplace that affect them and productivity, and there are project teams associated with product improvement. We are certainly going through the process of job redesign at the moment, and there are two committees associated with job redesign—all to improve efficiency and effectiveness.

There are consultative committees at the three mills in respect of industrial and associated matters, but all of those committees have employee membership. A joint committee looks at strategic sawmilling options for the department now and it comprises membership of Woods and Forests and the United Trades and Labor Council. No sitting fees are involved in that. The Forestry Board, an advisory board to the Minister, is the only committee in the department (although strictly I would not classify it as a committee) where sitting fees are paid.

Mr LEWIS: As to the consultants used within the department in the past 12 months and those that it plans to use in the ensuing 12 months, can the Minister indicate how much has been allowed in the proposed expenditure for consultants and consulting services? I refer to statutory authorities as well as the department. What has been the cost of those consultancies in the past 12 months and, in each case, what is their purpose? How many such consultancies have resulted in reports, which reports have been made public, when were they made public and why were others not made public? Will the Minister indicate how consultancies in this instance save the department money?

The Hon. J.H.C. Klunder: I have just tapped the collective wisdom of my officers. At present they can come with only three consultancies last year and one planned for this year. Clearly, there may be one or two that we have missed. As the member has asked questions with a number of adjuncts to them we will take them on notice.

Mr ATKINSON: In April 1989 the Government promised to grow a forest at Bolivar that would be fed and watered by secondary sewage effluent. Will this forest be a project of the department? What has happened so far?

The Hon. J.H.C. Klunder: It is not one of the department's forests. An inter-department working party was established by the Government in April 1989 to investigate alternative ways to dispose of secondary treated effluent from the Bolivar Sewage Treatment Works other than the current method of discharging the treated sewage into the ocean in Gulf St Vincent.

One promising alternative was land-based disposal of effluent by the irrigation of plantations of hardwood trees. Information from existing irrigated woodlots supported the feasibility of this option for Bolivar, but lacked certain detail which would be critical to the viability of suitable commercial tree species in this region. A pilot trial was considered necessary to provide the specific local knowledge required for the successful development of such a hardwood plantation to effectively dispose of the reclaimed water from the treatment works.

The project will evaluate selected hardwood species for water use and commercial timber production, and assess the environmental effects of plantations drip irrigated with reclaimed water. The hardwood irrigated afforestation trial is located on 14 hectares of land in the north-eastern corner of the Bolivar Sewage Treatment Works and is planted with some 60 tree species and varieties that have been assessed as being likely to be the most suitable to achieve the stated objectives.

The trial plantation, consisting of 32 000 trees, was established during the period February to April of this year. The establishment of the trial site, including supply and distribution pipelines, pumping and filtration equipment and dripper irrigation reticulation was completed in June. Reclaimed water is pumped to the site where it is filtered and distributed to the trees by means of a new computerised irrigation controller which accurately controls and records the amount of water supplied to the trees.

An intensive scientific monitoring program will operate over the three year period from July 1990 to June 1993, with some additional data collection being necessary to refine the estimates.

The trial, which was established under the direction of the Department of Industry, Trade and Technology, is now administered by the Engineering & Water Supply Department, with on-site operation, monitoring and reporting being undertaken by a research forester and technical officer employed on the project. A working group, which comprises representatives from the E&WS, Woods and Forests and Agriculture Departments and trial staff, provides specific scientific technical and operation direction and support. Funding has been met by the South Australian Government, with initial assistance from the Commonwealth Government, through the National Afforestation Program. Kimberly-Clark Australia also provided specific funding to investigate the provision of hardwood fibre for the wood pulp industry. The Woods and Forests Department has contributed approximately \$13 000 of labour during the project establishment, together with significant technical direction in the early stages.

Success of the project and establishment of large scale irrigated hardwood plantations capable of using this water will provide a range of benefits, including: the development of technology and expertise with commercial potential, an improved marine environment in the Gulf of St Vincent, the development of a forest resource, and the provision of a green belt near an urban population.

Mr LEWIS: On a point of order, Mr Chairman. The Minister, in the course of his answer, acknowledged that that project was not a departmental project. In fact, it was part of the E&WS and there were other contributors. I did not understand exactly how that related. I will forgive everyone if the Minister will tell me what species was selected for the trial and why that species was selected.

The CHAIRMAN: The member for Murray-Mallee will have a chance to ask the Minister that question when his turn comes around.

Mr LEWIS interjecting:

The CHAIRMAN: I would hate, in the closing stages of this Committee hearing, to think that we were going to become very pedantic or get involved in politics.

Mr GROOM interjecting:

The CHAIRMAN: The member for Hartley should not interject while the Chair is addressing the Committee. I would like to think that we have developed quite an amount of goodwill during the day. However, if the honourable member is being very serious in his point of order, that we stay strictly within the lines, I may well agree with him, and allow only questions that are relevant to the Minister on the Estimate of Payments, Estimate of Receipts, Program Estimates and the Auditor-General's Report. I think that the honourable member's point of order was a little tongue in cheek, in as much as his trade-off was that the Minister give him the species being planted. I will watch the proceedings closely in the last hour and a half that we have, and possibly come down very hard on the Committee if members feel that other members are straying from the clearly defined lines that I have already given to the Committee.

Mr ATKINSON: Just to explain the relevance of that question, on page 392 of the Program Estimates there is a line referring to investigation of the use of tree crops for effluent disposal.

The CHAIRMAN: I was well aware of that.

Mr ATKINSON: May I ask a supplementary question, that is, what will be the species of tree used for the woodlot?

The CHAIRMAN: I think that we have defused the issue and I think that the honourable member is making that request with his tongue in his cheek. We will leave the question on the species of tree to the member for Murray-Mallee, if he wishes to proceed with it later. Will the member for Spence go to with his specific questions?

Mr ATKINSON: On page 394 of the Program Estimates, reference is made to the control of vehicle access in two forest reserves in the Mount Lofty Ranges. Which reserves are these and why has access been granted?

The Hon. J.H.C. Klunder: Generally, access by the public within the forest reserve in the Mount Lofty Ranges has been unrestricted. This has resulted in both incompatible and inappropriate uses of some areas, particularly as a result of off-road vehicles being used. As a result, two trial areas have been developed where vehicle access has been controlled. These are the Kuitpo and Mount Crawford forests. This provides for vehicle access to be along the major tracks and allows for adequate parking areas.

For those who do not wish to venture far from their vehicles, picnic sites are provided. Further afield, provision is made for those who wish to do some bush-walking, bird watching or similar, in a safe manner. The control of vehicle access therefore improves the recreational opportunities for the community whilst protecting the various forest assets such as wood, soil and natural vegetation and fauna. The first such area was opened by me at Knott Hill, Kuitpo Forest, in March 1990, to mark the occasion of World Forestry Day. This area incorporates the newly developed Onkeeta Walking Trail, which is some eight kilometres long and which will eventually link in with the Heysen Trail.

The CHAIRMAN: Before the member for Spence has asked his third question. I think that, given the point that we went through a little while ago, it is important that honourable members identify the particular page item and number. I think that we would not have gone through that minor setback if the issue had been identified originally.

Mr ATKINSON: Under the program 'Supply of wood-based products' on page 395 of the Program Estimates, it is noted that finished inventories averaged an equivalent of

24 days sales during the year. What is the state of the market for wood-based projects this year and how will it affect inventories?

The Hon. J.H.C. Klunder: There is a continuing easing in demand for timber products due to a combination of fewer housing commencements and the impact of high interest rates on furniture manufacturers. Our distributors are reluctant to place large forward orders and are very conscious of holding or reducing their own inventory levels. Our customers are experiencing very competitive trading conditions, with pricing a key issue as many producers seek to gain market share or to reduce finished inventories. Favourable exchange rates to importers are currently compounding pricing pressures.

The level of sustainable housing commencements in the economic climate of high interest rates remains unclear, and forecasting is further complicated by the lag loss between approvals and commencements. On the positive side the underlying demand for housing is strong and it is hoped that initiatives from banks such as fixed rate loans will assist in lifting the overall level of housing commencements and, indeed, the news that interest rates may soon drop is probably a very welcome piece of news for the timber industry.

In the meantime, in the sawmills we are directing as much production as possible to products not immediately dependent on the new housing market. Inventories are being maintained at what we hope is a manageable level. I think we have to say that for the next six months market outlook is not particularly optimistic, with reduced housing approvals now clearly impacting at merchant level. Added pricing pressure from increased competitiveness of imports can again be expected to reduce overall margins.

The Hon. H. ALLISON: A few days ago on the South-East radio Mr Les Gilmour of Seymour Softwoods loudly sang the praises of the principle of the scrimber manufacturing process and said that his company had a spare \$2 million to \$3 million to buy a franchise.

During the Estimates Committee last year I did not make the figure publicly available, although I did have it in my possession, and I spoke to one of the members of the Committee and said that, out of deference to the Minister and the Committee and as it was commercially confidential, I would not disclose the figure then and I do not propose to disclose the figure this evening. But, if Mr Gilmour were able to obtain the scrimber technology rather than a franchise, then he should rightly be enthusiastic, because it would be far below the 1989-90 and probably the 1990-91 market price. Would the Minister confirm that?

The Hon. J.H.C. Klunder: The \$2 million to \$3 million that was mentioned by Mr Gilmour was his figure rather than ours and at this stage we would still like to keep the figure that we have in mind reasonably commercially confidential.

The Hon. H. ALLISON: I have no intention of disclosing the figure that I was given prior to the Estimates Committee last year, and it will remain confidential, but I did not like the idea of Mr Gilmour's thinking that he could buy in so very cheaply when he would be setting up as a major competitor just across the Victorian border.

The next question also relates to scrimber and the responses of last year. It was stated that a United States company had paid \$50 000 in initial fees for preliminary acquisition of technology and had signed an agreement binding them to secrecy. During that same session, the Minister said that, by the end of the 12 months, he expected that royalties by way of hundreds of thousands of dollars would have been received by the department. What has

been the precise financial situation over the past 12 months with regard to payments received and any firm commitments made?

The Hon. J.H.C. Klunder: That \$50 000 that was paid by the United States firm was, first, in United States dollars and, secondly, it was a licence commitment fee. Since last year the executives from that organisation have visited the Mount Gambier plant and a further inspection by the chief executive of that organisation is planned later this year when they expect to run a trial using raw material from United States forests.

There has been a further development in that we also now have negotiations going on with a party from Thailand and we are optimistic that they will lead to a decision to apply for full production licences during the coming year. However, that is still at the discussion stage. The honourable member is quite right—any statements we made in terms of getting hundreds of thousands of dollars in various fees during this year have not eventuated because of the difficulties we have had in getting scrimber to the final stages.

The Hon. H. ALLISON: Last year it was estimated that about 75 000 cubic metres of log still remained in Lake Bonney. Echo sounding gear was used to establish at least some of that quantity. Page 392 of the Program Estimates refers to the fact that 25 000 cubic metres of log is anticipated to be recovered from the lake. How much was recovered in the past 12 months and, therefore, how much is estimated to remain in Lake Bonney?

The Hon. J.H.C. Klunder: I will not go into the history of this situation, because I am sure that the member for Mount Gambier knows it as well as I do. However, during 1989-90, 4 540 cubic metres of log was recovered from the lake and, making allowances for the normal storage losses expected in land storage area because it was never entirely clear exactly how much log went into the lake, the estimated quantity of the remaining log as of 1 July this year is about 66 000 cubic metres. Present log recovery has virtually stopped due to the high water levels, and this is expected to be the situation until summer when evaporative loss will allow some further extraction.

Mr HOLLOWAY: How does Scrimber International intend to stay at the forefront of technology in this area?

The Hon. J.H.C. Klunder: Clearly, the first job is to get the scrimber plant operating properly. There have been some difficulties, a number of which have now been overcome. For instance, we have now successfully cured scrimber slabs using that radio frequency energy, so the final stage of the technology has been proven up.

Pinus radiata thinnings can now be successfully converted to an engineering structural product having the envisaged mechanical properties, but I must admit that there are still some bugs in the system and, as I have indicated before, until we have those out of the system we cannot go any further. In the meantime, we have a monopoly on the technology of scrimber. We are the only people who know it and have it and, consequently, we can sell people the kind of technology that they need for their particular purposes if they become clients of ours.

We already have in place product development programs covering the next three years and ongoing testing of the product will result in progressively improved design properties for the material. New production techniques and/or improvements to existing machinery and technology are constantly monitored worldwide throughout the timber industry with the active involvement of Scrimber International engineering personnel where it is considered beneficial.

Any expertise, knowhow, technology or whatever that is developed in due course by overseas licensees will have to be made available to Scrimber International as a condition of accepting the sublicense, so we expect to stay at the forefront of the technology by those various methods.

Mr HOLLOWAY: At page 392, the Program Estimates state that the development of improved and cost-effective re-establishment techniques to maintain the site productivity of plantings has become critical. How is this issue being addressed by the department?

The Hon. J.H.C. Klunder: As a consequence of an increasing clear filling program areas of secondary rotation establishment will become a major part of future planting programs. The department is in the process of developing techniques that will maximise the retention of on-site nutrients through what is known as low-residue logging and the crushing of logging debris with a chopper roller. That process replaces the past method of heaping and burning logging waste material such as tree branches, pine needles, and so on, and can be accomplished by the initial removal of all logs down to 15cm by a harvesting contractor, including small pieces that cannot be utilised by industry.

By the retention of on-site nutrients in those needles and fine branches it is expected that the application of fertiliser can be delayed until probably age three to four, and that will produce a significant reduction in the initial establishment cost. The accumulation of organic soil matter through that process is also an important factor which provides assistance to initial tree growth through the conservation of soil moisture and bacterial activity. The use of cover crops of nitrogen fixing plants is also being trialled to reduce dependence on herbicides in limiting competition for weed species.

Together with the refinement of these processes is the continuing development of genetic improvement of the growing stock. Once the establishment procedures have been fully developed and put into general practice, productivity gains through improved tree genetics remains our best option for the future. The process is being accelerated through the production of cuttings in nurseries, a process that allows the direct transfer of superior genetic material into the field without the need for seed production. It is imperative that site productivity be maintained, and results to date indicate that this can be achieved with a high probability than on most sites productivity can in fact be increased.

Mr HOLLOWAY: My question relates to page 396 of the Program Estimates referring to the support services program. One of the specific objectives for this current financial year is critically to examine and modify work processes to reduce the lost time injury frequency rate. Can the Minister detail some of the strategies being adopted in an effort to reduce the number and severity of such injuries?

The Hon. J.H.C. Klunder: Occupational health and safety has to be a high priority within a department which uses machinery to the extent that the Woods and Forests Department does. It is pleasing to note that in 1989-90 the number of days lost through accidents was 68 fewer than in the previous year, despite a minor increase of 10 in the number of lost time accidents that occurred.

Additionally, days lost to injuries occurring in prior years reduced by 456. Some of the initiatives that are being undertaken include that the occupational health and safety policy has been reviewed, updated and distributed to all employees. A pilot program for recognition of good safety ideas has been launched, and a number of excellent ideas have been considered and recognised. A pilot risk management audit was conducted at the Nangwarry sawmill by

private consultants. Further audits are planned at other locations.

Occupational health and safety is an integral part of the training and development of all trainees in the department, particularly the inclusion of occupational health and safety considerations in all modules being developed as part of the structural efficiency process. I refer, finally, to the implementation of a system of increased involvement of occupational health and safety specialists in all capital works and major system changes.

Mr LEWIS: Will the Minister make available the accounts and annual reports for 1988-89 and 1989-90 for the enterprises associated with the department, namely, International Panel and Lumber Holdings Pty Ltd, IPL Australia Pty Ltd, IPL New Zealand Pty Ltd and Scrimber International? It is purely coincidental that my initials happen to be the same as those of that company.

The Hon. J.H.C. Klunder: The honourable member is entitled, as indeed is any other honourable member, to the information that has been provided in the various documents.

Mr LEWIS: But those documents do not contain the annual returns for International Panel and Lumber Holdings, IPL Australia, IPL New Zealand or Scrimber International. I thank the Minister for reminding me that I am entitled to the stuff that I have, but it is the stuff that I do not have that I want.

The Hon. J.H.C. Klunder: I understand that they are filed with the Corporate Affairs Commission and would be available from there if the honourable member wanted them.

Mr LEWIS: Bad eyesight for those microfiches, too.

The CHAIRMAN: I appreciate the dry wit of the member for Murray-Mallee, and I am sure that the rest of the Committee does also, but let us try to keep the line of questioning.

Mr LEWIS: I suspect that the 1989-90 annual returns and accounts have not yet been lodged there. If the Minister would be kind enough to help, I should be most grateful.

Referring to the Auditor-General's Report, he made the point that all the borrowings of Satco have been converted to the equity held by SAFA. This is with respect to the financial position of Satco. In past years Satco had been unable to pay interest on moneys borrowed and the interest was capitalised. Now, of course, that obligation has been extinguished by the decision to convert the debt to equity. In other words, SAFA, as an equity holder, does not get a dividend if the enterprise has not made a profit. So, in effect, SAFA looks to making investments in other profitable enterprises to obtain its interest on the funds deployed, so that it can subsidise the zero yield that it is receiving on its equity in the operations of Satco. Will the Minister advise the amount of Satco's capitalised interest which has been extinguished by the conversion of debt to equity in recent years?

The Hon. J.H.C. Klunder: Before I start on this question perhaps I should go back briefly to the previous question. The honourable member will not find papers at the Corporate Affairs Commission because Scrimber is a partnership, not a public company.

I cannot answer the honourable member's question, in so far as it refers to SAFA, as SAFA does not report to me; it reports to the Treasurer. However, I can say that the conversion of debts to equity is something that should probably have happened at the beginning of this situation rather than halfway through. That probably strikes a reasonable chord with members of the Opposition, because I recall over the years I have been here that a number of them have indicated that a number of organisations owned by Government should

have been funded by equity rather than debt. I remember the honourable member for Hanson frequently talking in this way about the Teacher Housing Authority. So, I assume that that strikes a chord.

As to the exact amount of debts that have been converted to equity, I should have some difficulty digging those figures out immediately, but I am prepared to look at it and see whether I can give it to the honourable member on notice.

Mr LEWIS: Supplementary to that generous acknowledgment of the Minister prior to answering my first question (namely, the partnership that I referred to with Scrimber International), I presume that the Minister will be able to provide us with the information about the accounts of that partnership.

The Hon. J.H.C. Klunder: I cannot do that, as I am not in a position to speak for the other partner. I do not know that that information has been provided in the past, so I doubt very much that it will be provided.

Mr LEWIS: That is tragic, since we are all shareholders in that enterprise and that is a thing about Government enterprises that gets us into halts. I do not impute improper motives to anyone in this instance, but, as a matter of principle, if Governments wish to be involved in business, it ought not to be on a basis which requires them to obscure from the public how the taxpayers' liabilities are being dealt with and their interests handled. I am concerned that a principle of this kind prevents the scrutiny of the way in which such enterprises are set up and function. It is not good practice and it will get us into difficulty.

We have already seen what can happen when that sort of thing is allowed to go on. It cost the former Premier of Victoria his political life, and it does not behove us simply to accept that we cannot know what is being done with public money and be left in the dark like that. I am disturbed by the Minister's views on that. People who have joined with the Government in business need to know that the Government is the entire citizenry of the State.

The CHAIRMAN: I must remind the member for Murray-Mallee that the Estimates Committee is a question and answer session of a group of six members (plus me), and the Minister and his advisers. I can well understand that the member for Murray-Mallee may have strong philosophies on the question of Government involvement in the private sector, but I tell the honourable member that I offered him, as the lead questioner, a period of time in which to make a statement.

I should have thought that the kind of statement the member for Murray-Mallee is making, espousing not only his own philosophies but also those of the Liberal Party and, possibly, others, should have been made at that time, and he should not venture an opinion half-way through the exercise. I know that the honourable member holds strong views—and I respect those views—but I suggest that we use the time remaining for all of us to ask questions of the Minister.

The views that the honourable member has just expressed are really out of order in that context. They want a statement. The member for Murray-Mallee will have ample opportunity in other forums of the House to put forward that point of view. I respectfully urge the member for Murray-Mallee to proceed with his remaining question.

Mr LEWIS: With equal respect, Mr Chairman, may I explain myself in 20 seconds? We had negotiated with the Government that the statutory authorities, where they were part and parcel of the commercial operations of a department, would be open to scrutiny, commercial enterprises included. I meant no mischief. I simply took up what I thought was a legitimate line of questioning according to

that prearranged agreement between my Deputy Leader and the Leader of the House. However, I will leave it at that and accept your ruling.

The CHAIRMAN: No-one questions the right of the member for Murray-Mallee or that of any other member to question the Minister—or any other Minister who comes before this Committee—on the statutory authorities that are under the control of that Minister. I was quite prepared to back the honourable member to the hilt, as I have a letter from the Premier to his Leader in that regard. In no way am I attempting to stifle any question of the Minister.

I am merely suggesting to the member for Murray-Mallee that the request that went from his Leader to the Premier of this State did not, I think, include the right for individual members of this Committee to debate the role of statutory authorities and Government within the private sector. That is the point I am making.

Mr LEWIS: I did not mean to: I simply sought information about them.

The CHAIRMAN: Inadvertently, we got into a debate. I accept the fact that the honourable member did not do this intentionally.

Mr LEWIS: On page iii of the Auditor-General's introductory comments, he notes that the corporation's investment in the scrimber project stood at \$28.1 million, which included \$5.8 million of capitalised interest. Does the Minister agree that that figure would confirm that the scrimber project cost as at 30 June has exceeded \$50 million by some easily identified margin?

The Hon. J.H.C. Klunder: I am not an accountant, so I am not in a position to check that information independently. I have been informed by my officers that the amount of information made available in such documents as the Auditor-General's Report and various other documents is approximately the same amount as that which would be available about private organisations. I am reluctant to accede to the honourable member's request because I am always reluctant to provide more information if that information in any sense gives some sort of assistance to competitors or to other people involved in that general market area. If that is a degree of caution on my part, the honourable member will need to put it down to the fact that I am not a trained accountant or economist and, consequently, I am usually fairly careful when I play with those concepts.

Dealing with the question the honourable member has just asked, the corporation had contributed \$22.358 million to the scrimber project by 30 June 1990. The honourable member is quite correct in indicating that there is further capitalised interest of \$5.785 million. As far as I can tell, it is a matter of the way in which you write up the figures in the blocks. The amount of money that has been contributed to the scrimber project by the two partners, since they both contributed equal amounts, is therefore approximately \$44.7 million.

If one counts the capitalised interest, that brings the amount to approximately \$28 million but, of course, SGIC does not bring capitalised interest in that way. In fact, it writes off interest in the year in which it is incurred. So, on paper, in effect, we have two separate figures for SGIC and for scrimber. I guess that the honourable member can pick whichever figure he likes and quote justification for it. But the amount of money that has actually been put into the scrimber project by Scrimber International and by SGIC comes to just over \$44.7 million.

Mr ATKINSON: On page 395 of the Program Estimates, under the title 'Supply of wood-based products', reference is made to a capital project to re-equip the Nangwarry greenmill. Will the Minister indicate when the mill will be

fully commissioned and what improvements to mill productivity and sawn log recovery are expected?

The Hon. J.H.C. Klunder: The re-equipment of the Nangwarry greenmill is complete and undergoing commissioning, and it is expected to be fully commissioned by the end of September, or early October. Unfortunately, this is some months later than originally planned, but the fault does not lie with the department. It was a turnkey project by a private sector contractor and has involved replacement of the major machine centres in the 30-year-old plant and provision of automatic sorting and stacking equipment for handling the sawn boards produced in the mill. Processing equipment in the old mill was in excess of 20 years of age. Significant cutting inaccuracies during log breakdown resulted in poor recovery from premium quality log. The poor recovery situation was exacerbated by having to cut large volumes of long log up to 7.2 metres in length on a 3-knee carriage designed for a maximum log length of 6 metres.

Because of its age and condition, this equipment required substantial ongoing and annual maintenance. The equipment was first generation and had not been modified or upgraded to utilise the substantial technological improvements which have become available over the past 20 years. Utilisation of the state of the art equipment presently being installed will ensure a significant yield improvement to high value product through improved cutting accuracy, thinner saw kerfs and automatic process control.

During the development of the project, significant emphasis has been placed on maximising the quality and value of the output from the mill. Some of the features of the new system that will assist in achieving this objective include:

- (i) A grade override facility on the primary breakdown unit and edger optimiser that will allow better quality log to be cut into higher value product.
- (ii) A green grading station prior to board sorting that will allow higher value product to be selected for specialised markets.
- (iii) Provision of a board weighing station that will allow separation based on moisture content that will result in improved drying.
- (iv) Incorporation of unloading arms in the board sorter that will reduce damage to boards while discharging from the sorting bins.
- (v) Use of a special board stacking machine that allows spacing of kiln drying stickers on 300 mm centres and in near perfect alignment. It is expected that this will result in a significant reduction in board quality degrade during the kiln drying process.

To ensure the earliest production from the new mill the two main machine centres were commissioned and have been in production since June 1990. As I have indicated, construction work on the balance of the project is now complete and it is in the final stages of commissioning. Early indications are that the installation will provide some additional uncosted benefits due to its capacity to produce higher grade and hence higher value products when compared with the old mill.

Mr ATKINSON: With reference to the South Australian Timber Corporation, will the Minister outline to the Committee the process by which scrimber is produced, and will he background us on the commissioning problems that have been an obstacle to the commercial production of scrimber?

The Hon. J.H.C. Klunder: How much time have I got? The honourable member's question is perfectly reasonable. We have been talking about scrimber for a long time. When I meet people and start telling them about the advantages of it, I am suddenly interrupted by their asking, "What is scrimber?" and I realise that we have gone ahead of many

people in many places. I will outline what happens in the scrimber process.

Once the logs enter the production process, they are crushed and scrimmed. Instead of the conventional process where they are either sawn or chipped, scrim or wood fibre is created by special processes and it is spread out and dried in a continuous drier. The closest comparison here is with matchstick production which, of course, handles a much more consistent raw material than crushed wood fibre presents. The new technology continues through the line, with the next stage being glue application. The wood fibre mat formed by earlier processes has to be saturated with resin which is pumped into the material as a foam. The next section of the plant prepares the glue impregnated mats for entry into a 12-metre press for curing by radio frequency technology. This whole process is controlled by computer-based systems which regulate the flow of product through every stage until a beam is cured and released from the press.

Starting up new equipment where no past performance criteria is available as a guide to its operation is always difficult. However, in this case, we have a whole new production line which has to be run in a fully synchronised mode. Calibration of the numerous sensing devices on the line which provide data to the regulating computer software has also taken much longer than planned. There have, however, been some bright spots. For example, the RF generator was expected to perform in a similar way to other applications where it is used in particle board production. Our experience has been quite different in that the equipment operates effectively with a much lower power input than was first thought necessary and once we have documented operating parameters we expect higher than planned productivity levels from this section of the plant.

Clearly, difficulties associated with commissioning this first plant were far greater than expected and, as a result, have taken much longer. Despite those frustrating delays, this project is still regarded as very valuable for both the State and indeed Australia since, in the longer term, it will provide a competitive alternative to imported timber. Recognising that Australia spends hundred of millions of dollars each year importing wood from overseas, scrimber should provide significant economic benefits in future years.

In addition, many overseas producers have expressed interest in the technology and, despite delays, are ready to begin negotiation of licensing arrangements. Several parties have visited the Mount Gambier plant and a team of senior people within Scrimber are currently working on the documentation necessary to support technology transfer arrangements.

Mr ATKINSON: With reference to IPL (New Zealand) Limited, I understand that the South Australian Timber Corporation has issued preference shares to fund its investment in IPL (NZ). How will the sale of the New Zealand operation affect preference shareholders? Are any more shares issues contemplated after redemption of the current shares?

The Hon. J.H.C. Klunder: IPL (NZ) Limited currently has two preference share issues outstanding, both being due on 2 October 1990. The total value of these issues is A\$25.6 million and of this sum, \$12.7 million is invested with New Zealand banks. It is not intended to issue further preference shares at this stage and arrangements will be made with the South Australian Government Financing Authority to provide the balance of funding required to repay shareholders on the due date. Preference share issues over the past 2½ years have provided the company with necessary working capital. This has been reflected in a lower cost of borrowings in the period. The corporation's decision to make no further

preference share issues reflects the intention to sell the company in the short term.

The Hon. H. ALLISON: According to the Auditor-General's Report, the Treasurer and the Minister of Forests agreed to pass all equity in the Woods and Forests—Satco—\$407 million—over to SAFA. Can the Minister explain the ultimate benefits to the department and the taxpayers of that action?

The Hon. J.H.C. Klunder: The advantage to the taxpayer is twofold. One is that SAFA is able to borrow money at particular interest rates, depending on the size of the holding it has, and this will significantly increase that holding. Secondly, from our perspective it is probably better to have the situation consolidated in one area and SAFA, being the sole equity holder, is a reasonable way of proceeding.

The Hon. H. ALLISON: As a supplementary question, does that mean that to all intents and purposes SAFA is now the owner/controller of Woods and Forests—Satco?

The Hon. J.H.C. Klunder: We need to distinguish between the two terms. SAFA has the equity in that sense, but the person who controls the Woods and Forests Department is still the Minister of Forests.

The Hon. H. ALLISON: In respect of interests payments by Satco, can the Minister give an estimate of the interest which accrued for Satco—in 1989-90 and what will accrue in 1990-91? Will the interest for either of those two years be capitalised or, alternatively, be paid by Satco?

The Hon. J.H.C. Klunder: I am again running into the business of not being an accountant and having to play with numbers. If this information is easily available, fine. If it is not, I suggest that we take the question on notice.

The Hon. H. ALLISON: There is no estimate of next year's interest that will accrue.

The Hon. J.H.C. Klunder: To some extent that will vary, depending on whether IPL (NZ) is sold quickly enough.

The Hon. H. ALLISON: It will depend on whether the interest last year was capitalised or whether it was paid.

The Hon. J.H.C. Klunder: Yes, those things will all make a difference. It would probably be better to take the question on notice.

The Hon. H. ALLISON: The Williamstown mill of Shepherdson and Mewett was located in the electorate of the member for Kavel who commented to me before he went overseas on CPA business that three times in previous Estimates Committees we have been given assurances by various Ministers that the mill would soon have the Swedish milling equipment, which was purchased about three years ago, installed and operating. We have been assured repeatedly that it was a good buy and that new equipment would have been much more expensive. The member for Kavel wondered why, after several reassurances, the equipment had been bought and why it had not been installed, and if that three year delay had in any way affected the final decision to sell the mill, for it to be closed down and sold at a loss. Was that one of the factors?

The Hon. J.H.C. Klunder: One of the major difficulties that faced the Shepherdson and Mewett mill was that it was not making a profit even on its increased log intake, which had been artificially increased by the department for a limited period. If we had installed new equipment, the cost of installing it would have incurred interest costs that would have made it harder for the mill to service. For me, the final straw was that the mill should have been having a good year because it was getting orders from the Woods and Forests Department that it would not normally get because the Nangwarry Mill in the South-East was closed and the department was placing orders for materials from the Shepherdson and Mewett mill.

Even under those circumstances, it made a loss of several hundred thousand dollars. Clearly, at the time that the equipment was bought for the mill it was considered—and I think correctly—to be a good buy because it was reasonable equipment and it was purchased at a very low cost. However, the cost of installing it would have been several million dollars—I have forgotten the exact figure—and the various factors that I took into account in making that decision earlier this year were such that I do not think anything could have saved the mill.

Mr HOLLOWAY: My question relates to revegetation and tree planting. I refer to page 394 of the Program Estimates. Under 'Issues/Trends' and also under 'objectives' for the current financial year, reference is made to revegetation and ancillary forest services. Can the Minister comment on the effect of the current community interest in tree planting and revegetation on the department's extension activities?

The Hon. J.H.C. Klunder: There is increasing awareness and interest in the community in regard to revegetation and tree planting. This has been supported by a range of Government initiatives and programs as part of the one billion trees strategy. However, there is increasing realisation of the need for sound technical knowledge if this target is to be reached. Many planting projects have a low rate of success due to lack of knowledge and understanding of what are the best types of plants to select and the best techniques to use to ensure success.

The Woods and Forests Department has been researching revegetation techniques for many years and has a wealth of knowledge in this area. This also includes the development of both direct seeding techniques and associated equipment. As part of the department's commitment to the revegetation of South Australia, additional resources have been directed towards ensuring that sound and up-to-date technical knowledge is passed onto appropriate personnel and groups. Recipients include the Department of Agriculture, Department of Environment and Planning, Greening Australia, Trees for Life and the Department of Technical and Further Education.

Currently, regular five-day training courses are being run for personnel from these organisations, covering plant selection, establishment, maintenance, weed control, planning and direct seeding. Staff are also involved with the preparation of regional manuals, which will provide information for specific areas of the State for use by those undertaking projects, for those who act in an advisory capacity and for those involved in education and teaching. Fact sheets on a wide variety of subjects also continue to be updated and made widely available. Considerable time is also spent by staff associated with plant sales in advising the community on various aspects of revegetation. Further, other staff are involved in ensuring that the direct seeding technology is disseminated to appropriate groups and individuals, generally in conjunction with the provision of departmentally developed direct seeding equipment. Any revenue generated from these activities is used to offset the cost of the very successful ongoing research and development program, that the department has in this area.

Mr HOLLOWAY: As a supplementary question: what is the department doing in regard to making seedlings cheaper for those involved in revegetation projects?

The Hon. J.H.C. Klunder: There are two aspects that we need to consider here: whether seedlings are made cheaper and, of course, the percentage of seedlings that survive when they have been planted. Clearly, the objective is to have healthy seedlings growing in the ground rather than having cheap seedlings that do not make it. The department has been developing low cost seedling propagation techniques,

which will provide high quality, easy to plant seedlings. A method known as the 'Kwik pot' system was devised using commercially available container trays. However, the application of a copper-based compound to the surface of the containers was also incorporated.

This ensured that the root growth of the seedling in the containers was controlled. The resulting benefits included easy removal of the seedlings from the containers, essential for large scale, mechanised planting operations; and a root system that can respond quickly when planted, hence increasing the chance of seedling survival. This seedling propagation method was demonstrated at a revegetation seminar at the native plants section of the department held in 1989. Also, as part of the system, equipment for cleaning fine eucalypt seeds was developed so that it was suitable for automatic sowing equipment. Considerable work has also been undertaken to develop other techniques to ensure the success of revegetation projects. This includes the provision of information to assist in selecting the correct plant types for the site. This information is based upon many years of experience, trials and experiments, together with information from customers of the department's rural tree scheme.

Herbicides are also vital to increasing the chance of success. Weeds compete with the seedlings for moisture and nutrients and frequently either stunt their growth or result in the death of the seedling. Again, information on appropriate herbicides selection, application rates and methods of application are prescribed, based on extensive research and trials.

It is estimated that a significant percentage of seedlings planted, perhaps as high as 70 per cent, die within one year of planting due to lack of knowledge of the techniques to use. This demonstrates an example of the type of work that the native plants section of the department is contributing towards the 'one billion trees' and associated programs. This type of work and information increases the success of these programs and simultaneously has been instrumental in reducing the costs involved.

Mr HOLLOWAY: Page 396 of the Program Estimates notes that the department is developing agreements with unions on appropriate training. As the opportunities for apprentices to undertake training outside the metropolitan area are naturally limited, can the Minister provide details of the Woods and Forests Department's commitment to apprentice training?

The Hon. J.H.C. Klunder: The department certainly plays an important role in apprentice training, particularly in providing opportunities outside the metropolitan area of Adelaide. It also supports an apprentice base well above its own requirements for tradespersons and provides training for both Government-wide and industry purposes. Again, I suppose that it is a service that Government offers to private industry by providing more apprentices than it actually needs. In this regard, the department's apprentice intake planning takes into consideration its own projected needs and those areas identified within industry where trade skills are required.

During 1989-90 a total of 52 apprentices, including 12 in their first year, were employed in seven trades, including wood machining, saw doctoring, electrical fitting, plumbing, carpentry, motor mechanics and boiler-making/welding, with 12 completing the indentures. Nine apprentices were involved in the 1990 works skills competition, and all found it to be a worthwhile experience. The quality of training of these apprentices has been recognised by the winning of a gold medal by an apprentice employed in the carpentry section at the Nangwarry mill.

Mr HOLLOWAY: Page 388 of the Program Estimates states that the budgeted capital expenditure for the Woods and Forests Department for 1990-91 amounts to \$12.8 million. I note from Financial Information Paper No. 3 and the Estimates of Payments at pages 61 to 63 that there are details of major items of capital expenditure, the majority of which relate to the upgrading of commercial sawmilling operations. Can the Minister provide some information on items which make up the balance of the proposed capital expenditure?

The Hon. J.H.C. Klunder: Financial Information Paper No. 3 lists only those works on which \$250 000 or more is planned to be spent during the year. The balance of the expenditure generally falls into three categories, the first of which is replacement of motor vehicles, mobile plant and equipment. Expenditure of \$3.4 million is proposed, which includes replacement of some major items of mobile plant used in forest and mill operations that are reaching the end of their economic life.

Secondly, a nominal sum of \$500 000 is included for land purchases. That provision is included to enable the department to acquire, should suitable areas of land come onto the market, such areas for establishing plantations. The balance of approximately \$5.2 million comprises planned expenditure for minor works for purchase under \$250 000 associated with introducing advances in technology, upgrading plant, equipment and facilities aimed at improving productivity and efficiency and addressing environmental and safety issues.

Mr LEWIS: Who did the work for scrimber last year? What was the average number of employees in the scrimber project and what was the salaries and wages bill in the past financial year? In addition to the employees, how much was spent on what consultants? I ask that question just in case it had escaped the Minister's attention in my third question earlier this evening. Also, how much was paid to what consultants, advisers or professional people on bodies who were not full-time employees of that enterprise?

The Hon. J.H.C. Klunder: My officers tell me that that information is not immediately available, so we shall have to take that question on notice.

Mr LEWIS: We have seen statements that scrimber has been produced, but how much scrimber has been produced so far which meets the required standards?

The Hon. J.H.C. Klunder: The Chairman of the corporation has advised me that about 30 slabs have been produced at the moment which meet the required standards. Clearly, a number of slabs have been virtually destruction tested, I suppose. That is the current situation. So, we are capable of producing the product; we are not yet capable of producing it consistently and rapidly.

Mr LEWIS: How big is a piece of cake? How many peas in a pod? That is the supplementary question.

The Hon. J.H.C. Klunder: May I take that on notice?

Mr LEWIS: More than a dozen start-up dates for scrimber have been given over the past four years. How many more may we expect before we get to the real one?

The Hon. J.H.C. Klunder: There have been a number of indications by people in scrimber which have proven to be too optimistic. I can tell the honourable member quite clearly how many more dates he can expect in future—one, because I will not announce another until I am absolutely certain that we are on.

Mr ATKINSON: My next question is about the log supplies of IPL Australia. I understand that as part of CSR Softwoods sale agreement the Timber Corporation shall obtain more logs for its South-East operations. Will IPL

Australia benefit from that additional log supply and how much will it receive and over what period?

The Hon. J.H.C. Klunder: That is an important matter. As part of the arrangement to sell Shepherdson and Mewett to CSR Softwoods it was agreed that in consideration of the transfer of the corporation's licence in the Adelaide Hills saw log they would, in turn, release log to the corporation that was previously available to CSR Softwoods in the South-East. The Woods and Forests Department has confirmed its acceptance of this arrangement, and an additional 12 000 cubic metres of peeler log per annum will be available to IPL Australia from 1 July 1990.

The company's log licence was previously limited to 40 000 cubic metres per annum, and that additional material will lift that to 52 000 cubic metres, which will provide for the additional requirements of the expanded laminated veneer lumber line and will provide some additional plywood production as market opportunities present.

No capital outlay, or no additional capital outlay, will be required for the company to process that material. Having just invested a further \$900 000 in LVL expansion the processing margin on the 12 000 cubic metres of additional log will benefit future IPL trading results without an incremental increase in overhead expenses.

The expanded laminated veneer lumber line was installed at the very modest cost of \$900 000 as a result of innovative design work by IPL engineers. A new 10 000 cubic metre line would have cost in the order of \$4 million to \$5 million.

Mr ATKINSON: What was the cost of the expansion of the laminated veneer lumber line? How much extra material will now be available and what are the prospects for that extra material in the market?

The Hon. J.H.C. Klunder: The expanded laminated veneer lumber line has been commissioned. The work was completed, as I answered in my response to the previous question, at a cost of \$900 000 and will double the output of the line to 10 000 cubic metres per annum. This product has, in fact, enjoyed quite strong demand since it was first introduced in 1987 and is now used in a variety of applications, including structural framing for large buildings and as floor joists and roofing timbers in domestic dwellings.

Another significant use of the product is for scaffold planks, as its reliability is better than the solid sections traditionally imported for this purpose. It is also preferred to aluminium planks by the building industry and trade unions alike, and the demand for the product has been rising for some considerable time. We are in the very fortunate position that the additional log that will now be put through does not have a capital cost component, but only a variable cost component that needs to be covered before the rest is profit.

Mr ATKINSON: Regarding my earlier question about the proposed forest at Bolivar, to be fed and watered by secondary sewage effluent, will the Minister tell us what species have been planted at Bolivar?

The Hon. J.H.C. Klunder: I am told that *eucalyptus camaldulensis*, the red river gum, *eucalyptus nitens*, *eucalyptus globulus* and various species of casuarina and acacia are the trees being used, and there may well be some others.

The Hon. H. ALLISON: As I understand it, the Mount Crawford forest supplies four millers, that is, the Shepherdson and Mewett—CSR mill and three others, and concern has been expressed to me about future log supplies and who will contract to cut those logs for millers other than the new owner of Shepherdson and Mewett—CSR. Will the Minister say whether there will be maintenance of the existing falling contracts or a renegotiation, and who will fall for the remaining three millers? Will they be dependent on

CSR, a competitor, for supplies or are guarantees supplied as part of the sale agreement?

The Hon. J.H.C. Klunder: I will ask Mr Mutton to answer that question.

Mr Mutton: As was mentioned in an earlier question, the Shepherdson and Mewett mill has been sold and the logging arrangements for Mount Crawford forest as a result of that will change somewhat, with CSR now being the major log user from Mount Crawford forest. At this point, the situation is that the Woods and Forests Department is responsible for the supply of logs to mills from that forest and is in the process of some negotiations in relation to changes of arrangements at that location.

The Woods and Forests Department will continue to fell the logs. That situation will not change at all. Certainly, in the foreseeable future, that will be the case, but final arrangements have not been completed as to the way of satisfying log deliveries to the four new purchasers from Crawford forest. However, those sawmills will be serviced satisfactorily and the cost of delivery will be looked at very seriously. We will certainly look at the economies of scale in that, and discussions have taken place with all the smaller millers in that area. Apart from CSR, they are only getting volumes of between 1 000 and 3 000 cubic metres a year; they are small licences. Negotiations of that sort are currently going on to satisfy those requirements.

The Hon. H. ALLISON: Can the Minister give a detailed calculation of the financial loss suffered in the Greymouth mill investment, after taking into account share financing, settlement of legal disputes with the former venture partner, trading losses, write-down of stock and other assets, repayment of preference share redemption mentioned by the Minister a short time ago as \$25.9 million, and any other factors? I am prepared to give the Minister this question on notice.

The Hon. J.H.C. Klunder: I will take the question on notice.

The Hon. H. ALLISON: I have another question, which the Minister may prefer to take on notice. Through the Minister, the department has consistently declined to make any payments to local government for local government rates. Can the Minister quantify the actual financial benefits to the Woods and Forests Department by virtue of the fact that the Crown does not pay rates and other imposts that are paid by private companies, recognising that there is also a *quid pro quo* in this, in that the department has been responsible in the past for forestry roads and other amenities?

The Hon. J.H.C. Klunder: I start that answer by indicating that, in the term of office of the Liberal Government from 1979 to 1982, the local government groups put exactly the same question to the Liberal Government as they have done to the Labor Government now, and the response they got from the Liberal Government was even less encouraging than the one they are getting from the Labor Government now. They were told previously that, no, they could not have it, and that was it. I have suggested, after an exercise we did with the Barossa council, where a working party was set up to look at the benefits that came to the Barossa council from the presence of Woods and Forests in its area and the benefits to the Government from not having to pay rates was that, to a large extent, the benefits and costs of both sides balanced out, except for a couple of matters on which both sides were unwilling to agree. On one occasion I understand that there was a small amount that the council would have had to pay the Woods and Forests Department but, clearly, that was not acceptable.

When that happened, I indicated that, under those circumstances, I believed it was appropriate that, if we were to look at the Government's paying rates to councils for forests that were owned by the Woods and Forests Department—by the Government—we ought to look at the total cross-subsidisation that existed between local governments and the State Government. That committee has been set up and reports to the Minister for Local Government and, at the moment, I am not entirely sure how close they are to putting reports to the Minister of Local Government.

I think it is unreasonable that, if two layers of government are discussing whether or not the flow of money between them is inequitable, one of those layers of government should take a particular aspect of the situation where it believed it was in the box seat and indicate that it only wanted to talk about that particular aspect of it. If we all did that, eventually, it would come to a situation where the overall cross-subsidisation from one form of government to another became the subject of discussion—and I have short-circuited that, to the extent of having put it into that arena—to report to the Minister of Local Government.

Mr LEWIS: On page 224 of the Auditor-General's Report, note 18 states:

During the year, a payment of \$407 million was made to the South Australian Government Financing Authority (SAFA) for it to assume responsibility for financial liabilities valued at \$407 million arising from a financing arrangement entered into by the Minister of Forests for the sale of timber from forests in the south-east of the State.

I do not understand that statement. I do not understand what went on. Will the Minister explain the transaction, the reason for it and the net financial benefit to the Woods and Forest Department?

The Hon. J.H.C. Klunder: I put out a press release on 22 June this year which I thought explained the situation reasonably succinctly. It stated that a structured financing arrangement had been undertaken providing for a \$6 million net benefit to the Woods and Forests Department, which amount was provided to it as an equity contribution.

Mr LEWIS: It did not make sense at the time; it still does not.

The Hon. J.H.C. Klunder: It is a sophisticated financing arrangement which has a \$6 million benefit to the Woods and Forests Department.

Mr LEWIS: Could the Minister explain in a report how he arrived at that figure?

The Hon. J.H.C. Klunder: The difficulty we always have in dealing with other agencies in matters such as this is that they prefer not to have such information made available.

Mr LEWIS: SAFA and the Woods and Forest Department are both legitimately appearing before the Estimates Committees.

The Hon. J.H.C. Klunder: I suspect that the honourable member has misinterpreted another party. This is a private enterprise, a third party, that both SAFA and the Woods and Forests Department have dealt with in this matter, and the \$6 million has come from other sources, not SAFA.

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

ADJOURNMENT

At 10 p.m. the Committee adjourned until Tuesday 18 September at 11 a.m.