

HOUSE OF ASSEMBLY

Thursday 29 June 1995

ESTIMATES COMMITTEE B**Chairman:**

Mr H. Becker

Members:

Mr M.R. Buckby

Mr K.O. Foley

Mrs R. Geraghty

Mrs J.L. Hall

Mr J.A. Quirke

Mr I.H. Venning

The Committee met at 11.5 a.m.

Mines and Energy, \$20 771 000

Witness:

The Hon. D.S. Baker, Minister for Mines and Energy and Minister for Primary Industries.

Departmental Advisers:

Mr A.J. Andrejewskis, Chief Executive Officer, Department of Mines and Energy.

Mr I.C. Dixon, Deputy Chief Executive.

Mr P.A. Bleckly, Manager, Administration and Financial Services.

Mr C.M. Horn, Director, Minerals.

Mr R.A. Laws, Director, Petroleum.

Mr T.C. Welsh, Director, Corporate Services.

Mr X.P. Sibenaler, Acting Director, Groundwater and Environmental Services.

Mr J.W. Fargher, Acting Director, Resource Processing and Marketing.

Mr P. Tsiros, Acting Director, Energy Division.

The CHAIRMAN: The hearings are relatively informal. If the Minister undertakes to supply information at a later date, it must be in a form suitable for insertion in *Hansard* and two copies must be submitted to the Clerk of the House of Assembly no later than Friday 14 July. I will allow the lead speaker for the Opposition and the Minister to make an opening statement of about 10 minutes. There will be a flexible approach to giving the call for questions based on about three questions per member and alternating from side to side. There has been a practice of allowing supplementary questions so that a member can pursue a particular line, but of late some members have tended to ask four or five questions. That will no longer be permitted. As I said yesterday, the art is to frame a question in such a way that the information that is sought is obtained.

Subject to the convenience of the Committee, a member who is outside the Committee but who desires to ask a question will be permitted to do so once the line of questioning on an item has been exhausted by the Committee. An indication to the Chair in advance from the member outside the Committee who wishes to ask a question is necessary. Questions must be based on lines of expenditure as revealed

in the Estimates of Receipts and Payments (printed paper No. 9) and reference may be made to other documents, including Program Estimates and Information and last year's Auditor-General's Report. Members must identify a page number or the program in the relevant financial papers from which their questions are derived. I remind the Minister that there is no formal facility for the tabling of documents before the Committee; however, documents can be supplied to the Chair for distribution to the Committee. The incorporation of material in *Hansard* is permitted on the same basis as applies in the House of Assembly; that is, that it is purely statistical and limited to one page in length. All questions are to be directed to the Minister and not to the Minister's advisers. The Minister may refer questions to advisers for a response. For the benefit of departmental officers, a diagram showing facilities to them is available from the Attendants and at the rear of the Chamber. I also advise that for the purpose of the Committee there will be some freedom allowed for television coverage by allowing a short period of filming from the northern gallery. All television stations have been advised by the Speaker of the procedure to be followed.

I now declare the proposed payments open for examination and refer members to pages 136 to 139 in the Estimates of Receipts and Payments and to pages 371 to 384 in the Program Estimates and Information. Minister, do you wish to make a brief opening statement?

The Hon. D.S. Baker: Yes, Mr Chairman. I appreciate the cooperation that we have had in the Mines and Energy Department from the Opposition in the past 12 months. We do keep them briefed on all occasions and the officers are very happy to do that. The shadow Minister has been on most of the outback expeditions that we have been on and it works very well. In the past I have complimented the previous Administration on starting up the South Australian Exploration Initiative and we have just celebrated the one millionth kilometre flown in South Australia. It is acknowledged throughout the world that we are at the leading edge of that, and it has been a very good initiative. Our total royalties in this State are some \$53 million which, compared with those of Western Australia which are worth some \$400 million, shows that we have a long way to go, but this initiative is going to be very good for us in the future and it is a long-term non-political issue when it comes to developing South Australia.

The practice will be that I have instructed the officers to answer the questions as briefly as possible; we will take on notice anything that needs a detailed answer; and we will endeavour to answer as many questions as we can. I will be allowing the officers to answer the questions rather than me because I may go on for too long.

The CHAIRMAN: Does the member for Playford care to make a brief opening statement?

Mr QUIRKE: Yes, Mr Chairman. It is not my custom generally to make opening statements but in this area I think that it is essential to note a few things. In the past 12 months we have seen three executive officers running Mines and Energy South Australia. We had Ross Fardon, who left around September or October last year and who gave exemplary service for the people of South Australia, and we recognised that here in the Estimates Committee last year. I would like to pass on my remarks to Ross at some stage in the future. He played a pivotal role at a very crucial time in terms of developing mines in South Australia. Coming into the breach was Ian Dixon. Over the months we got together on a number of occasions through the good graces of the

Minister. I thank Ian for the work he did in that time. Ross left the department in very capable hands during Ian's time there, and I now welcome Mr Andrejewskis. I met him some weeks ago here and he has carried on in the same tradition as Ross Fardon and Ian Dixon. I look forward to working with him further.

The Opposition in South Australia understands the necessity for getting product to market. We understand the necessity for development in the minerals area in South Australia and we are committed to that development. The past 12 months have been particularly profitable, and one of the areas about which I will be questioning will involve the Minister's putting down on the record some of the positive developments that have taken place up in the Pitjantjatjara lands area. On our recent trip up there we started to see the fruit of many years of work in that area. I will give the Minister the opportunity to put on the record the good work that is happening in the Pitjantjatjara lands. The Minister may like to mention some of the developments up there such as the Chrysophase development and some of the other mining ventures that look as though they may be getting off the ground in those areas and outline the work that has been done with the Aboriginal council up there in solving some of the problems with respect to Mintabie.

The Hon. D.S. Baker: It has been fruitful, as the honourable member said. We have taken it upon ourselves to ask to be invited to the Pitjantjatjara lands council meetings, which are held every two months. We fly to Umuwa to attend the council meetings. We are at the stage where we are forming a committee of three from the Mines Department and three from the Pitjantjatjara lands council to discuss further problems in that area. There are significant social problems. We have managed to get, with the department's help, a couple of Chrysophase leases being developed. We visited them in the far north-west corner of South Australia on the border of the Northern Territory and Western Australia. There is some potential there for the Aboriginal community to reap some benefit from it. Again, in the Mines Department we are keeping an overseeing brief to ensure that, if they need any assistance from us to ensure that what they find is marketed adequately, we are there to help and not to interfere.

There are a lot of social problems around the township of Mintabie, and everyone knows that the future of that township is in the discussion phase at present. In the past six months, by attending the meetings, we have a strong foundation for the committee to go on and work through some expansion of Mintabie, with the concurrence of the Pitjantjatjara lands people. It is of benefit to them. Mr Dixon will bring the Committee up to date on that matter.

Mr Dixon: As the Minister said, we have always had a good working relationship with the people in the Pitjantjatjara lands, as we have with many Aboriginal groups throughout the State. However, a number of issues over the years have been simmering, for example, Mintabie and the possible extension of that location as a mining opportunity. We have seen a reduction in mining activity in that area.

Last year, with the more recent support of the member for Playford, the Minister mentioned very strongly the bipartisan support for improving relationships and trying to get more activity in the Pitjantjatjara lands. One of the difficulties is the large time between meetings and the time it takes to deal with the Aboriginal community in that area. The formation of teams from our side and with the Aboriginal people has meant that we will be able to proceed matters much faster. They have seen a very positive response from both sides of

Government. A very good working relationship is developing and there is a great opportunity to develop and extend further the opal mining leases at Mintabie and also to consider other mineral potential throughout the Pitjantjatjara lands. That will benefit that community and the rest of the State. While most of the issues have not totally evaporated, they have been reduced because of the good communication links being built between the two groups.

Mr QUIRKE: Could the Minister or his officers tell us when the new opal mining legislation (I am not sure what the title of that Act will be) is likely to come into Parliament? Can he give us the time frame for that? By way of edification for honourable members present, that issue has been the subject of a series of discussions over the past four or five months between the Opposition, the Government and the department. A number of people, particularly in the Mintabie region, have asked when they can expect to see the legislation, which will liberate them and enable them hopefully to explore in a far more vigorous way, through the ODLs which are part of that legislation, for more opal product.

The Hon. D.S. Baker: I will hand that question over to Ian Dixon.

Mr Dixon: As the member for Playford said, the Opal Mining Act has been under investigation and development for some time. We are now at the stage where we have had a fairly lengthy series of consultations with the miners at Coober Pedy and with other groups around the State, with Aboriginal groups, and everyone involved, including pastoral lessees. We are now at the stage of bringing all that consultation together to finalise the situation. We expect to put something to the Minister within the next week or two. That will take into account all the input that we have received from the Opposition, from miners, and so on, and it will bring that together in a package that we can put to the Government. Hopefully, it will then be forwarded to the House for debate.

Mr QUIRKE: I want now to turn to petroleum exploration. Could we have an update on what is happening onshore and offshore in respect of that very important part of mining activity?

The Hon. D.S. Baker: I will ask Bob Laws to answer that question.

Mr Laws: Expenditure on petroleum exploration in the calendar year 1995 in South Australia is estimated to be between \$87 million and \$90 million. That is a considerable increase on last year, when \$45 million was spent. The majority of the increases this year will be due to some offshore drilling. Two wells are proposed for Gulf St Vincent for later this year. Importantly, a well is about to start on 1 July south-west of Robe in the Otway Basin with SAGASCO Resources as the operator. There is considerable optimism about that well, which is called Sophia Jane.

In addition, up in the Cooper Basin Santos is accelerating its exploration activities this year because its exploration licences expire in 1999 and it wishes to ensure that it finds as much petroleum before then as it possibly can. The Cooper Basin producers will spend something like \$50 million in the Cooper Basin.

Additional work is also being carried out on the onshore Otway Basin which is preparing for drilling next year. This year, between 45 and 50 per cent of all onshore exploration in Australia will occur in South Australia. We cannot say that for the offshore activity in respect of which we are only minor players compared to the North West Shelf, but we hope to increase that in future.

The Hon. D.S. Baker: I received an invitation this morning to visit the Sophia Jane well, which is just off Robe, and I will do that during one of my very frequent visits to the electorate.

Mr VENNING: On page 378 of the Program Estimates, the very first item in the program description—I appreciate that priority—under the policy of natural resources and the program sector of water resources, relates to a project to evaluate groundwater resources and to improve understanding of groundwater systems. The unavailability of water is constraining irrigation developments in key irrigation areas of the State, including the Barossa Valley. What is the department doing to make more groundwater available?

Mr Sibenaler: With reference to the Barossa Valley, the department, in conjunction with the Department of Environment and Natural Resources and the Department of Primary Industries, has just completed the second year of a three year program of investigations in the Barossa Valley. Two key elements of these investigations are the reassessment of the water availability and an evaluation of the potential of enhancing replenishment to the aqua system. Other options that need to be assessed or evaluated to make more water available in the Barossa Valley include the building of a reservoir in the North Para catchment, using the unused capacity in that infrastructure to shift water from the Murray River into the Berri region, and the possibility of using effluent from Bolivar.

A study to identify the Barossa's most likely water needs over the next 50 years and preparation of a plan to meet those needs has recently been commissioned. This study, which is partly funded through the Barossa Economic Development Board, is being undertaken by a consultant and overseen by the North Para Water Resource Committee, which, by the way, has been instrumental in getting the department to initiate these investigations. Similar programs are being undertaken in the Clare region, in the Willunga region and in the South-East where groundwater is required for further development of irrigation.

Mr VENNING: When is that study due to be released?

Mr Sibenaler: It will be completed in September 1996, and the report will be done within two or three months of that date, so it will be ready by the end of next year.

Mr BUCKBY: I also refer to page 378 and the issue of groundwater. Given public concern about the high demands on groundwater by irrigators and spring water companies in the Mount Lofty Ranges, are any investigations under way or planned to ensure sustainable development of this valuable resource?

Mr Sibenaler: The department is aware that the lack of information on groundwater quality and availability is constraining development in the Mount Lofty region. A program of investigation has, accordingly, been initiated. This will involve an initial broad-brush inventory of groundwater resources of the whole area followed by more detailed investigations to determine sustainable yield in one or two key catchment areas with the greatest development potential. The long-term outcome of this investigation is the formation of a water resources management plan for the whole region.

Mrs HALL: My question relates to resources development (Program Estimates, page 382). Under the 1995-96 specific targets and objectives, there is a specific line that refers to the conduct of a major resources seminar in Adelaide. Can the Committee have some information about the seminar and what the department is looking for with respect to outcomes?

Mr Fargher: They are planning a major event. That seminar will be part of Resources Week, which is planned in a preliminary way at this stage and is still subject to executive approval of the program. It will occur in December 1996, and although that is 18 months away it needs that much lead time. It will include school visits to industries such as Adelaide Brighton Cement and Quarry Industries to help the wider understanding of what the industry is about at the school level. It will have a two day learned type of seminar where papers will be presented at the Convention Centre. There will be a demonstration at the Investigator Science Centre which will turn itself over to a major exhibit based on mineral resources and resource processing industries during that time, and we expect Mines Department staff to man special demonstrations and displays at the Investigator Science Centre.

The week will conclude with the St Barbara's Day major event on the Friday, which has now become something of a landmark event for the industry to get together and meet both Government and private sectors while they commemorate the passing of St Barbara, the patron saint of mining. So, there is a program for a whole week incorporating that seminar which looks at schools and education. The general community can go to the Investigator Science Centre and serious academic papers will be presented at the seminar itself.

The Hon. D.S. Baker: We have a schools program within Mines and Energy, and the officer, John Mignone, in fact goes around through the Education Department visiting schools, highlighting the good news on mining and what it is doing for the State and the economy generally. In fact, last year 37 000 students listened to him putting forward the departmental views on mining and the benefits to South Australia. This ties in with what is going on here as the education program.

Mr QUIRKE: The Opposition would like to know about the Great Australian Bight sanctuary. In specific terms, we would like to be assured the conjugal activities between whales at the relevant time of the year will not be disturbed by any kind of noisy mining activity in that general region, or is it the view of the Government that the whales are intelligent enough to find a quiet place for these activities?

The Hon. S.J. Baker: Up until now my biggest problem has been keeping them in the area that has been set aside, and I have not looked into the other activities as yet. The compromise the Government reached on this program got some criticism in the media, but we are working very closely with the Federal Government. It is in the One Nation statement that nothing will happen until a full economic study has been done. That is in process now and 12 months has been allowed to do that. During that time everything is closed to fishing, mining and all other activities.

The standing of the consultancy group, which I think will be announced within the next month, I am sure will be welcomed once it has been officially announced. I think that you can be assured that all aspects will be taken into consideration—whether it should be ultimately a multi use park or total exclusion zone and how big the buffer zone around it should be. I can assure you that we are working very closely with the Federal Government on the matter and that it is comfortable with what is going on. In the intervening period, I will make sure that I keep an eye on all activities over there.

Mr QUIRKE: Could we have an update on the situation regarding geophysical surveys that have been conducted in

recent years in South Australia? In his opening statement, the Minister said that the one-millionth kilometre had been flown. What progress has been made to identify important sources of wealth in South Australia?

Mr Horn: To date, the South Australian exploration initiative has spent approximately \$18 million, of which \$10.4 million has been spent on airborne geophysical surveys. That includes the actual data acquisition, processing of the data, presentation and map production, and the overheads connected with that, such as hardware purchases and consultants. In its first year of operation (1992-93), the program spent \$5.6 million; it spent a further \$3.9 million in 1993-94; and \$1.3 million in 1994-95. The contract aircraft have operated continuously throughout 1994-95, and we acquired 226 000 line kilometres of data. That has brought the total data acquisition since we commenced to 1 million line kilometres.

That survey now covers 37 per cent of the State. It is interesting to note that the total area covered by exploration licences now granted is also 37 per cent of the State. We have seen a significant increase in exploration levels, the highest recorded since 1986, when \$10.9 million was spent by exploration companies. Our current exploration expenditure proposed by companies stands at \$35 million, significantly higher than two years ago. Another interesting point is that there is a commitment of 65 000 metres of drilling; that is usually a fairly good gauge of the extent of exploration activities.

We have 100 companies engaged in mineral exploration on 308 exploration licences. The main commodities that are being explored for are gold and gold copper but also diamonds: we have seen a surge in diamond exploration activity in the State. In 1994, \$2.6 million was spent—a five-fold increase over 1993. This increase in exploration activity can be attributed directly to the excellent airborne surveys and the data presentations that go with them. Unfortunately, at this time I cannot make any real announcement of new discoveries, but a number of very interesting prospects have been identified from the surveys, and a number of those show potential for future development.

Mr QUIRKE: Native title legislation at both State and Federal levels has raised a number of concerns with industry. What has the department done to communicate the import of this legislation at both Commonwealth and State levels to the industry?

The Hon. D.S. Baker: As the honourable member knows, this is a vexed question. South Australia is one of the States that has got on with its act and done something about it to try to give some certainty to the mining industry, which is very nervous. As members would know, we lost a lot of exploration initiative at that time. We think that we are now in a position to offer some certainty. I will ask Ian Dixon to bring members up to date.

Mr Dixon: I think six to eight weeks ago both Houses of Parliament finally agreed to State legislation, as the Minister indicated. Since then, we have been developing a set of regulations to accompany the Mining Native Title Amendment Bill. We are currently at the stage of consulting with industry in South Australia through the Chamber of Mines and Energy and other interested parties to ensure that they are happy with those regulations. When those regulations have been completed and agreed to, I understand that the entire package (the legislation and the regulations) will be referred to the Federal Government for the final seal of approval. That

is being undertaken and coordinated by the Attorney-General on behalf of the Government.

We have kept in close contact with industry right throughout this exercise. However, once the legislation is finally agreed to and the regulations are in place, we are planning a series of education processes to bring industry up to date as far as what the State processes will be and how in actual fact we believe that the particular legislation and processes that have been agreed to will, I believe, give us a competitive advantage in South Australia, certainly in working with industry in trying to overcome some of the issues. The indications are that native title land in South Australia comprises only 6 per cent of the total State—probably even less than that on recent indications. So we do not believe that this is a major issue that will impact on mining and exploration development within the State. It is one that we can work through, and I think there is goodwill on both sides from Aboriginal groups and industry to do that. We are well advanced, and we are liaising very closely with industry on this issue.

The Hon. D.S. Baker: To that end, I received a telephone call yesterday from the Hon. Chris Sumner, who has just been appointed to the national Native Title Tribunal. He will be based in Adelaide. Of course, the tribunal is a Federal body, but it will sit quite a bit initially in Western Australia. I have asked Mr Sumner to contact Andy at the Department of Mines and Energy to keep him briefed on what is going on. At times we will need clarification on matters, which he may be able to provide. That process is in train to help us to work through this system. He intends to pay a courtesy call to the Chamber of Mines and Energy and the major mining companies in South Australia. As we go through this uncertain process, we will try to pool as much knowledge as we can.

Mr VENNING: I refer to page 372 of the Program Estimates. This State benefited by \$52.5 million in royalties to the Consolidated Account during this budget period: a net positive result of \$28.4 million for the State. How does that compare with last year's figures, and what is the forecast? Can the Minister add anything that will alert the State to activity in that area?

The Hon. D.S. Baker: As I said in my opening statement, one of the problems that exists in South Australia is that we have only a small number of major mines compared with Western Australia. The total income for South Australia from royalties of \$53 million is far less than Western Australia. That is one of the reasons for the SAEI and, in the longer term, there are some very good 10-year projects in the pipeline to lift that. I will ask Peter Bleckly to go through the financial details.

Mr Bleckly: As pointed out, the direct contribution to the State budget by the department in 1995-96 will be \$28.4 million. In comparison with the expected outcome for 1994-95, we expect a figure of about \$27.5 million. That reflects a slight improvement despite a reduction in expected royalties of about \$1.5 million next year. Our net contribution to the budget will improve despite that because our draw on the Consolidated Account during that time will go down by \$2.6 million, largely as a result of a reduction in SAEI expenditure next year. So, future trends will be largely dependent on the success of current exploration programs in making new discoveries which lead to increased royalty receipts. As to expenditure, it depends on our future allocations over those years.

Mr BUCKBY: I refer to line 25 of page 380 of the Program Estimates. What is the status of gas storage potential in the Adelaide Plains?

Mr Laws: Currently there is no natural gas storage in the Adelaide area or indeed any underground storage in any capital city of Australia. Gas storage near a city such as Adelaide would enable peak demands for gas to be met more economically than is currently the case, because currently it can be achieved only by adding more wells and compression facilities in Moomba, which is an expensive way of doing it if one can obtain gas storage as an alternative. It would also have the ability to smooth out peaks and lows between seasonal demands and would add to the security of supply, and that would be important also.

Recently the department decided to look in the older rocks in the Adelaide area for the potential for storage. The younger rocks had had some intensive investigations some time ago, but we have identified an area of interest extending from Middle Beach to about Inkerman and extending across to the Port Wakefield Road and the coast, where we think that the sort of targets we need for gas storage would be present; that is, a porous reservoir at about a depth of 600 to 1000 metres below the surface, sealed by impervious rocks. We hope that by releasing an information package on this area to interested companies perhaps some investment will occur in the future in relation to finding areas for gas storage in the Adelaide area, because it does have the potential to reduce gas prices to the consumer.

Mrs HALL: I refer to page 384 of the Program Estimates. Can the Minister give us some specific details of the progress that has been made over the past 12 months and say what steps are being taken in the future to ensure that women are provided with equal opportunities in the Department of Mines and Energy, particularly at senior management levels?

The Hon. D.S. Baker: I thank the honourable member for her question and I will ask Tom Welsh to answer it as he has been conducting an in-depth study into what goes on in the department.

Mr Welsh: The department has had equal opportunity policies in place for some years now and has taken affirmative action over a period of years, with the result that some very capable women have been recruited into the department and are now occupying some very senior and responsible roles. Despite the fact that there are a relatively small number of women graduates in the geoscience areas, some 35 per cent of the department's work force is now made up of women and in some areas women occupants predominate over male occupants. Women have in fact been involved in some key efforts by the department; for example, they have represented the department in recent overseas promotional programs. Women have been participating in the management development programs in the past year and, with the more formalised development programs that we are putting in place, I expect that this trend will continue.

The Hon. D.S. Baker: We had a visit by three Russian geologists who spent two or three months in the department, and they were all ladies and they fitted in very well with the department. In fact, that got quite a bit of publicity and we are doing a return visit back to Russia because of that.

An honourable member interjecting:

The Hon. D.S. Baker: Yes, but with equal opportunities there will be a choice of who goes, so you do not have to accept.

Mr QUIRKE: Could we have an upgrade as to what is happening in relation to the Western Mining/Olympic Dam operations and the evaporation ponds?

Mr Dixon: If the honourable member wishes exact details about what is actually happening regarding the tailing system, I should take the question on notice and we can refine in exact detail what has happened, because there has been quite significant further works there in the past six to 12 months which has been the result of some minor expansion work within Olympic Dam. When it first started, Olympic Dam had an output of copper of the order of 45 000 tonnes; over the past five years or so that has increased to the order of 80 000 tonnes. Accordingly, there are some extra tailings required and there has to be some expansion of the storage facilities.

We have worked very closely with Western Mining to ensure that correct procedures have been put in place, and that is happening at this time. We have had extra tailing storages constructed or about to be constructed together with evaporation ponds. We can give you the exact details of what has actually happened and at what stage, but they have all gone through very rigorous approval with Government agencies—particularly ourselves and the Health Commission—and everything is performing very well there at this stage.

Mr QUIRKE: I understand that the new ponds are being constructed differently to the old ones and, in fact, that materials are used to ensure that liquors will evaporate rather than leak into the ground.

The Hon. D.S. Baker: We all know that there was a perceived problem there which was well handled by the previous Administration, and Western Mining has been exemplary in its rectifying that problem. It appeared to be a mine water leak that was leaking into the underground aquifer but, with a mooted expansion, some other tailings dams had to be built. They are now being lined and they are being constructed in the full knowledge of and under the indenture that we have with Western Mining and the Federal Minister, Senator Collins, also is being kept informed at all times.

Mr QUIRKE: In terms of the expansion at Roxby, in answer to one of my previous questions it was stated that Roxby is now producing somewhere around about 80 000 tonnes. My understanding is that that figure is correct and that in fact a small increase to 77 000 was the figure projected some 18 or so months ago as being produced in the calendar year 1995. The big thing for South Australia is the much more dramatic expansion which was proposed and which would effectively double the 1993 output, which I think was about 67 000 tonnes of copper, and a commensurate increase—not a doubling—in the other minerals that are refined there. What are the latest developments in relation to that? Will Western Mining soon commit itself to the doubling of that particular enterprise at Roxby Downs?

The Hon. D.S. Baker: Upon coming to government, when an expansion was into the feasibility stage (as it still is), the Government decided that a dedicated Minister should be in charge of these major mining projects and expansion of them. That was to be the Minister for Mines and Energy. In turn, Ian Dixon has taken over that role to coordinate with all other departments. They include the Departments of Environment and Natural Resources, Aboriginal Affairs, Housing and Urban Development, and Health. All those departments have been brought together at executive officer level so that the dealings with the company are from the one office and the one Minister. Ian has done that very well. In all expansion and other major projects we are absolutely on line, and that

one-stop shop has been well received by industry. I will get Ian to bring the Committee up to date on where he is with Western Mining.

Mr Dixon: Western Mining is currently looking at further development of its operations at Olympic Dam and is currently looking at upping the output to about 150 000 tonnes of copper from that operation. That amount was originally intended by the original environmental impact statement that was done back in 1982. Western Mining is currently undertaking pre-feasibility studies. It is aiming eventually to make a final decision from the company in about March next year as far as a total commitment to the expansion or ongoing development is concerned.

In line with that we have been working closely with the company to look at various aspects of what is required if it expanded to that quantity, particularly in the areas of water supply, and so on. A new bore field will need to be developed if that is the case, and that is currently going through an amendment to the environmental impact statement process, which is being conducted by the Department of Housing and Urban Development.

Recently environmental guidelines were put out for public comment. We have just received those comments. The company will now respond to those guidelines and, within several months, will provide a report, which again will be on the public record, with public comment being sought. We are aiming to have final assessment and the ability to look at a water licence for a bore field B around September or October of this year. That will be a key element in looking at the further ongoing development of that field.

At this stage relationships are good. We are having some very good relationships with Aboriginal groups in the area. We are making good progress in that area. Mines and Energy is playing a key role working between the companies with the Department of Aboriginal Affairs and with the Aboriginal groups. At this stage things are working well. We are progressing and, hopefully, if everything falls into place, the company will commit to that expansion in due course.

Mr VENNING: I noticed the same line on ground water. I am interested in the Strathalbyn area and the Milang storage lake, about which some very positive comments have been made. What can the Minister add to those public comments?

Mr Sibenaler: Strathalbyn and Clayton rely on Lake Alexandrina for their water supply. At times the lake becomes toxic due to algal bloom problems. We are currently investigating the possibility of storing the lake water in the adjoining aquifer system and, when the lake becomes toxic, the water that has been stored in the ground water system will subsequently be pumped into the system to supply Strathalbyn, and the same principle will apply to Clayton. Results to date are positive and this will be confirmed in the next two or three months.

Mr VENNING: Is there extra capacity in that storage to use it further than Strathalbyn?

Mr Sibenaler: It goes back to how much you put in being how much you can take out, so there is a possibility.

The Hon. D.S. Baker: The ground water and environment division is one of our very good areas in the Department of Mines and Energy as it will become increasingly imperative that we look after that water resource. We have the technology within the Mines Department to find these reservoirs that can be used, especially as the quality of the water that comes down the river, thrust on us from New South Wales and Victoria, is not up to the standard that it should be. Until those States do not something to control that, it

is lucky that we have the expertise to look at all avenues so that water can be reused.

Mr VENNING: Is there any extra capacity along the Murray River elsewhere to enable a similar sort of project to be conducted?

The Hon. D.S. Baker: The answer is 'Yes,' and those options are being investigated. Ultimately it comes down to a bottom line of whether it is cost effective. Zac and the department have done a lot of work on looking at other reservoirs where water could be pumped in, where there is already a resource and where at some other area in the aquifer it can be pumped out and used again. It is early days and very visionary stuff. As yet it has not got a bottom line.

Mr Sibenaler: Apart from the water from the Murray River, we have been looking at the possibility of using storm water run-off to recharge the aquifer systems. Currently we have a trial at Andrews Farm, where stormwater is detained in the wetland process, which improves the water. It is subsequently drained into the ground water system, which can then be used in summer or at other times for irrigation purposes. We are changing storm water, which traditionally has been regarded as waste, into a useful resource for irrigation and industrial purposes. We have Andrews Farm, Northfield, The Paddocks and Green Fields, so we have four trials in progress.

Mr BUCKBY: I refer to page 381 of the Program Estimates. What effect is the native title legislation having on the South Australian exploration initiative and the Broken Hill exploration initiative?

The Hon. D.S. Baker: It is fair to say that the uncertainty caused quite a hiccup at the time. It was a time when we had quite a bit of SAEI material ready and when it was an opportunity for the mining companies to go to other nations. In fact, South America became the flavour of the month. It was most unfortunate and probably set us back 12 months while this was being sorted out. It may have a longer-term effect while we are going through it all because, once the mining companies have sat down and worked through it, most of it has been plain sailing. It is the frightening them off and the lack of confidence that causes the problems.

Mr Horn: The Native Title Act currently affects about 6 per cent or slightly less of South Australia. We estimate that \$3 million of committed expenditure has been deferred. So, the impact has not been great and, with the new legislation and the negotiations that are currently taking place between the Aboriginal communities and the companies, this exploration expenditure will be committed over the next 12 months.

Mrs HALL: I refer to page 378 of the Program Estimates, which refers to ground water and environmental matters. I refer specifically to urban stormwater run-off and sewage effluent, which are traditionally regarded as waste, and invariably people think that they are discharged into the marine environment. Will the Minister outline the department's involvement in developing the innovative ways I understand it now has of storing these wastes underground for subsequent reuse for irrigation and industrial purposes? Also, will the Minister comment on what is being done within MESA to ensure that all staff, male and female, are appropriately trained to apply the high standards in environmental management to all department activities?

The Hon. D.S. Baker: Most of that was answered in a previous question, but I will get Mr Zac Sibenaler to go through it again.

Mr Sibenaler: As I mentioned before, we are conducting a number of trials. I referred to the use of stormwater to

replenish the ground water system. I referred also to Lake Alexandrina water being used, not so much to replenish the system but to provide an alternative storage for the lake water when it is in good condition.

We are also looking at the possibility of recharging the Northern Adelaide Plains ground water system which, as the honourable member may know, is very overstressed because of irrigation in the Virginia area. We are looking at the possibility of using excess Bolivar effluent to recharge the system. If the Bolivar pipeline goes ahead, it will be used to provide surface irrigation for the Virginia/Two Wells area. Any excess water which cannot be applied, especially in winter time, will be recharged into the ground water system. We have carried out some preliminary investigations and modelling exercises which indicate that recharge will be viable. The next stage will be to carry out field trials to prove (or otherwise) our model.

Mr QUIRKE: I want to develop those themes in respect of the Penrice operation out on the Northern Adelaide Plains. There has been some controversy over the Bolivar pipeline and the supply of water to the Penrice enterprise on commercial terms. I raised that issue the other night in respect of the multifunction polis people who seemed to have taken control of the good news in relation to the Bolivar pipeline. Would the Minister or his officers indicate how the Penrice development is going in respect of negotiations for the excess water there and tell me whether the water from the Bolivar pipeline will be suitable for their purposes?

The Hon. D.S. Baker: As the honourable member knows, there have been ongoing discussions with the one stop shop. These have been led by Ian Dixon in an attempt to bring together six or seven different departments and 10 or 15 Acts to get something together for Penrice in a Crown agreement. There has also been some briefing with the Opposition. A couple of issues are involved and, as the honourable member said, the MFP is one of the issues which must be addressed. That will be addressed within the next month. I will get Ian to bring the honourable member up to date on the Bolivar pipeline and ask him to give a general overview of how close we are to wrapping the matter up. Ian has spent nine months working on that one issue.

Mr Dixon: We have to be careful about this matter. The issue around the Bolivar pipeline was raised the other night with regard to the MFP issues. We have not been in detailed negotiations about that pipeline. In bringing all the various agencies together to work with Penrice to consider its future ongoing operations in the State and the potential for further investment and retention of that business within South Australia, a range of issues have been addressed across the Government because they deal with many agencies and many issues.

Water is one of the key issues which must be addressed and that involves seawater and ground water applications. However, I am not at liberty at this stage to comment in detail on the negotiations. The Minister for Infrastructure, John Olsen, indicated the other night that some quite complex negotiations still need to be undertaken between Penrice and the Government—

Mr Quirke interjecting:

The Hon. D.S. Baker: I did not hear that, but I agree.

Mr Dixon: A Cabinet submission has been prepared to put all the issues in relation to Penrice, involving such things as cogeneration, MFP and a range of other matters, before the Government for consideration in dealing with the negotia-

tions with Penrice. I am not at liberty to divulge any of the details about the exact negotiations at this stage.

The Hon. D.S. Baker: A massive amount of work has been involved in relation to the six or seven Acts. As Penrice grew, and as the crystallising ponds have grown over the years, the work across the borders of Acts and ministerial portfolios has been amazing. There has been a tremendous effort by Ian and the team and the other CEOs who have had to work behind the scenes to drag everything together. We are very close to getting the documentation ready and we are down to about two points in respect of which we have to, as the honourable member for Playford said, crunch heads together. It is a feather in the cap for the bureaucracy, which has worked terribly hard behind the scenes, and all the give and take, to get this together so that a major contributor to South Australia's wealth can continue to expand here.

Mr QUIRKE: I take this opportunity to place on the record the Opposition's support for the Penrice expansion in that region and for its ongoing operations here in South Australia. The Minister told us that there has been a simplification of all the Acts which control the various bits of that enterprise. Will the Minister tell us about the proposed expansion at Penrice? Is it going ahead? How large an expansion will it be, particularly in terms of employment? The Minister may wish to take those questions on notice.

The Hon. D.S. Baker: Of course, nothing has been announced yet and we are progressing towards the Crown agreement. I ask Ian Dixon to bring the honourable member up to date on the negotiations.

Mr Dixon: At this stage, Penrice is obviously looking at a number of investment projects within the area relating to a range of projects from cogeneration through to soda ash extensions and extending the quantity or volume of production and output of soda ash from that facility.

Penrice is obviously considering whether its risk and certainty of investment can be justified over a period of time, and that has been the basis of discussions between the Government and Penrice over recent months. Penrice has a number of proposals in place, but as I said we are in the final negotiating stage at the moment.

I would be quite happy to brief the member for Playford later, but it is probably inappropriate to elaborate as Penrice has not made a formal announcement at this stage. It is considering a number of options to maintain its competitiveness domestically and to increase its export markets. I would like to endorse a positive for the bureaucracy in that there has been extremely good cooperation from all Government agencies (and Penrice has endorsed that on several occasions) in working with Penrice to achieve a mutual benefit for the State in trying to work with that industry and in respect of what the Government can do to facilitate it. We have been pleased at MISA to be able to facilitate that process.

Mr QUIRKE: This is my final question on this area. Will the Minister elaborate on where he thinks we will be going in the next 12 months or so in terms of the expansion of mining ventures? What will be the potential revenue from all sources, including royalties, that will go into the State coffers towards the end of this financial year from mining activity in South Australia?

The Hon. D.S. Baker: I have never been one to speculate in the short term. If we look back to Western Mining, we see that it was discovered in about 1975. The last Administration struggled through the indenture under severe opposition in 1982. The indenture was signed in 1983, but it was not until 1990 that we began to receive any royalties. So, it really is a

long-term program. I am very confident that we will have some good discoveries from the SAEI initiative, but I really cannot speculate this far out from an election what the royalties will be. Within the next 12 months I can assure the honourable member that we will start making some projections.

Mr Dixon: The exploration initiative that has been in place has produced a lot of information and data, which is being acquired by industry. It is not a quick process, as the Minister said, in terms of moving from taking that information to the actual exploration stage and to the economic development of mining. It needs to be recognised that it will take some time. Record numbers of exploration licences have been granted, but considerable investigation work has to take place before mines can be found, deposits are proven up and resources are defined, and, even when they are, we need to take it to the stage of determining whether they are economic and how they would compete. Then they have to be developed. Olympic Dam was discovered in the late 1970s. It commenced operation in 1988 or 1989, and now in 1995 we are five or six years into the life of a mine with something like 200 years. We are talking long term. In the short term there will not be a great increase in royalties, but our intention is that they will increase over time.

Mr QUIRKE: I take this opportunity to thank the department. MESA has always had a very approachable group of individuals, and I look forward to seeing them again in 12 months' time.

The Hon. D.S. Baker: I thank members of the Opposition and on the Government side. I also thank the members of the department. They put a lot of work and effort into preparing documentation. Their door is always open for any briefings to members of Parliament seeking further information, and I think that members should avail themselves of that.

Mr VENNING: I should like to put one last question on notice. What action has been taken to ensure that an incident such as the Sellicks Hill quarry cave implosion will not occur again?

The Hon. D.S. Baker: I will take that question on notice.

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

Primary Industries, \$47 625 000

Membership:

Mr Andrew substituted for Mrs Hall.

Mr Clarke substituted for Mr Quirke.

Mr Kerin substituted for Mr Buckley.

Departmental Advisers:

Mr M. Madigan, Chief Executive Officer, Department of Primary Industries.

Mr K. Freeman, General Manager, Business Operations.

Mr B. Windle, General Manager, Horticulture.

Mr P. Gibson, General Manager, Field Crops.

Mr R. Wickes, General Manager, Sustainable Resources.

Mr A. Brown, General Manager, Livestock.

The CHAIRMAN: I declare the proposed payments open for examination. I invite the Minister to make an opening statement.

The Hon. D.S. Baker: This is probably one of the best openings to the season that we have had. There was a hiccup the other day with a large, potentially damaging, dust storm, but that was averted when the whole State had further rain. It is fair to say that, with the improvement in commodity prices, if we get a good season, primary industries will once again contribute the wealth to this State that it has been accustomed to. Under the present Administration, it will be wisely spent.

The CHAIRMAN: Does the Deputy Leader have an opening statement?

Mr CLARKE: Yes. I reiterate the Labor Party's continued support for our State's primary producers. Although the Minister might be surprised, I thoroughly enjoy doing Estimates for primary industries because I come from a farming background, if I go back 50 or 60 years, and I have a very close association with the wine industry, from the most important end as far as the wine industry is concerned.

I remind the Committee that it was the Labor Government in Canberra which provided a most generous assistance package to farmers affected by drought on the Eyre Peninsula. This package seeks not only to address the immediate problems caused by poor rainfall but also to provide longer term solutions to some of the problems facing the Eyre Peninsula as a region. The Opposition welcomes this regional development focus from the Federal Labor Government which mirrors the South Australian Labor Opposition's focus on regional development and reconstruction.

Mr Venning interjecting:

Mr CLARKE: That just proves the point, Mr Chairman: the Labor Party was born in the bush and it is still looking after it. If we do not look after it, these troglodytes and pretend bush people will totally ignore their roots. I would like to pass on to the Minister the shadow Minister's thanks for providing him, prior to today's hearing, with budget briefings from the Primary Industries Chief Executive Officer, and the board and Chief Executive Officer of the South Australian Research and Development Institute.

My first question relates to a letter that was addressed to the Premier but which we received from the Vice President of the South Australian National Parks Association. The letter, signed by Graham Churchett, the Vice President, and headed 'Greenways Scrub Clearance', in part states:

Your Government's decision to purchase for the intention to clear 620 of the 850 hectares for the planting of pines in the above area is not acceptable to this association and has the potential to destroy any credibility your Party has established in responsible management of the State's declining native vegetation. The very concept of what you are about to do makes a mockery of the Landcare and biodiversity initiatives. It negates the efforts of groups such as Trees for Life, Greening Australia and the many hard working volunteers who spend enormous amounts of time in friends' groups restoring habitat in our impoverished national parks system. . . What you propose to do is to destroy a habitat which is already mature and provides the necessary hollows for pygmy possums, gliders and other fauna.

It continues in a similar vein. Only last week in a report prepared by the Federal Department of the Environment the CSIRO reported that more than a third of the Australian continent's land cover was significantly disturbed and that another 48 per cent was substantially disturbed. More than one million square kilometres of forests and woodlands have been thinned since European settlement. Another report issued last week states that as much land had been cleared in the past 50 years as was cleared in the preceding 150 years. Why did you initially approve this act of environmental

vandalism and why will you not simply reverse your previous decision and stop the clearing of vegetation at Reedy Creek instead of simply putting it on hold? Is this how you got your nickname 'chainsaw Baker'?

The Hon. D.S. Baker: We have had the theatrics; now let us get down to some facts. This property consists of about 900 hectares (and I may not be absolutely correct on the number of hectares). It is a cleared property all bar 40 hectares, so it is not scrubland but grazing land and has been grazed for many years. It was probably cleared about 30 years ago. It had been on the market for at least two years. It was looked at by the Forests Department as to whether it was suitable for planting pine trees. No doubt it was looked at by adjoining graziers and they had ample opportunity to purchase the property.

There is an independent group, independent of Government, chaired by John Bradson of the Native Vegetation Council, and as happens in any clearance application, in most cases before purchase, the sensible thing to do is to approach the Native Vegetation Council in the Department of Environment and Planning to ascertain whether any clearance is to take place. I compliment that council on the sensible approach it has taken because what we are all trying to do is regenerate South Australia. If we are to have centre pivots or intensive horticultural production in South Australia there has to be some clearing of already cleared country. No-one should ever think that one acre of scrubland or natural remaining vegetation with understorey can ever be cleared in South Australia again; and no political Party or individual should support that and they do not. In fact, the Native Vegetation Council, that independent body, would not allow that to happen.

In consultation with the Woods and Forests Department a property plan was put together with agreement by the two departments, and that was presented to the Native Vegetation Council for its deliberation. On that council there are representatives of various other interested groups including Dr Andrew Black from the Conservation Council. The plan that went through the independent body stated (and the figures are within a few hectares) that 630 hectares of open grazing country with scattered trees on it could be cleared, 260 hectares of open grazing country with scattered trees on it would have to be completely revegetated with understorey and returned to a similar condition as the 40 hectares of natural scrub that was on that property. I think from memory there were between 1 500 and 1 800 or 1 900 trees to be cleared and some 20 000 or 30 000 trees to be replanted.

That independent body handed down its decision and that decision was communicated to the Woods and Forests Department. Since that time there has been some concern about the decision made by that body. I have met with representatives of the Conservation Council, and I have said that if it wants to resubmit a proposal to me—although the department has under the Act the right to clear that country—and if it thinks that more should be saved or that there should be some variation to that agreement, I would be very happy to look at it. I met with them the other night, and we have given an undertaking to do that.

Also, someone from the Adelaide University said that it would be quite easy and viable with no financial implications if the forest were planted around existing trees. I have asked for a plan to be submitted to me, and that plan will be evaluated by the Woods and Forests Department before anything else happens. I think it should be made clear that it was an independent body under the chairmanship of John

Bradson that made that decision—it was nothing to do with Government at all. Exactly the same process was followed as is applied to any application to develop or take down one tree on any property in South Australia. That process was put in place many years ago by the previous Administration, which has done a good job of administering the Act in the meantime.

One of the most important things that we should all realise regarding the environment is that our greatest concern involves getting more trees planted. The only way we can do that is by getting the rural community on side. The Deputy Leader of the Opposition said in his opening remarks that his side of politics are the only ones who look after the environment. Probably every farmer in South Australia would dispute that. One of the things that the Department of Primary Industries is doing through its Sustainable Resources Unit is looking at long-term farming practices to see whether they can be sustained and whether they are doing damage to the soil profile. However, what we have not done until now is to look at how we can encourage farmers to revegetate their land.

I have had discussions over the past three or four weeks with the Native Vegetation Council to see whether it can work with the department to encourage farmers to plant more trees because, even if you do nothing, the vast majority of scattered trees in grazing situations around South Australia will die because of grazing pressure and superphosphate application, etc. So it is a matter of getting the farming community on side. The Native Vegetation Council is happy to become involved in what is happening. In fact, members may hear more about it today as we discuss these matters.

The potential to plant forests on the ranges in the Lower South-East still exists. We have 70 000 hectares of *pinus radiata* in that area. Discussions are going on between the South Australian and Victoria Governments and interested parties to plant 50 000 hectares of blue gum (*eucalyptus globulus*) to start up a potential export commodity. The object of that is to begin not only a milling industry in the South-East but also an export wood chip industry through Portland. If that goes ahead, individual farmers will probably plant various areas of their farms, whether it be 100 or 200 hectares or whatever. Again, the Native Vegetation Council, will be involved, but it may mean that single trees of different varieties may have to be cleared. Of course, that will be done under this independent body. In their place we will have 50 000 hectares of a eucalypt, which is ongoing and sustainable, because as they are cut down they shoot and grow again.

I am happy to obtain a briefing for the Opposition on this matter. The department has done far more than it has to under the Act to make sure that all views are listened to as we go down the road towards making a decision as to whether this area of land will be planted to forest. The Opposition must make up its mind whether it wants to ban any forest development in South Australia. It is easy to say, 'Plant it on open land', but all the areas which have forest potential in South Australia can be planted only if they have been cleared, and in every case they have scattered remnant vegetation on them.

Mr CLARKE: The Minister referred to the Native Vegetation Council. Is it true that all the members of that body opposed the granting of the application for the clearance at Reedy Creek but were obliged to approve it because the application met the letter of the law if not the spirit?

The Hon. D.S. Baker: I have no knowledge of that. The honourable member should direct his question to the Chairman or the Native Vegetation Council and get their views on

it in writing. I have no knowledge of it, nor would I or any applicant have any knowledge of those views. It would be impossible for all members of the Native Vegetation Council to disagree with the application and have it get through, because they are there to administer the law.

Mr CLARKE: Has the Minister or any companies with which he is associated an application for vegetation clearance currently before any vegetation clearance body or local government authority; and if so, what is the location of the land under application? Has the Minister or any companies with which he is associated had any vegetation clearance applications approved or rejected in the past by any vegetation body or local government authority; and, if so, where are those properties located?

The Hon. D.S. Baker: I will take those questions on notice.

Mr VENNING: I refer to page 394 of the Program Estimates—'Horticulture'. One of the 1994-95 objectives refers to the completion of the review of phylloxera regulation and the subsequent passage of the new Bill. Will the Minister provide information on the current activities relating to the new Phylloxera and Grape Industry Bill for 1995?

The Hon. D.S. Baker: I will ask Barry Windle to answer that question.

Mr Windle: Following the passage of the Phylloxera and Grape Industry Bill, the process of establishing a new board is now in progress. The Minister has appointed a selection committee from a panel of nominees that was put to him by industry. That selection committee met yesterday for the first time. The selection committee has the job of calling for nominations to the board and ensuring that the criteria in the Act are met in making its recommendations to the Minister. So, the old phylloxera board continues its operations and is guiding the State's security in relation to phylloxera until the new board comes into operation. It has been active in that it has reissued information to all registered grape growers in the State, including the current conditions for legal movement of grape rootlings and cuttings into the State. Further to that, we are maintaining a continuing dialogue with the Grape Industry Committee regarding the issue of phylloxera risk management in this State, and we are particularly interested in improving regional security within the State as well as within the State as a whole.

Mr VENNING: As a supplementary question, when is it envisaged that the new board will be in position?

Mr Windle: I am informed that the selection committee is working to a timetable which will see all nominations for the board received by the middle of July. It hopes to put its recommendations to the Minister by the end of July. So the board could be operational in August according to that time frame.

Mr KERIN: I refer to page 393 of the Program Estimates. Under the program 'Field crops', there is reference to the standardisation of grain gain crop monitoring programs at a national level and their expansion into South Australia. Will the Minister elaborate on this program, particularly with respect to how it is funded?

Mr Gibson: Grain Gain is a new program that we launched in primary industries in South Australia in March last year, and it is a crop monitoring and comparative analysis service linked to similar services interstate. It falls under the Grains Research and Development Corporation's general national program called Crop Top. Grain Gain is actually a program that operates at a district level where farmers are led through a process of monitoring crops under the direction and

expertise of district agronomists and other staff. As I said, last year was the first year that we were in operation and we expect that this year in excess of 500 farmers will be monitoring cereals and grain legumes throughout the State. In relation to the cost of the service, there is a fee for service to the farmers which covers soil and plant tests, performance recording booklets, and so on.

It is interesting that this year, for our first year, we received a new grant from the Grains Research and Development Corporation, which has now agreed to fund us \$82 000 per year for the next three years to continue with this project. Also, we get funding from the program through sponsorship and that is in the order of about \$10 000.

Mr ANDREW: I refer the Minister to page 394 of the Program Estimates, which comprises a program description for horticulture. The 1995-96 objectives refer to the establishment of a facility for the rearing of sterile fruit-flies for the increased use of this method in South Australia. The Minister would be well aware of the importance of maintaining the fruit-fly free status of the Riverland both to my electorate and to the export income growth of this State, considering our increasing citrus exports, particularly to the United States of America. How is this project progressing, and how will it be beneficial to the fight against fruit-fly in this State?

Mr Windle: South Australia is the only mainland State free of fruit-fly, and the fruit-fly program is particularly important to our trade with the USA, New Zealand and other countries that are particularly concerned about fruit-fly. Each year our pest eradication unit does battle with outbreaks of Queensland fruit-fly from eastern Australia and/or Mediterranean fruit-fly from Western Australia. Each eradication campaign costs in the order of about \$120 000. Over the past three years we have been trialing this new technique of using sterile fruit-flies in addition to a very much reduced baiting program. In each of those three years the technique has been very successful.

We have used temporary facilities for rearing sterile fruit-flies and we have accessed them from a very small laboratory that operates out of Gosford. The Commonwealth Government has now joined with the States in funding a new sterile fruit-fly factory in Camden, New South Wales and that factory construction is beginning next month. The State's contribution to that program is of the order of \$66 000 for capital expenditure and the other side of that program will be the establishment of a new rearing facility in South Australia with about the same sort of expenditure. The temporary facilities are no longer available to us for that program.

The full program of use of sterile fruit-flies for eradicating Queensland fruit-fly across New South Wales, Victoria and South Australia is now in full swing. The management committees and the infrastructure are in place, the funds are committed and the factory begins construction next month.

Mrs GERAGHTY: Last year during the Estimates Committee the Minister stated that Primary Industries SA was working to bring its extension services into the twenty-first century. In fact, the Minister said:

If primary producers in South Australia believe that someone from the department will drive out to their property and sit down with them for half a day to work through problems, I can assure them that that is not the way we are trying to go.

The Minister then went on to say:

... no stone will be left unturned to make sure that the most modern practices will be used for extension services to South Australia's farmers.

Given the Minister's statement last year, what resources have been allocated in the budget for the forthcoming year for the provision of extension, advice and counselling services to South Australia's primary producers using new technologies? Where are these programs located within the budget papers?

The Hon. D.S. Baker: I thank the honourable member for her question. We have been working very closely with the Advisory Board of Agriculture and members of the Agriculture Bureau, and they have produced a very good document called AGSA 2000, which really looks at how we are going to advance our extension services to the turn of the century. One of the things I meant was that the methods we have used in the past for technology transfer are not going to be someone driving out in a car and sitting down with a farmer for half a day. In fact, most farmers already have fax machines and they use those fax machines to obtain technical services. One of the services that many farmers would use is that supplied by the Bureau of Meteorology with its four or five day weather forecast, which is available on Polfax. Now in three years we have gone from—

Mr CLARKE: Does anyone believe the four or five day forecast?

The Hon. D.S. Baker: Well, coming from the Government they would. Things are changing dramatically and, if the honourable member is asking whether we are going to cut out services to people, I can tell her that we are not. Had you told me five years ago of the services that would be available through faxes and through computers, I would not have believed it. And it is going to go forward at speed. So, as we modernise and restructure within the department, the whole focus is going to be on the delivery of the service in the most efficient way. Quite obviously you can deliver extension to every farmer who has a fax if you want to get something out broadly, whereas if you have someone in a car travelling around you cannot physically cover the territory.

The other area at which the Department of Primary Industries is looking and which it will be developing during this year is the fact that it spends an inordinate amount of time and effort looking after those people who quite rightly need help but who are, if you like, not at the leading edge in the technological advances. It is factually correct and fair to say that some 5 to 10 per cent of farmers are producing 70 to 80 per cent of the bulk commodities in the State because they are the ones who are using the most modern methods and the best practices. We are also developing, not only to look after everyone as a base service of extension, some programs that will look after those who really require and, in many cases, are happy to pay for the most modern and up-to-date extension services that cost the department a lot of money. It is happening now, and there is a lot more use of agricultural consultants. In many cases the department will be working with these people as they get the best extension services going.

The honourable member would have read a document called 'Seizing the Challenge' which we put out and which said that, when you compared us with other countries in the world and compared South Australia with other States, the increase in grain productivity was lagging behind. That is not a fault of the farmers. That was from 1950 onwards. There is a lot of work to do, and we recognise it, but it will be done by the leaders in the industry having the best technology and pushing hard and by using computers, faxes and whatever other technology is around to get out the message. It will not be done by an extension officer coming out to your place or

my place, sitting down to have a couple of coffee and talking about how we will farm next year.

Mrs GERAGHTY: By way of supplementary question, where are the programs located within the budget papers?

Mr Madigan: The extension as a function is not specifically highlighted in the Estimates papers. It would take a lot of administrative effort to put it together because it comes across the entire portfolio. However, with respect to the new proposals to which the Minister referred, particularly the electronic ones being developed by agricultural bureaux, we have undertaken to provide whatever resources will be necessary for the part that we will play in the development of those systems.

Mrs GERAGHTY: On 9 December last year the Minister announced the formation of the ministerial advisory council to be made up of key industry and agri-business representatives aimed at implementing the changes recommended in the Stoeckel report, 'Seizing the Challenge'. What progress has the advisory committee achieved in implementing these changes, and will the Minister indicate whether the committee will conclude its work by the end of this year, as stated in his initial announcement?

The Hon. D.S. Baker: Yes, I can give the honourable member an update. We are waiting until we have had a review of SARDI (the South Australian Research and Development Institute). At the last board meeting of SARDI we instigated a complete review of its role and function, along the lines of the 'Seizing the Challenge' document. We envisage that it will be completed in the next couple of months. We must have the South Australian Research and Development Institute in parallel with what is going on in Primary Industries, with the extension and scientific sides working closely together, and as soon as that review is done there will be an overriding committee, as in 'Seizing the Challenge', to drive that document through. That will consist of some very eminent people and will be pushed through by the author of 'Seizing the Challenge', Andy Stoeckel. He has indicated, as I indicated, that it must be up and running by the end of this year, all ready for some very good announcements coming up to 1997 which will be readily accepted by the population of South Australia.

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

Mrs GERAGHTY: With regard to page 141 of Financial Paper No. 2, the amount collected in regulatory fees for 1994-95 was \$5.687 million as opposed to \$4.926 million in 1993-94. That reference is on page 147 of Financial Paper No. 2. That figure is estimated to blow out to \$6.899 million in 1995-96. That is an increase of more than 20 per cent on the 1994-95 figure and an increase of almost 40 per cent on the 1993-94 figure. Can the Minister explain why the receipts collected through regulatory fees have increased at such high levels? Does that indicate that the Government is simply using primary industries as a revenue raising milch cow?

The Hon. D.S. Baker: This matter relates to regulatory fees. I have just briefed the honourable member's colleagues and the shadow Minister in relation to the new principle in the fisheries of full cost recovery on commercial licence fees. As it states, there will be an extra \$1 million to be collected from the commercial fishery. We have been working with SAFIC for the past three months in regard to the principle of collecting those fees. Press releases will be issued this afternoon and the Opposition has been briefed.

Mrs GERAGHTY: Referring to page 388 of the Program Estimates, yesterday pork producers went to Canberra to express at first hand their concern about imports from Canada and the general future of the industry. The Opposition has indicated its support for changes in labelling so that the discerning Australian consumer can support Australian produce. However, the problem facing producers extends far beyond the issues of Canadian imports. The Opposition is aware that input costs are extremely high at the moment due mainly to the drought conditions which have forced up dramatically the price of feed grains.

I understand that the Federal Minister, Senator Collins, has suggested that the Industry Commission consider the pork industry and develop a long-term strategy for it. It is of some comfort that ABARE predicts that grain feed prices will drop considerably in the coming year. However, pork producers are left in a very difficult situation and they may require some relief in the form of assistance from the Rural Adjustment Scheme or exceptional circumstances assistance. Has the Minister any plans to assist South Australian pork producers through RAS or any other scheme to allow them to overcome the current difficulties until a long-term strategy can be developed by the Industry Commission?

The Hon. D.S. Baker: Yes, we have addressed the issue. We all agree that a basic part of the problem is truth in labelling. We need a decent labelling system which means something. With regard to the other part of the honourable member's question, I am happy to take a case to Senator Collins if the pork industry representatives in this State come to me. I am happy to prepare a case for Senator Collins for exceptional circumstances assistance as happened in the wool industry five or six years ago. That offer is open to the industry if it wants to come along, and I will make representations on its behalf or accompany its representatives to see Senator Collins to ask for that assistance.

Mr KERIN: With regard to industrial hemp, in the fields crop program there is a specific program which refers to 'the introduction of low TCH fibre hemp varieties and the testing for agronomic performance in South Australia'. This has received a fair bit of publicity in the past six or eight months and raised a lot of hopes. There is a great deal of interest out there about it. Can the Minister give us an update on the progress that has been made with the industrial hemp program to date?

The Hon. D.S. Baker: Yes, Peter Gibson will answer that question.

Mr Gibson: With regard to industrial hemp in South Australia, we are currently putting together a program in conjunction with three parties, namely, Primary Industries South Australia, Yorke Regional Development Board and the South Australian Research and Development Institute. We have imported seven varieties of seed into South Australia and we are considering a range of sowing dates in agronomic trials at three sites: Turretfield Research Centre, Kybybolite in the South-East and Arthurton on the Yorke Peninsula. The idea is to consider the different varieties of Indian hemp to see whether they are agronomically suitable for growing in South Australia.

In addition, the Regional Development Board is also considering conducting a feasibility study on the uses of Indian hemp. It is considering the market potential and the requirement for processes. We hope that a report will be due from that work in January 1996.

In the meantime, because of the interest which, as has been stated, has been quite extensive, in growing industrial

hemp in South Australia, Primary Industries South Australia has produced an information sheet which is available to anyone who wishes to use it at this stage. We are currently distributing the information sheets to all interested people.

Mr VENNING: My question relates to wheat protein content, and I refer to page 393 of the Program Estimates and the program title 'Field Crops' which refers to new initiatives to address the decline in protein content in wheat. That is a serious problem in the wheat industry, as we are all very well aware. Will the Minister provide information on the initiatives and how successful they have been? What can we look forward to in future?

The Hon. D.S. Baker: I will refer those questions to Mr Gibson.

Mr Gibson: The decline in wheat protein in South Australia is one of the major issues facing the wheat industry. Within Primary Industries last year, we launched a major program to try to correct that agronomic deficiency on the farm in the amount of protein in wheat. Specifically, we launched a new program called N600 which involves farmers and Primary Industries South Australia but also fertiliser companies and the Grains Research and Development Corporation, which has supported the program financially since its inception.

The main aim of this program is to improve the skills of farmers so they can make correct nitrogen fertiliser decisions using all the information we have available on cropping rotations. The real key to increased protein content in wheat is to understand the supply of nitrogen to the crop during the growing season. In 1995, we have 26 bureaux and other farmer groups committed to the program and over 500 farmers participating. We encourage farmers to work through their own decision-making processes and decide upon the optimum fertiliser rates that they should apply to their crops in their own situation. That includes taking farmers through field walks and workshops, and having harvest reports.

Unfortunately, because of last year's seasonal conditions, it was difficult to judge the results of the program. One of the interesting things about growing crops is that, when the crop becomes stressed near the end of the year, the nitrogen or protein content increases. However, this year, given the excellent start to the season, it should be a good year to see how effective the program has been in terms of increasing the protein content to the benefit of the industry.

The Hon. D.S. Baker: For the benefit of the member for Torrens, I should say that that is one of the great changes that we are seeing. Once this would have been done with an extension officer going out in a car to someone's property. This very good program, N600, has workshops, seminars, fieldwork and works with the private sector, such as the fertiliser companies. It is getting to far more grain growers more effectively. Once it would have taken five years to implement such a program, which is now getting through in one season.

Mr ANDREW: I refer to Program Estimates, page 396, concerning sustainable resources. One line refers to significant initiatives with respect to new irrigation development in the Riverland using water saved through more efficient irrigation of existing vineyards and orchards. Presumably, members are well aware that there is large scale new development and redevelopment taking place in irrigated horticulture in the Riverland. What are these initiatives and improvements? How will they further foster and facilitate this development?

The Hon. D.S. Baker: That is a very good question, and I know that we have full support from the Opposition for the vineyard development that is going on in South Australia at present. I ask Roger Wickes to answer the question.

Mr Wickes: We are looking at better irrigation management and the impact that can have on the State. We have a three-part strategy. One is about renovating infrastructure in the Riverland, and that is going on in a joint program with the Commonwealth. By reducing leakage out of the current system, about 4.2 gigalitres of water will be retained. We are talking to the Commonwealth about Loxton, which is another irrigation area. If we could implement a similar program in Loxton, it would mean saving about 4.8 gigalitres of water, which is a lot of water.

The second part of the strategy is water savings. We know that some producers are putting on water which is 60 to 90 per cent wastage. We have examples in the Riverland where people have changed their irrigation practice through some of our programs and increased the land area they are irrigating by about 30 per cent. That is a significant increase in return to those people. We currently have a new, benchmark program under way involving 50 growers to try to better quantify this return. We also have improved irrigation management practices and this involves adding water against the crop's use, so we actually add water when the crop needs it, not when it is available or when somebody gets around to it. A major productivity improvement comes from that. We have made some rough estimates. We are currently getting all this together. It will mean about \$100 million worth of increased return in the horticulture industry if we could realise that potential. The Riverland Development Corporation is looking at this with a view to assessing where new developments can occur.

Our major part in this program is joining in that reconstruction in the Riverland. We have a commercial service and irrigated crop management system which looks at the soils, the irrigation design that goes with those soils, and also monitoring so that people add water at the appropriate time. That has spawned off to other commercial services operating in the Riverland. The program is very successful. We have a property management planning program, which builds irrigation into the total component of the property so people understand where they fit in that. We hope to introduce a new service shortly on centre pivot irrigation because a lot can be done with that. Water is very important to this State and a lot of our irrigation programs can return a benefit, and that is starting to show.

Mrs GERAGHTY: I note on page 393 of the Program Estimates that one of the specific targets and objectives is that the Government is testing the introduction of low THC fibre hemp for agronomic performance in South Australia. What is the scope of this trial, and what resources are being provided by Primary Industries South Australia to assist the trial? What marketing opportunities may be available for the hemp that is produced?

Mr Gibson: The amount of resources going into the growing of industrial hemp are quite extensive. We are looking at evaluating seven new French varieties. One of the interesting things that needs to be considered in terms of new varieties is their reaction to day lengths and, as of 21 June, day lengths started to increase in South Australia. Some of the existing varieties respond only to increasing day lengths, so we wanted something to respond prior to 21 June so we could get long stems of hemp that would be useful for the

fibre industry. We had to look at evaluating a whole new suite of genetic material and we have imported these varieties.

We are trialing them at three sites around South Australia, looking at five or six replications of trials, so it is quite an extensive program in terms of investment in time and resources. As I mentioned earlier, the Yorke Regional Development Board has a study going simultaneously with this looking at the end point uses and how useful the product will be in terms of using it for paper and other products. That report is not due until January 1996.

Mrs GERAGHTY: Out of interest, why is it a French strain?

Mr Gibson: A French seed company is involved in this and it is the only company overseas that is looking at this range of low THC varieties. The South Australian Seed Growers Cooperative has the sole rights to import these varieties from France. There is no other source of this strain, so that is why it is French. It just happens that France has the source genetic material that has been tested until this stage.

Mrs GERAGHTY: Where are the three sites?

Mr Gibson: There are three sites: Turretfield, our research centre in the Mid North; Arthurton, which is being done by IAMA in conjunction with our group; and Kybybolite in the South-East. It is at that site that we are looking at using irrigation to determine whether that will be some use in producing the amount of product on which we can base an industry. We will not be doing any broad scale work until next year or later when we see how these varieties stand up in the field at these different sites in South Australia.

Mrs GERAGHTY: On page 388 of the Program Estimates, under the topic 'Field crops: adverse events', I note an increase in the estimate for recurrent expenditure from \$248 000 in 1994-95 to \$531 000 in 1995-96. I presume that this is associated with drought conditions in some parts of South Australia, but can the Minister explain this increase and what it is to be expended upon?

Mr Gibson: Adverse events boils down to things such as mice or locusts—things that occur from time to time and you are not quite sure when they will arise. In this case the figures relate mainly to a locust campaign. On an annual basis we get consolidated revenue from Treasury of approximately \$400 000, and this accumulates so that if a locust campaign is necessary we have the funds to enable us to combat it. The increase in funds that is shown is the accumulation, the \$400 000 plus what was left over from an underexpenditure last financial year because a major campaign was not necessary.

Mrs GERAGHTY: I refer to page 393 of the Program Estimates. Can you indicate the amount of production lost and the value to the State due to the drought conditions on Eyre Peninsula during 1994?

The Hon. D.S. Baker: Most crops were cut down to 40 per cent of potential, but it was not only the crops. I think the important point is that we were at the bottom of our commodity curve. Wool had crashed and livestock prices were very low, so if you take it as a total I would have thought that it was probably in the vicinity of 30 per cent of the potential of that region, which is a very great wealth generator in good years. We hope that this year will be one of them.

Mr Gibson: I think that is accurate; it was between 30 per cent and 35 per cent of production last year. But you have to remember that that is only total agricultural production. Last year the prices were not as good as they are likely to be this coming harvest. I notice today on the front page of the *Stock*

Journal that the price for wheat has gone over \$200 per tonne. When you couple this coming harvest with the high prices, we are possibly looking at something like a billion dollar crop in South Australia. Although production last year was low, this year we hope it will be higher and that the prices will be higher. Couple that together and we are looking at quite a significant season.

Mr VENNING: In relation to the sale of the grain handling belts, is the Minister aware of the anxiety amongst a large section of the industry, particularly the growers, that these belts may be sold to other than their company, Bulk Handling? Will the Minister give us the current state of the action?

The Hon. D.S. Baker: As you know, the grain belts are one of the assets, along with the State Bank, SGIC, PASA and Forwood Products, that the Government believes that we should be selling. It is at present with the Asset Management Task Force, which is evaluating the value of the asset. It will ask for expressions of interest and once they have been evaluated its recommendations will go to Cabinet and the Government. I think it is fair to say that in all these discussions ultimately it is the Government's prerogative to look at the economic benefit with regard to the best price offered. I guess at that point in time a decision will be made. But it is most decidedly not the role of the Asset Management Task Force to do anything else other than obtain the best possible price because, as you know, it will go to pay off the State debt which then helps in ongoing programs for the State.

Mr ANDREW: I refer the Minister to page 394 of the Program Estimates. In 1995-96 the objectives refer to the establishment of joint services for industry development, particularly in relation to citrus, grapes, nursery and the floriculture industry. Will the Minister enlarge on these current initiatives?

Mr Windle: I think that this follows earlier questions about extension services. We are finding that horticultural industries want to have more say in and control of the technical services which are available to their industries. In the past, I guess Governments and primary industries departments have provided what it believed growers wanted, and to some extent that has been spot on and in other respects it has not. The new approach, which has been very quickly picked up by industry organisations, is for Primary Industries to work jointly with industry organisations and grower groups to identify the services that they want and be a part of providing those services without them being totally dependent on Primary Industries, so that we become a partner in the provision of those services.

Some good examples are in place. The potato crop management service in the South-East is an excellent example where the industry has picked up, through a steering committee, the running in providing that service and it is rapidly heading towards a service that will be financially self-sustainable and directly provides the services that those producers want. It is supported by us, the Horticultural Research and Development Corporation and McCain, the frozen french fry factory in the South-East. There are similar examples in the apple industry and floriculture quality services, and examples are emerging very quickly in the citrus and stone fruit industries in the Riverland. All these services have a high level of industry ownership, steerage and direction. We see this as the way to ensure that industries have the services that they want in the future, with the overall objective being to build more self-reliant, competitive and robust horticultural industries.

Mr KERIN: Page 395 of the Program Estimates (which concerns the livestock program) refers to the department establishing the Gepps Cross saleyards on an independent basis for the future privatisation of those saleyards. Will the Minister provide us with information on the approach to be taken to achieve that goal?

The Hon. D.S. Baker: It has been a vexed question for many years. SAMCOR has lost a considerable amount of dollars in the past and has had to write off a lot of money. The saleyards are in a substandard condition, as everyone would know. There is a group looking at putting together a private company to establish saleyards on that site. There are some environmental problems, and we are working through those in the relevant departments. We have had meetings virtually on a monthly basis over the past six months.

The Government does not want to be involved in the ownership of the yards. However, it is prepared to provide some form of assistance, if you like, for a commercial company to set up a saleyards complex in this State. Ultimately, a decision has to be made whether the environmental problems in that area, especially in waste disposal, allow a saleyards complex at a cost that can be afforded in the commercial world, and we are working through that at present. We have already looked at other areas of the State, like in the mid north, for a saleyards complex on a completely new site. There was an approach at Murray Bridge for a saleyards complex up there. At present we are down to the existing site, but the environmental problems have to be assessed.

Mr CLARKE: With regard to the sterile fruit-fly program, which the member for Chaffey originally raised earlier today, there have been recent reports on ABC radio suggesting that there may be some rationalisation of quarantine arrangements between the Western Australian and South Australian Governments, with one suggestion being a jointly operated border station. Can you provide any information to the Committee with regard to the ramifications on employment of officers from South Australia and the likely cost-effectiveness of the proposal?

The Hon. D.S. Baker: Barry Windle will provide an answer to the second half of the question, but an idea, which initiated in Western Australia, has been floated across my desk for some very preliminary discussions. I will ask Mr Windle to elaborate.

Mr Windle: That is very much the case. The Western Australian department has had a problem with its quarantine roadblock based at Norseman and has decided to relocate that operation to Eucla or possibly on the border between Western Australia and South Australia. In so doing, it has invited South Australia to express interest in joining with that operation in a combined fruit-fly and Western Australian quarantine border check. It is very early days at this stage. We have only just received an indication that Western Australia is proceeding with this plan. We need to have a detailed analysis of the benefit cost of any possible joining with Western Australia on that basis. It is too early to speculate on the potential benefits, savings, impact on employment or any other aspects until we have had the opportunity to look at the merits of relocation from Ceduna and the benefit cost of that approach.

The Hon. D.S. Baker: Of course, it will be Norseman's loss, because there will be a shift from that township. There is another matter that is worth considering. When we determine the tourist potential of the Great Australian Bight Marine Park, we may find that all three issues can be

addressed at the one time, because that happens to be a suitable point at which people can view the whales in that protected area.

Mr CLARKE: That total exclusion zone.

The Hon. D.S. Baker: In that total exclusion zone, which is there for the benefit of the whales as well as the sightseers.

Mr CLARKE: I refer to page 394 of the Program Estimates, again regarding fruit-fly detection. Earlier this year, the Government committed itself to provide a presence at the Oodlawirra roadblock during the winter season and to investigate the need to open the roadblock for extended hours past the current opening hours of 6 a.m. to 10 p.m. Is that presence at Oodlawirra being maintained during winter this year; if so, in what form is that presence being maintained; and what is the outcome of the assessment process for extended hours?

The Hon. D.S. Baker: I will ask Mr Windle to answer that question.

Mr Windle: We have looked further at the Oodlawirra operation which, as the honourable member would know, is normally open for two shifts and closed during some winter months. It is currently operated on a random basis for some shifts throughout the winter. Through this process, we will look more closely at and validate the need for additional shifts on that roadblock if the data on interceptions of fruit and vegetables, particularly those infected with fruit-fly, stand up to closer scrutiny. So, that process of reviewing the Oodlawirra operation is in progress.

Mr CLARKE: Under the Citrus Act, dealers and marketers are required to lodge a \$30 000 bank guarantee taken out in favour of the Citrus Board to obtain the right to market oranges and other citrus products. This is on top of the \$2 000 that every seller has to pay to obtain a licence to sell citrus in this State. Given the Government's preference for deregulation, does the Minister intend to legislate in this financial year to remove this impost on the citrus marketers of South Australia?

The Hon. D.S. Baker: I will ask Mr Windle to reply.

Mr Clarke: I thought you were in favour of a flat tax or no tax.

The Hon. D.S. Baker: Listen to what Mr Windle has to say, and I will then add something.

Mr Windle: The Citrus Board of South Australia is entirely industry funded and driven. It operates for the benefit of the citrus industry in this State. It has completed a review of its charging schedules and, in the course of doing that, as is required under the Act, it has completed a process of consultation with packers, sellers and growers throughout the Riverland. It has put forward to the Minister for consideration a detailed proposition to review its revenue structure. I am not aware at this stage of the detail of that proposition, but I can reassure the honourable member that it is the result of an industry driven consultation process and, as with all processes, some people will be unhappy with the results. But, given that it is an industry funded board, as I have reinforced, decisions in relation to the way in which the board operates and charges for its services will be to the benefit of the industry as a whole.

The Hon. D.S. Baker: If the industry comes to the Minister wanting some reforms within that industry or some form of deregulation, its request will fall on a sympathetic ear.

Mr CLARKE: Will the Minister guarantee that the South Australian community will continue to receive the current

level of services from Vetlab, and will he explain the Government's decision to cut funding to this service?

Mr Madigan: At this stage, the Government has made no decision about the future of Vetlab. As part of the budget process, we have undertaken to conduct an investigation into the core values and requirements of a Government laboratory with particular reference to the users of those services and the industry. That review is currently being undertaken. When an interim report is ready, we have undertaken to consult with the Australian Veterinary Association, the South Australian Farmers' Federation, the Advisory Bureau of Agriculture and the IMVS on a range of options which might apply to Vetlab. Having completed that consultative process, we will seek direction from Government. At this stage, no decision has been taken.

The Hon. D.S. Baker: I think the days have gone when State borders were sacrosanct. Other States are doing exactly the same thing in consultation with us. If a State specialises in one service, we are quite happy to foster that, and we will ensure that a service is available. For instance, in the cattle industry many of the testing samples are sent to Queensland because that State has built up a lot of expertise in that area—it has the biggest cattle population in Australia. It is not a matter of slash and burn. We will make sure that the services which are provided are adequate and relevant and within easy reach of industry and the community at large.

Mr CLARKE: As a supplementary question: how long is the delay for people to get this information back from interstate?

The Hon. D.S. Baker: With the benefit of fax machines and good transport, it is virtually an overnight service. There is no impediment to those in the veterinary area who are using Queensland testing facilities. In fact, in relation to milk testing—which is different from Vetlab—many of the facilities are located in Victoria. In the lower South-East, many of the dairy people are using Victorian services. The greater the through-put, the lower costs. In all of this review, ultimately it comes down to the cost of delivery of the service: if you are not competitive, people will not use the service. So it is a very constructive look at it in order to see what can be done, and the results are about a month off coming to me. If the Opposition wants a briefing on it at the time I would be happy to provide that.

Mr CLARKE: Yes, certainly. Minister, you would probably be aware of the proposed closure of the Adelaide Wool Market and the establishment of the centralised integrated selling concept. The Adelaide Wool Brokers Association has identified a number of issues which would impact adversely on the South Australian economy due to this proposal, including additional costs to brokers and growers, reduction in demand for local storage and distribution facilities, possible job losses and growers losing opportunities of talking to buyers and keeping up to date with buyer requirements, to name just a few. What action does the Minister and the Government propose to take to assist the Adelaide Wool Market and the local industry?

The Hon. D.S. Baker: I know you understand the industry well, but this is about the selling centre and about selling samples of wool. It is not about the storage of wool, which is completely different from the selling of wool. I think it is fair to say that the Government will be listening to any of the views put by the Farmers Federation and the agents generally about what should happen but ultimately any time the Government interferes with the process of reform that goes on, if it is going to go on, it is not in the best interests

of that industry. It is an industry matter that has been hanging around for a long period of time. Of course, there are Government entities that have concern with it, and we will be discussing, especially with the Farmers Federation and the Wool Brokers Association, their views on how the issue should be worked through.

Mr CLARKE: Minister, you seem a bit laid back on this particular issue. I know it is perhaps a bit of a *laissez-faire* economic view that you might have about whatever the market will do, but, in terms of Adelaide as a wool selling centre, as you say, it is not just a question of the storage but it involves the number of buyers who come into Adelaide, as well as the hospitality industry, in that those buyers have to stay somewhere and eat and drink. On top of that, unfortunately it also reduces Adelaide to the status of not even a large provincial city in one of the Eastern States in terms of not having its own wool selling centre, and I would have thought that there would be very good reasons, as outlined by the Wool Brokers Association, for the Government to be quite vigorous in trying to retain Adelaide as a selling centre.

The Hon. D.S. Baker: I think I have already said that. The Farmers Federation in fact has already made some approaches to the Government as has the Wool Brokers Association. It is not a matter of being laid back. If you are expecting the Government to step in and legislate that wool sales have to take place here, I can assure you that it will not. However, if we can forcefully put forward an argument, as we forcefully put forward an argument about the wine tax, the expansion of vineyards and so on—as you do, too—we will do that, because it is for the benefit of South Australia. Ultimately, if the national wool selling brokers say that it is irretrievable, other than us subsidising it—and I would hope that the honourable member would not expect the Government to do that—we have a difficult situation. We will vigorously put the case and the honourable member is welcome to be with me when we put that case.

Mr CLARKE: I note from the annual report of Primary Industries SA 1993-94 that the residual effects of the use of strychnine baits used during the mouse plague of 1993 were being constantly monitored by the Farm Chemicals Branch and the Animal and Plant Control Commission. Can the Minister provide an update on how that research is progressing? Has there been any evidence of chemical contamination of grains produced on land which had been baited? Have any concerns been expressed by industry or consumers about this matter?

Mr Wickes: There has been quite an extensive review of strychnine and its use, and there has not been any strychnine transferred into the grain that has been sold from this country. The Soil and Land Management Section of the Cooperative Research Centre, which is based in Adelaide, has been doing quite a bit of the work and it is furthering that work. However, we have to carry out further work because strychnine comes under the National Registration Authority and in three years' time we will have to register it as a chemical. So more work is being done now to ensure we have enough data to make it able to be registered, but we do not have a problem with it. I do not have the exact figure, but we have spent some \$200 000 to \$300 000 on grain monitoring. Some of that was done in South Australia and some of it was contracted out to Victoria.

Additional Departmental Adviser:

Mr M. Post, Manager, Rural Finance and Development.

The CHAIRMAN: Does the Minister have any updated information on Tendertec? There is a meat probe system for testing and checking on meat.

The Hon. D.S. Baker: Yes, it is a Sydney-based company, is it not?

The CHAIRMAN: Are we doing anything here to monitor the development of the program?

The Hon. D.S. Baker: I am not aware of anything.

The CHAIRMAN: I have been corresponding with some beef growers in North Carolina in America; they have been asking me for information about that and they are prepared to contribute to developing it. They are quite interested in it.

The Hon. S.J. Baker: Provide me with a letter about that; it sounds good.

Mrs GERAGHTY: I refer to page 397 of the Program Estimates and the Young Farmers' Incentive Scheme. In the past year, 75 grants were approved under this scheme, with a total three year commitment of \$1.5 million. I understand that the Government had set aside \$7 million for this program and that, after its first full year, it appears that these funds will not be utilised fully. Can the Minister indicate what problems have been experienced in attracting young farmers to use the scheme, whether there have been any reviews of the scheme's guidelines and administration and whether there are any changes to be implemented which would open up the scheme to utilise the full \$7 million.

The Hon. D.S. Baker: It is the intention to spend the \$7 million. It is regularly reviewed, in fact, on a quarterly basis by the rural backbench committee.

Members interjecting:

The Hon. D.S. Baker: Excluding me, yes. It was never designed to be a scheme to help wealthy farmers' sons and daughters. It was designed to help people who genuinely wanted to go on the land and who genuinely needed help. It was not only for the purchase of land: it was for the leasing of land. It was not the right time to go into share cropping arrangements last year during the drought. We have made changes as we go through, and Malcolm may wish to refer to those. However, the three or four main changes include situations where, if one of the partners in a marriage partnership was 30 years or under, we would look at that whole unit, which we think is reasonable. Another change relates to the fact that many sons and daughters have been used in family trusts over many years for little more than tax benefits. We have said they were allowed to get up to \$60 000 from that family trust over three years and still qualify.

However, they still had to buy the land themselves and get funding from a recognised lending institution, although they could get some outside income. I will ask Mr Malcolm Post to give an update. The figure is now over \$100 000. Because it is a three-year program, and because the commitments we make in the first year go on over the next couple of years, we are about a third of the way there. The way it is going, we will get help for at least 300 young people in the right way. We do not want to get it all out to the people who may be able to help themselves.

Mr Post: As of 26 June this year, 107 grants have been approved totalling \$770 384. On the basis of a three-year commitment, that is a maximum outlay of about \$2.31 million. One of the difficulties we experienced was the time that the scheme was first introduced, being May 1994, which meant that we missed the end and the start of the season the previous year, which was basically the time when most of the share farming leasing agreements are entered into and a lot of properties change hands. At this stage we have had only

a one-year full run at the scheme, so the results do not reflect the fact that it has been running for a year and a half. We have only been through one full season. We review the rules constantly. We look at a number of variations that come through and in each case we try as best we can to make the application fit the rules. Some physically do not fit and they have been rejected.

Mrs GERAGHTY: I refer to page 397 of the Program Estimates and to the Rural Adjustment Scheme exceptional circumstances drought declaration. I understand that the South Australian Government's contribution to the drought relief package for Eyre Peninsula will be only \$1.1 million, compared with the Commonwealth Government's contribution of \$11.3 million. I believe that the State's contribution will be used primarily in the area of interest rate subsidy and re-establishment grants. Will the Minister indicate the take-up rate for interest rate subsidy in the drought affected areas and the rate of take up for re-establishment grants, and will he indicate whether this rate has met the Government's expectations?

The Hon. D.S. Baker: First, the State's commitment to the exceptional circumstances is in line with the overall commitment of 90 per cent Federal and 10 per cent State funding. We are meeting all our commitments under that line. I congratulate the officers in South Australia working with the Federal officers to get that exceptional circumstances grant with Bob Collins, as a lot of work went into that and a very good result came out of it.

Mr Clarke interjecting:

The Hon. D.S. Baker: I never stop thanking him for his efforts in that area. It was a good team effort. We were surprised at the \$11 million potential of that exceptional circumstances help. It does not mean to say that it will be all taken up. Mr Post can give an update. We have made comment publicly in the past couple of weeks as about half the people in one area had not applied for what we thought they were entitled to. That is up to them. It may have been that they had some other off-farm assets which, when taken into consideration, meant that they did not qualify. It means tested and the honourable member would want to ensure that it was.

Mr Post: The package approved by the Federal Minister of Primary Industries and Energy of \$11.3 million is not all aimed at interest rate subsidies. The package comprised up to \$2.9 million of Commonwealth contributions under the Rural Adjustment Scheme, plus \$8.4 million in Social Security related benefits. The State has agreed to contribute \$1.1 million which, when added to the Commonwealth contribution, represents a total of about \$4 million. It will be distributed on the basis of interest rate subsidies and an enhanced re-establishment grant specifically for the drought area. An additional bonus of \$30 000 is available to the existing re-establishment grant of \$45 000, making a total of \$75 000 available to farmers who leave the industry in a drought declared area. As at 26 June this year we had received 101 applications, involving a total expenditure of \$780 373. At the same time, 385 drought relief payment certificates had been issued to the Department of Social Security.

Mrs GERAGHTY: I refer to page 397 of the Program Estimates. I understand that the Commonwealth Government's drought relief payment, paid through the Department of Social Security, was dependent upon the State Government's providing affected farm families with a certificate of entitlement. Of all farm families living in the

drought affected region, how many have received certificates from the State Government?

The Hon. D.S. Baker: That was just stated, but I will repeat it, as I want the honourable member to understand the efforts that we went made. As soon as it was approved we estimated within the department that 750 farms might be able to take advantage of it. We personally mailed to each of those farms all the details of the assistance that could be available.

Mr Post: We have issued 385 drought relief certificates.

The Hon. D.S. Baker: That is out of potentially, in the exceptional circumstances area as defined, 750 farms.

Mr Post: There have been no rejections at this stage, other than people who have not been able to verify that their property is in the drought declared area. We have no involvement in the determination of the certificate, other than to ask them whether they are in the drought declared area and, if they say 'Yes' and tell us where the property is, we issue a certificate. There are no criteria to the certificate.

Mrs GERAGHTY: So, 750 were mailed out and 385 offers have been taken up?

The Hon. D.S. Baker: Certificates granted so far.

Mrs GERAGHTY: Of those to whom you mailed out and who have not yet responded, are you encouraging them to apply?

The Hon. D.S. Baker: Through the rural counsellors in the area and through CES officers a constant program is going on, but some people do not want to receive it, may have other means or may not need the assistance. I guess that 380 out of 750 is a fairly high take up. We have bent over backwards to ensure that everyone who may want the assistance can get it.

Mrs GERAGHTY: In 1994 the Government released its rural debt audit on farm debt in South Australia which, amongst other things, found that gross rural debt in South Australia as at 31 December 1993 was \$1.4 billion and that of all farm businesses 5 per cent were non-viable and a further 18 per cent were experiencing various degrees of difficulty or debt deterioration. Has the rural debt situation in South Australia improved or deteriorated since that time and why? Will the Minister also give the Committee the corresponding figures for the gross debt at the end of 1994 and the percentage of farmers considered viable or suffering from debt difficulty?

The Hon. D.S. Baker: I cannot give you that, but I will explain, because this is very interesting. When we did the rural debt audit—and there is no question that the support we got from the banks and lending institutions was very much welcome—we found that 75 per cent of farmers had either no debt or had what was considered A-grade debt, which means that they would have no difficulty in meeting their commitments.

The honourable member is correct: 77 per cent had no debt, or A grade debt, while I think 18 per cent had B grade debt and, in the conditions at the time, they were in difficult circumstances. The 5 per cent at the bottom had lost all their equity. I took the matter to ARMCANZ, the Federal meeting of Ministers, and I sent details to every Minister in Australia and to Bob Collins. They were most impressed by the methodology in what we did.

Bob Kidman, who was an integral part of our audit team, went to Queensland and briefed Ed Casey, the Minister up there, on the same issue in respect of Queensland. After four years of drought in Queensland and that horrific situation, figures were released the other day which show that about 72 per cent of the farmers could meet their commitments; in

other words, they had A grade debt. At the bottom end, only 3 per cent of farmers had to leave. I was amazed by the figures. They show the resilience of the farming community. However, that does not mean to say that they were not living in terrible circumstances and that there may not have been food on the table—

Mrs GERAGHTY: Poverty.

The Hon. D.S. Baker: Yes, poverty, but we are considering the debt situation. The honourable member must not misunderstand the fact that it was a debt audit. I cannot tell the honourable member the current position, but we are considering carrying out another debt audit at the same time this year to establish where we are going. When we carried out the first audit, commodity prices were probably at their lowest. However, other State Ministers have said that this is something that we should keep an eye on.

The audit does not tell us the emotional tragedy that is occurring in rural communities. The farmhand appeal, which distributed more than \$1 million in South Australia, really just put food on the table. The exceptional circumstances grant is making an additional \$11 million available. However, in spite of all that, 77 per cent of farmers were in a very viable situation.

Mrs GERAGHTY: As a supplementary, is the Minister saying that he does not have the figures?

The Hon. D.S. Baker: We can obtain the figures without facts, but to have accurate figures we must carry out another rural debt audit. The Farmers Federation has asked us to do another audit. We all believe that if we are to carry out another audit it should be done at the same time of the year so that there are no anomalies. I am happy to consider doing another audit at the end of this year, which relates to the two-year period.

Mrs GERAGHTY: According to PISA's annual report for 1993-94, the new Liberal Government's response to the rural debt audit was to introduce a number of schemes, including the Young Farmers Incentive Scheme, the Property Planning Management Grant Scheme and the Stamp Duty Exemption for Inter-generational Farm Transfer Scheme and a number of other smaller incentives. Given that many of those schemes have poor take-up rates, does the Minister consider that his Government's response to the rural debt audit has been inadequate? What new initiatives does the Minister propose for the forthcoming year which will address the rural debt problem identified by the rural debt audit?

The Hon. D.S. Baker: When we came into government, we said that we would do three things. The first related to the inter-generational transfer of family farms because, as the honourable member probably well knows, the average age of farmers is approaching my age—and that is frightening. The second thing that we said we would do was terribly important. If someone wanted to renegotiate his farm debt to give him the flexibility of dealing with a lending institution, that was to be exempt from stamp duty. The third thing was the young farmers scheme. Our total approach was towards the family farm. All those schemes have been put in place.

Since the rural debt audit, we have carried out a due diligence exercise on all our farm loans and the subsidies that have been given out. That extensive document is about to reach my desk. The preliminary findings show that we have more bad debts than we thought in respect of the money that was lent in the past. Of course, we do not lend capital to farmers now; we give them interest rates subsidies and other such short-term assistance.

The findings show that in certain marginal areas into which we had poured a massive amount of dollars (both Administrations have been doing that for the past 10 or 15 years, as has the Federal Government) we still had not solved the problem. For example, we were still losing about 100 farmers a year on the West Coast. Pouring money in perhaps did not help. The findings show that lending money to farmers in marginal areas when they get into financial difficulties really does not help. As a result of the drip feed, ultimately they lose all their equity and they have to walk off. Quite a few farmers would have been better off if they had not had more capital lent to them without proper security seven or eight years ago, as they would have been forced to make some tough decisions then instead of using up all their equity and then walking off under the \$45 000 or \$75 000 exceptional circumstances assistance.

We have just about finished working through the mechanics of the lending and what we can best do to help farmers. The property management plan has been taken up very well. Not only does it consider sustainable agriculture but also it is a financial plan. As I said this morning, we are going to extend that scheme, and I have had conversations with the Native Vegetation Council to get it involved so that we can have revegetation in farming areas. It is better for us to push that package than to consider more subsidies and handouts. Ultimately, our figures, and the raw figures, show that we have not done that good a job in the past and we must find some other methods.

Mrs GERAGHTY: I note from page 397 of the Program Estimates that the Eyre Peninsula task force was established earlier this year as part of the Commonwealth Government's drought relief package and that it was expected to develop a number of measures aimed at addressing economic and social construction issues in that region for implementation in the 1995-96 financial year. The task force has had only a limited amount of time to take submissions and make recommendations, and I would be pleased if the Minister could inform the Committee of the task force's progress and whether it has been able to make recommendations in relation to the reconstruction of Eyre Peninsula. If it has not been able to do that, when does the Minister expect its recommendations? Also, what resources has the Government put aside for that in this budget?

The Hon. D.S. Baker: Caroline Schaefer has been chairing that committee and Frank Blevins has been a member of it. I believe that they have seen 500 people over the past three months and met in seven different locations on the West Coast to take submissions. I will receive their report next Monday. It must have State Government endorsement, and it then goes to the Federal Government. I will be taking it to Bob Collins for discussion.

The committee flew up to south-west Queensland to have a look at the restructuring there. We are all very conscious that reconstruction must have community ownership. Neither we nor the Federal Government will force it on anyone. They have worked very well with us to reach that stage.

The other thing to come from discussions that I have had with members of the committee is that it is no good having a restructuring program unless alternatives are occurring in regional development because, if that is not happening, the infrastructure falls over.

Mr Wickes: The report of the task force which Caroline Schaefer is running should be finished by tomorrow night. We have been working very hard on it this week. The task force met on a number of occasions last week and this week.

Hopefully there will be something in it for all Eyre Peninsula farmers.

Mr VENNING: My question relates to rural counsellors, and I refer to page 397 of the Program Estimates. I do not see a direct reference to that point in any of the lines. The only comment in the Program Estimates is to:

Continue to review the mechanisms available to assist regional areas where a specific need has been identified.

With regard to the work that counsellors have done to help farmers over a very difficult period, can the Minister inform the Committee about the future of our rural counselling service and tell us whether there will be an increase or decrease in expenditure? Will there be a wind down period for our rural counselling services?

Additional Departmental Adviser:

Mr P. Carr, Acting General Manager, Strategic Planning.

Mr Carr: The support given by the Government to rural counselling services is in phase with the Commonwealth program, which is a year-by-year program for a period of three years. We have timed our expenditures to mirror that. That will guarantee the provision of services for two more years.

Mr VENNING: After this one?

Mr Carr: This one coming plus one.

Mr ANDREW: My question relates to rural finance and development. I note a reference to the department's assuming responsibility for the issue of new loans under the Loans to Producers Act. Such loans, when administered by the former State Bank and BankSA, have been and, I believe, will continue to be a useful source of funding to primary producers, although I recognise and acknowledge that there are specific criteria, particularly in the Riverland, with respect to cooperative institutions and irrigation trusts. Will the Minister provide some background to this and a progress report on the loans approved under the Act?

Mr Post: We have basically taken over future loans to cooperatives. It is not under the Loans to Producers Act, so it has been set up as a separate scheme. To date, we have had three applications from cooperatives, which have all been approved, and we are in the process of documenting the loans. When they are all drawn down, we will have approved approximately \$1.1 million in loans to date.

Additional Departmental Adviser:

Mr D. Hall, General Manager, Fisheries.

Mr CLARKE: I refer to fisheries policy development on page 398 of the Program Estimates. I recall that last year the Minister ordered a review of the State's fishing resources by the Director of Fisheries, Mr David Hall, who stood aside from his position to undertake the review. However, I can find no mention of the review in the 1994-95 specific targets and objectives or in the 1995-96 specific targets and objectives. Why is this so?

The Hon. D.S. Baker: I have next to me Mr David Hall, the person who was taken off line, and today we have just briefed the Opposition on the result of that very lengthy review of the fishing industry. I will get Mr Hall to go through the chief recommendations of that review.

Mr Hall: I guess that one of the main areas covered in the review relates to the recovery of the cost associated with managing fisheries. The review recommendations relating to attributing a certain percentage of costs against the commer-

cial sector have been supported, and I guess this is a reasonable result, given that the beneficiaries of Government management are now paying for the costs of the management that has been attributed to each of these sections. The main aspect of the review relates to this, and we have worked closely with SAFIC and the industry in general over the past few months to reach a consensus over the implementation of these measures. A number of other unfinished aspects of the review will require a process of consultation and implementation before they will be realised, but the major issue of the recovery of costs associated with managing the fisheries in the commercial fisheries area has been resolved. We are also looking at aquaculture and we have acceptance from the aquaculture industry over the need to pay for the costs attributable to that sector. Over the next six months, we will meet with the aquaculture industry to develop these measures.

Mr CLARKE: What evidence in the Netting Review Committee report or any other source convinced the Minister of the need to totally ban recreational net fishing in South Australian marine waters?

The Hon. D.S. Baker: We had a review of net fishing in South Australia and evidence was taken from local government relevant to the nursery areas for King George whiting. It was an extensive review, and I have the report in front of me. The committee consisted of: David Hall, Chairman; Keith Jones from SARDI; John Winwood from SARFAC; Peter Peterson; Jon Presser; Bruce Harris; Norm Byron; Adrian Fletcher; and Barry Treloar. It came down with 14 recommendations and the only recommendation that the Government did not take into consideration or change—everything else was taken, including the size—was that concerning the banning of amateur nets.

The Deputy Leader should understand that amateur nets were banned in Queensland in 1887, they were banned in New South Wales in 1950 and they were banned in Victoria in 1985. They have been banned in the Northern Territory and they are in the process of being banned in Western Australia. All the evidence that was presented suggested that something should be done, because the scientists are concerned about the effect net fishing has, especially in the nursery areas close inshore. The amateur net fishermen have come back and said that we looked at the wrong criteria and that they have some further evidence to put. I have told them that they can put their argument before me in the next couple of months and that I will get the views of interstate scientists, who will be independent, on amateur net fishing and what damage it may do to the industry. However, in the meantime, amateur net fishing is banned. If the amateur net fishermen's evidence and the interstate evidence is overwhelming, we will review the decision.

Mr CLARKE: For my sins I have a couple of avid recreational net fishermen in my electorate who speak highly of the Minister. My understanding is that the net fishing review committee found no evidence that recreational fishermen take King George whiting. They usually go out netting from the shore and get tommy ruffs, mullet, bream, sand whiting or something of that nature. Not being a fisherman, I am not 100 per cent certain about fish other than whiting. In terms of the danger to the species which are very much at risk, such as King George whiting, the recreational fishermen said they were not taking them. I just wonder why the Minister went out of his way to bolster my majority in Ross Smith.

The Hon. D.S. Baker: We did not go out of our way to help your majority in Ross Smith. We have a Federal election coming up quite soon.

Mr CLARKE: You want to make sure your Federal colleagues lose?

The Hon. D.S. Baker: No. The National Policy on Recreational Fishing by the Federal Government states that recreational net fishing is not consistent with that policy. So, I am very happy to hand around pamphlets from the Federal Government in those marginal seats. But there is overwhelming evidence that net fishing targets not only the species that you require but a lot of the smaller fish and that the mortality rate is much greater. It was considered, because of that overwhelming evidence and because of the sacrifices that were being made by the professional net fishermen due to their banning from the nursery bays, that we had to do something. With the aid of the National Policy on Recreational Fishing I think it will turn into a very big plus for us at the next Federal election.

Mr CLARKE: I refer to page 398 of the Program Estimates and the implementation of new management arrangements for the blue crab fishery. The Minister would be aware of many of the concerns raised by the South Australian Scale Fisheries Management Committee, a committee appointed by him and responsible for providing advice to him on the management of access rights for the commercial and amateur fisheries, including the blue crab fishery.

In relation to his decision to remove access to the fishery for the 600 licensed marine scale fishermen and instead grant sole access for up to 12 new licences, the committee put forward a series of detailed recommendations to the Minister in January this year but these were totally ignored by him in finalising his Cabinet submission. Did the Minister take into account the recommendations of his own advisory committee? If he did, why did he totally ignore them?

The Hon. D.S. Baker: I would love to hand these questions over to David but I will handle them because they show the amount of consultation, thought and effort that has been put into this. The blue crab fishery has been an experimental fishery, and we have been working with seven crabbers for the past three or four years. Frankly, they were not getting anywhere until December 1993 when we sat down and met with them. They wanted to form an integrated management committee and manage their own fishery: they were the ones who pioneered it. What the scientists in the fishing industry told us and David was that for a sustainable fishery probably X tonnes were available to be taken. We said that we could let a few more people in other than the seven and make it up to 12 and that we would allow them to take 500 tonnes as a total allowable catch and get that into a totally managed fishery.

Then, David Gill, the hook fishing representative on SAFIC, came in and said, 'What are you going to do about the other 500 people who have access to crabbing?' We sat down and worked out that we would allow another 50 tonnes, in other words, make the TAC 550 tonnes, and allow another 30 to come into that experimental fishery to fish up to the levels that they had been, and they were the people who had caught one tonne or more in the marine scale fishery.

If we are to reform the fishery it would be impossible to allow someone to go in and catch crabs for a couple of years, then go into hooking and then go into something else. We have to get it down to individual fisheries and a total allowable catch so that it can be properly managed and so that

we have profitable people in there who care for their industry. So, there are 12 who can share an individual transferable quota and there are 30 (for Gulf St Vincent only) who are in there for over three years and who have to decide whether they want to go into the crab industry or go back into the marine scale fishery.

We had to close down the fishery and we have to limit access to the other marine scale people. I know you are getting lobbied very hard on it but it is a typical example of getting a dedicated fishery into a proper management plan, and of course some people will miss out. Dave Gill, SAFIC and the people who have seen me say that we have catered for all the genuine people who are making a living out of crabbing.

Mr CLARKE: In relation to the provision of compliance services, the Opposition welcomes the development of the Fish Watch SA network but is concerned, as are many professionals and amateurs involved in the fishing industry, that the whole area of compliance, particularly with the new rules and the tightening of bag limits and catch sizes, requires more resources and not less. Can you assure the Committee that the Government does not intend a volunteer group to take over the role of enforcing the regulation of South Australia's fishery? If you do not intend this to happen, can you say where the additional resources are being expended on compliance?

The Hon. D.S. Baker: The answer to the first question is 'Yes'. The answer to the second question is that by education and not legislation will you get the fishing industry to become more responsible. One of the great ways to do it is in integrated management committees and through the amateur fishing groups becoming more responsible for their industry. You will never do it by pouring more people into surveillance because all you do by that is drive the minority of people who are not playing the game further underground.

Mr CLARKE: As a supplementary question, working on that basis then we might as well get rid of the Police Force and call on self-regulation for the 99 per cent of us who are law abiding and we can regulate the 1 per cent. I know that there is a great catch cry about self-regulation, but when you look at what has happened to the fishing industry already in terms of endangered species such as King George whiting and various other parts of our fishery, do you seriously expect that just education—a slap on the wrist and going along to school before you issue a licence to fish and saying, 'Now be good boys and girls and do not over-fish the area'—and not worrying about actually enforcing the rules will work? That staggers me somewhat. It seems to me that the only effective means by which we will ensure the protection of these resources is for people to know, as they do with the Police Force, that if they transgress the law there is every likelihood of their being caught and suffering a penalty.

The Hon. D.S. Baker: One of the most effective things in the Police Force is community involvement under the Neighbourhood Watch program. That is a huge success. One of the great successes in the fishing industry is Fish Watch, and that is in addition to what is going on. I reiterate: it will be by education and people understanding that the resource is collapsing. The other way to do it is to ban everyone for five years and let only the good ones back. There are 300 000 recreational people out there who enjoy it, and their families enjoy it. As the Hon. Frank Blevins says, he supports what we are doing because we are thinking of the fish. That is exactly what we are doing: we are thinking of the fish.

Mr VENNING: My question is on the South Australian Shellfish Quality Assurance Program (SASQAP). I refer to page 400 of the Program Estimates relating to the management of aquaculture. The 1994-95 achievements refer to the initiation of the South Australian Shellfish Quality Assurance Program. Will the Minister provide information on how this service has assisted oyster growers?

Mr Hall: The Government is keen to assist the oyster industry to enter interstate and export markets. However, most countries which import oysters will not accept product from South Australia unless it comes from areas which have been subject to an approved quality assurance program. For this reason, South Australia must demonstrate through a shellfish quality assurance program that both the waters and the stock that the waters produce comply with certain standards. These standards are determined by the Australian Quarantine Inspection Service, which administers the Australian shellfish sanitation control program.

Primary Industries South Australia has been working on an international clean waters program ahead of every other State. It has paved the way for South Australian oysters and other shellfish to reach these lucrative export markets. The program will benefit, in particular, the Eyre Peninsula region, which has most of the oyster leases in this State. The five major oyster growing regions on Eyre Peninsula will receive quality accreditation in January 1995 under this program, which is the first in Australia. AQIS gave export clearance in June 1994 in recognition of the good work that has already been done in anticipation of this accreditation. It is expected that all oyster growing areas in the State will receive accreditation by the end of 1995.

Mr CLARKE: I refer to page 399 of the Program Estimates. In the table of performance indicators, I note that there is no mention of checks on fish processing establishments to ensure compliance, as there was in the 1994-95 Program Estimates. Is the program of checking fish processing establishments to ensure compliance to be undertaken this coming year, and what levels are expected to be achieved?

Mr Hall: The checking of fish processing establishments is an important part of the compliance operations of Primary Industries fisheries. The focus of our compliance effort is shifting from offshore based enforcement to shore based enforcement in line with the movement towards quota management in our fisheries. What has led to the reasoning behind the sale of larger vessels is the fact that our major compliance effort these days relates to illegal fish sales and quota management of fisheries. Therefore, checks on processing establishments will be an important part of our business.

Mr CLARKE: I refer to page 400 of the Program Estimates. The Opposition welcomes the modest increase in funding for the development of aquaculture in South Australia and recognises that it has the potential to provide a growth industry for this State. I refer to the outbreak of algal bloom in Spencer Gulf earlier this year and the natural concern of many as to what effect this may have had on aquaculture industries, particularly the oyster industry. Will the Minister provide an update on algal bloom, and what impact, if any, will the return of such blooms have on the aquaculture industry?

The Hon. D.S. Baker: To my knowledge, there was no outbreak of algal bloom in Spencer Gulf last year. I think the honourable member may be referring to the outbreak in Coffin Bay. I will ask David Hall to answer the question.

Mr Hall: That is correct, there was an algal bloom outbreak in Coffin Bay in February 1995 which led to the death of some shellfish and stingrays in a small localised area. This was followed by a major algal bloom outbreak off the Continental Shelf which covered a significant proportion of the southern coastline of Australia. The algal bloom outbreak in Coffin Bay was monitored closely as were oysters in that region, and it did not pose a significant immediate threat to the oysters at that time. Clearly, this issue needs to be continually and closely monitored and, through initiatives such as the quality assurance program, to which I referred earlier, we are confident that South Australia will be ahead of the game as far as quality assurance of waters and potential impact of water based threats, such as algal bloom, are concerned.

Additional Departmental Advisers:

Mr R.F. White, General Manager, Forwood Products.

Mr D.M. Curtis, Director, Corporate Services, Forwood Products.

Mr I. Millard, General Manager, Forestry.

Mr C. Urquhart, Group Business Manager, Forestry.

Mr CLARKE: I refer to page 402 of the Program Estimates. I note that the Government intends to purchase not less than 800 hectares of cleared agricultural land suitable for plantation establishment in the forthcoming year. Can the Minister give an assurance that any land purchased will not require an application to any native vegetation regulatory authority and, if he cannot, why not?

The Hon. D.S. Baker: No.

Mr CLARKE: The reason?

The Hon. D.S. Baker: I gave the honourable member the answer. I would think it is not possible to find 800 hectares of land in South Australia that does not require the removal of at least one tree. You cannot even cut a branch down in this State without an application to the Native Vegetation Authority and it is right and proper that you should not be able to cut any down. So, before anything is purchased we will go to the Native Vegetation Authority—and it may rule out quite a lot of country. However, that is the correct process.

Mr CLARKE: In relation to page 402 of the Program Estimates, why will the Minister not allow any sawlog to be allocated to the Nangwarry Sawmill to give it a long-term future?

The Hon. D.S. Baker: There is sawlog allocated to the Nangwarry Sawmill. It is, at present, operating and Forwood Products have guaranteed it will stay operating until it is sold. Once it is sold to the private sector, it is up to the private sector what it wants to do with it. The honourable member has to understand that we have now put an extra 220 000 cubic metres of timber on the market in the South-East which has generated a lot of jobs and a lot of extra activity in the harvesting and sawmilling industries. In fact, Forwood Products is just finishing the negotiations with the forest owners concerning their long-term forest needs in preparation for sale. Under those negotiations and up until the sale there will be adequate timber for processing at Nangwarry.

Mr CLARKE: I refer to page 402 of the Program Estimates. The Opposition is concerned about the future of the Bundaleer Forest near Jamestown and has received considerable expressions of concern from local residents who are worried about the possibility of fire risk if the forest is left unattended. I understand that there are many thousands of sheep allowed to graze within the forest and this has consider-

ably cut down on the fire risk, as well as providing income to your department. The forest also has an historic role, in that it was the first plantation forest developed in Australia. The forest also contains a number of recreational and sporting facilities used by local residents and visitors. I understand that the Department of Primary Industries, employees who currently supervise the forest have been dramatically reduced in numbers and the local community is very concerned about the forest's future. Can the Minister give a report to the Committee on the Bundaleer Forest's future as a plantation and as a recreational area?

The Hon. D.S. Baker: I will hand it over to Ian Millard to do that. Will the Chairman and the Committee excuse me for approximately five minutes while I make an important announcement on the steps of Parliament House?

The CHAIRMAN: We should direct the questions to the Minister rather than the advisers, but if Mr Millard takes five minutes to answer the question, I cannot do anything about that while the Minister is absent.

Mr Millard: We are aware of the concerns of the community in the north about the future management of the forests. The honourable member has touched on two issues: one is the number of employees employed by Primary Industries in the region; and the second is the future management of the forests in the region. The first issue relates to forestry adopting a commercial business plan, a plan which would see the forests operated truly commercially. In order to do that, we have assessed the number of employees that we need to maintain our minimum works program throughout the whole year. At other times of the year there are additional requirements for people. We recognise that, to operate commercially, we are better off employing contractors to do that work at the times of peak demand and maintain the minimum number of workers that we need to manage the forests effectively.

We are proposing to reduce the number of employees in the northern region by offering three TVSPs. The amount of work performed on the forests will not change dramatically, but we will be doing it by contract. So, at times there will be more people working and at other times there will be less. I do not think people should regard that as increasing the risk that the forests might pose in the way of fire hazards. In relation to the future management of the forests, at last year's Estimates Committee the Government indicated that it was looking at the future management of forests in the Adelaide Hills and the northern regions.

The department has been asked to come back with some recommendations to the Government on the options for future management. That process has been going on since Christmas. Having received the advice from two consultants whom we have employed to look at the financial aspects of the forests in the regions and the social and economic impacts, we believe that within a matter of weeks we will be able to come back to the Minister with a recommendation on future management of the forests. The issues that the honourable member touched on concerning recreation, heritage and all those aspects will be part of that consideration. Having not yet received the final report from one of the consultants to the department, we are not in a position to even speculate on what we might be recommending at this stage. However, as I said, I would expect a recommendation to come forward within a matter of one or two months.

In relation to the sheep, as part of our business planning, we have recognised that the core business of the forestry group is growing trees: it is not managing sheep. We have

used stock in the past to reduce fuel levels across forests in the State and, in all areas except the north, we are doing that by leasing or agistment of the forest areas to local landholders and local graziers to help us control the fuel in that way. In the north, particularly at Bundaleer, we have maintained a sheep flock.

Having considered the issue of our core business, it has been decided that our business is not to maintain the sheep flock into the future, so we are looking at alternative ways to graze the forest without the department owning and managing a sheep flock. Very shortly we intend advertising for expressions of interest from people who may want to lease the forest and, assuming that we get a satisfactory lessee, we will be moving to sell the sheep and manage the grazing via lessors of the land.

Mr CLARKE: Do you own the sheep on that forest land at the moment?

Mr Millard: Yes.

Mr CLARKE: What income do you receive from it and how much would you expect to get from leasing it out?

Mr Millard: I do not have the specific numbers but it is cash positive. However, I want to emphasise the fact that the reason for managing the sheep is to reduce the fire risk. The purpose of quitting the sheep flock is that we are not expert sheep managers; we would expect to recover some money from leases but our principal concern in leasing the forest is to maintain the fuel levels at levels which do not present a great fire risk. Because we would have to maintain and manage the sheep and carry the risks of up and down markets in wool, and so on, we think that is an inappropriate business for us to be in.

Mr Madigan: If there is any increase in cost as a result of this changed arrangement with the sheep, it is more than overwhelmed by the benefit it provides us in maintaining the fire breaks as insurance against fires.

Mr VENNING: I refer to page 396 of the Program Estimates relating to the program description for sustainable resources. Why has Primary SA recently decided to move a State funded revegetation officer from Lameroo to Port Lincoln?

Mr Madigan: Given the programs that we have talked about today, we believe that the Eyre Peninsula has a significant need for a number of programs which PISA can provide, including one relating to revegetation. Lameroo can be adequately serviced from the State Revegetation Centre at Murray Bridge, so we will continue with the programs in the Mallee from there, and the position of revegetation officer will be moved to Eyre Peninsula to respond to the needs of that community.

Mr KERIN: I refer to page 402 of the Program Estimates relating to the program description for the supply of forest products. The specific objectives this year refer to the establishment of 2 300 hectares of softwood plantation. Could the Minister comment on the planting program in the South-East and how this is being managed to reflect the current high demand for log by industry?

Mr Millard: This year 2 300 hectares of *pinus radiata* plantations will be established by PISA Forestry, of which 2 100 hectares will be in the South-East of the State. The aim of the forestry group is to ensure that all available first rotation land is planted as soon as practical and that the second rotation land is planted within two years of clear felling. This approach will be significant as, due to the reduction in rotation age and the resulting increase in the area clear-felled annually, the annual planting area will increase.

For example, the area planted will increase from 2 100 hectares in the South-East in 1995 to 2 250 hectares in 1996. This increase includes an additional 450 hectares of second rotation land and the reduced area of first rotation land as the current land bank is used up.

One of the limiting factors in determining the area that can be planted annually is the availability of seedlings of suitable genetic quality and, due to the limitations of the forestry group nursery at Glencoe, it is planned this year to contract out the growing of an additional one million seedlings to meet the planting targets. These initiatives, including the planting of any first rotation land available, ensuring that the second rotation forests are established within two years of clear felling, and ensuring an adequate supply of appropriate quality seedlings through contract growing, will ensure that all land available for wood production to Primary Industries/Forestry is planted to the benefit of the processing industry and does not remain fallow for an unnecessarily long period.

The Hon. D.S. Baker: It is interesting that, because of the genetic increase or the improved genetics, the country we plant now will produce 30 per cent more timber per acre in its next crop, which is in, say, 35 years, than the previous crop did. So they are the strides that have been made, and it is really interesting to see what we will get off those forests when properly managed.

An honourable member interjecting:

Mr Millard: Increased production.

Mr ANDREW: I refer to pages 402 and 403 of the Program Estimates, comprising the program description for programmed supply of forest products and community forestry. I understand that Primary Industries SA is required to deliver specifically two forestry-based programs, one focused on supplying wood to the industry and the other one the provision of a range of services to the industry and the community. Will the Minister indicate what has been done to ensure that the effective delivery of these programs is taking place by Primary Industries SA?

Mr Millard: The forestry group of PISA has undertaken a strategic planning process and as a result has identified two discrete businesses within the forestry group. These are the two programs referred to in the budget estimates papers. The first program is about the commercial management of the State's plantation forests to supply wood to industry and provide an optimal return to the State from the sale of this wood.

The second program is about delivering a range of services to the community and the industry. These include the management of the community use of the forests, the conservation and management of the native forests, the encouragement and expansion of the plantation resource in South Australia through the farm forestry program and in partnership with industry, and the development of new technologies associated with irrigated forests for effluent disposal.

As part of the planning process a business plan is being developed to separate the two business activities, together with the provision of clear objectives and an appropriate organisational structure. Currently the forestry group is reassessing organisational arrangements so that they clearly reflect these two businesses and ensure a clear customer focus.

Mr CLARKE: My colleague in the Legislative Council, the Hon. Ron Roberts, recently asked a question on the use of chemicals in State forests and their possible impact on

farmers on adjacent lands. Without wishing to go over the particulars of the case, will the Minister or his advisers inform the Committee of the existence or otherwise of an overall strategy or coordinated effort within the department in relation to the use of chemicals on properties and their possible impact on adjoining land owners through spray drift, the leaching of chemicals into ground water and other possible ways of chemical transference?

Mr Millard: The use of chemicals is covered by occupational health and safety issues. As an organisation we are very careful about ensuring that we understand the impact of chemicals and that they are used in an appropriate way. As to specific chemicals and their impact on water and other environmental considerations, we are concerned to ensure that we understand the impact of those chemicals. We will bring back a detailed response to that question and outline the involvement of our organisation, particularly in leading the understanding of the use of atrazines in forestry.

Mrs GERAGHTY: I refer to page 401 of the Program Estimates. I understand that the dispute between Forwood Products and Mr Ken Gibbert of Brisk Industries continues. Mr Gibbert purchased an amount of wood shavings from Forwood Products some time ago to resell to live lobster exporters who used it in which to pack lobsters for export to Japan. A contaminate in the wood shavings led to the spoilage of a shipment of lobsters, and a considerable amount of compensation was paid by Mr Gibbert to his customers. I understand that Mr Gibbert has been left with a large amount of wood shavings, which he cannot sell and which he is now obliged to dispose of safely to ensure that there is no environmental contamination. What action is Forwood Products taking to ensure that these wood shavings are disposed of appropriately, and has Forwood Products settled Mr Gibbert's claim against it?

Mr White: It is correct that Mr Gibbert, that is, Brisk Shavings Australia Pty Ltd, has made a consequential loss claim on Forwood Products relating to the supply of shavings from its mills. This matter has been in the hands of the Crown Solicitor for some time. I understand that his representatives have had a number of conferences with Mr Gibbert and/or his legal representatives. I further understand that the Crown Solicitor has determined what was regarded as an adequate and reasonable offer for settlement of the issue, but this was rejected by Mr Gibbert. In summary, the matter remains unresolved at this time and, given that the parties have been unable to reach agreement on settlement terms, Mr Brisk has the option of pursuing his claim, if he regards Forwood Products to be negligent, through the normal legal process. I understand that the Crown Solicitor has been endeavouring to settle this matter.

Mrs GERAGHTY: Have the wood shavings been disposed of, and is the department ensuring that the wood shavings are disposed of appropriately?

Mr White: The wood shavings that were within the control of Forwood Products were disposed of safely. To my knowledge no request has been made of us to dispose of shavings that Mr Gibbert may have. Certainly opportunities were available at the time to dispose of contaminated shavings.

Mrs GERAGHTY: Is someone following up the fact that Mr Gibbert is disposing of them safely so that they are not contaminating an area?

The Hon. D.S. Baker: That would come under the Waste Management Commission or the Environment Protection Authority. We can take the question on notice. I am not sure

that we can interfere with commercial entities, but we can gain further information.

Mrs GERAGHTY: I would appreciate that. The Opposition understands that the sale of Forwood Products is imminent. Has the Minister obtained any guarantees of job security in relation to employees of Forwood Products from the prospective owners and, if not, why not?

The Hon. D.S. Baker: Forwood Products has not officially been put on the market. The business plan is about to be completed and the Asset Management Task Force will offer it and call for expressions of interest. Naturally we have given an undertaking about Nangwarry until the point of sale, but the Government most decidedly will not be giving any guarantees after it is sold.

Mrs GERAGHTY: You are not looking at any job security for the employees?

The Hon. D.S. Baker: Absolutely not. We have just gone through a process of all the 'made availables', of which there were 470, their having come over from being public servants within PISA out to Forwood Products, which is an arm of Government. They got out of the Public Service and TSPs were offered to any people who did not want to become part of that—in other words, going into the private sector ultimately and being under normal employment conditions. I think 167 people took TSPs, 19 stayed with the Department of Primary Industries as public servants and 291 became Forwood Product employees. That was a good indication of what was to go on. Once it is sold it is up to the new owner to do whatever it wishes because it is in the private sector.

However, as the honourable member knows, in Forwood Products presently we are negotiating a large amount for its annual quantity of wood. There is also an ability to buy other wood around the South-East. There will also be an extra 220 000 cubic metres as a result of bringing the forest rotation back. There is a considerable amount of extra employment in the South-East because of those initiatives. The employment prospects for someone in the forestry industry are very rosy for the next 10 years.

Mrs GERAGHTY: I am concerned that the concentration of employment is quite regionalised in certain areas in the South-East. There is concern that employment may not be obtained for other people around the area.

The Hon. D.S. Baker: A deal was done, which the honourable member probably understands, with employees at Mount Burr when the previous Administration was going to close down that facility. According to that deal, there would be travel allowances for employees to travel to Nangwarry and/or to Mount Gambier. The present Administration most decidedly will not be entering into such deals. In the private sector now, if employment is in Mount Gambier, Nangwarry or Mount Burr, the people who wish to be employed there must either live in those areas or travel there. That is what happens to everyone in the private sector. I think that the honourable member was trying to get at whether we would be doing a deal—

Mrs GERAGHTY: There is not much by way of accommodation prospects in some areas.

The Hon. D.S. Baker: Which areas?

Mrs GERAGHTY: I will be happy to discuss that with the Minister as I know the region quite well. What price is expected from the sale of Forwood Products and has that been factored into this year's State budget?

The Hon. D.S. Baker: It is somewhere between \$50 million and \$1 billion. Until the business plan has been carried out and a proper assessment of the value of the

company is completed, it is not pertinent to mention a figure. However, it has been touted in the media and in media commentary that it is in excess of \$100 million. I give an undertaking that, most decidedly, whatever figure is obtained for Forwood Products, it will go to paying off the State's debt which, as the honourable member knows, is very high. I will not elaborate at length on the reasons for that.

Mrs GERAGHTY: The other part of that question is, has the Minister factored any of the prospective sale money into the State budget?

The Hon. D.S. Baker: The program has been fairly well agreed. By Christmas, the Asset Management Task Force will be negotiating with the two or three major interested parties. That may take a couple of months. I would be confident that it will be sold in this financial year. If that happens, naturally it will go into this year's budget.

Mrs GERAGHTY: With regard to page 404 of the Program Estimates, it has been brought to the Opposition's attention that the South Australian rural counselling network will continue to have access to State Fleet motor vehicles in the future so long as they pay a fee of \$184 a month and take responsibility for fuel and insurance. I also understand that those vehicles will carry South Australian Government licence plates.

While the \$184 fee to be charged is considerably less than the previous charge of between \$500 and \$695 per month, the Opposition is informed that many of the counselling services have done their sums and have discovered that, with regard to mileage and the cost associated with fuel and insurance, they will be paying much more each month than is currently the case.

Counsellors driving around in cars with South Australian Government plates is also a problem. Indeed, that problem is not helped by some of the Minister's zealous colleagues who seem to think that anyone driving a Government car is rorting the system. Surely the Minister can understand that someone driving a car so obviously marked could well be mistaken for a police officer or an officer of the court by a distraught farmer. Unfortunate consequences could follow.

The rural counselling service is confidential and independent. Its independence should not be threatened by forcing counsellors to use vehicles with Government plates. Will the Minister therefore overturn the decision to force counsellors to use Government-plated cars? Will he ensure that each counselling service receives appropriate funding to ensure that it is financially no worse off with the implementation of the new cost structure that the Minister is imposing?

The Hon. D.S. Baker: I will ask Peter Carr to answer that question.

Mr Carr: We need to clarify this point a little. The \$184 a month lease is for commercially-sourced rental vehicles. The arrangement with State Fleet where, for charges of \$530 to approximately \$695 a month, State Fleet vehicles were leased on a long-term basis included insurance and the cost of petrol. It was an all-encompassing fee that also included black or plain-plated number plates. That enabled counsellors to engage in certain quite legitimate and negotiated private use of the vehicles as part of their salary package.

The Government's wish to change the operation and size of State Fleet has led to pressure on the use of cars, particularly for this purpose. The proposition has been put to counsellors that, as a group, they may wish to approach a commercial leasing agency for a long-term hire rate. A rate of \$184 a month has been talked about although I do not

know whether that is final. That rate does not include petrol or insurance.

At this point, individual counselling services are doing their sums. Certainly some of the groups which have high mileages have said that they may be forced to pay a higher rate. Others have indicated that they will be paying less than under the State Fleet scheme. The Rural Counselling Trust Fund will take that into account when it sets the budget for the coming financial year. The next trust fund meeting is next Monday.

The Hon. D.S. Baker: As the honourable member can see, they are given a choice. In the current circumstances, I believe that having to have a blue number plate is not an impediment. It could be a friendly Primary Industries extension officer. There are plenty of good people out there driving around with Government number plates. The view is held by some people as a result of really tough times in the past when people had to leave their farms. I assure the honourable member that counsellors will receive full protection if anything untoward looks like happening. I do not accept the honourable member's argument. Counsellors have the choice to have ordinary number plates, but I do not accept the argument that it is detrimental to have a blue number plate. Plenty of people proudly drive around Adelaide with blue number plates. I just wish I could have one myself.

Mrs GERAGHTY: Someone driving around in a Government-plated vehicle would be very conspicuous. If a counsellor is travelling to see someone who is in difficulties but who does not wish to advertise that in the community, a Government-plated vehicle would certainly raise a few eyebrows.

The Hon. D.S. Baker: I do not accept that it signifies that, because someone with a Government number plate drives up a person's driveway, that person is in financial difficulties. The rural counsellors do a magnificent job. They help lots of people with financial planning and rural management who are in a very good financial situation. If people are that touchy about it, they could offer to go and see the rural counsellor, but I do not see that it is that much of a detriment. In my opinion, that is being used as an excuse.

Mrs GERAGHTY: I think it is a legitimate argument.

The Hon. D.S. Baker: The honourable member has the democratic right to disagree.

Mrs GERAGHTY: I take it that the Minister will ensure appropriate funding will be in place so that these groups will not be disadvantaged.

Mr Carr: The Rural Counselling Trust Fund will address each individual service's budget, considering these changes in the coming year, as long as the changes in aggregate do not exceed the trust fund's budget.

Mr VENNING: I understand that the soil boards and the animal control boards recently completed reviews and have submitted green papers. Has any directive been given by either bodies to the department or the Minister about the amalgamation of these bodies and, if not, why not?

The Hon. D.S. Baker: If the honourable member wants a detailed answer, I will take that question on notice. Otherwise, Mr Madigan can reply.

Mr Madigan: About 12 months ago a proposal to amalgamate the two bodies was considered and it was addressed by all the various boards, both animal and plant and soil conservation, around the State. The consensus was that it would not be appropriate, so the Government has dropped the entire idea and will not be revisiting it.

Mr VENNING: We all know that the Rural Affairs Unit has been reviewed, and has looked particularly at the existence of the South Australian Rural Advisory Council and the involvement of the Women's Agricultural Bureau and South Australian Rural Youth. I understand that a peak advisory body is to be established with a budget of \$60 000. Will it be implemented and, if so, when? Who will be on it? Where and how will it interact with the current Advisory Board of Agriculture?

Mr Carr: The peak body, which is a new body, does not yet have a formal name. It is basically the executive members of the Advisory Board of Agriculture with representatives from the Women's Agricultural Bureau. Other representatives will be nominated by the Minister. This will form a more broadly based body than the Advisory Board of Agriculture as we have known it in recent years. It has yet to be put into place, but discussions were held recently between the Minister, the Chief Executive Officer and representatives of the Advisory Board of Agriculture as to its composition and operation.

Mr VENNING: Who will actually be on that committee?

The Hon. D.S. Baker: There will be representatives from the agricultural bureaus and there will be representatives of other major groups in South Australia—South Australian Country Woman of the Year will be one of the positions—but the group itself will make up its mind on who it wants. It is a peak body and there should not be any ministerial interference and, naturally, there will not be.

Mr CLARKE: I refer to page 391 of the Program Estimates. I note that there has been a considerable blow out in expenditure in the Minister's office from an estimated expenditure in 1994-95 of \$750 000 to a revised amount of \$836 000. With this year's expenditure estimated to be \$831 000, will the Minister explain this blow-out?

The Hon. D.S. Baker: As I have nothing to do with the figures, I will ask the Chief Executive Officer to explain.

Mr Madigan: It is well known that Ministers' offices are not over-expended but that they are under-funded. The reality is that a number of invoices of expenditure incurred last year were not processed before 30 June and have been carried into this year. That makes up the bulk of the difference. If they are taken out, the position is roughly the same as the previous year.

Mr CLARKE: A number of small businesses have complained to me that the Government is not too speedy about paying its bills within 30 days' trade, but I do not refer specifically to the Minister's office. Given that the Minister is committed to small business, I hope that he will try to ensure that bills are paid within 30 days, rather than to try to stretch it out to 60, 90 or 120 days' credit. I am sure that the Minister would not want to do that and harm his own constituency, but I wonder what is the department's policy in that regard.

Mr Freeman: It is the department's policy to pay accounts within 30 days, and I am not aware of any problems in Primary Industries with paying beyond that date. If there are any instances, I welcome those to be presented and I will follow them up.

The Hon. D.S. Baker: The honourable member can fax me at any time on any evidence he has and it will be immediately followed up.

Mr CLARKE: I refer to page 404 of the Program Estimates. I can find no mention of the Rural Affairs Unit, which I understand is found in the strategic and support services section of the department's budget. What level of

funding is being provided by the Minister in 1995-96 to the Women's Agricultural Bureau, the Agricultural Bureau of South Australia and the Rural Youth movement? Will he give a commitment that funding and support will be maintained in the future?

Mr Carr: I will take those in reverse order. In the case of Rural Youth, there will be no cash support of any form after the end of this financial year. Following a forum earlier this year, the Rural Youth movement elected to find its own way in life, as it were, and form new strategic alliances. In the case of the Women's Agricultural Bureau, the Government will provide a cash grant of \$15 000 in the coming financial year, a \$7 500 grant in the year after that, and no further grants following that, as a way of lending support to the Women's Agricultural Bureau as it becomes a more independent organisation, and once again seeks to reinvigorate itself and find the energy to focus on new things. In the case of the Agricultural Bureau, the budget for the extended branch level movement will be the same as it was for the previous financial year.

In the case of the Advisory Board of Agriculture, its managing body, the grant will be increased by 50 per cent from \$40 000 to \$60 000 approximately to accommodate the activities of the proposed peak body. As part of this quite amicable separation between the department and Rural Youth and the department and the Women's Agricultural Bureau, the department will for the next two years provide office space and a computer at no cost to either organisation for them to use as a home base, and they have already put their own part-time staff on who work from that point.

Mr CLARKE: The newly created South Australian Rural Communications Network was established without any financial assistance from the Government. I understand from my discussions with our shadow Minister, the Hon. Ron Roberts, who the Minister would no doubt agree would be a very good Minister for Primary Industries, that the network is now in need of financial assistance to allow it to carry out the functions for which it was established. Can the Minister indicate whether any funding will be made available for the network?

Mr Carr: The issue is under consideration. Correspondence went from my office to the Chief Executive Officer in the past two days. We should wait for due passage.

Mr CLARKE: Is that a 'Yes' or a 'No'?

The Hon. D.S. Baker: It means that the report has to come to the Minister to make a decision on it and, until it does, it is confidential; and I have not seen the report yet. That can be a 'Yes' or a 'No.'

Mr Madigan: We are aware of the issues, which have only just arisen. I have to support my officer in this regard. We will be making a recommendation to the Minister next week.

Mr CLARKE: I refer to page 389 of the Program Estimates under the subprogram 'Revegetation Services'. There is a considerable reduction in expenditure from \$3.397 million in 1994-95 to \$2.982 million in 1995-96. Can the Minister explain this reduction?

The Hon. D.S. Baker: We will take that on notice.

Mr VENNING: What is the future of Rural Youth considering that it will have a presence in the office for some time because of the computer? Will the department have any future activity with the Rural Youth? Will it have a guidance capacity? Will Rural Youth come under any ministry's or department's wing?

Mr Carr: At this stage Rural Youth has elected to form its own strategic alliances. It does not see Primary Industries as being the strongest alliance to forge with at this point in time. It believes that Youth Affairs and TAFE would probably represent stronger alliances. I understand that currently the Rural Youth State executive is considering the composition of the new Rural Youth Council, which will comprise representatives from various Government agencies. We do not know at this stage whether Primary Industries will be one of those although, independently, we will maintain that office space for two years as agreed.

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

Minister for Mines and Energy and Minister for Primary Industries—Other Payments, \$800 000—examination declared completed.

South Australian Research and Development Institute, \$11 182 000

Additional Departmental Advisers:

Mr R. Lewis, Chief Executive Officer, South Australian Research and Development Institute.

Dr D. Plowman, Director, Research and Development.

Mr K. Stacey, Manager, Corporate Services.

Mr M. Williams, Manager, Financial Services.

The CHAIRMAN: I declare the proposed payments open for examination. Before we commence examination of this line, I remind members that prior to concluding today's session but after completion of today's proposed payments it is necessary for the Committee to consider a draft report which I will distribute to you immediately upon the conclusion of this line.

Mr CLARKE: I refer to page 407 of the Program Estimates and note the reduction in expenditure for SARDI from \$28.817 million in 1994-95 to \$27.861 million in 1995-96. Given your Government's over-blown rhetoric about supporting science and technology as a path towards economic wellbeing, what justification can you have for the reduction in recurrent expenditure for SARDI?

The Hon. D.S. Baker: The Government gave a commitment to balance the budget by 1997 from the horrific situation we were in. We have reduced recurrent expenditure by some \$250 million in the first budget, and it will go down to \$114 million by the next budget and then down to a balanced budget. All areas have had to suffer cuts whether it be in Primary Industries, Forests or the South Australian Research and Development Institute. Everyone has suffered the same percentage cut across the board. SARDI, in our quest and commitment to balance the budget, has had to suffer some cuts last year and this year.

Mr CLARKE: As a supplementary question, what programs is SARDI currently conducting that will be in jeopardy or will have to be removed altogether as a result of the reduction in the budget allocation?

Mr Lewis: For 1995-96 we have put together, in conjunction with the SARDI board, a budget which will require reductions in a number of areas including pasture research and the removal of some administrative positions in the organisation (which we were able to absorb by the reallocation of responsibilities to other people) and we are proposing to reduce some of our biostatistical services.

Mr CLARKE: Given the Minister's and the Government's obsession for quoting last year's Audit Commission report about South Australia's expenditure on health, education and law and order being above the national average and the need for it to be brought back to the average, will the Minister explain why expenditure on research and development by the South Australian Government is the lowest of any State Government in the nation, and will he give a commitment to increase expenditure in this area to bring it up to the national average?

The Hon. D.S. Baker: The commitment that I will make is that the South Australian Research and Development Institute will continue to play the major role that it has played in the development of South Australia's research institutions in the past. I assure the honourable member that many farming and fishing practices that are carried on now are the result of the very good work done by SARDI—and that will continue in the future.

Mr CLARKE: I ask a supplementary question. That was a nice non-answer but, in all seriousness, as the Minister says, SARDI plays an important role, and I would have thought that, at the very least, even if it cannot be done overnight or in one budget year, there ought to be at least an objective by the Minister to see that funding in this area is at least equal to the national average.

The Hon. D.S. Baker: The honourable member should understand that about 50 per cent of SARDI's funds come from outside. As SARDI knows full well, that is now contestable: it has the ability to go out and attract research funds. One of the reasons why SARDI was set up as a separate unit was to give it a profile that would attract funds. Quite obviously, in this present climate, there will be an incentive for SARDI to attract more than 50 per cent of its funds, which it is doing.

Mr CLARKE: I refer to page 407 of the Program Estimates. I note that a reduction of 16.8 average full-time equivalent employees is proposed for the forthcoming year. Where will these positions be lost from and which areas of research will be shelved or postponed?

Mr Lewis: The answer, basically, is similar to the previous answer. We will not fill a number of vacant positions within the organisation, particularly in the research and administration area, and we have put forward proposals or options to a number of staff in the pasture and biostatistics areas to reduce the number of positions.

Mr VENNING: I refer to page 408 of the Program Estimates 'Pastures and sustainable resources development'. This is probably the most important question that I will ever ask in this Committee. Farming systems are not static and they are very subject to changes induced by product price changes. How will SARDI ensure that these systems and changes to them will not cause severe long-term damage to the soil resource of our State?

Dr Plowman: As the question implies, sustainable farming systems are critical to the long-term productivity of our agricultural lands. Soil stability is one of the key components of that. Unfortunately, across the State we have many different types of soils, and it is impossible to conduct

detailed research on all of them. The approach that we have taken in our research is to pick the major soil types, to establish long-term rotational trials on those soils, and then to extend the outcome of that work to the other soils within the State through a monitoring system that we have in place. The outcomes of the long-term trials that we have conducted are assessed in terms of both the effects on the soil's physical properties and also the economics of the various systems that are trialled.

Mr KERIN: My question refers also to the program 'Pastures and sustainable resources development'. SARDI researchers have done a lot of work in developing new pasture cultivars. What is SARDI doing about ensuring that there is the maximum uptake by farmers of these varieties and that we are delivering profits at the farming end?

Dr Plowman: We have three major pasture improvement programs that have resulted in the release of new cultivars: lucerne, medic and sub-clovers. In order to ensure that we get maximum uptake of the cultivars that we release, we form commercial alliances with seed producing companies at an early stage in the selection of the varieties. These companies provide much of the commercial intelligence regarding the demands of the marketplace and the direct transfer and uptake of the new varieties that are released.

Mr ANDREW: I refer to page 415 of the Program Estimates under the heading 'Horticulture research and development program' and to the specific initiative to increase the production of quality fresh citrus, dried apricots, wine grapes and processing potatoes. What are some of the current initiatives to facilitate the improvement of these horticultural products?

Dr Plowman: We have a large number of programs. Some of the more successful ones recently have been in citrus and some of the vegetable crops. The long-term viability of the citrus industry is related to the ability to compete on the international market, particularly in fresh fruit. Access into large markets such as the United States is restricted by quarantine issues to ensure, particularly, that our fruit is free from mould and light brown apple moth and also that the fruit arrives in sound condition. Over the past 12 months, we have been able to develop protocols for the export of fresh citrus to the United States. As such, significant volumes of citrus are now being shipped.

Similar programs are in place in respect of horticultural crops. One that has been in the news recently is the work that we did on post-harvest handling and transport of white onions. That was recently reported in the *Advertiser*. The post-harvest protocols to pick, store and transport white onions have allowed us to capture a market in Europe which, in the first instance, was worth about \$250 000, and we envisage that that will expand.

Mrs GERAGHTY: I refer to page 416 of the Program Estimates under the heading 'Aquatic research and development'. Has SARDI provided any advice to the Minister regarding the effect of recreational net fishing on fish stocks in marine waters, and will he share that advice with the Committee?

Mr Lewis: SARDI is about to provide some advice. Some preliminary advice has been put forward. We were fortunate enough a few years ago to get external funding to undertake a research program on the impact of netting operations that looked at the comparative impacts. That project formally ends at the end of this month. The officer involved is finalising a draft report. He has given me an undertaking that it will be available by the end of July. Some preliminary estimates or

results were put forward at a national workshop on King George whiting, which SARDI held at the South Australian Aquatic Science Centre. The results, apart from their presentation at that workshop for use in the analysis at that workshop, have not been formally presented, but that will occur within four to five weeks.

Mrs GERAGHTY: Will a copy of that report be made available to the Opposition?

The Hon. D.S. Baker: Certainly.

Mrs GERAGHTY: I refer to page 416 of the Program Estimates. Why has the Minister rejected the management plan for the Great Australian Bight Marine Park which was prepared by SARDI at a cost of \$150 000 to the Commonwealth Government?

The Hon. D.S. Baker: It was not rejected by the Government. It went to Government when the consideration of the Great Australian Bight Marine Park was considered. But, as per the Prime Minister's One Nation statement, nothing can be closed off in the marine area until a full economic impact statement has been undertaken. The management plan that was prepared was not a full economic impact statement. It was very clear from the Federal Government, and the Prime Minister, what should occur. The management plan is in and we have now instigated the second part, which is the economic study, as well as working with the Federal Government on what should occur to the buffer zones around that area and the economic impact of that. As I said earlier today, there will be an announcement of the consultancy which is doing that. That will be done in conjunction with and working alongside the Federal Government to make sure that we comply with the One Nation statement.

Mrs GERAGHTY: As a supplementary: would the Minister table a copy of the management plan by SARDI?

The Hon. D.S. Baker: No, it is not appropriate. That was a document that was delivered to me and went to Cabinet. It will all be tabled when the economic impact statement and that consultancy are completed. We have said that will be within the 12 months.

Mrs GERAGHTY: It is a long time in coming, but that will include the management plan from SARDI?

The Hon. D.S. Baker: It may be a long time coming, but it will be the right decision, no doubt, at the end of the day and, in the meantime, the whales are totally protected.

Mrs GERAGHTY: Only on a temporary basis.

The Hon. D.S. Baker: They are totally protected. They are also protected in the Great Australian Bight Marine Park—but the whales are totally protected.

Mrs GERAGHTY: It is only at certain times of the year, though.

The Hon. D.S. Baker: No whales swimming around in that area are under threat.

Mr CLARKE: Have you been there?

The Hon. D.S. Baker: Yes, I have been there and I have flown over it.

Mrs GERAGHTY: They have calendars so they know when it is safe not to be there! I refer to the Premier's media statement of 22 May in which he announced that a small area known as the Head of the Bight would become a temporary exclusion zone to protect whale breeding areas. This covers only 17 500 hectares, instead of the 522 square miles as recommended by SARDI. Can the Minister explain how long the exclusion zone will be in place and what activities will occur within it? Can the Minister also tell the Committee

what will occur when the declaration of the temporary zone expires?

The Hon. D.S. Baker: No, I cannot. All I can say is that there is a total exclusion zone for a 12 month period while, as per the One Nation statement, the economic impact statement is evaluated and then, at the end of that time, an announcement will be made. I reiterate: the whales are totally protected.

Mr Clarke interjecting:

Mrs GERAGHTY: Yes, that's about it.

The Hon. D.S. Baker: They are totally protected for 12 months while the economic impact statement is taking place. Are you telling me that they are not protected? Before that 12 month period is up the economic impact statement and the full management plans will be released. Ultimately, it is not only about the total exclusion zone which is there now; it is also about buffer zones, and all those issues will be addressed.

Mrs GERAGHTY: A final supplementary: does the Minister support extending the temporary nature of the exclusion zone into a permanent arrangement?

The Hon. D.S. Baker: I will support what the economic impact statement comes up with and what is agreed between the State and Federal Governments, which are working very close together on this matter.

Mrs GERAGHTY: So, the Minister cannot say if he personally supports it?

The Hon. D.S. Baker: What I personally do is irrelevant. I will do what the South Australian Government and the Federal Government agree, and so far there has been no disagreement in the South Australian Government or the Federal Government: we are absolutely as one.

Mrs GERAGHTY: That would be hard to believe.

The CHAIRMAN: Is the member for Torrens satisfied with that answer?

Mrs GERAGHTY: No, Sir, but I will accept it.

Mr VENNING: I refer to page 408 of the Program Estimates. SARDI programs are structured on the basis of industry groupings. To what extent does this inhibit multi-industry and multi-disciplinary projects?

Dr Plowman: The programs, as described in the Estimates documents, are broken into five research areas. They are presented in that way for administrative and management purposes. One of the strengths of SARDI is its ability to put together multi-disciplinary teams across a range of organisations. At present, we have many of a collaborative nature with the University of Adelaide and various CSIRO departments, and often involving industry groups as well. In recent times we also have put together a number of quite major programs across those units, for example, between the aquatic sciences and the crops area where we look at the use of cereals for feedstock of aquaculture, and also in other areas between crops and the livestock areas to look at improved grains for intensive animal production such as pigs and poultry.

Mr KERIN: I refer to page 409 of the Program Estimates in relation to aquatic research and development. In recent years we have heard a lot about aquaculture and the advancements that have been made. It has certainly been a shining light not just in development but particularly in regional development. What significant initiatives in aquaculture have been undertaken at SARDI since the commissioning of the South Australian Aquatic Sciences Centre?

Mr Lewis: We are very proud of the research input into the development of aquaculture in South Australia, both originally in the former Department of Fisheries and now in

SARDI. Every major aquaculture development in South Australia has had some input from research in underpinning its success. A large number of ongoing programs and studies are presently being conducted to underpin that industry as it develops. A few of them include the formulation and assessment of artificial (that is, manufactured) food for our farmed abalone. This research will reduce dependence on the industry's development and harvesting algae in reducing its potential impact on capture fisheries habitats. The formula being developed has been recognised as one of the most advanced and most productive in the world.

We are very heavily involved in underpinning the development of the Southern Bluefin Tuna fish farming operations where we are again developing manufactured and artificial feeds for them so that they are not as heavily reliant on pilchards and other fish. Also, we are looking at conducting research programs on their nutrition, health and environmental impact of the operations in the Port Lincoln bays areas.

In the case of barramundi, which is an emerging industry in South Australia, it is interesting to note, especially when one considers that barramundi is a tropical fish, that one of the largest barramundi farms in Australia is in South Australia. We are looking at the optimum salinity for barramundi growth and doing research in that area. Also, we are looking at the feeding and growth rates of snapper, including both selection and genetic research into improving the strains and quality of snapper populations.

The Hon. D.S. Baker: It is very interesting that that project on barramundi happens to be near Robe. It is drawing warm water from a 1 200 feet artesian bore which naturally comes to the surface, goes through all the ponds under its own pressure and drops only two degrees all the way through—from 30° to 28°, I think it is.

Mr Lewis: The optimum temperature for growing barramundi is about 28°. The water comes out of the ground at 30°, so they save on heating and pumping costs. We have a tropical species which is basically grown in a fairly cold climate.

Mr ANDREW: I again refer the Minister to page 415 of the Program Estimates comprising the program description title 'Horticulture Research and Development Programs', where he has indicated that there will exist in the coming year:

... collaborative research projects with the CSIRO, University of SA, University of Adelaide and other State Departments of Agriculture.

Would the Minister give some details or examples of such collaborative projects and their importance to the horticultural industries?

Dr Plowman: With the completion of the facilities at the Waite Research Precinct and the collocation of the South Australian Government's horticultural research capability with the CSIRO Division of Horticulture and the Australian Wine Research Institute, along with the Cooperative Research Centre for Viticulture, the opportunities exist to put together large collaborative projects addressing issues that any one organisation would not be able to address on its own. Some examples of programs that are under way at present are the resolution of the phytosanitary problems with the export of citrus, which is a collaborative project between SARDI and the CSIRO Division of Horticulture. We have a very large number of collaborative projects in viticulture with the Cooperative Research Centre for Viticulture, and we are

currently developing several major initiatives with the university to do with crop improvement.

Mr CLARKE: I note from the Financial Paper No. 1 that SARDI was 'created to coordinate, to promote and fund public sector research, initially with a primary industries focus but with a longer-term aim of having a wider role in research and research management in South Australia'. Given the stated longer-term ambition, does the Minister believe that it may be more appropriate for SARDI to come under the responsibility of perhaps the Premier to assist in allowing it to expand its horizons past Primary Industries research alone?

The Hon. D.S. Baker: That was well canvassed during the past 12 months, and in fact it was looked at as to where SARDI would go in the future, whether it would become the repository of all research in South Australia or whether it should remain mainly a Primary Industries focus, and the decision in these very tough and stringent times we are in, as we try to balance our budget, is to keep it going the way it is for the present moment.

Mr CLARKE: Do I take it then that that is still on the agenda for some time in the future?

The Hon. D.S. Baker: It is on the agenda because it says in there that it is on the agenda.

Mr CLARKE: I note from the Financial Paper No. 1 that the construction of the Pig and Poultry Production Institute at Roseworthy will be completed in 1995-96. What will happen to the plant, equipment, buildings and land at the current Northfield piggery and Parafield poultry centres?

Mr Lewis: The Pig and Poultry Production Institute, or the PPPI as we tend to call it, is currently being constructed at Roseworthy. The poultry component is already under construction, and the piggery component is under tender after developing the specification. The facilities both at Parafield for poultry and at Northfield for pigs will be transferred to the Roseworthy operation including, where possible, the use of the actual equipment, which is farrier pens, etc. The land and other facilities at Northfield have been, and are being, sold for urban development as part of the Northfield relocation; the piggery goes to Roseworthy and most of Northfield is relocated to the new plant research centre and other facilities on the Waite Research Precinct. The Parafield land will also be sold as a means of funding the construction of the PPPI at Roseworthy.

Mr CLARKE: Is SARDI or the Minister intending to conduct an investigation into the Gulf St Vincent prawn fishery using Professor Copes or another expert in this field and, if so, when will the investigation begin and what will be its terms of reference?

The Hon. D.S. Baker: There is discussion going on at present about further investigation of the Gulf St Vincent prawn fishery, and that will take place within Fisheries. As soon as some decisions are made as to who will be the principal consultant, I will brief the Opposition.

Mr CLARKE: Given that the Minister has liked trees, chainsaws and beat up on the whales, I am interested to know your view with respect to the Aquatic Science Centre and the personal view of your colleague, the Minister for Housing and Urban Development, to plonk the effluent from the Patawalonga very close to the outlet with respect to the Aquatic Science Centre and whether you have raised this matter with your colleague?

The Hon. D.S. Baker: The matter has not been brought up with me but my view is that the Aquatic Science Centre is a magnificent centre staffed by some wonderful research scientists who are doing a marvellous job.

Mr CLARKE: What about the potential effluent outflow from the Patawalonga?

The Hon. D.S. Baker: None of that has been brought to my attention, and it would appear that it is speculation.

Mr CLARKE: Do I take it, then, that if there is a possibility of a channel being cut across the West Beach sandhills you will join the member for Colton in standing in front of the bulldozers in defence of both the residents of that area and your own Aquatic Science Centre?

The Hon. D.S. Baker: I can assure you that nothing will take place that will affect the effectiveness of the Aquatic Science Centre, and I am much more comfortable behind bulldozers than in front of them.

Mr VENNING: One of the SARDI projects is the lease of Northfield (IL5588), which is a red lentil with a higher yield than Aldinga and a better resistance to Ascochyta blight. The variety was selected by Dr Ali and tested by Ms Moroney and Jefferies, who did the evaluation of them. When was this released; when will it be available to the commercial farmers; and are any of these varieties subject to any plant variety rights?

The Hon. D.S. Baker: I hope there is not a conflict of interest in the honourable member's question.

Dr Plowman: That is one of the specific questions that we might take on notice because I am not exactly sure when it was released, nor of the state of progress with the protection of it under the plant breeders' rights. But the intention is to protect it under plant breeders' rights, and it is currently being commercialised at present. We believe it is a variety that will be very useful to South Australian farmers in meeting export markets for this high quality lentil and also that further work is going on and that we expect to release additional varieties in the future.

Mr VENNING: Under plant variety rights it is the right of a plant breeder to recoup a royalty from any grower of that product. SARDI is doing work on these products, and I think that it ought to be able to recoup some of its costs from the original breeder, because it does assist its sales and it assists its assessment for its use in South Australia.

Dr Plowman: All I can say is that that is quite a complex question. The registration of a variety under plant breeders' rights implies ownership of or instils ownership on the variety that has been released. The striking of a royalty through a commercialisation agreement and the return of those royalties into the program is based on the contribution that the various parties to that variety would make. The best example is not lentils, but some of our pasture improvement programs will have contributions from five or six difficult research agencies. At the start of the program that contribution is determined and the return of the royalties is on the basis of the financial contribution.

Mr Lewis: We receive royalties on the basis of these commercialisation agreements which the research partners enter into.

Mr VENNING: Is that a commercial risk? Can SARDI be compromised in this situation?

Dr Plowman: We are covered by the same conditions as any commercial operation. If we do things that are negligent, we are liable to be sued. With the breeding of a variety or piece of research into nutrition for animals, plants or whatever, if we are negligent, we are negligent.

Mr KERIN: We heard earlier under the Primary Industries line about its role in the industrial hemp trials. What is SARDI's role? Hemp is one alternative crop that comes along and one of the problems with industrial hemp

is what we do with the finished product and value adding. Does SARDI have a role with an alternative crop such as hemp with the value adding side?

Mr Lewis: SARDI does see a role in the value-added side, not necessarily having to do the work itself but, as Don indicated in previous replies, one of the things SARDI is doing is striking alliances in collaboration with many other research agencies. We have had some discussions with the CSIRO in this area in the eastern States. If the trials we are doing are positive, we have to worry about what we will do with the product if it is to be grown. The expertise does not rest within SARDI but we are the facilitators for ensuring that we are able to capture that expertise from other research agencies.

Dr Plowman: The example of the development of a hemp industry is an excellent one of how to bring difficult organisations together to achieve an end point. We have the Yorke Regional Development Board, which represents the growers of the product that have identified opportunities and come to SARDI and PISA to import some material. Primary Industries was responsible for negotiations with a French company about importing five or six lines of hemp seed. SARDI's role has been to manage the trial or evaluation part of it and to that end there are three sites: two directly managed by SARDI and one by a private company. The research protocols, their management and the analysis of the information that comes in will be our responsibility.

Mr ANDREW: Since being aware of the industrial hemp involvement of the research project this year and the seed becoming available, I have made suggestions to my Riverland Development Corporation on the basis that there may be significant potential for industrial hemp being used as a crop to be grown on the basis of using industrial waste and, more particularly, using effluent waste and potentially being a substitute for wood lotting, bearing in mind that the current irrigation used on wood lotting cannot often be used for crops that would be edible. I seek from the Minister a recognition of this potential and SARDI's commitment to monitor and assess this option.

Dr Plowman: We would see industrial hemp as having at least two key outcomes or outputs, the first being the fibre used for a range of end purposes and the other as seed for growing in other parts of the country. South Australia is particularly renowned for its seed production industry. The work we are doing presently is to see where the plant might grow, and what it requires in terms of water, temperature, nutrition and any other production characteristics we need to define. Once that is done, it would be reasonably easy to transfer the information to other environments so that after this year we would have a good idea of whether hemp would grow in the Riverland. We will have some idea of the yields that we will get and therefore the economics of growing it and whether, under a centre pivot or some other form of irrigation, it would be a viable proposition. We are also in close collaboration with the Tasmanian department, which has been trialing hemp for about three years and has been able to undertake more detailed economic assessments than we have been able to conduct up until now.

The CHAIRMAN: I declare the examination of the vote completed. I have circulated a draft report.

Mr VENNING: I move:

That the draft report be the report of the Committee.

Motion carried.

The CHAIRMAN: I thank the Minister and his staff for their attendance during the day and for their assistance. I also place on record the Committee's appreciation of the work and the assistance given by the attendants, the clerical staff and, most particularly, the tolerance, patience and support from *Hansard*.

Mr VENNING: On behalf of the Committee, I thank you, Mr Chairman, for the many hours that you and your counterpart have spent in the Chair—in excess of 55 hours. I express our appreciation for the work that you have done. We are able to move in and out, but you have had to sit here the whole time. We thank you.

Mr CLARKE: On behalf of the Opposition I extend our appreciation to all parliamentary staff, the attendants and the *Hansard* staff in particular for turning a sow's ear into a silk purse with some of the speeches we have heard from Ministers. With respect to you, Mr Chairman, and the

Chairman of Estimates Committee A (as I have been in both places at various times), we acknowledge that it is not an easy job. You have carried it out with humour, shown flexibility where necessary and have shown all the attributes of being a very good Speaker of the House of Assembly, as has the member for Gordon. You have my absolute undivided loyalty and support, should you ever aspire to that position some time over the next 2½ years.

The Hon. D.S. Baker: I thank you, Mr Chairman, for your chairmanship. I thank the officers in *Hansard* and I thank the Opposition. It has been a constructive day. We have attempted to answer all the questions required of us. I thank Government members for their contribution and thank the officers here with me. They have put in a lot of work—a lot more work than people realise. If anyone wants briefings from them, they are only too willing to give it.

At 5.35 p.m. the Committee concluded.