

HOUSE OF ASSEMBLY**Monday 21 June 2004****ESTIMATES COMMITTEE B****Acting Chairman:**

The Hon. R.B. Such

Members:

Ms F.E. Bedford
 The Hon. M.R. Buckley
 Ms V. Ciccarello
 Mrs J. Hall
 Mr E.J. Meier
 Mr M.F. O'Brien

The Committee met at 11 a.m.

South Australian Tourism Commission, \$41 121 000
 Minister for Tourism, \$4 511 000

Witness:

The Hon. J.D. Lomax-Smith, Minister for Education and
 Children's Services, Minister for Tourism.

Departmental Advisers:

Mr M. Elliott, Financial Controller, Adelaide Convention
 Centre.

Mr P. van der Hoeven, Chief Executive, Adelaide
 Convention Centre.

Mr W. Spurr, Chief Executive, SA Tourism Commission.

Mr C. D'Ortenzio, General Manager Corporate and
 Commercial Services, SA Tourism Commission.

Mr M. Geddes, Manager, Industry Development, SA
 Tourism Commission.

Mr A. Wroniak, Manager, Business Services, SA Tourism
 Commission.

The ACTING CHAIRMAN: The estimates committees are relatively informal procedures and as such there is no need to stand to ask or answer questions. The committee will determine an approximate time for consideration of proposed payments. Have the minister and the lead speaker organised a timetable for today?

The Hon. J.D. LOMAX-SMITH: We have.

The ACTING CHAIRMAN: Changes to the committee will be notified as they occur. If the minister undertakes to supply information at a later date, it must be supplied to the committee secretary by no later than Friday 23 July. Brief opening statements are allowed. There will be a flexible approach to questions, with approximately three questions per member. Supplementary questions will be the exception. A member who is not part of the committee may, at the discretion of the chair, ask a question. Questions must relate to budget papers but, unless members stray, I will not require members to read out each page and line because it takes up a lot of time. Members unable to complete their questions during proceedings may submit them as questions on notice for the *Notice Paper* in the House of Assembly.

There is no formal facility for the tabling of documents: however, documents can be supplied to the chair for distri-

bution. The incorporation of purely statistical material no longer than one page in length can be incorporated into *Hansard* with the agreement of the committee. All questions are to be directed to the minister and not to the minister's advisers: however, the minister may refer questions to advisers for a response. I also indicate that, for the purposes of the committee, there is some freedom allowed for television coverage from the northern gallery. I declare the proposed payments open for examination and invite the minister to make a brief statement if she wishes.

The Hon. J.D. LOMAX-SMITH: The success of the state's tourism industry is built on the partnership between government and people in this important industry. This year we built on that spirit of partnership when I established a tourism round table, and we are working together in that format on the five year South Australian tourism plan. Our partnership plans to build the industry, which generated \$3.4 billion in 2001, to a \$5 billion industry by 2008. This is also among the 79 targets of the South Australian State Strategic Plan.

It is a long-term strategy which connects tourism with job growth and regional development. To do so, we are also connecting tourism to other areas of government. For example: environment and conservation through parks and eco tourism; the education portfolio through international students, conferences and academic research; industry through the aquaculture trail, for instance, on Eyre Peninsula; and regional development through amenities and infrastructure.

The state budget connects state infrastructure development and tourism through a variety of means, but the greatest example currently is the allocated \$2 million to provide Kangaroo Island with a consistent power supply. This will benefit the local community and, particularly, tourism on Kangaroo Island where tourism is a major economic driver of their economy.

Making these connections recognises that tourism creates jobs and sustainable economic growth. This budget builds on a long-term strategy mapped out in the state tourism plan which I launched in January 2003. For example, it provides new marketing funds to build on campaigns such as our Heart of the Arts and Linger Longer campaigns, and the ongoing success of the \$5 million Drive Secrets campaign. The major initiatives include: \$1.15 million towards the next instalment of our domestic marketing campaign; \$1.135 million extra over three years for major events sponsorship; and \$1.1 million over two years for the staging of the Great Australian Outback Cattle Drive in 2005. In addition, there is the establishment and ongoing \$1 million major infrastructure fund from 2005 to 2006 as part of our long-term approach to investment.

Other initiatives include international flights, taking advantage of the welcome decision by Qantas to create direct Auckland-Adelaide flights three times a week from December. By the end of the year we expect to have more than 4 100 inbound international seats arriving at Adelaide Airport each week. That is a 39 per cent increase compared with two years ago. Our new \$240 million airport terminal is certainly well underway now. A \$600 000 marketing campaign will focus on attracting more New Zealanders to South Australia. This campaign reflects our partnership approach as it will include the Australian Tourism Commission, Adelaide Airport and the Office of Economic Development. The international marketing efforts will also build on our recently announced plans for a \$400 000 marketing promotion to attract more UK

visitors and a \$100 000 media and tourism trade campaign to attract visitors from China.

In terms of infrastructure, approximately \$6.2 million will be spent in 2003-04 on a variety of support programs for infrastructure development. A further \$2.3 million will be carried over into 2004-05 for major infrastructure together with the \$1 million allocated through the tourism development fund for minor projects. A further \$1 million is provided for the creation of an ongoing major tourism development fund from 2005 to 2006. These initiatives also build on infrastructure developments such as the \$2 million I spoke about earlier to provide Kangaroo Island with a consistent power supply.

We are also working on the South Australian brand. A distinctive and fresh brand will be created for South Australia as part of a \$100 000 project to promote the state as a compelling tourism destination. In terms of conventions, we will build on our leadership as a place to do business through meetings and events. In this budget the Adelaide Convention and Tourism Authority is to receive funds totalling \$885 000. This includes funds for a conference pool to attract major conferences to South Australia. In terms of regional events and festivals, our regions are known to be the cornerstone of our long-term strategy to create economic growth through the regions in particular. The importance of regional communities to tourism is recognised by our support of regional events and festivals of more than \$640 000 this year. The regional marketing committees will also receive an additional \$200 000 direct and a further \$200 000 to work with partners to increase resources for product development, thus freeing up their funds for marketing. Other features include \$180 000 over three years to help support public liability insurance for tramways and railways.

We are a leader in the tourism industry, taking out five of the 27 national awards at the Australian Tourism Awards in Perth in February. These achievements and many others are a tribute to the tourism industry and our regional communities. The results of our partnership are reflected in the recent Bureau of Tourism research into state tourism figures. Almost 2 million interstate visitors came to South Australia in the 12 months to March 2004—an increase of 11 per cent on the previous year compared with a mere 4 per cent rise nationally. These visitors stayed 11.5 million nights—up 12 per cent on the previous year compared with a national average rise in interstate nights of 5 per cent. Visitors from Sydney and Melbourne accounted for much of the rise, with Sydney visits up 21 per cent and nights up 39 per cent; and Melbourne visits were up 6 per cent and nights up 16 per cent.

The March quarter, of course, included the Adelaide Bank Festival, the Adelaide Fringe Festival and WOMADelaide and produced the highest number of visitor nights ever recorded in South Australia for a March quarter. Tailored and well targeted marketing of our South Australian experiences and our strong line-up of events are certainly making a difference, and I look forward to working in partnership with the industry during the 2004-05 budget year to build a profitable tourism business which creates jobs and sustainable growth for the state.

Mrs HALL: I will make a brief statement before we get into questions. To begin, on behalf of the opposition I acknowledge the impressive work and many of the award-winning campaigns of the team at the South Australian Tourism Commission, particularly under the leadership of Mr Bill Spurr and the Chairman of the board, Mr Phil Hoffman and his members. In doing that, I also acknowledge

the pride that many South Australians feel with the work and the well-deserved accolades that are constantly heaped upon the Adelaide Convention Centre. Again, we pay tribute to the work of Pieter van der Hoeven and his team and to the board under the leadership of Jane Jeffreys. Equally, we put on record our appreciation of the extraordinary and impressive work undertaken and achieved by the Adelaide Entertainment Centre, particularly coming out of a difficult time, as did the Convention Centre and the tourism industry generally with September 11, SARS and the collapse of Ansett. I believe that all three need to be congratulated for the achievements that they have managed. In the case of the Adelaide Entertainment Centre, I record our appreciation to Chief Executive Pamela Del Nin and the members of the board under the leadership of Bob Ford.

Another area that we would like to put on record is, very specifically, our appreciation, congratulations and thanks to the former chief executive of Australian Major Events, Ms Belinda Dewhirst, who followed on from the existing Chief Executive of the South Australian Tourism Commission, Mr Bill Spurr. As we know, Belinda was an incredibly hard-working and high achieving chief executive, and I believe the growth of Major Events under her leadership in this state has been nothing short of extraordinary. South Australia is acknowledged as staging magnificent events, and I think it is in no mean part a great tribute to Belinda and her team at Major Events, that that reputation, so well deserved, is out there in the international and national markets. The opposition thank her for her efforts and wish her very good luck as she comes to the birth of her first baby in the next few weeks. We also extend our good wishes to the new Chief Executive and know that AME will continue with what I believe is a very hard act to follow, led by Belinda.

There are a couple of other issues that the opposition would like to raise. One such issue is the great work that is done in the regions and, in particular, the incredibly high and ever improving standard of our visitor guides, the work at the visitor centres and the growing expertise, which is becoming very obvious throughout the regions, of our festivals and events. As the Liberal Party and as an opposition we well understand the importance of the tourism industry to the South Australian economy and all the extra add-ons that we believe are equally important, that is, the pride and identity of our own state. We acknowledge that South Australia has a unique place not only in Australia but also in the international environment and, as the tourism industry becomes more competitive, we know that we certainly have a unique and quality product to offer the international tourism environment.

The opposition is very disappointed by the failure of the government to deliver what we believe are much needed additional resources to the tourism portfolio. We do not believe it is acceptable to have three out of three budgets where there have been substantial cuts in such an important industry and we trust that, in future budgets—and we suspect that the minister would share these sentiments—there will be no further cuts to her portfolio. I believe that the cuts have had a dramatic effect. The particular area that has been highlighted by the opposition over a number of years is the dramatic decrease in funding for tourism roads, particularly in the Outback. I hope that in next year's budget we can look forward to the reinstatement of the half a million dollars for tourism roads grants that always used to be in previous budgets. I believe that cooperation between the department of transport and the tourism portfolio is crucial, and we look

forward to that aspect being reintroduced and reinstated as soon as possible.

Another issue that the opposition will be pursuing during the questioning of the minister is the cherry picking that goes on in terms of the numbers, nights and expenditure that are often used to describe the health of the tourism industry in our state. We also acknowledge the importance of the extra international flights coming in from New Zealand. We believe that that is a good initiative, and it is certainly one that successive governments have tried very hard to have reinstated. I believe that it is a very good initiative for the state and I am sure we will see the benefits of it.

I would also like to put on record on behalf of the opposition the opportunities that we believe the Adelaide to Darwin railway will provide for our state. I would also like to put on the record my thanks and pay tribute to the former premier John Olsen, who I know worked extremely hard to ensure that that project was not only signed off but also delivered. I am delighted that he was one of the guests who participated in the inaugural trip. I now wish to move to questions. I understand that we have agreed to deal initially with the Adelaide Convention Centre and the Entertainment Centre to enable those executives to return to their offices, and we will then move on to the tourism commission.

I see that the representatives of the Adelaide Entertainment Centre are sitting at the table, so we will start with that matter first. Last year, when discussing the Convention Centre, both the opposition and the government agreed on the well deserved accolades that were being heaped on the Convention Centre. But during the minister's remarks she indicated that risk analysis and public liability could be future problems for the centre. Have any of those problems arisen and, if so, how are they being addressed?

The Hon. J.D. LOMAX-SMITH: In fact, this is a major issue for the whole of state government and federal government. There is a whole range of working parties and groups both at intergovernmental level and throughout the emergency services, and a series of investigations, audits and actions is being undertaken. I think the member will recall that a few weeks ago there was a simulated terrorism attack in Sydney and some major national activity as part of that program. Certainly, I am not managing those processes, but we cooperate in any way that is necessary.

Mrs HALL: I would like to pursue the future programs and activities of the Convention Centre. We know of its well deserved reputation, I think, for the six or seventh year as one of the top 10 convention centres in the world. I understand that, because the Adelaide Convention Centre has been such a leading venue in this country, we are expecting some competition from the other states. In particular, I understand that Perth is coming online pretty quickly, and I am not sure of the progress of Darwin in the Northern Territory. How is the centre dealing with the increased competition that inevitably will come from interstate—particularly Perth and maybe Melbourne and the territory in the future? Do we expect it to affect revenue in the future or will we remain the top one in the country?

The Hon. J.D. LOMAX-SMITH: I think it is true to say that almost every country in the world is experiencing growth in convention venues; throughout South-East Asia, Europe and North America there is a building boom, and Australia is not immune from that. I suspect that part of the thinking behind this strategy by so many economies is that, with the turbulence of the tourism industry and the need to fill hotels and other assets built in major cities, the convention business

trade is seen to be an attractive one that can leverage some extra tourism activity for many towns and cities. Clearly there is more competition around Australia, but the competition is also within Adelaide, because certainly with the increase in some venues being built, whether classical hotels or boutique hotels, they also have small-sized venues, so competition is quite acute.

I have been impressed by the changes made in the ACC's marketing plan and its strategic plans in that there is clearly enormous support for banqueting events, repeat trade, small conventions and return business, and the impression I have, looking at the board papers and discussing the matter with Mr van der Hoeven is that there has been significant flexibility both in the positioning of the Convention Centre but also in the marketing plans. As far as SATC is concerned, we are also working with some of the operators in town to look at how we can be more effective in the bidding process. This is another layer that will help not just the Convention Centre but other convention destinations in town. Mr van der Hoeven may like to contribute.

Mr VAN DER HOEVEN: Probably the Perth Convention Centre needs to establish itself on an international level first of all, and that will take some time. We do not see at this point any real impact on our business. You mentioned the Darwin Convention Centre, which is under consideration to be built and will be open by probably the year 2007. That centre will probably have more impact on the top end of Australia, for example Cairns and so forth, because they attract different business than we do in the major cities. We are keeping a close watch on Perth but, with the 60 per cent repeat business factor at the Adelaide Convention Centre, we are confident that will help us and Perth will not have a major influence on us.

Mrs HALL: I am delighted to hear that. With respect to the Convention Centre, is the minister able to provide details about product purchase? I particularly ask this question because my recollection was that, for many years, particularly the opening of the expanded Convention Centre, there was a total focus on South Australian food and wine. Can some details be provided to the committee about the purchase strategy that is used for food and wine? Does the Convention Centre have a specific or unique tendering process? Is it possible to provide for us some of the quantities that we are talking about for food and wine, and I ask that question in the context of commercial confidentiality? Can the minister or chief executive give us some details about that?

The Hon. J.D. LOMAX-SMITH: I will pass that over to Mr van der Hoeven, but I point out that there are special promotional events that might be related to a Food SA or Tasting Australia event, but as a business the Convention Centre would be required to look at its budget lines first and, I suspect, buy accordingly.

Mr VAN DER HOEVEN: It is correct that the Convention Centre has a policy to expose as much as we can of local produce to not only Australians but the world. Approximately 90 per cent of all produce purchased in the Convention Centre reflects South Australian produce. There are a few exceptions because, as we are moving around in the international arena, if an international client insists on using, for argument's sake, Moët et Chandon rather than South Australian champagne, we will oblige and serve that. We purchase around about \$2 million worth of local produce out of the marketplace. Every three months we go for tender in three or four big areas—meat, fish and vegetables—and we let the local marketplace tender on our requirements for the forthcoming

three months so we can take advantage of the market fluctuations up or down when we purchase these items.

Our wine lists are 98 per cent South Australian wine and we changed our beer contract to Coopers Brewery some years ago because that was the only South Australian owned brewery and therefore we changed our contract to Coopers at that time. That policy is very strong. In our restaurant, Regattas, which is quite successful as well, we change the menus and wine list every three months, with a focus on giving small boutique wineries a chance to promote their wines.

Mrs HALL: During last year's estimates, and specifically in the Auditor-General's Report, reference was made to the funding that is provided to the corporation for expenses relating to the maintenance of the common areas and the Riverbank precinct, Exhibition Hall land, administration of offices, rent and the depreciation of buildings. Can the minister update us on any changes that may have taken place with those agreements and say whether the funding lines are still essentially the same, or whether they have been cut?

The Hon. J.D. LOMAX-SMITH: There has been some alteration in ministerial responsibility around the common areas, as well, that may not have come to the member's notice, and the external areas are now coming under the Minister for Tourism, moving away from the Minister for Infrastructure. There has been a movement in the allocation of responsibility for the outside areas and that will come into effect during the next financial year. As to the maintenance costs, I do not know whether we can specifically give details on that.

Mrs HALL: It is page 1180 of the Auditor-General's Report.

The Hon. J.D. LOMAX-SMITH: You are looking at the item differences between 2003-04 and 2004-05. The \$1.5 million reduction in appropriation was for the funding of building depreciation, which equates to a percentage decrease over the out years. The funding for the building depreciation has been transferred into the ACC asset replacement account, which was established for the purpose of having sufficient funds for building and upgrades. The ongoing asset management is very significantly important because it is a front of house visible area. We have confidence that, as it is a new building and there has been high maintenance, there should be adequate funds within that fund line.

Mrs HALL: I see from some of the documents that in 2003-04 funding was received by the Convention Centre from the South Australian government to the amount of \$7.316 million, as published in the Auditor-General's Report to the parliament. What is the current level of funding and what will it be in future?

The Hon. J.D. LOMAX-SMITH: I do not have the Auditor-General's account here. Is that the \$7.167 million?

Mrs HALL: It is \$7.316 million and it specifically refers to the future asset replacement account.

The Hon. J.D. LOMAX-SMITH: It is a matter of a difference between the asset replacement account, and the outgoing years will be \$4.476 million, \$4.598 million and \$4.377 million.

Mrs HALL: Can the minister explain why in my terminology the piggy bank has been raided? It has always been my understanding that the asset replacement account has been an important tool of the Convention Centre and clearly there has been a significant reduction from previous years.

The Hon. J.D. LOMAX-SMITH: My understanding is that it was a reflection of the amount being spent and the amount being held. There was an imbalance, so not so much money was required.

Mrs HALL: What does the Convention Centre do in future when it needs access? Does it have to go to the Treasurer?

The Hon. J.D. LOMAX-SMITH: If there is a major issue and the roof falls in, clearly it will have to come to Treasury.

Mrs HALL: In the past the asset replacement fund has been a very important ongoing fund to the Convention Centre, and for what looks to be \$1.5 million being ripped out each year—

The Hon. J.D. LOMAX-SMITH: All major funding requirements would go through Treasury anyway. There would not be enough resources in the asset management fund to build a new roof.

Mrs HALL: That has not been the case in the past. In the past the Convention Centre has made significant contributions to funding aspects of the Convention Centre, and I am a little surprised that the Convention Centre appears to have had to contribute to overall cuts in the tourism budget because it is a substantial cut, as I read the figures from the Auditor-General.

The Hon. J.D. LOMAX-SMITH: I understand that there is a \$100 000 cut. The area about maintenance is covered well. There will never be any opportunity to not fund major asset replacements, but there is not the need to have money available.

Mrs HALL: Is that a direct policy change? For that much money to be taken out of the Convention Centre seems to me to be absurd and it is clearly a change of policy by the government because it is obviously going direct into revenue.

The Hon. J.D. LOMAX-SMITH: It is not going into revenue.

Mrs HALL: Where is it going?

The Hon. J.D. LOMAX-SMITH: It is an accounting change in the management of the budget for the asset replacement funds. It is not income or going into revenue in that way.

The Hon. M.R. BUCKBY: I take it then that that means that if asset replacement is to be undertaken at the Convention Centre there will have to be a cabinet submission or application by the Convention Centre to the Treasurer because of insufficient funds within its own account.

The Hon. J.D. LOMAX-SMITH: There are sufficient funds for routine occurrences but, as in all cases of major assets, if there is a major issue there will have to be a cabinet submission. Clearly, if there is a major issue structurally—

Mrs HALL: I am wondering why there has been a change to the level of funding. When you go through the Convention Centre's own annual report and the Auditor-General's Report, at page 23 of the annual review of the Adelaide Convention Centre, when it talks about the future, it says:

The Adelaide Convention Centre has been requested to contribute to savings within the government's tourism portfolio and consequently has agreed to reduce the annual building depreciation fund from government (this year, \$2.9 million) by \$1.5 million to \$1.4 million from 2003-04 and in all succeeding years. This equates to a reduction in annual funding of about 25 per cent.

It then goes on to talk about the asset replacement account and provides some details. The next paragraph states:

At the time of signing the accounts, we hold confirmed bookings for the year 2003 representing an income of \$16.2 million, placing

us in a position to achieve the coming year's business budget of \$18.7 million.

It appears to me that the Convention Centre is being punished for being successful.

The Hon. J.D. LOMAX-SMITH: The Convention Centre is highly successful, and there has been a dramatic turnaround during the time we have been in government. You acknowledged that the centre had a very difficult time during the period of SARS, the Ansett collapse and September 11. I am pleased you acknowledged that, because the previous minister seemed unable to recognise that the tourism industry had gone through a difficult period, so I am very pleased to hear your words.

Mrs HALL: I was the minister at the time. I remember those events well.

The Hon. J.D. LOMAX-SMITH: I am pleased that you acknowledge that many facets of the tourism industry in South Australia have done particularly well. However, the reality is that, when there are savings in government, there is a balance. If one looks at an asset management fund that is not being drawn on and compares it with child protection issues, decisions have to be made. That is what being in government is about.

Mrs HALL: When the minister first answered the question, she said that she would take it on notice and obtain a detailed breakdown. I still find that some of the responses given do not match up to the material published in the Convention Centre's report and in this year's Auditor-General's material of June 2003. It seems to me that the Convention Centre is being punished and is having to contribute what I consider to be a very high percentage of savings and cuts within the tourism budget. My recollection is that that has not been the case in the past, and the most substantial use of some of the funding about which we are talking, as I recall, was contributing when the expansion and the upgrade of the Convention Centre took place. I find it extraordinary that the money being allocated is being so diminished, so I would appreciate more details. I am happy to put a few questions on notice, but it seems—

The Hon. J.D. LOMAX-SMITH: I am sorry; is this a question or a statement?

Mrs HALL: No; I said that I would like some more details. I am happy to put a question on notice.

The Hon. J.D. LOMAX-SMITH: I take it that was not a question, so I will not answer it.

Mrs HALL: No; you are quite right. I will compile some questions and put them on notice.

The ACTING CHAIR (Ms Ciccarello): As there are no further questions on the Convention Centre, we will turn to the Adelaide Entertainment Centre.

Mrs HALL: We thank Mr van der Hoeven and Mr Elliott.

Additional Departmental Advisers:

Ms P. Del Nin, Chief Executive, Adelaide Entertainment Centre.

Mr B. Craddock, Deputy Chief Executive, Adelaide Entertainment Centre.

Mrs HALL: As I said in my opening remarks, I acknowledge the fantastic job being done by the Entertainment Centre, not only with the partnerships between the board and the chief executive but particularly by the staff and the team. As I said, taking into consideration the circumstances that must have affected the facility—September 11 and, in particular, the fluctuation of the Australian dollar—I think the

result achieved by the Entertainment Centre is most impressive indeed. As we know, it is an award-winning venue—particularly its catering activities. I would like to raise a couple of issues. Publicity often surrounds the international music acts that bypass Adelaide. I would like to know the current position and the current views of the Entertainment Centre on whether this is now such a problem or whether the stability of the dollar is helping at the moment. If not, will you update the committee on the strategies in place for the Entertainment Centre to combat this problem of the past? Do you think it will be a problem of the future?

The Hon. J.D. LOMAX-SMITH: Historically, there has always been a tendency for some promoters to bypass South Australia, particularly with the high-cost events, because our population is small. If you look at the Beatles festival, which was a recent successful winter event celebrating the 40th anniversary of the Beatles coming to Adelaide, sometimes we can astound promoters by coming out and filling the venues. Generally, this is a slightly more difficult location for promoters. The issue of which events come here is almost beyond our control, because the risk is borne by the operator not us. It would be more risky if we involved ourselves in underwriting very expensive touring bands with large numbers of people. One of the compromises that the Entertainment Centre has developed is to be involved in entrepreuring low-risk events, when the potential losses, as you know, are quite small. That has been a successful way of developing product that otherwise would not occur and of filling the arena.

On top of that, the AEC has been very committed to improving and leveraging its other activities, particularly its fabulous food and other event opportunities. The food at the Entertainment Centre is nothing short of astounding, I would say. It is fabulous catering and fabulous hospitality, and it has the capacity for small events, which are good in that they run when the major venue is not occupied. Having said that, it has come through an extraordinary period of successful event touring. In the past European winter/end of summer period, an extraordinary range of bands and events was coming through South Australia. The business is volatile; it is extremely unpredictable; and the venue has to be maintained and the staff supported through some very flexible arrangements, so it is a difficult business to run.

Mrs HALL: I acknowledge the dramatic change that has taken place in the last two years. I refer to specific references in the Auditor-General's Report at page 1191, where there is a very interesting graph showing the breakdown of revenue for the Entertainment Centre. I note that all revenues are up: the one that is classified 'other revenue' and the corporate suite lease all look to be increasing. Can the minister give a breakdown on what the 'other revenue' incorporates?

The Hon. J.D. LOMAX-SMITH: I am at a disadvantage because I do not have the Auditor-General's Report entirely before me. I have one of the volumes. I did not know that we were supposed to be discussing the Auditor-General's Report.

Mrs HALL: It is referred to in the budget papers and it is traditional for opposition members to use and refer to the Auditor-General's Report. I am just curious to know what 'other revenue' means. It is called 'other revenue' and it has shown a steady increase over three or four years from \$1.9 million to \$2.2 million. I think it is relatively significant. I am actually asking a complimentary question of the performance of the Convention Centre.

The Hon. J.D. LOMAX-SMITH: There was extra funding required of almost \$2 million after 11 September, but

I do not think that relates to the funding you are talking about. There was revenue that came in from government appropriation.

Mrs HALL: It is okay: I will draft a letter and send it to the minister. Will the minister be able to give us an update on the operations of the function centres and, in particular, the restaurants?

The Hon. J.D. LOMAX-SMITH: I believe they are going extremely well.

Ms DEL NIN: With our food and beverage operation there we saw a growth this year of over 10 per cent, and we are predicting for next year a growth again of 10 per cent. But we had already written 90 per cent of that business before the beginning of the financial year, so we think we have underestimated that target and will go back and review it. We have found that it has taken some time for the general population to understand that we do have functions business, but the growth in that area has been exponential lately, particularly in areas where most people would not expect, such as the weddings market, which brought 40 per cent this year.

The Hon. J.D. LOMAX-SMITH: It is because of the good food!

Mrs HALL: Estimates questioning and responses last year, as I am sure the minister would remember, referred to the future of the site. The minister referred to the potential partnerships and synergies that exist with the entertainment and multimedia class of activity. At that stage she did rule out the discussion that had been taking place over a number of years about the Investigator Science Centre being relocated. Is a decision imminent about the future and future partnerships of the Entertainment Centre?

The Hon. J.D. LOMAX-SMITH: The investigator museum is now located at Regency, and I understand that that location is working very well. That is a long-term strategy that is now under the control of the Minister for Science and Information Economy. In relation to the site of the Entertainment Centre, the location clearly has challenges. It is a fabulous location in terms of visibility; it is a very good marketing position; it has extraordinarily high parking capacity, but the area is still relatively underutilised and has the potential for further occupation development and uses. We have spent considerable time looking at the planning regulations, the legal uses of the site and the synergistic operations that might occur. We have progressed the occupation of one of the heritage buildings and its restoration and funded that.

That has been funded partly through the tourism budget and partly through the Department of Environment and Heritage, and the property is about to reopen in its new form. The location, excluding the heritage pub, has been the subject of discussion with the infrastructure department and we are looking at opportunities on that site. Expressions of interest were called for and a number of representations were made from the private sector about possible uses. I am not able to comment upon those specific approaches yet, but the matter is under active discussion.

Mrs HALL: I note the minister's phrase 'active discussion'. Is a decision likely to be made about future potential development within the next six to 12 months?

The Hon. J.D. LOMAX-SMITH: I would imagine within the next 12 months. There are issues to do with the PAR, which is still being discussed with the local council. One of the recommendations was to have a two-storey, I think, or 11.3 metres height limit across the site, which clearly would limit any development potential for the location

and, as the property owner, effectively, we are making submissions on that matter. But I imagine that a decision would be made within the year because one would not want to leave any uncertainty any longer than that.

Mrs HALL: That is all we have on the Entertainment Centre.

The Hon. M.R. BUCKBY: Could the minister outline the reasons for not travelling down the path of the Investigator Science Centre at the Entertainment Centre? What were the reasons behind relocating it to Regency Park rather than relocating it in the form it was at Wayville in terms of the actual size of the centre? Why wasn't the Entertainment Centre chosen?

The Hon. J.D. LOMAX-SMITH: It was a decision made predominantly by the Investigator board, as I understand it. There was a problem with the current site and building, and they wished to very urgently leave that building. There were some financial issues, some building issues and some strategic issues. It was a collaborative move whereby they discussed the issues with the department and the location was found. It has nothing to do with the Entertainment Centre: the Entertainment Centre was not the driver of the decision.

The Hon. M.R. BUCKBY: Was there any indication from the government that it would be supportive of, or investigate, the building of a new Investigator Science Centre at the Entertainment Centre? Was any work done on that?

The Hon. J.D. LOMAX-SMITH: There was considerable work done by your government on that matter. There were several studies performed, there were several scenarios and costings made, and your government would have been party to all that.

The Hon. M.R. BUCKBY: Did you see that as a good idea?

The Hon. J.D. LOMAX-SMITH: Your government did not see it as a good idea.

The Hon. M.R. BUCKBY: We had not made a decision on it.

The Hon. J.D. LOMAX-SMITH: Had you not?

The Hon. M.R. BUCKBY: It is still in there.

The Hon. J.D. LOMAX-SMITH: I am sorry; I was not party to your cabinet discussions.

The ACTING CHAIRMAN: We now move to general tourism, and the South Australian Tourism Commission. Minister, would you like to make an opening statement?

The Hon. J.D. LOMAX-SMITH: No, thank you. I think I gave enough of an opening statement at the beginning of the session.

Mrs HALL: I make reference to the budget paper that covers all the questions that we are about to ask: that is, Budget Paper 4, Volume 3. I will start on page 12.3, but the questions are all around page 12 in the budget papers, and if it changes we will make specific reference to it.

This one refers particularly to tourism targets, and the targets contained within the budget papers refer to international and domestic visitor numbers: that is, an increase in domestic tourists by 30 000 in the next financial year but to maintain international tourists at 300 000. The minister knows that that 300 000 tourist number concerns me greatly because it does not show any optimism that it can get back to what it was several years ago. I have a real concern about any international tourist numbers that drop below 300 000, and that has been a trend. In particular, however, for years visitor numbers have been accepted as a general measuring tool of the tourism industry along with visitor bed nights. The State Strategic Plan, which was referred to by the minister in

her opening remarks, particularly Volume 1, pages 5 and 19, have a reference containing a measuring tool to increase visitor expenditure. Does the minister intend to use visitor numbers as well as visitor nights to measure the tourism industry's success and growth, or does the government intend to use total visitor expenditure as a measuring tool in the future?

The Hon. J.D. LOMAX-SMITH: I always veer on the side of conservative estimates because I think a lot of harm was done in the past with major event marketing when previous governments hyped up figures and numbers. I think that you have to be very conservative and make everything sufficiently statistically relevant and statistically accurate to prove that the return on investment is genuine. That is why I tend to not always promote the media cover spend as a gauge of the success of an event because I think that can be a touch rubbery. I think that it is better to talk about real money in real pockets and real jobs.

There is a trend around the world, particularly if you look at the Australian statistics, which shows that people tend to travel for longer periods of time in some markets. One of the strategies that we have had during difficult periods, including the loss of Ansett, SARS and 11 September events, was to say that, since people were generally travelling less, it would be smarter to target longer lengths of stay, because that produces money, jobs and economic benefit. We have tended to use that as a more meaningful yardstick of effective incomes, economically.

In terms of nights, I think there is some confusion that your predecessor could never quite come to grips with—the argument about yield. Yield is a sophisticated and yet, sometimes, confusing yardstick. Generally, yield is an important measure of profitability. It is sometimes better to get a smaller number of high yield tourists than a larger number of low yield tourists. However, if you look at the yield in some areas such as the yield for a hotel room, clearly, when there is a hotel glut and a building boom you can have record nights but lower occupancy and a poorer yield; so, there are also market issues.

In terms of looking at statistics, you have to be clever—I am not saying dishonest—and work out what the numbers mean and what the appropriate number is. You can look at the number of people coming in and not recognise that the yield is high if those people who come stay longer. Having said that, of course, the target is to increase the numbers. But, during poorer times when there was uncertainty we opted to increase the length of stay. Now the international uncertainty is slightly reduced—I am not saying totally reduced—our attack on numbers is coming to the fore again. We will still want to increase the length of stay and the yield from individual tourists in terms of our \$5 billion target.

We are now in a position where our attack on the numbers is coming into play, and that is why we have been very pleased to see the increase in interstate domestic tourist numbers. The target of international flight numbers was very significant because we were really struggling two years ago when we came into government. I think it was down to 2 700—at its worst just after the election. By the end of the year it will be up by over 4 000 seats per week. When you put that in the context of how many people go to the east coast, we are talking about 220 000 to 240 000 per week. That barrier of inbound flights is very significant but, having got them here, you want to keep them longer.

Mrs HALL: I understand what the minister has been saying, and I accept some of the issues that she has raised.

However, I would be particularly interested to know the definition or the criteria that the government is going to use for 'visitor expenditure.' There is an industry accepted definition of what constitutes a visitor night; the numbers themselves are self-explanatory. But, to have a measuring tool in a state strategic plan that is specific to increase visitor expenditure, I think the committee would be very interested to know what the definition of 'visitor expenditure' incorporates.

The Hon. J.D. LOMAX-SMITH: The \$3.2 billion was set in train as the measure when you were the minister, and I suspect it will be very similar.

Mrs HALL: We would like to know what the definition is.

Mr SPURR: I will start by saying that it is a difficult one because of how you measure visitor expenditure. Even at a national level we are still trying to work that out, but it has the advantage of tourism satellite accounts which individual states do not have. Essentially, the tourism expenditure that we look at it is now measured through a company called Brian Dermott and Associates. Right now we are trying to settle on this measure which is in line with previous measures. Instead of doing it every two or three years, which we used to do through the Centre for Economic Studies, we are trying to get it on the basis of a six monthly study through BDA, which will give us a more regular look at tourism expenditure. The figure in 2001 was \$3.4 million, and we have a projection of \$5 billion in 2008 at the end of the tourism plan. At the moment we are trying to get a more regular measure of total tourism expenditure through a company in Melbourne.

Mrs HALL: I refer to tourism development on page 12.9. The budget allocates \$1.8 million to be spent on infrastructure development—a drop of almost \$3 million from that spent in 2003-04. I acknowledge that very short-term projects came to completion and, in particular, those associated with the Outback Tourism Development Fund. What infrastructure projects will be continuing and will be completed in 2004-05? What were the factors that made the government decide not to give priority to program funding for outback tourism infrastructure?

The Hon. J.D. LOMAX-SMITH: I think that one of the major issues was that we have not spent the money we have, and it has been repeatedly carried over. One of the challenges is that tourism infrastructure development expenditure has to actually stitch together the deals required for a partnership. I am not of the opinion that all the money for any project should come from government. Generally, we have tried to leverage a partnership with a local government, a national park or another operator in order to get more for our money. Sometimes those projects take an extraordinary length of time, because you are often dealing with federal grants moneys or local government outback areas. However, recently we have had several successes. The Innamincka water project is just coming to fruition. It was a very significant project for an area where the sewerage treatment area was below the flood plain and, clearly, not in a good position.

The drinking water was coming from a privately managed home run pump that used to break down, and something like 40 000 people a year go through that small collection of buildings and a pub and one shop. That is one project that we have completed in the Outback. As you can imagine, that was quite a difficult task, dealing with the progress association, the Outback Areas Trust and the local communities. So, in a

whole range of areas it has proved much more difficult to spend money. It is only now that we have completed (and I hope the member has the invitation) the head of the Bight launch—they have not gone out yet, I have been told. That is a project that the member started.

Mrs HALL: Yes, I remember it well.

The Hon. J.D. LOMAX-SMITH: In our budget we gave some allocations for infrastructure money coming the year after next, I believe, that will boost that expenditure.

Mrs HALL: The minister referred to the difficulty in getting some of those projects up and running, and I am well aware of some of the difficulties. However, I understood her to say (I do not think that I am misquoting the minister) that some were not being proceeded with. I understand that she said some projects from Outback tourism infrastructure were not being proceeded with.

The Hon. J.D. LOMAX-SMITH: No, the money is there, and they are rollover funds.

Mrs HALL: So, none have been taken off the list?

The Hon. J.D. LOMAX-SMITH: There were requests for funding, and choices were made.

Mrs HALL: Yes, I understand that, but I understood the minister to say—

The Hon. J.D. LOMAX-SMITH: But nothing has been taken off. The member must have misunderstood.

Mrs HALL: Will the minister confirm one issue, having heard what she has said with respect to that matter? Is the reason why the development fund that has been announced in this year's budget will not start until 2005-06 and onwards that there is Outback money still to be spent?

The Hon. J.D. LOMAX-SMITH: Yes.

Mrs HALL: But does that mean that, because it is Outback money and eartagged, there is no other infrastructure money that can be spent in other regions?

The Hon. J.D. LOMAX-SMITH: No, we have tried very significantly to put funds around the regions. In fact, one of the major infrastructure activities has been the Kangaroo Island power supply stabilisation, which is a \$2 million project, which is occurring in the next year.

Mrs HALL: But the budget papers show—

The Hon. J.D. LOMAX-SMITH: I should point out that that is not in the budget papers. It is not in my budget papers; it is in infrastructure.

Mrs HALL: I understand that. But the budget papers show that the infrastructure spend has got zip for this year.

The Hon. J.D. LOMAX-SMITH: It is one of the vagaries of the budget papers, as the member knows, that carryover does not show.

Mrs HALL: But the carryover, as I understand it, is for the Outback Tourism Infrastructure Fund. What will be spent in regional South Australia if there is no budgeted money—

The Hon. J.D. LOMAX-SMITH: It is something over \$6 million.

Mrs HALL: —and the carryover is not Outback infrastructure?

Mr SPURR: In the coming year (2004-05) there is a \$2.3 million carryover that Treasury has approved that does not appear in the papers because it is a carryover, and that will continue to be spent on the projects of the Outback infrastructure fund. There is also \$1.055 million, which is the Tourism Development Fund, which will be spent throughout the rest of the regions. Those applications are now being assessed for 2004-05. Then in 2005-06, because of the carryover in this year, the government has approved a \$1 million major infrastructure fund in addition to the

\$1.055 million Tourism Development Fund, which is mainly allocated to minor infrastructure.

Mrs HALL: If I heard Mr Spurr correctly, we are talking about expenditure on infrastructure this year of something like \$2.3 million, outside the Outback—

Mr SPURR: Does the member mean in 2004-05?

Mrs HALL: Yes.

Mr SPURR: In 2004-05 it would be a \$2.3 million carryover plus the \$1.055 million Tourism Development Fund. So, a total of about \$3.4 million will be spent in 2004-05.

Mrs HALL: Can you give us a figure on the Outback infrastructure carryover?

Mr SPURR: It is \$2.3 million.

Mrs HALL: If we come back to the other figure, if you exclude that, regional infrastructure accessed money is \$1.3 million?

Mr SPURR: It is \$1.055 million; Tourism Development Fund.

Mrs HALL: I have great concerns about infrastructure spending in that over a number of years there has been access to greater sums of money than that. So, we are talking about a little over \$1 million, which is the infrastructure spend amount, which is meant to cope with initiatives and projects across regional South Australia, including the metropolitan area.

The Hon. J.D. LOMAX-SMITH: We do look at a return on investment: we do not just give money away because someone applies. They have to be valid and fit the criteria.

Mrs HALL: I understand.

The Hon. J.D. LOMAX-SMITH: If a project arises that is of such spectacular impact, we would have that as a specific project. But at the moment we do not have one of those.

Mrs HALL: My recollection was that those funds used to be over-subscribed—something like about 10 or 15 to one. So, maybe they are all getting nervous about investment at the moment.

The Hon. J.D. LOMAX-SMITH: I know that the member has shown great interest in the Auditor-General's account, but I would not like to probe some of the great investments by the last government, such as Warrina—magical projects that have consumed large sums of money.

Mrs HALL: I think the minister ought to be a bit careful: I think that was one of the Bannon initiatives.

The Hon. J.D. LOMAX-SMITH: A lot of money recently went into that.

Mrs HALL: Let us not talk about Mr Bannon, the State Bank and Warrina. I think the minister might get into a bit of trouble there.

Membership:

Ms Penfold substituted for Mr Meier.

Ms BEDFORD: What major initiatives form part of the South Australian Tourism Commission's domestic marketing campaign in 2004-05?

The Hon. J.D. LOMAX-SMITH: That question refers to Budget Paper 4, Volume 3, page 12.13. The national domestic marketing campaign Secrets promotes South Australia's key tourism attributes, that is, wine and food, festivals and events, unspoilt nature, the Murray River, Adelaide as a location and, of course, the Outback. Through an integrated mix of advertising on cinema, pay TV, magazine, outdoor hoardings, press and direct marketing by mail

and internet, we will be trying to distinguish South Australia more from its competitors, and they occur both interstate and overseas.

Our campaign exists to position South Australia as the nation's premier drive-touring destination. In 2004-05 the South Australian Tourism Commission will launch a new domestic tourism campaign that will target interstate visitors in New South Wales, Victoria and South-East Queensland. The new campaign will continue to position South Australia as a premier drive-touring destination by promoting iconic experiences linking to tourism product that is unique to South Australia. The campaign will also reinforce the key holiday attributes that are most highly desired by South Australia's high-yield target market. The creative theme 'Rediscover Yourself' highlights South Australian holiday experiences through key emotional motivators including indulgence, rejuvenation and discover experiences. Campaign media elements will include free-to-air TV in Sydney and Melbourne for the first time in more than seven years. Cinema advertising and print executions through mainstream and niche magazines and newspapers will continue to form an integral part of the campaign.

Given the increasingly competitive domestic tourism market, it is imperative that South Australia positions itself as a compelling destination. To this end, the new cinema and TV advert's central theme of rediscovery uses new vision from most of the state's 12 regions, with iconic tourism images linked to childhood experiences depicting memories of joy, freedom, excitement, discovery and contentment, to list but a few.

Direct marketing will continue to be a powerful component of the domestic campaign, with a new 32-page brochure directly mailed to approximately 240 000 interstate households, with a further 110 000 brochures used as fulfilment and available at statewide visitor information centres, consumer and trade shows, as well as interstate SA travel centres. It is anticipated that the campaign will generate an additional 59 900 visitors from the state's key markets over a three-year period. This represents, effectively, a 10 per cent increase in domestic visitor numbers for South Australia.

Intrastate, the national domestic tourism activity will be complemented by a specific marketing campaign in conjunction with South Australia's 12 tourism regions. An additional \$1.15 million towards the campaign has been allocated in this budget.

Ms CICCARELLO: I refer to Budget Paper 4, Volume 3, page 12.11. What major events were conducted by Australian Major Events in 2003-04 and what events are planned for 2004-05?

The Hon. J.D. LOMAX-SMITH: AME successfully managed five major events: the Credit Union Christmas Pageant; Mitsubishi Adelaide International Horse Trials; Jacob's Creek Tour Down Under; the World Solar Challenge; and Tasting Australia. Some of the improvements that will occur in these events in 2004-05 include Channel 9 having won the broadcast rights for the next three years to broadcast the Credit Union Christmas Pageant. This will see the event broadcast to South Australia's regional areas, as well as to people living in Adelaide. It will also bring a tremendous opportunity to promote the event in South Australia and regional Victoria through Nine's affiliates. The pageant will also be replayed across Australia on the Nine Network on Sunday 19 December, further cementing South Australia as the events state.

The Jacob's Creek Tour Down Under will further be supported by the announcement that AME has bid for and won the rights to host the Australian Open Road Championships in 2005-06. The championships will be conducted over the weekend preceding the Jacob's Creek Tour Down Under. Securing the rights of the championship will add an additional feature to the AME's 10-day international cycling carnival. This will have the potential to attract significant numbers of new visitors and increased television exposure for the state. This event will result in more than a week of cycling, encouraging those who visit for the Jacob's Creek Tour Down Under to extend their stay and linger longer. There are expected to be 400 competitors with up to 1 500 new spectators. The cumulative effect is expected to generate an additional \$700 000 into the state's economy. AME sponsorship commitment is \$150 000 for the 2005 event and \$150 000 for the 2006 event.

The new event for 2005 will be the 2005 Great Australian Outback Cattle Drive, following the success of the 2002 Great Outback Cattle Drive, which was part of the Year of the Outback. The 2005 Great Australian Outback Cattle Drive will reinforce and position South Australia as the gateway to the Outback. The event will profile South Australia to key international tourism markets, resulting in increasing international visitors. The number of tour packages available will be varied and range from three to six days. They will be marketed in the American market using the Amex travel agency network, with another 38 international wholesalers confirmed to sell the product internationally: six from France, five from Italy, 22 from Germany and five from the UK. Nationally, the product has been sold via the South Australian Visitor and Travel Centre.

The 2005 Great Australian Outback Cattle Drive has a total budget of \$2.5 million, comprising \$550 000 from the state government, \$250 000 from the federal government and \$550 000 in corporate sponsorship, with a predicted ticket sale value of over \$1 million. In addition to these exciting events to be conducted by AME, AME will also sponsor a further 11 events, including the Mitsubishi Adelaide International Horse Trials, now being managed by a community based organisation.

The ACTING CHAIRMAN (Mr O'Brien): What is the government's commitment to tourism infrastructure development in South Australia?

The Hon. J.D. LOMAX-SMITH: The provision of tourism infrastructure is one of the most critical industry issues identified in the Tourism Plan 2003-08 under objective 3.4. It also addresses the Economic Development Board's *A Framework for Economic Development in South Australia*, which urges us to invest in projects that expand South Australia's infrastructure base and ensure that adequate funds are available for the state's infrastructure priorities. Some of the major tourism developments that have been assisted through the Tourism Commission this year include Head of the Bight lookout and interpretive centre, redevelopment of the Arid Lands Botanic Gardens in Port Augusta, the upgrade of the Iga Warta Cultural Centre in the Flinders Ranges, provision of water supply in Innamincka to stimulate additional investment in tourism, the Mount Lofty Summit Visitor Centre and associated interpretive signage, the redevelopment of the Goolwa wharf and the Christmas Cove recreational boat facility on Kangaroo Island.

In 2004-05, the South Australian government, through the South Australian Tourism Commission, will spend a total of \$3.355 million on tourism infrastructure. This figure includes

the carryover, as we have heard. The government has also committed \$2 million to the improvement of the power supply on Kangaroo Island, although the funding, as I have described, has not been appropriated in the tourism portfolio, but the department has been the main driver in encouraging this development to occur.

The government has committed to the establishment of an on-going \$1 million major infrastructure fund from 2005-06; the provision of a major infrastructure fund that will enable the South Australian Tourism Commission to continue its assistance with major initiatives. The reason this funding is not coming in until 2005-06 is that we are not confident of being able to spend it on top of our other infrastructure spending commitments. Infrastructure projects are mostly jointly funded, either through local government or regional tourism organisations, and there is a great deal of coordination between the parties that needs to occur before these projects get off the ground.

The benefits of the new major tourism infrastructure fund will be to develop tourism resources that will add to public tourism attractions and lead to destination development; establish investment opportunities through advanced infrastructure provision, particularly in regional areas; enhance the economic benefits for regional areas by providing job opportunities; and contribute to the value of tourism by encouraging increased numbers. It will also establish basic infrastructure and visitor facilities that can be a catalyst for further development by the private sector.

In addition, the infrastructure should manage any potential environment impacts and ensure the protection of the natural environment of a tourism area. The major infrastructure funding will assist with tourism development opportunities in key regional areas of the state, including Eyre Peninsula, Flinders Ranges, Fleurieu Peninsula, the Limestone Coast and the Riverland. Ongoing funding will not only enable the SATC to proactively identify strategic projects that complement the South Australian tourism plan but also allow it to react to opportunities that may arise through independent parties. Joint venture infrastructure projects where public funds have initiated private investment create a short-term construction job surge and longer term employment opportunities with economic spin-offs for regional communities. The government is taking a strategic approach to infrastructure development in line with the upcoming state infrastructure plan to ensure we get the best outcomes for the tourism industry in South Australia.

The Hon. M.R. BUCKBY: The minister mentioned in her answer the \$2.3 million Outback fund. Can she tell the committee on which projects she has been unable to spend the allocated money and why? She mentioned earlier that there had been some difficulty coming to an agreement with private investors with regard to a partnership between government and private investors for those projects. Can she advise the committee exactly what are those problems?

The Hon. J.D. LOMAX-SMITH: The honourable member has combined two responses. I was talking about the impetus for private investors but I was also talking of the difficulty of getting agreements with local government and planning issues, so there were two separate answers. I did not imply we were dealing with private investors on some of our plans.

The Hon. M.R. BUCKBY: What are the projects you are having problems with?

The Hon. J.D. LOMAX-SMITH: I have had problems with all of them.

The Hon. M.R. BUCKBY: I am not aware of them—I would like to know.

The Hon. J.D. LOMAX-SMITH: Innamincka was a problem in developing a strategy to have an equitable supply of water through the town, because it was a problem of residents and business operators. At the Head of the Bight there were issues and we had to make arrangements and agreements with the local Aboriginal community. With the Goolwa wharf it took many years to agree on the development plan and the investment program, and the problem there was that the funding had to be aligned with the local government's funding allocations. The first couple of stages of the Christmas Cove development have just been completed, but there is another stage yet to come and ongoing negotiations because local government made a commitment to fund a project, but there was cost escalation. It is extremely difficult in these projects to get agreement, but to my knowledge none have been abandoned but negotiations have been extended.

The Hon. M.R. BUCKBY: So, in the \$2.3 million, which ones are now outstanding?

The Hon. J.D. LOMAX-SMITH: There is investment in Oodnadatta, which is an old converted railway station, as I recall. It is part of a new museum complex. It is the heritage investments and building restoration on the Oodnadatta, Strzelecki and Birdsville Track.

The Hon. M.R. BUCKBY: Who are you dealing with?

The Hon. J.D. LOMAX-SMITH: The Outback Areas Trust and the local progress associations.

The Hon. M.R. BUCKBY: Where is the sticking point?

The Hon. J.D. LOMAX-SMITH: We are not blaming an individual or a person.

The Hon. M.R. BUCKBY: I am not seeking to do that either. It has been carried over from last year to this year.

The Hon. J.D. LOMAX-SMITH: The local communities have to make an agreement about their wishes. Often we have to deal with small groups. There are also the Blinman activity, which is about restoration and investment in that area, the Parachilna Gorge management plans and a whole range of projects, which have not yet been finalised.

The Hon. M.R. BUCKBY: I am trying to get some idea as to whether we are likely to complete those projects this financial year, or do you believe the problems are such that they are unsolvable? If that is the case, is it because the local community is not able to supply the agreements you are wanting because they consider them unworkable?

The Hon. J.D. LOMAX-SMITH: No; these projects are all championed by the communities—they want the project to progress. It is a matter of making it happen.

Mr SPURR: In each of them, particularly in the outback towns, the progress associations have been involved and, quite rightly, wanted to get total community commitment to every stage of the projects. Whether it be Innamincka, Marree, Parachilna, Oodnadatta, Woomera or Coober Pedy, we have gone back and forth on a number of issues to make sure it is right. For example, with the palm trees at Marree it took a long while to get total commitment by the community, even though the progress association really wanted us to proceed with that part of the project. To get total commitment has proved difficult. I do not think there are any real barriers to our completing all those projects in 2004-05.

The Hon. M.R. BUCKBY: I turn to the Barossa wine train, which the owners have put up for sale. Were there any discussions with you or the South Australian Tourism Commission on the problems with the train? Was there any offer by government to ensure that the train kept operating,

or were the losses so great that it was not feasible for it to continue?

The Hon. J.D. LOMAX-SMITH: I was very disappointed that the Proud Australia group decided to sell the Barossa wine train. Many small and medium businesses sometimes suffer because of management inexperience or lack of expertise in some areas. However, this was a very good operator with a good track record, a very good capacity to market and promote and the capacity to get vertical integration and a whole range of other opportunities. The fact that it was so difficult to make this business successful is a fair indication of the difficulties of running regular trains on that route. We were warned about the sale, and we knew it would occur. We discussed the matter with the operator, who told us about the difficulties with the business. The operation is seasonal and, clearly, it is difficult to promote. It is one of our very charming niche markets. It was a private organisation, and the decision was made that it did not fit in with its future business plan or its view of where it could make good business. So, it was a business decision.

The Hon. M.R. BUCKBY: Was there any discussion about the government purchasing the train? Were there any discussions in regard to other routes for the train? I realise that the train infrastructure is limited in terms of where it might be able to go.

The Hon. J.D. LOMAX-SMITH: Every time a service is withdrawn by the private sector, there are always people who suggest that the government should take it over. There is a certain charming naivete in the idea that we should—

The Hon. M.R. BUCKBY: I am not suggesting that: I am asking whether you had any discussions.

The Hon. J.D. LOMAX-SMITH: Members of the public wrote to me, and the question was constantly: 'Would you like to buy it, or would you like to take it over?' There is always a view that government should allow privatisation of things that make a profit but nationalise things that make a loss. That is not an idea to which I subscribe. Whilst there were many representations from the public about our buying or operating the business, the government would not take it on for the reasons I have just outlined. Having said that, I do not know enough about the rail routes to have even thought of, considered or discussed a new route for the Barossa train. I am sorry, but I am not au fait with all the train routes through the northern areas.

The Hon. M.R. BUCKBY: No; I meant that the Barossa route might be kept open and that there might be other options for the train, or other lines on which the train could be used which would be a tourist destination and provide some opportunity for it to continue operating in the off season.

The Hon. J.D. LOMAX-SMITH: Apparently, we were involved in looking at other routes, but I did not know that. However, they were regarded as unfeasible.

The ACTING CHAIRMAN: Is there any provision in the new airport building at West Beach for a facility to showcase tourism in South Australia? I raised this issue with the Premier a year or more ago. Will there be something to showcase the regions and the attractions?

The Hon. J.D. LOMAX-SMITH: I think that you may have been responsible for setting in train the negotiations, and there will be a visitor information centre set up, with visual and hard copies of brochures as well as advice from individuals.

The ACTING CHAIRMAN: So, there will be something—that is fantastic.

The Hon. M.R. BUCKBY: Of course, the horse trials used to be run in Gawler, and they have been of high interest to me. I was disappointed when they transferred to the parklands; however, we move on. The performance commentary states that the horse trials will be managed by community-based organisations and sponsored by the AME. Which organisations will you be working with?

The Hon. J.D. LOMAX-SMITH: The Chair is David Lindh, and it is a new body called Adelaide Horse Trial Management Inc. As you recall, the event was not regarded as a major event bringing a large number of tourists and interstate visitors, and that is why, with significant financial support from the government (and I think the city council as well), it was returned to the care and control of this separate organisation. In fact, I have been quite astounded by the change in the event since it was taken over by a community group. It is a smaller, more intimate arena setting. There are now trade displays and food stalls, and I think it has actually managed to be as attractive, if not more, to the South Australian public than before. It provides all the safety features, it is a well-run event of international status and it is part of the calendar. I am confident that in its new guise it will survive as a community event but, of course, it requires sponsorship from many sources. The Adelaide City Council is also a supporter of the event. It is not now entirely our responsibility: it is a community event, and it has care, control and management of it. We will watch it with interest.

The Hon. M.R. BUCKBY: Because the organisation you mentioned is running the event, do you expect to make savings on the operation of the event, and how much will those be?

The Hon. J.D. LOMAX-SMITH: Our investment in the event has essentially reduced. I suspect that it was heading towards being a \$1.5 million event. From memory, our contribution was 625 and it is now 300, so we have made substantial savings. It was an event that produced around 1 000 interstate and overseas visitors so it was a fairly low yield, but it was a very significant community event with a lot of community support, and I think the amount of sponsorship is appropriate for that sort of event now.

The Hon. M.R. BUCKBY: Have you reached agreement with Mitsubishi or a major sponsor regarding sponsorship?

The Hon. J.D. LOMAX-SMITH: We are still under negotiation.

Mrs HALL: I would like to come back to tourism marketing, and specifically to page 12.14. The performance commentary notes that a marketing manager has now been recruited for the China/Hong Kong market, which is described as 'the most lucrative emerging international market of the decade.' Will the minister provide the committee with some details about the appointment, job specifications, targets, etc?

The Hon. J.D. LOMAX-SMITH: I will pass over to Mr Spurr. That is a level of detail I do not have.

Mr SPURR: We have now appointed a marketing manager based in Hong Kong, Anna Cheong. She is a native of Hong Kong and has had a lot of experience in the airline industry and working with the wholesale trade in Hong Kong and southern China. Initially, our two key priority markets are Hong Kong and southern China, but the board has recommended that we review this in two years with the possibility of looking at a base in Shanghai as the market and travel agents approved under the approved destination scheme grow in that area. Initially, Anna will be involved with trade training, particularly in southern China.

Trade training is at a much higher level in Hong Kong than it is in southern China. We have an agreement with QANTAS to support a three-year familiarisation program in respect of the trade, and that was a very significant agreement reached in the presence of Anna, who is now currently following through on that and a media familiarisation program to lift knowledge and awareness, particularly in the wholesale trade and the media, of what we have on offer. They are the key initiatives: particularly focused on trade training and media familiarisation to increase the level of awareness and also the promotion of the education sector out of China.

Mrs HALL: Will the minister give us an update on what has happened to the previous representation in Hong Kong and Shanghai or Beijing, I cannot quite remember. Are they still doing any work for the Tourism Commission or is this taking both destinations in its entirety?

Mr SPURR: The representation I think you are referring to was under the old Department of Industry and Trade, with Joyce Mac based in Hong Kong and Ken Zui based in Shanghai. Those two officers remain and we have a very close link with both of them, particularly at the moment. Even though Anna Cheong is based in the Australian Tourism Commission offices in Hong Kong, we have what you would call a mentoring relationship with Joyce Mac, particularly in Hong Kong.

Mrs HALL: So, the corporate knowledge of South Australia and the tourism industry by that former representation is still able to be used in a partnership environment.

Mr SPURR: Very much so.

The Hon. M.R. BUCKBY: Has any work been done between the South Australian Tourism Commission and, for instance, the universities in Adelaide and/or the Department of Education with regard to direct mailing the parents of students who are studying here, because it is shown that on a lot of occasions parents, during the child's term of exchange, will come and visit the country in which they are staying? Given that you are focusing on this market, has any sort of direct approach been made to parents? I say that because, when I was in Vietnam some time ago, the driver for the Australian Ambassador in Vietnam had a child here at the University of South Australia and there were nine families supporting that child's education to come down here to study in Adelaide.

The Hon. J.D. LOMAX-SMITH: It was a very significant initiative that we began more than a year ago, because there were obvious synergies between education and tourism. Those links were forged at several levels. First, there is the recognition that education is almost a subset of tourism. Obviously, there is 'edutourism', where people come for short courses. We have done a lot of work in analysing the market in terms of how many people come to visit students, what the travel experiences of students are, and the particular times in their lives when there are opportunities to bring visitors. One of the key visitation opportunities, of course, is the graduation ceremony, but for school-aged students there are significant opportunities when their parents visit them during the course of their study.

We recognise that education is a subset of tourism and, because of that, the CEO of SATC, Bill Spurr, is actually a member of Education Adelaide. There are projects that occur across the range of activities whereby education marketing is aligned with tourism marketing, in terms of images, brochures and support. The SATC has language documents that are useful for Education Adelaide to take offshore, but

it is also increasingly involved in edutourism product development, and we have had very close collaboration between SATC staff and Education Adelaide staff in promoting packages.

In terms of the question you asked regarding whether we directly mail: yes, we have started to recognise that graduation ceremonies are a major opportunity and we send out specially tailored documentation saying that the graduation ceremony—because they are at different times of the year—is an appropriate time for certain regional festivals, events or holiday opportunities. We have actually been marketing holiday packages around graduation ceremonies as well. We have also been very closely involved with our centre for tourism and, through the CRC for Sustainable Tourism and the professor at the University of South Australia as well as the cultural tourism department at Flinders University, we have been looking at ways to market more effectively through the education sector. You are absolutely spot-on: it is a major area that we took up after the election.

Mrs HALL: I think it is widely acknowledged and accepted—particularly within the tourism portfolio—that marketing and PR representation in many of our major markets is most important across a whole range of areas. Is there any provision in this year's budget for establishing representation in either PR or marketing in some of the emerging markets that, I know, you are particularly interested in and that I was and certainly still am interested in: that is, in the emerging markets of India and the potential of Poland? Has the minister set aside any dollars, or is she able to extract any dollars, to look at PR and marketing in those two emerging markets?

The Hon. J.D. LOMAX-SMITH: I have to say that one of our major focuses in the next few months has to be on New Zealand, because with the new flights it is imperative that we gain leverage and opportunity. I think that the opportunities out of the New Zealand flights are enormous and we would be derelict in our duty if that was not our major focus as well as the issues to do with the Outback. I have to say that I am absolutely with you on India but I have no personal knowledge of Poland—but, once we have taken over India, we will try Poland next! However, I am very pleased that you and I have a similar view about India. Clearly, it is also a great market for education. There is a burgeoning middle class.

We have been very successful in supporting the Bollywood move into South Australia and we do cooperate significantly with film producers to use Outback venues for their films, and that has been a particularly successful activity. I do not think that we should underestimate India, notwithstanding the fact that some of the visa issues are somewhat more challenging for Indian visitors to South Australia. I think that India is a very key future for us, and that is not just for tourism but also for economic opportunities, food exports and also, I suspect, for migration.

Mrs HALL: This is not a question, but I would just like to let the minister know that she would get very strong bipartisan support for getting extra dollars from the Treasurer, who has bucket loads of dollars, to put some resources into establishing the Indian market because I have no doubt that it will be very important in the future.

That brings me to another issue which I personally feel very committed to and very strongly about. Prior to the election the government, the then opposition, made a commitment to ensure that all government departments and agencies were going to include an outline of their multicultural programs in their annual reports. I think that the combina-

tion of multicultural activities and tourism is very important, and so I ask whether in future there is going to be a specific reference to the multicultural programs within the South Australian tourism commission. I also ask about the numbers of publications that the Tourism Commission has in other languages, what they are, and whether any non-SATC publications held in the travel centre are in other languages, and if so what they are. Also, does the commission have a specific policy these days of its own publications in a bilingual or multilingual environment?

The Hon. J.D. LOMAX-SMITH: I think that you are absolutely right about multicultural events. Clearly, there are real tourism opportunities a level down from the wine, the food, the Outback, the aquaculture, the special events and arts activities which are the top runners. Beneath that layer special events are very significant, particularly in regional areas. The Cornish Festival, for example, and a whole range of other activities hit special markets. The opportunities to promote the history of South Australia through Greek, Italian or Polish festivals is very significant and I think there is a very strong multicultural theme running through all our publications and events.

In addition, Aboriginal and indigenous recognition is increasingly to the fore. I was very concerned about the lack of Aboriginal recognition in our tourism documentation, so we are progressively moving towards having recognition of country and language groups and Aboriginal product within our brochures. One of the ones that you were very significant in promoting, of course, was the Yorke Peninsula Wardang Island business plan, and progress on that to date has been very promising, with one business actually starting up thanks to that impetus. In terms of the number of language publications, I cannot answer that. I have seen them in French, Italian and Korean but I do not know how many others we have.

Mr SPURR: Overall, we try to look at about nine different languages.

The Hon. J.D. LOMAX-SMITH: Nine languages. I am not sure if any of them are available in the office. Are they visibly available?

Mr SPURR: Not visibly.

The Hon. J.D. LOMAX-SMITH: That is a good suggestion, and we will take it up and make sure that they are visible throughout the state. Clearly, tourists who do not speak English as a first language will be disadvantaged and might be discouraged.

Mrs HALL: Following on from that issue, are there any bilingual or multilingual staff currently working in the travel centre? With the same criteria, do we have any people with those skills in marketing, PR or the development unit?

The Hon. J.D. LOMAX-SMITH: The front-line players in Europe and Asia speak the relevant languages. You would know, as you have been there many times, that the staff in Paris and Italy are fluent in all the necessary languages. Certainly, when I attended a program for 200 German tourism buyers in Adelaide, I was stunned that I was the only person in the room he did not speak German, so, I think that we cover our interests very well.

Mr SPURR: In particular, there is a number of staff at the Visitors' Centre. We have the numbers, but I do not have them here; we could provide them, and they will include the multilingual staff throughout the commission.

Mrs HALL: I now want to turn to the Australian Tourism Exchange. I know the minister attended this year's ATE. I am asking a question because I am concerned that there does not

appear to have been a finalisation of the issue of Adelaide hosting the event in 2005-06. The minister may know that I was particularly involved in lively discussions with the then chief executive of the Australian Tourism Commission, Mr John Morse, on what I considered to be a particularly arrogant perspective of the ATE always being held up and down the eastern seaboard. After several meetings and much lively discussion, I think it is fair to say there was a reluctant decision made by the ATC in conjunction with great cooperation from all states that the event would now progress clockwise around Australia. There was always a question mark about whether Darwin or Alice Springs may be in position to host it, but I understood that there was an agreement that, absolutely, Perth and Adelaide would host it in 2005 and/or 2006.

I understood that that had to be resolved because there were some issues with our airport that perhaps made it more difficult for 2005. I am sure the minister would be interested to know that I have suggested to the Treasurer on a couple of occasions that, if it is that you are short of funds, he ought to at least make a very generous contribution of the money that is required (which I understand would be less than \$1 million) to bring this very substantial and important event to South Australia, because the agreements were put in place several years ago. I think the Treasurer ought release and open up his cheque-book so that you can finalise the dates and the funding arrangements and make the announcement.

The Hon. J.D. LOMAX-SMITH: I thank the member. She has misunderstood the reason for the announcement not being made. It has nothing to do with our failures or with funding issues. It is a negotiation issue about venues. The agreements, which I am sure she was instrumental in provoking, have been upheld to date in that I believe in 2005 it will be in Perth, and in 2006 we expect it will be in Adelaide. The reason it has not been finalised is that there have been significant debates about a venue. That might not sound obvious to a casual bystander, but the Convention Centre is not big enough. That is a shock to many people and we have been debating, discussing and negotiating how there could be lunch for 2 500 people. We were discussing lunch, but we have to come to an agreement about how we can cater for these people. That is all it is about. We expect the final decision to be signed off in mid-July.

Mrs HALL: Excellent. I will ask a very quick question about the Rose Festival. Where does the Rose Festival fit into the government's events programs? Has it been abandoned, or are there still negotiations underway?

The Hon. J.D. LOMAX-SMITH: I think the member for Morialta might have missed the announcement about this matter. We have reconfigured our sponsorship for a horticultural event. In conjunction with the industry, we will hold an Adelaide's Festival of Garden Living. It will be organised by leading South Australian event managers, Kym Jones Exhibitions and Events. It will be supported by the Nursery and Garden Industry SA, the Landscape Association of SA and the Rose Society. The Horticultural Media Awards will be one of the major events to be held during the program.

The Hon. M.R. BUCKBY: I have one quick question. The Gawler Council is currently considering relocating the Gawler Visitors' Centre from its current site to within the council chambers. Has there been any discussion with the South Australian Tourism Commission about that, and was a result of that discussion?

The Hon. J.D. LOMAX-SMITH: We have lengthy discussions with our partners, and that has been an issue for some time.

Mr SPURR: Currently we are in discussion with the council about its plans and whether, if the council did move it, it could cope with our accreditation requirements for visitor centres.

The Hon. J.D. LOMAX-SMITH: If you have a view on the matter, maybe you would like to discuss it with us. Perhaps you would like to come and see us about that.

The Hon. M.R. BUCKBY: I would be very happy to come and see you about it.

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

Mrs HALL: My question relates to the domestic tourism campaign and future activities in that area. When is the new domestic tourism campaign to be launched? How much will it cost to implement the new campaign and what are the specific dollars that are allocated? How long is it intended that the campaign will run? And, specifically, what commitment has been given to the industry for the duration of the Secrets campaign short and long term, or a version of the campaign: is it a three, five or seven-year commitment to use or build on the Secrets theme?

The Hon. J.D. LOMAX-SMITH: The Secrets campaign has been very successful, particularly in regard to the way in which there has been direct marketing and putting South Australia at the top of many people's destination shopping list. One of the key areas that we have initiated is a brand health analysis, which has highlighted some areas in which we could be stronger and some different focuses for ongoing work. That will be worked on, I think, in the next six months.

In terms of the domestic campaign, we are, if you like, realigning it to be the Rediscover campaign. It will still build on the Secrets profile, because the market awareness and recognition for the Secrets campaign is so high that there would be little purpose in losing that goodwill and knowledge to choose another masthead. Some people have criticised the Secrets campaign. I have heard comments about its sounding as though we do not want people to know about it—that it is a secret—which is nonsense. We have opted to reinvigorate, reinvest and realign.

We used the Secrets masthead for the Unwinding Roads domestic drive campaign, which was extremely successful and which was one of the reasons why our interstate market has been so buoyant; we have had heavily developed bed night numbers from that campaign. The Rediscover Yourself campaign (which will be the next launch) is to be launched on Monday 12 July. It will be set around online brochures, magazine and newspaper advertisements, direct mail, television (as I said earlier, free-to-air and pay TV) and cinema placements, with cinema placements targeted towards our niche markets. For the moment there is no plan to truncate the image and the branding, because it appears to be very successful.

Mr O'BRIEN: What is the government's commitment to marketing regional South Australia?

The Hon. J.D. LOMAX-SMITH: I think that question refers to Budget Paper 4, Volume 3, page 12.13, 'Program for tourism marketing', and Subprogram 4.1, 'Domestic marketing'. The South Australian Tourism Commission is committed to regional tourism through its continuing support of the state's 12 tourism regions. The key role of the Regional Marketing Unit of the SATC is to ensure a consistent and

collaborative approach to marketing and to create a cohesive brand for South Australia across the state.

As of 1 July 2004, all the 12 tourism regions will have for the first time a directly SATC employed regional marketing manager whose role, in conjunction with a voluntary marketing committee, is to develop, implement and coordinate the marketing plan for their particular region, including activities that promote the competitive strengths of the area. Marketing activities include media communications, advertising, consumer show participation, media and trade familiarisations, participation in an extensive cooperative marketing campaign with the SATC and coordination of the production of an annual Secrets visitor guide and promotion of regional events.

In 2004-05, the SATC will provide \$2.4 million in funding to regional tourism marketing committees as per the agreed performance guidelines. This is an increase of 13 per cent over the previous year and indicates a considerable increase for both the Barossa and Kangaroo Island regions. Both these regions will receive a total of \$237 000 in funding. This funding is based on funding targets met by regional stakeholders, including local targets met by stakeholders, which includes local government.

This marketing partnership model significantly increases the tool of marketing resources for the respective regions. In 2003-04, local government and regional development boards invested more than \$750 000, with the industry investing more than \$1.7 million, in partnership with the regionally based committees, to market regional South Australia to intrastate, interstate and, where appropriate, international markets. Regional tourism is mainly small business operators, and the competitiveness of South Australia's tourism industry will be underpinned by the strategic coordination of these individual tourism operators and their capacity to create partnerships between tourism, local government and other key stakeholders.

Funding for marketing the regions is central to the development of these partnerships and, importantly, has the potential to significantly increase tourism numbers, nights and yields, which in turn will fuel employment growth, particularly in regional and rural South Australia.

Mr O'BRIEN: I refer to Budget Paper 4, Volume 3, page 12.13, Program 4, Subprogram 4.1. What is the government's commitment to regional events and festivals in South Australia?

The Hon. J.D. LOMAX-SMITH: The SATC's regional events and festivals program provides funding to events and festivals that generate tourist activity in South Australia and lift the profile of tourism to all the state's regions. As the SATC is primarily a marketing organisation, all funding is granted on the basis that it be used towards event promotion, media and marketing activities. Events supported must work closely with the relevant regional marketing committee to ensure that the event leverages the region's marketing plans and brand attributes. In 2003-04, 83 applications for funding were received for the 2003-04 regional events and festivals program. In total, 70 events were recommended for funding, with total funding by the SATC of \$730 000. This was a significant increase from the \$470 000 provided in 2002-03. For the year 2004-05, 95 applications for funding have been received and it is expected that approximately 76 events will be funded to the overall tune of \$635 000.

Some of the larger events sponsored in 2003-04 include the Feast festival, Barossa Under the Stars, SA Water Bay to Birdwood, and other events including the anniversary of the

Goolwa-Port Elliot railway, the Blinman Hotel Cook Out Back and the Adelaide Symphony Orchestra Al Fresco Penneshaw. In 2004-05, some of the events to be supported will be, once again, the Bay to Birdwood, the Barossa Vintage Festival, Bundaleer Forest Weekend, the SA Wooden Boat Festival and Kernewek Lowender.

Mr O'BRIEN: I refer to Budget Paper 4, Volume 3, page 12.14, program 4, subprogram 4.2. What will be the significance and importance to South Australia of the introduction of direct Auckland to Adelaide flights?

The Hon. J.D. LOMAX-SMITH: The member for Napier has a keen interest in economic development and employment and this will be a real boost for both of these areas in South Australia. The South Australian international visitors statistics show that more tourists come to Australia from New Zealand than anywhere else in the world. The new Qantas flights direct to Auckland announced recently are expected to mean that an additional 26 000 international seats will be coming into South Australia each year. This increase will mean the total number of inbound international seats arriving at Adelaide Airport each week will increase to more than 4 200 by the end of the year, a 40 per cent increase over two years ago.

The new direct flights from Auckland will create an estimated extra 177 600 visitor nights in South Australia on the basis that our research shows that each overseas visitor spends on average eight nights per visit. These new flights have the potential to inject \$16.5 million into the state's economy. It is important to note that in the future there is the potential to ultimately link with direct flights from the US to Auckland and provide visitors from the US with the chance to visit South Australia after New Zealand, rather than only visiting the eastern seaboard.

The value is not only in visitors who spend tourism dollars. It also means new opportunities for trade. New Zealand, for instance, has been identified as one of the markets with the best potential for expansion in our trade and exports arena. Currently, New Zealand is South Australia's fourth largest air freight market. In 2004-05, the government, in cooperation with the ATC and Adelaide Airport, has allocated \$600 000 for a marketing campaign in New Zealand to attract visitors to South Australia. We are confident of success on the basis that, where South Australia has direct flights to overseas countries, we have a minimum of 7 per cent share of the visitors to South Australia. This will allow for South Australia to increase its share of the New Zealand market from its current rate of 4 per cent. Through the hard work of the SATC team and the negotiations led by the Premier, this government has been able to deliver back to the South Australian tourism industry direct flights from Auckland, something that has not happened since 1987.

Mrs HALL: I refer to tourism industry development, subprogram 2.2. Specific reference is made in the performance commentary to the new toilets at Halligan Bay. I want to ask the minister about the toilet policy of the South Australian Tourism Commission. I understand there used to be a booklet that was used by local government and the various economic development areas when they were seeking tourism funding for the establishment of toilets. My understanding is that the toilets that were located at Kingscote were demolished several years—if I had to guess, I would say two years ago—and, given that Kingscote is such an important destination on the island, I would like to know what plans there are or what progress is being made to build some toilets

for public use on the foreshore at Kingscote on Kangaroo Island.

The Hon. J.D. LOMAX-SMITH: A major development at Kingscote is under discussion with local government, a range of developers, national parks and transport. The stage which that development has reached is something I am uncertain about. Mr Spurr might be able to give some information.

Mr SPURR: It is still at the embryonic stage with informal discussions between the council and the developer at this stage. The tourism development guidelines are distributed annually, particularly to local government, in respect of our requirements. It is just not specifically toilets but it includes a whole range of tourism development opportunities with local government. Council has not made any application about the Kingscote toilets at this stage, so we could follow that up.

Mrs HALL: As a supplementary question, I observe from last year's estimates and from discussions with industry that the Kangaroo Island Infrastructure Fund has now been fully expended and I would have thought that, as the promotion and focus continues on Kangaroo Island, it is of concern that there are no public toilet facilities at the Kingscote wharf. I know that the reason/excuse is often given that public toilets are provided in a car park that is up the hill from the development. Can the minister get a report or get me some details later because I would have thought that having toilet facilities at the foreshore is a huge issue for Kangaroo Island because having to walk quite a few metres slightly uphill is pretty inconvenient for people with a disability and for elderly people. Given the green image that we like to promote for Kangaroo Island, when people need to go to the toilet rather urgently, I am concerned to learn that the rocks and the sand area adjacent to the wharf are sometimes used. That should be of concern to all of us, particularly for those people who are there to watch pelican feeding and the penguins.

The Hon. J.D. LOMAX-SMITH: I thank the member for Morialta for her extremely accurate and informed views on lavatory habits in that area. Clearly she has observed problems.

Mrs HALL: Will you get back to me on the progress or otherwise?

The Hon. J.D. LOMAX-SMITH: As Mr Spurr said, we have had no approaches for a public lavatory block in that location. We are happy to find out the status of public conveniences in that area and will speak to the local council.

Mrs HALL: I would be very grateful, since there are no facilities and have not been for a couple of years, as I understand it. How many reviews have been undertaken in the past 12 months within the tourism commission and what subjects have been reviewed; when were they established; what are the terms of reference; have internal or external consultants been employed; and what recommendations, implementation programs or time lines have been established?

The Hon. J.D. LOMAX-SMITH: We are happy to take that on notice. None spring to mind.

Mrs HALL: The success and importance of the bed and breakfast industry in South Australia are well known and acknowledged across the industry. Is it the policy of the minister or the tourism commission to continue their advocacy and requests within government for land tax relief for bed and breakfast operators who have a percentage of the B&B premises exempted? My question relates to the widespread concern within the B&B industry that it is being

levied land tax across the entire property, including the section of the property that is their own personal residence. I understand the tourism commission put a submission to the Treasurer, and he has responded on a number of occasions that he believes that it is an important issue and that he has been looking at it. I have certainly been advocating an exemption for the component or percentage area that the B&B operators live in themselves. Will the minister provide an answer about her position and the position of the industry and/or the Tourism Commission specifically on that issue?

The Hon. J.D. LOMAX-SMITH: Unlike the India issue, the commissioner and I are closely aligned on this matter. Clearly there have been challenges to many businesses across the state because of the increased property values, the most spectacular of which have been along coastal regions, although the same can be said of many inner suburban areas. The issue is a problem where a business has a low income level, as do many bed and breakfast operators. The arguments I can see are quite contentious where a self-maintained bed and breakfast operator runs a business in premises in a coastal region where there have been massive rises in property values. One could argue that the entire business therefore is a property related to business income and that the owner does not occupy those premises.

That is a slightly different circumstance from an owner-occupied bed and breakfast where there have been property increases of quite a large amount. The mechanism of calculating land tax is based on a figure of 28.4 square metres. We have been discussing this matter with the Treasurer, because it might be possible to look at either a percentage pro rata or a different mechanism of dealing with principal place of residence where a bed and breakfast operates, without opening up the whole issue of every private operator of tourism facilities, which is a different subset of problems.

The Hon. M.R. BUCKBY: By way of a supplementary question, I have such an issue with bed and breakfast operations in Gawler. Only two or three weeks ago the owner of the Eagle Foundry Bed and Breakfast approached me on this very issue: 20 per cent of its site is allocated to two bed and breakfast units and 80 per cent of the site comprises their own private quarters. They are similarly suffering on this land tax issue.

The Hon. J.D. LOMAX-SMITH: I believe it was 28.4 square metres. Is that a percentage?

The Hon. M.R. BUCKBY: I will check the details and come back to the minister.

Ms CICCARELLO: I refer to Budget Paper 4, Volume 3, page 12.6, Program 1. What is the purpose of the tourism round table and how will it assist the South Australian tourism industry?

The Hon. J.D. LOMAX-SMITH: I thank the member for Norwood for her interest in tourism. The round table is an industry-government forum that I convened to engage key stakeholders, listen to current issues and encourage partnerships required to help us realise the state tourism vision which, as we have heard previously, is to increase the economic benefit from tourism to the state by the year 2008 to \$5 billion from \$3.2 billion. The state's tourism vision cannot be achieved without specific and successful partnerships. A dynamic tourism strategy can be achieved only within a process that provides the flexibility to respond to change.

The round table is perhaps an eclectic mix of people, reflecting the nature of tourism and the diversity of partner-

ships, from industry, industry associations and key government agencies. There are approximately 50 participants in the tourism round table, and it comprises 80 per cent industry, or non-government people, and 20 per cent key government agencies. The reason for this is that government agencies are crucial partners in achieving the state's tourism goals. The benefit of a round table is that it engages key stakeholders and allows people from different parts of the industry to listen to their views on current issues, which then contributes to a more dynamic planning process, not only stimulating action to implement existing priority tourism strategies but refreshing the tourism plan in the light of current challenges and opportunities.

The round table is an ongoing implementation mechanism. We have met twice in the past financial year and will meet up to three times over this financial year. One of the primary objectives of the tourism round table is to ensure that the state's tourism plan 2003-08, with its visions, goals and objectives, continues to be relevant to the tourism industry and that action is being taken to meet the objectives in this plan. The issues discussed at the previous round table meetings included:

- the importance of Brand Australia and its implications for South Australia;
- infrastructure and investments opportunities in SA tourism;
- monitoring and communicating the South Australian tourism plan 2003-08; and
- the importance of partnerships in tourism between all levels of government, with a strong emphasis on state-local government partnerships.

A small tourism plan monitoring group has been established to monitor the progress in implementing the tourism plan. This group will focus on how the state is progressing with the implementation of specific strategies within the plan and how well South Australia is performing relative to tourism industry indicators.

Ms CICCARELLO: This morning we discussed the Adelaide Convention Centre. I refer to Budget Paper 4, Volume 2, page 12.13. How will the government support the Adelaide Convention and Tourism Authority in 2004-05?

The Hon. J.D. LOMAX-SMITH: At the last national Meetings and Events Industry Awards, South Australia won six of the 18 awards. This clearly shows the excellence that South Australia demonstrates within the meetings and events industry. It is strongly supported and represented by the great many convention and meeting locations to be found in South Australia, including the jewel in the crown: our Convention Centre. With the completion of the recent additions to the Convention Centre, the five-star facility with 10 000 square metres of pillarless floor space is now able to accept large-scale events for more than 6 000 people and offer exhibition and convention options for international meetings of note. Combining with this the new Adelaide international airport in 2005, Adelaide is well placed to be a preferred destination for international conventions.

Next year the SATC will support the Adelaide Convention and Tourism Authority with a total of \$885 000 to assist in its endeavours to seek actively high yielding international conventions and meetings in South Australia. This represents an increase of 26 per cent, and a portion of the money will also be used to set up a joint meetings, events and hotel industry pool to enable ACTA to have the ability to target and attract to South Australia more of the high yielding conventions that boost the entire tourism industry.

Ms BEDFORD: I refer to Budget Paper 4, Volume 3, page 12.13, subprogram 4.1. What innovative marketing strategies are being used by the South Australian Tourism Commission to improve interstate visitation from New South Wales?

The Hon. J.D. LOMAX-SMITH: I thank the member for Florey for her eagle-like eyes in scouring the papers to find that reference. The recently released national visitor survey statistics from the Bureau of Tourism Research demonstrate the importance and the recent success of our domestic marketing campaigns. Almost 2 million interstate visitors came to South Australia in the 12 months to March 2004—an increase of 11 per cent from the previous year, compared with only 4 per cent nationally. Visitors from Sydney and Melbourne accounted for much of the rise. Sydney visitors were up 21 per cent, with nights at 39 per cent. Melbourne visitors were up 6 per cent, with nights up 16 per cent. One can see from these figures the importance of the Sydney market to South Australia. Because of campaigning interstate, nights in South Australia are now at an all-time high of 11.5 million for the 12-month period ending March 2004. On the back of this success, the South Australian Tourism Commission has launched some cheeky advertisements in Sydney.

These advertisements see some Sydney buses, ferries and monorail promoting South Australia as a premium tourism destination. The advertisements see buses fully covered with a pictorial image of South Australian icons with catchy phrases such as ‘Kangaroo Island—our Harbour Tunnel’ displayed under a photo of Admiral’s Arch, or ‘Eyre Peninsula—another great Australian red’ displayed under a photo of coastal cliffs at sunset on Eyre Peninsula. The 2005 Great Australian Cattle Drive will be promoted in major Sydney public transport venues, buses, vehicles, trains and even ferries, with catchy advertisements using the phrase ‘Driving holiday’. These campaigns will build on our success in the past and really promote us on the east coast.

Mrs HALL: I have some omnibus questions, as follows:

1. Did the tourism portfolio, and its components of the SATC, the Convention Centre and the Entertainment Centre, meet all required budget savings targets for 2003-04 set for them in the 2002-03 and 2003-04 budgets? If not, what specific proposed project and program cuts were not implemented?

2. Will the minister provide a detailed breakdown of expenditure on consultants in 2003-04 for the tourism portfolio, listing the name of the consultant, the cost, the work undertaken and the method of appointments again for the three components of the SATC, the Convention Centre and the Entertainment Centre?

3. For each agency reporting to the minister within tourism, how many surplus employees are there and, for each surplus employee, what is the title or classification of the employee and the total employment cost of the employee?

4. In financial year 2002-03, what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2003-04? What is the estimated level of under-expenditure for 2003-04, and has cabinet approved any carryover expenditure for 2004-05?

5. What is the total number of employees with a total employment cost of \$100 000 or more per employee and, as a subcategory, what is the total number of employees with a total employment cost of \$200 000 or more per employee for the South Australian Tourism Commission, the Adelaide Convention Centre and the Adelaide Entertainment Centre as of 30 June 2003? What is the estimate for 30 June 2004?

6. Between 30 June 2003 and 30 June 2004 will the minister list job, title and total employment cost of each position with a total estimated cost of \$100 000 or more; which have been abolished and which have been created?

7. What is the difference between consultants and contractors, and how many people or services that were previously classed as consultants are now shown as contractors; what is the value of their contracts and what are the services they provide?

The Hon. J.D. LOMAX-SMITH: I am delighted to take those on notice.

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

Department of Education and Children’s Services,
\$1 458 237 000
Administered Items for the Department of Education and
Children’s Services, \$137 400 000.

Additional Departmental Advisers:

Mr S. Marshall, Chief Executive.
Mr G. Dodd, Manager, Information Services.
Ms R. Blenkiron, Director.
Mr R. Bos, Director, Finance.
Mr G. De Gennaro, Executive Director, Finance.
Ms J. Riedstra, Director.

Membership:

Mr Scalzi substituted for the Hon. M.R. Buckby.
Ms Chapman substituted for Mrs Hall.

The ACTING CHAIRMAN: I declare the proposed payments open for examination. Does the minister wish to make a statement?

The Hon. J.D. LOMAX-SMITH: Yes. The 2004-05 state budget reinforces the support that this government has given to education and children’s services since we came to office. I acknowledge the former minister Trish White and the Premier for leading this commitment to education in the government’s first two budgets. From the start, this government recognised that it is our preschools and schools that establish the foundations on which young people build their skills, values and opportunities. That is why the South Australian State Strategic Plan has a number of objectives that are centred around our schools.

These long-term objectives include: continuing to reduce junior primary class sizes; having more than half of government and non-government schools participate in the Premier’s Reading Challenge Program by 2006, an objective that we have already achieved; and increasing performance in literacy and numeracy among primary school children, a number of measures to ensure young people are actively engaged in schools, work or further education. These measures are among actions we are taking across the whole of government to strengthen the skills of individuals in our labour force as a whole.

They contrast with the dismal failure of the former (Liberal) government to seriously address retention and engagement of young people in learning. The proportion of students completing year 12 fell to around 56 per cent during their time in office from around 90 per cent when Labor was

last in government. In our first budget, the Rann government dramatically increased spending for education. This budget maintains that momentum. In this 2004-05 budget, education spending for government students has been lifted to an average of \$9 308 per student. This means that the government has increased per capita education spending by 16.7 per cent since the former (Liberal) government's 2001-02 budget.

Since that time, we have delivered more teachers, smaller average class sizes in the early years of schooling, and stronger professional support for teachers and other educators. We have seen improvements to school and preschool buildings through a stronger maintenance program and a capital works program for new school buildings. New programs are helping young people to be in school, vocational training or work or combinations of these opportunities. We are giving particular support to young people at risk of leaving school. This includes a \$28.4 million program to support young people at risk and measures to strengthen retention rates and engage young people in learning. The 2004-05 state budget builds on these initiatives.

We have invested significantly in children's literacy development. A new early years literacy program will provide \$35 million over four years to strengthen literacy skills among young children. This will deliver the equivalent of an extra 125 staff to help children in the early years of education, adding to previous measures to reduce class sizes in the early years. I expect the recently announced inquiry into future directions for children's services to result in a further strengthening of our care and education of children under five and their transition into school. We have again invested in better school environments through maintenance and capital programs. A \$125 million capital program will support more classroom and school facilities and also produce additional facilities for e-education as well as purchasing land and extra school buses.

Maintenance will continue to be a priority, with \$12 million provided this year for general maintenance and the completion of the \$17 million Better Schools Target Asset Program announced in 2002-03. In addition, \$1 million has again been allocated for security grants to schools. We are also investing in improved financial and administrative management systems and improved information for parents and teachers on student achievements, retention and absenteeism rates, including the start of a new student success data system. These and other measures in the state budget should be seen in the wider context of building skills and fostering creativity for individuals in our state over the long term, as outlined in the South Australian Strategic Plan.

To achieve this, we will work with our educational communities to strengthen literacy and numeracy skills, particularly in the early years; engage young people in education throughout their lives; improve learning outcomes, especially for young people who are at risk; and value the professionalism of our teachers and other Education and Children's Services staff. The 2004-05 state budget will support our pre-school and school communities in helping to achieve those aims and, in doing so, develop a sound foundation for the future of young South Australians.

The ACTING CHAIRMAN: Does the lead speaker for the opposition wish to make a statement?

Ms CHAPMAN: No, sir.

The ACTING CHAIRMAN: The first question, from the member for Bragg.

Ms CHAPMAN: On 16 June—that is, last week—the Treasurer was asked a question regarding salaries and wage

expenses across forward estimates: in particular, do estimates of agency wage costs in each of the portfolio statements include any percentage of future wage increases which are not yet the subject of enterprise agreements? He answered, 'I am advised that there is a small provision in there but not the full provision.' Minister, what specific further provision has been factored into the education budgets for the next round of remuneration increases?

The Hon. J.D. LOMAX-SMITH: I think it would put the government in a very peculiar position if we flagged the amount of money that was directly, within the whole of government, available for that purpose. I am not sure if we can answer that question—I cannot give you any more information than that.

Ms CHAPMAN: I have a supplementary question: cannot or will not?

The Hon. J.D. LOMAX-SMITH: I cannot. I do not have any information other than what I have given you.

Ms CHAPMAN: Can the minister give an assurance that all parents or guardians of children who failed the benchmark for literacy last year will be advised before 30 June—which, of course, is only nine days away—in order to be eligible to receive the \$700 commonwealth voucher?

The Hon. J.D. LOMAX-SMITH: I presume that the member is talking about the national benchmarks. Those letters have gone out: I cannot guarantee that they have all arrived.

Ms CHAPMAN: I have a supplementary question in relation to that. So, each of the parents and guardians has had a letter forwarded to them by post; is that the position?

The Hon. J.D. LOMAX-SMITH: I understand that is the case.

Ms CHAPMAN: When was that sent?

The Hon. J.D. LOMAX-SMITH: Last week, I understand. However, it is worth saying that the scheme planned by the federal government has not yet been devised, the information is not available and the mechanism for delivering on that commitment by the federal government has not been elucidated. We do not know when they are going to tender for brokers and we do not know how the system will work.

Ms CHAPMAN: As a supplementary question: notwithstanding that, have you advised all the parents of those 2 300-odd children who failed under the previous benchmark, irrespective of whether they are subsequently eligible?

The Hon. J.D. LOMAX-SMITH: I have not personally advised them all.

Ms CHAPMAN: Your department.

The Hon. J.D. LOMAX-SMITH: There is a condition on the information. It was information based on the first test program being run, and there was some uncertainty about the validity of the results because they have to be taken in conjunction with the results of our own testing. There was some concern about the validity of the first test run, but I am assured that this year the mechanism will be improved and there will be more confidence in the results. I think it is worth pointing out that this relates to last year's year 3s; they are already in year 4, and they will be almost in year 5 by the time this matter is resolved. It is also worth commenting that it is, I think, bad policy to suggest that children fail. You might say that they have not reached the benchmarks. What we would like to do with all children is help them to aspire towards success, not label them as failures.

Ms CHAPMAN: With respect, minister, I described it as 'failed the benchmark', not 'failed students'. But, given that qualification, do you say then that where there has been doubt

on your department's point they have advised the parents in any event, or have those doubtful ones not been advised?

The Hon. J.D. LOMAX-SMITH: As I understand it, we have advised everyone. I understand that the information went out to schools last week with a list of all the figures and the names of those children who did not achieve the national benchmarks. The numbers were not refined down to cut people out: they were left in their raw state.

Ms CHAPMAN: I am pleased to hear that. But, to clarify that, I thought I had asked a question about the parents being advised, and I think you just indicated that the schools have been advised of those students. Have the parents been sent a letter, or the schools?

The Hon. J.D. LOMAX-SMITH: I presume they have. The issue is that there is a very high transient rate and we cannot contact the children's parents directly; it has to be done through the schools.

Ms CHAPMAN: So, the letters have gone to the schools?

The Hon. J.D. LOMAX-SMITH: Yes. The schools knew in any case, but they have been formally informed.

Ms CHAPMAN: As another supplementary question: what action has the department taken to ensure that the schools pass the information on to the parents so that they are sufficiently apprised of the entitlement to have the \$700?

The Hon. J.D. LOMAX-SMITH: As I explained, the system has not yet been worked out. This was an arrangement that was put in place jointly with the governments of all states and the federal government in July 2003. We made an agreement that, as of 2004, year 3 students in 2004 would be tested against national benchmarks. So, the agreement was that this year's year 3s would be tested against benchmarks. As it turned out, the announcement by press release related to last year's year 3s who are, of course, this year's year 4s. The conditions under which we get funding in South Australia for this pilot are that the information be available by 30 June, and we have found a way of getting this data in a state that gives us the most confidence. We have made it clear to the federal minister, to the schools and, I hope, by now to the parents that this is only a rough assessment. It is not the final assessment or the accurate assessment. We have been in negotiation with the commonwealth government, and I understand that some leeway is being given about how the information gets out, but eventually those parents will receive notification from the federal government about their \$700 vouchers.

Ms CHAPMAN: Is a list of the investment program works proposed for 2005-5 available, as requested in my letter to you of 20 April 2004? And, is the 2003-04 list outlined in the aforesaid letter to you and requested of the previous minister available?

The Hon. J.D. LOMAX-SMITH: I would be grateful if you could explain which budget line you refer to.

Ms CHAPMAN: Capital works, page 38. I am happy to again show you a copy of the letter I wrote to you. You acknowledged it on 4 May.

The Hon. J.D. LOMAX-SMITH: I am having difficulty working out where page 38 is.

Ms CHAPMAN: Budget Paper 3, Capital Works. It is Budget Paper 5.

Mr O'BRIEN: I have a point of order. Estimates committee standing order 267(3) states:

The proposed payments for the departments and services contained in the schedules to the bill are referred to Estimates Committees.

Standing order 268(2) states:

The committees may not vote on but may examine a report upon the proposed payments contained in the schedules.

Standing order 268(3) states:

A committee may ask for explanations from the minister relating to the items of the proposed payment.

The minister is being asked to discuss a letter dated 3 May, which was prior to the budget. I have sat here for 15 minutes, and I am yet to hear anything relating to the budget. If I may, there is a certain amount of latitude given, but this is just way out—

The ACTING CHAIRMAN: The committee has some flexibility, but it is not to be abused in terms of wide-ranging fishing trips. The member needs to relate it to the budget. I do not ask members to specifically come back to pages all the time, because it takes up a lot of time. Members should not see this as an opportunity to go on an expedition into all areas. The member might be referring to the capital investment stage.

Ms CHAPMAN: Yes. I said Budget Paper 5, page 38. I refer to the correspondence I wrote to the minister in relation to the forthcoming estimates in a letter dated 20 April in which I refer to the fact that budget papers were to be completed. Does the minister have the letter?

The Hon. J.D. LOMAX-SMITH: I have no idea what you are talking about. I am sorry. I can hardly be expected to know about letters you wrote to another minister. I am struggling to find the page to which you refer.

Ms CHAPMAN: I wrote it to you. It is Budget Paper 5, pages 34 to 38. It sets out a summary of the capital works proposed in this financial year and the carried forward works. On 20 April, I wrote to you in relation to the forthcoming budget on capital works asking that I be provided with—it apparently is not available prior to estimates—the full investment summary statement as prepared at the time of the budget. In that correspondence, which you acknowledged, I reminded you that the previous minister had not provided last year's, but had done so the previous year, and I asked whether it would be available this year. My question to you is: do you have a list of the investment program works, not just a summary as published in the budget, for this year and last year?

The Hon. J.D. LOMAX-SMITH: I have not seen the letter until this moment. I understand what you are talking about now. I cannot respond to the matters you have raised because it seems such a peculiar question. I am sorry; I will take it on notice.

Ms CHAPMAN: I am happy to provide a copy of the correspondence to the minister for viewing. It cannot be tendered. Perhaps during the course of estimates, it can be attended to and looked into, and we will see what response is provided before 9 o'clock tonight if that list is available.

The Hon. J.D. LOMAX-SMITH: I did not expect you to go through all of the letters in estimates. That is why I am not prepared to respond.

Ms CHAPMAN: If the minister has an opportunity to read the letter, she will see that it specifically refers to a document that I sought to be produced today. Is it available? If not, why not? I will give the minister an opportunity to read it.

Mr O'BRIEN: In regard to Budget Paper 3, page 2.37, what are the key initiatives to be taken under the early literacy program?

The Hon. J.D. LOMAX-SMITH: I thank the member for Napier for his interest in literacy. The member recognises that

literacy is the key to employment and future success in life. As I said in my opening statement, this initiative is being introduced in the context of long-term objectives as outlined in the State Strategic Plan. Among these are goals to continue to reduce junior primary class sizes, and to increase the average years 3 and 5 student performance in literacy and numeracy to reach or exceed the national average by 2008.

The Early Literacy Program is a major initiative within the 2004-05 budget. This \$35 million project is a significant commitment over four years to place South Australia at the forefront of the early years learning. It will provide the equivalent of an extra 125 staff within the context of an eight-point plan over four years which will assist children to learn essential reading, writing and spelling and, importantly, communication skills. Briefly, the Early Literacy Program will include the following:

1. An extra 60 teachers to provide one-to-one help to year 1 students identified as being at risk of not achieving year 3 literacy benchmarks.

2. The equivalent of 13.5 extra teachers to support preschools with significant enrolments of Aboriginal children, to reduce the ratio between children and staff. This is expected to benefit up to 1 000 Aboriginal preschoolers.

3. Training of a further 120 teachers by 2006 in the reading recovery program, which can dramatically improve reading ability. In effect, this will treble the number of teachers skilled in this program.

4. Additional funding to enable 30 skilled literacy teachers to work as mentors alongside classroom teachers.

5. At least three days of specialised literacy training to all the state's 2 800 preschool to year 3 teachers.

6. Some 18 extra early childhood initiative coordinators and two program managers to work in school districts across the state on new strategies for preschool to year 3 literacy learning.

7. Every primary school in the state will develop a literacy plan to guide improvement in literacy outcomes for children in the early years.

8. We will develop resource materials to monitor children's progress, intervene when necessary, improve practice and provide information for parents.

This plan recognises that starting early is the most effective way of making sure that children gain the skills and knowledge to prepare them for the future. It is a long-term approach that builds on early initiatives, including the provision in this government's first budget of \$40 million to employ 160 extra teachers to reduce the size of reception to year 2 classes in our most disadvantaged schools.

Mr O'BRIEN: I refer to Budget Paper 4, Volume 3, page 11.5. What new measures are being taken to encourage and develop reading skills among school students?

The Hon. J.D. LOMAX-SMITH: I thank the member for Napier for continuing on this theme of discussing early literacy, a matter in which he is very keenly interested. As part of the \$35 million early literacy plan that starts with this budget there will be a significant focus on training teachers to deliver the reading recovery program. This internationally accredited program can dramatically and quickly improve the ability of children to read. The new funding will provide for an extra two tutors who are skilled in teaching the reading recovery program. This will enable a further 120 teachers to deliver the program by 2006, giving them additional skills to effectively improve the reading abilities of children. This will add to the pool of 54 teachers already delivering the program

this year, effectively trebling the work force trained in the area.

This initiative will also build on our successful Premier's Reading Challenge, which was established with a theme of encouraging children to read. It has proved enormously popular among children from reception to year 9, with teachers in government and non-government schools promoting the program. As at this month, schools estimate that more than 86 000 students have signed up, and more than half of all South Australian schools are participating. Many of the children taking part are well on the way to achieving the challenge of reading 12 books by 10 September this year.

We set out in the state strategic plan to have 50 per cent of schools participating in the reading challenge by 2006. To achieve our target in the first year, as we have, is an astounding achievement and shows the level of enthusiasm our young people have for reading. These initiatives are also being supported by the recent provision of \$2.172 million to assist state primary schools and preschools to purchase books. While the overall early literacy program will make a difference for the reading skills of children as it progresses over the next four years, together these measures will have significant long-term benefits with important outcomes through better achievement in the middle and senior years of schooling and in the literacy skills of the community at large.

Mr O'BRIEN: I refer to Budget Paper 4, Volume 3, page 11.9. How many students with a disability attend state schools and how is the state government supporting their education?

The Hon. J.D. LOMAX-SMITH: I thank the member for Napier for his important question. The number of students with disabilities in public schools has increased from 11 760.7 in 2003 to 12 256 in 2004. This represents an overall increase of 5.07 per cent in the number of students with disabilities attending schools. Funding is provided in the 2004-05 state budget to meet this increase in student numbers, with each student attracting extra funds to the school they attend through the school's global budget. The amount can range from \$1 396 up to \$25 584 per student, depending on the severity of their disability and their needs. Through this funding model there has been a 10.94 per cent increase in funding for students with disabilities in 2004.

This government has also introduced a number of new initiatives to support students with disabilities. These include a new state wide verification and professional support team with expertise in speech pathology, psychology, disabilities and early childhood to provide extra services to students with disabilities and learning difficulties and development of new criteria to determine eligibility of students for targeted support (which will be later in the year). There is also a \$1.43 million initiative to upgrade facilities at four public preschools to cater for children with high need disabilities such as autism. Upgrades to special schools in the Riverland, Woodville, Modbury, Port Pirie and Kilparrin Townsend will amount to \$14 million. A new special education unit is under construction at Victor Harbor High School and a unit has been completed at Findon High School. A help-line for parents of students with disabilities and learning difficulties has been set up to help them to more easily obtain information. In addition, there is a CD-ROM containing career pathways information for young people with disabilities, including some inspirational stories of those who have reached their goals. By these mechanisms we are investing and supporting both young people with disabilities and their families.

Ms CHAPMAN: Sir, I have a supplementary question. Given the commitment of the government to increase funding for disabilities and the identification of the number of students, or full-time equivalents, at 12 256, why is it repeatedly identified in the budget that the additional number of students for funding is unable to be recorded as it is 'dependent on new unified local management funding model, yet to be finalised', which appears on each subprogram reference in the published documents from pages 11.7 to 11.13? In other words, how can the minister tell us the number of students today, when throughout the budget program that is not able to be identified, for the reason I have just quoted.

The Hon. J.D. LOMAX-SMITH: As I understand it, there was an inequity with some schools that were not locally managed receiving their allocations under previous funding models. There was a need to resolve the anomalies so that all schools operate under the same allocation scheme. That is why a new model is to be introduced, because it is a matter of being fairer to all schools.

Ms CHAPMAN: I understand that you cannot put the numbers in there, because they are not available due to this reform. But the minister is able to tell us the figures here today. This budget was handed down a month ago. When were these figures available and how would we identify them?

The Hon. J.D. LOMAX-SMITH: As I understand it, we have to use these numbers to fund under the current model.

Mr O'BRIEN: I have a supplementary to that question, as well, and the minister may take this on notice. Can the minister inform me of the progress in replacing the building which housed the centre for hearing impaired children at Elizabeth Park school which was destroyed in the fire?

Ms CHAPMAN: As a point of order, that was not supplementary to the question about disability funding.

The ACTING CHAIRMAN: It is not, but the chair is being fairly tolerant. The member for Bragg has had some tolerance, too. It is not strictly supplementary.

The Hon. J.D. LOMAX-SMITH: I could ask Ms Riedstra to respond to that if she has the information available, otherwise we will take it on notice and come back later with that this afternoon.

The ACTING CHAIRMAN: Just on the issue of children with disabilities, what evaluation have you done or are you doing to see whether mainstreaming or integration is working for the children and for the wider community? In the United States they went to the point of having children in oxygen tents in classrooms because some parents wanted that. It was not necessarily in the interests of all the children. What evaluation have you done to look at the trend here, which is not quite to that point, but it seems to be following closely behind it?

The Hon. J.D. LOMAX-SMITH: I have not been responsible for an inquiry on that matter but it is interesting because some schools that have had mainstreaming have been initially quite resistant to the plan to integrate children with disabilities into the mainstream within their school, but each of the places that I have been to where that has occurred has commented on the outstanding degree of collaboration between the mainstream school and the disabled groups, with young people from the mainstream spending time each day supporting and caring for children with disabilities and taking part in their learning programs. At one of the secondary schools I visited, students went so far as to say it had affected

their career choices because they had exposure to nursing or supporting the disabled.

I have no specific response to the question of the impact or the success of mainstreaming, but anecdotally in the schools that I have visited I have been extraordinarily impressed by the facilities available. I know that the social inclusion people are also looking at the impact of our process on disability groups, but I will take your question on notice to see whether any information can come to hand.

Mrs PENFOLD: My question relates to Budget Paper 5, page 38, capital works. Which schools are to receive a replacement bus for their school transport services program and will all area schools be guaranteed to receive at least one departmental bus?

The Hon. J.D. LOMAX-SMITH: I am afraid I do not have that information to hand. I will take it on notice.

Mrs PENFOLD: I have a supplementary question. Do any of the schools have local transport or bus services available and, if so, has any feasibility been undertaken to contract these services to provide school bus transport? If not, why not?

The Hon. J.D. LOMAX-SMITH: That is an operational matter. I will pass that over to the CEO. They are not contracted out.

Mrs PENFOLD: Not all of them.

The Hon. J.D. LOMAX-SMITH: We will have to take it on notice.

Mr SCALZI: I refer to Budget Paper 5, page 37, capital works. Will the minister advise what is the cost of the lift to be installed in the Sturt Street Community School?

The Hon. J.D. LOMAX-SMITH: The need for lifts in schools is part of our disability requirements. Federal regulations will require us in the future to spend considerable moneys in upgrading to get access in our facilities. There are lifts now in new schools and buildings where there are two storeys, for example, Victor Harbor High School middle school building, which was completed in 1999. Other school redevelopments that have included provision of a lift include Adelaide High School, Henley High School and Unley High School. In existing schools not undergoing significant redevelopment, DECS operates on a program that will only provide lifts if there is a significant upgrade, but we do recognise the need to meet legislative access compliance regulations in new schools. I will take the question on notice as to the cost of the lift in Sturt Street.

Mr SCALZI: How does it compare to the cost of lifts in other schools? If there are lifts in other schools, one would have thought that some sort of costing would be available.

The Hon. J.D. LOMAX-SMITH: One would imagine they would be about the same cost. I cannot imagine they would be a magnitude of manyfold different.

Mr SCALZI: But we do not have any specific costs.

Ms CHAPMAN: Supplementary to that, will the minister take that question on notice, that is, that the information will be provided?

The Hon. J.D. LOMAX-SMITH: We agreed to that.

Mr SCALZI: In view of the extra works and cost blow-out of the Sturt Street Community School redevelopment, how many of the 70 children enrolled will commence later this year?

The Hon. J.D. LOMAX-SMITH: I understand the enrolment will be 109.

Mr SCALZI: In view of now disclosed soil and wall contamination of both arsenic and cadmium, has any notice

been issued to parents of children enrolled either presently or to commence later this year? If not, why not?

The Hon. J.D. LOMAX-SMITH: The site contamination studies, inquiries and rehabilitation were carried out to a very high degree. In fact, I was somewhat shocked to learn that some of the standing buildings had their cement slabs drilled through in order to test soil samples beneath the slabs. That was over and above the call of duty because certainly if a building is demolished you could test the bare land afterwards and not before you demolish it, so it was a very ambitious and extensive analysis. Some of the contamination was under cement slabs, some was concealed below floorboards and some was in soil surfaces. The level of contamination is such that some soil was removed, some covered and some sealed. Best practice was complied with and the school council, and I imagine all staff and parents, would know that that was going on and there is no cause for concern as there has been no risk.

Mr SCALZI: Did you say that parents were notified in writing?

The Hon. J.D. LOMAX-SMITH: My understanding is that the council knows. I have not written to every child in every school, but the site is safe. There is no doubt about that: from the risk analysis, from the EPA and from all the information I have received from information available, there is no risk on that site.

Mr SCALZI: Have letters been sent or not?

The Hon. J.D. LOMAX-SMITH: The site is safe.

Mr O'BRIEN: On a point of order, this is all operational detail—it has nothing to do with budget lines.

Mr SCALZI: If it is \$6 million, surely parents should be notified.

The ACTING CHAIRMAN: The member for Florey has the floor.

Ms BEDFORD: I refer to Budget Paper 4, Volume 3, page 11.2. What additional staff has the state government provided to schools in recent years and in this budget to reduce class sizes and improve learning outcomes in our state schools?

The Hon. J.D. LOMAX-SMITH: I thank the member for Florey for her commitment to public education. This budget delivers a major increase in staffing that will strengthen educational opportunities for young people. In particular the new \$35 million early literacy plan over four years will provide the equivalent of an extra 125 staff with a major focus on improving literacy skills. The \$35 million plan complements the \$40 million we provided in our first budget to employ 160 extra teachers to reduce the size of reception to year 2 classes in our most disadvantaged schools. The average size of a junior primary class in a South Australian government school is now 20.1 students—among the smallest in the nation and as low as 15.1 in highly disadvantaged schools.

In 2004, a total of 112 schools received additional staff through this funding provision. This means that there are more people. I am listening to the member for Bragg's allegations about the quality of teaching in public schools. I know she does not support public education.

Ms CHAPMAN: I ask the minister to withdraw that comment. I have not even mentioned public schools here today yet and the assertion that I made a comment that is disparaging to public schools is quite out of order.

The ACTING CHAIRMAN: Order! We do not have to replicate bad classroom practice here.

Mr Scalzi interjecting:

The ACTING CHAIRMAN: The member for Hartley used to teach children: he should know that you do not call out in a classroom or here. The minister should not make provocative statements. I cannot make her withdraw as it is not unparliamentary, but it might help for good order and world peace if she did not make provocative statements.

The Hon. J.D. LOMAX-SMITH: I will apologise and will try not to listen to the member for Bragg in future. This means that there are more people to help drive school policy and to support the work of teachers in the classroom. The overall objective is to improve literacy and numeracy outcomes for children and students.

In addition, this year 150 primary counsellors' salaries have been allocated to 275 schools with a primary enrolment. This means that an additional 135 schools have gained the support of counsellors since we came to government. Funds of \$500 000 are provided in this state budget to further support the work of school counsellors. This will support the training and induction of counsellors and recognises their value as skilled staff at the forefront of child abuse identification, intervention and prevention.

The state government has also directed \$5.6 million over the period 2003-06 to the student mentoring program. This means that there will be 80 teacher mentors in 45 schools with secondary enrolments supporting up to 800 secondary students. These measures demonstrate that the state government is ensuring that our schools have the staff and support to assist children to achieve their potential.

Ms BEDFORD: I refer to pages 11.5 to 11.22 in the same volume of Budget Paper 4 and ask the minister whether the better schools program has resulted in improvements to school facilities, and will the backlog of school maintenance work continue to be addressed through additional funding in the 2004-05 year?

The Hon. J.D. LOMAX-SMITH: I thank the member for Florey for her commitment to public education. The Rann government has increased per capita education spending by 16.7 per cent since the former Liberal government's 2001-02 budget. We have seen improvements in school and pre-school buildings through a stronger maintenance program and a capital works program for new school buildings. In the next year \$12 million will be committed to general maintenance alone. We acknowledge a large backlog of maintenance requirements left over from the previous Liberal government's lack of effective attendance to these important issues for schools.

This government has put in place a systematic program to address these requirements. Already the \$17 million better schools targeted asset program announced in the 2002-03 budget has assisted 165 schools. This program is improving facilities such as administration buildings, school toilets and play areas. In addition, \$1 million has again been committed for security grants to schools. The Rann government remains strongly committed to the continual improvement of our schools and preschools. The maintenance work will complete our investment of \$125 million for our capital works program in this budget. This will see the provision of more classrooms and the redevelopment of administration facilities, as well as the building of purpose built curriculum areas.

Ms BEDFORD: I refer to the same volume, page 11.15, sub-program 2.1. How will the funding allocated in this year's budget address the increasing demand for child care services in our state?

The Hon. J.D. LOMAX-SMITH: There is indeed a growing need for child care in South Australia. The Depart-

ment of Education and Children's Services recently conducted a telephone survey of child-care centres across metropolitan Adelaide. It found that there was an acute shortage of vacancies in child-care centres. This shortage also extends to family day care and outside school hours care services. As the member would recognise, the number of places we have available is dependent on federal government policy. Lobbying of the federal government has resulted in additional places being allocated to family day care and outside school hours care. These additional places could see these sectors grow by at least 10 per cent in the next 12 months.

Unfortunately, the federal budget included no new measures to address child-care work force pressures. This state government recognises that providing a high-quality child-care service also requires extensive facilities and adequate numbers of qualified workers. In this budget, families with young children will benefit from a \$1 million injection into child-care facilities targeted towards reopening and restoring four disused child-care centres in Adelaide's northern and western suburbs. This capital investment will deliver an additional 150 child-care places over the next 12 months. Three of the centres will be located in The Parks, Enfield and Davoren Park, with the fourth location to be finalised. The Enfield service will be located at Enfield Primary School with the Children and Families Everywhere project, which provides a host of services in one location. The first centre to open in July will be situated adjacent to Swallowcliffe Primary School at Davoren Park, with the remaining three centres expected to open during the next 12 months, when building works are complete.

Reopening these centres will bring back a vital service to these communities and boost the number of community-based centres depleted through withdrawal of federal government subsidies in the 1990s. It will also support the social inclusion work this government is undertaking across government to provide better opportunities for South Australians living in lower socioeconomic areas. This initiative builds on previous budget commitments of this government which have invested in training and human resources. For instance, a scholarship fund of \$100 000 previously allocated in this budget will allow approximately 140 unqualified child-care workers to achieve qualification by the end of 2004. These initiatives recognise that families with young children need greater support to enable them to juggle work and family commitments. This is particularly the case for single-parent families, parents who are undertaking study and further training and those parents without extended support bases. The state government will continue to advocate for a better deal for the child-care sector in South Australia and for the young children and families that this sector supports.

This state government is also looking at future directions for child care and preschool education. A three-month inquiry into children's services in South Australia will consider the care and education of children under the age of five and their transition into school. This is the first inquiry of its kind in more than two decades. It will be a timely look at the services provided in the lead-up to school and whether they meet the needs of both parents and children. We will look at the availability, adequacy and affordability of services, as well as the transition of children through care, kindy and junior primary school. We know how important this is to the future of South Australia and all South Australian families.

Ms CHAPMAN: It is commendable that four new centres will be looked at on a community centre basis, and you

indicate that you have done the research in relation to vacancies in the metropolitan area. If child-care centre provision is at such a critical stage, why are the 25 applications before your department seeking the opening or extension of centres not being processed in a hurry?

The Hon. J.D. LOMAX-SMITH: From experience, I have learned to ask for evidence of these assertions before I take them up and respond to them.

Ms CHAPMAN: I take it that the minister then indicates that she needs some confirmation (which she can get from her own department) of the applications for extensions seeking to be assessed currently before the department? Is that what the minister seeks, namely, the names and addresses of the sites currently in her own department before she will answer why she is not processing them?

The Hon. J.D. LOMAX-SMITH: I have no evidence of those assertions, and I do not know whether they are true.

Ms CHAPMAN: The senior level of your whole department is sitting here. Do I take it that none of them knows what number of applications is before them for extensions or new child-care centres?

The Hon. J.D. LOMAX-SMITH: I think that there has been an extraordinary turnaround in interest within DECS about early years education, child-care and preschool.

Ms CHAPMAN: I am talking about child-care centres.

The Hon. J.D. LOMAX-SMITH: Absolutely—and it is the federal government—

Ms CHAPMAN: Wrong, minister: this is your responsibility for the registration—

The Hon. J.D. LOMAX-SMITH: No; child-care places—

The ACTING CHAIRMAN: Order! This is not a debate.

Ms CHAPMAN: I am talking about child-care centres.

The ACTING CHAIRMAN: Order! The minister is trying to answer.

The Hon. J.D. LOMAX-SMITH: We know that there is a shortage of child-care places, but we have turned our attention dramatically to the care and education in the early years of nought to five and on the early years at school. We are implementing a study of and an investigation into these years. We are putting money into training child-care workers, and we have reopened four centres that were closed. We are putting resources, time and energy into this area. It is not the minister's job to micromanage every application by every individual and to run this large organisation. The honourable member has to understand that I am happy to talk about policy and the political issues that relate to policy development and funding, but it is not reasonable to expect me to check and respond to an assertion, without going back to the department, about there being a certain number of applications that have not been responded to. We will find out the answer but, in saying that we will take that question on notice, I do not agree to the assertion that there is a backlog.

Ms CHAPMAN: I appreciate that, minister, and I look forward to the answer. I refer to Budget Paper 3, page 11.2. Of the 12 places of fraud identified and investigated in 2003, how much, if any, of the funds lost have been recovered, and what is the status of the balance of any fraud cases where there has been no recovery?

The Hon. J.D. LOMAX-SMITH: I do not have any data on fraud, but I am very happy to bring back a reply.

Ms CHAPMAN: During the past two financial years the Auditor-General has expressed a qualified opinion on the financial statement, as he is unable to obtain sufficient appropriate audited evidence in respect of the financial

statement of government schools. Of course, their financial statements are subject to audit by private sector auditors. Minister White was going to remedy this situation. Has this occurred? If not, why not?

The Hon. J.D. LOMAX-SMITH: I have no information on minister White's commitment to you on this matter.

Mr DODD: We are currently working on the current financial year's financial statements with the Auditor-General, working on that particular issue. We understand that the progress we are making so far will lead to our not being qualified this year. At this stage, it is still subject to the Auditor-General's finalisation of his work.

Ms CHAPMAN: As a supplementary question, at this stage you are working on the process of how you are going to bring these school accounts into the audit process, which is what minister White indicated a couple of years ago. She was keen to also see some accountability for the schools, rather than the Auditor-General being quarantined from being able to look at that. That is why we continue to have the qualified reports. Do I take it from that that you are still looking at it and working through with the Auditor-General as to how you might achieve that?

Mr DODD: We are of course having the audits done by private sector auditors. The issue that the Auditor-General had was not that the audits were being done but that the private sector auditors were raising a number of qualifications. We have been working with schools and the private sector auditors to address those qualifications, and we are also working with the Auditor-General to ensure that the work we are doing will in fact satisfy him that we have addressed that issue. We had our most recent meeting with the Auditor-General's representative last week. At this point, we are optimistic that the qualification will not occur this year. Ultimately, that is subject to the Auditor-General and the work he is still doing.

Ms CHAPMAN: I think that we are at cross-purposes. There is no suggestion that the current process is not identifying the schools through their private auditors where qualifications need to be looked at. The fact that these school budgets are outside the Auditor-General's and are being privately audited was an issue that the then minister was going to look into to see if they could be brought under the whole umbrella in relation to those qualifications being able to be identified and dealt with by the Auditor-General and not separate audits.

Mr DODD: I understand now. You are asking whether the Auditor-General could and should audit the individual schools accounts.

Ms CHAPMAN: That is what the minister indicated two years ago when we were here.

The ACTING CHAIRMAN: Order! Questions must go through the minister.

The Hon. J.D. LOMAX-SMITH: I am afraid that that historical material is stuff that I am not prepared for today. I do not know what that commitment was. I am very happy to ask minister White what commitment she gave and what action was taken.

Ms CHAPMAN: Given the Treasurer's announcement in relation to the reduction in payroll tax, what is the saving of this tax for the Department of Education and Children's Services in the 2004-05 year and in which line of the budget is it identified?

The Hon. J.D. LOMAX-SMITH: That is the sort of operational detail that I cannot give the honourable member. We will take that on notice.

The ACTING CHAIRMAN: The school system faces some enormous challenges in terms of management of behaviour caused by a whole range of factors: intellectual retardation in parents and children; mental illness; foetal alcohol syndrome; and drug and alcohol-affected children. What measures are you taking to try to assist teachers and principals to deal with this very serious issue in our community, which is affecting the learning not only of those who have the problems but of others who do not?

The Hon. J.D. LOMAX-SMITH: A lot of these behavioural issues also relate to bullying and inappropriate behaviour, and there is a school discipline policy that requires all schools to develop strategies to ensure that the safety and wellbeing of students and staff involve the whole school community in defining appropriate standards of behaviour and develop partnerships between homes and schools to establish clear consequences for such activities as bullying. The strategies we are introducing in schools relate to the curriculum around protective behaviours, conflict resolution, peer mediation skills, sexual harassment and racism as well as student decision making forums, including class meetings. There are some peer support and pastoral care programs in place, and we are raising awareness about these issues within the school community.

A lot of inappropriate behaviour continues after school, and those habits that are set in place are difficult then to deal with. We are also dealing with the matters of a national safe school framework, with its focus on bullying and harassment, and we are introducing more student wellbeing coordinators into district offices to support schools and school counsellors. On top of that, we have a school care centre and safe schools program about sites being safe in their design and management, facilities that might be installed, and we are looking at the whole issue of suspensions and exclusions. Clearly, inappropriate behaviour can be dealt with by immediate exclusions and suspensions but, under some circumstances, that does not always produce the desired behavioural response, because it almost rewards bad behaviour.

Increasingly, we are putting energy into supporting people who are or who are likely to be suspended, a whole range of stages, with intervention, but also supporting the education they receive when they are suspended. One of the programs run out of the department is an online and individually monitored program for individual young people who are excluded, to give them continuing education opportunities. Sometimes the period of suspension or exclusion is one during which they re-engage in the learning experience. If we can do that and keep those young people engaged, then we are winning on all fronts.

The ACTING CHAIRMAN: In relation to having the professional people, psychologists and so on being able to refer young people for help where that is needed, I am told by many teachers and principals that there is a considerable waiting time both for assessment and, importantly, for an appropriate program to deal with the issues. What resources or increased resources are being put into assessment and appropriate referral to programs?

The Hon. J.D. LOMAX-SMITH: We put in an extra \$1.2 million for those speech pathology and guidance programs to support schools. We are also interested in the way that services interface, in that very often an individual—I hate to call them a client—receiving services from one part of government is also receiving them from other parts of government. One of the other challenges is to make a single shopfront almost; to make the one interaction with the school

counsellor open up other interactions and opportunities for support.

One of the areas that we have been looking at is trying to get better interactions with the school so that both FAYS and DHS staff and referrals throughout the government system can be more streamlined. We are also using that mechanism which was one of the Layton report's recommendations. I cannot remember the reference number, but one of their reference numbers referred to better coordinated access to services, and I think it is very important that where a school counsellor identifies an issue or a problem they have good, easy and quick access for children at risk. For instance, we have been able to support early childhood psychology services with three additional psychologists, and we are working on service provision to work out how we might better allocate services across government to interface with children.

Ms CICCARELLO: I refer to Budget Paper 4, Volume 3, page 11.5. What strategies has the state government implemented to improve school retention rates in South Australian government schools?

The Hon. J.D. LOMAX-SMITH: Unlike the previous government, improving school retention rates happens to be a primary focus for this government. In one of the most significant efforts in many years to reverse the decade-long decline in school retention rates, the state government has allocated \$28.4 million over four years to the social inclusion unit in the Department of the Premier and Cabinet. This funding is for strategies to increase the number of students completing 12 years of education. Due to the inaction of the previous Liberal government in this crucial area, the percentage of students finishing year 12 fell to about 56 per cent. The state government wants a return to the days when Labor was last in government, when approximately 90 per cent of students finished their schooling. It is irresponsible for governments to let young people walk away from school early. It is clear that quality life chances for young people and their long-term employment prospects are enhanced when they complete 12 years of education.

The \$28.4 million action plan is based on partnerships between young people, their families, schools, government agencies and communities. DECS, in cooperation with other agencies, has begun to implement key projects. For example, an accommodation project to support Aboriginal students to complete their SACE is operating at Para West adult campus. The Para West Sports Academy project uses sport as a link in engaging young Aboriginal people in education and training. In addition, funding of \$1.4 million per annum has been allocated for the DECS budget for the student mentoring program that commenced on July 2003. Teacher-mentors work with students to identify barriers to learning and develop solutions to overcome these, including supporting literacy and numeracy skill building. They build the self-esteem and resilience of students. Eighty teacher-mentors are currently supporting up to 800 secondary students across 45 DECS schools. Feedback collected from teacher-mentors and school leaders indicates that students, parents and school staff believe that it is having a significant impact on young people's perceptions of themselves and their desire to engage, succeed and remain in schooling and/or training.

It is clear that students must have an incentive to complete year 12; they must be able to feel that what they are learning is enjoyable, worthwhile and relevant to their future lives. That is why we have embarked upon the most significant reform of senior schooling in South Australia in more than

a decade by reviewing the SACE for students in years 11 and 12. This state government is putting real dollars and real action into the issues surrounding early school leaving.

Ms CICCARELLO: I refer to Budget Paper 3, page 2.37. What outcomes will be achieved with the government's investment in a data collection system for the Department of Education and Children's Services?

The Hon. J.D. LOMAX-SMITH: I thank the member for Norwood who, I know, is interested in the statistical analysis and the way that we manage our systems. The new system to which the member refers will be developed within DECS in order to better collate student information. Funding of \$807 000 has been allocated in 2004-05 and over \$250 000 ongoing to develop this data warehouse system that will far exceed the collection capabilities of the Education Department School Administration System (EDSAS). EDSAS was used for the administration of schools' finances, human resources and student records and the way they are administered over 600 school sites. Collating data from schools with this system can be cumbersome, making the use of data in determining trends, making comparisons and keeping records for students across schools difficult.

The first priorities for the new warehouse will be literacy and numeracy (LAN) test data, school census information, school attendance data and financial information. For the first time schools and districts will have data at their fingertips to enable them to better manage their affairs. Even data from their own school will be reported back in ways that are not possible using the limited reporting capacities of EDSAS. In order to manage we must first be able to measure, and this is particularly evident in the realm of policy development. The warehouse will provide schools, district offices and the state office with a rich resource of consistent data that can be used to analyse performance, inform decision-making and allow longitudinal research data to be assessed.

This government is ensuring that appropriate funding and staff resources support our key education priority areas of literacy, numeracy, attendance, retention and engagement. This system will make sure that we can effectively measure progress and improve accountability in these areas. In particular, by giving schools better access to key information, including trends in student achievements, school retention, absenteeism rates and enrolments this initiative will also support the government's \$28.4 million investment over four years to strengthen school retention and assist students at risk. Parallel projects which will dramatically increase the effectiveness of the data warehouse are also being introduced to create central copies of school data and enable the management of a unique identifier for students and improvements in bandwidths within schools.

Ms CICCARELLO: Budget Paper 4, Volume 3, page 11.5 will certainly be of interest to my colleague the member for Giles. What is the state government doing to attract teachers to schools in our state's country regions?

The Hon. J.D. LOMAX-SMITH: I thank the member for Norwood. She is right: the member for Giles has consistently lobbied and supported this program. It is a fact that many schools in the country regions of our state need teachers to work in full-time, part-time and relief jobs. Sometimes it can be difficult to find teachers who are prepared to relocate to the country to teach. Country towns—

Ms Chapman interjecting:

The Hon. J.D. LOMAX-SMITH: I have noted the member's desire to close another school; it was one of the great achievements of the last government to close schools.

Country towns often see their younger citizens leave to study and work in Adelaide. This state government is working to address these issues through the Country Teaching Scholarships, which is the first scheme of its kind in South Australia. An ongoing budget allocation of \$500 000 per annum has been allocated to encourage those who live in country South Australia and who are thinking about studying teaching to apply for a state government country teaching scholarship. I know that the member for Flinders supports this program, even if the member for Bragg does not.

Country residents have no choice but to travel to Adelaide to study teaching. Country residents are able to apply for scholarships of up to \$2 500 per year, that is, \$10 000 over four years to help meet accommodation, travel and living expenses whilst they study. Scholarship holders must pass each semester of their studies to continue in the scheme, and after finishing their studies scholars are required to teach at a country school for a minimum of two years. To date, the Country Teaching Scholarships have been extremely popular: 165 students from over 50 country towns across the state are currently participating in the scheme. It is anticipated that this figure will increase to approximately 200 in 2005. Twenty four scholars have already commenced teaching in country schools in 2004, and 61 will commence teaching in country schools in 2005.

The availability of scholars to begin working in country schools this year has meant greater certainty for regional education. In the two years of the scheme, over 600 applications have been received, clearly demonstrating the value placed on this opportunity for country students to enter teaching. As well, the Country Teaching Scholarships have attracted attention from the Victorian Education Department and the Catholic Education Office in South Australia, which have sought information regarding our scheme. This year many students and parents have emailed and phoned my department for information on the scheme, including one South Australian country student currently working in Japan. Many positive comments have been received from scholars, parents, country schools and the wider community. Country schools have indeed benefited from a range of initiatives introduced by this government including more teachers to reduce junior primary class sizes, extra primary school counsellors and high school student mentors.

Ms CHAPMAN: Minister, when are you closing the Whyalla High School?

The ACTING CHAIRMAN: That is not a supplementary question.

The Hon. J.D. LOMAX-SMITH: I will record your desire to have it closed.

Mr SCALZI: In regard to mentoring, I note the minister made much of the increase in teacher mentors. Does the minister support volunteer mentoring, for example, past teachers being involved in the scheme?

The ACTING CHAIRMAN: That is really a question, member for Hartley. You cannot have a delayed supplementary question.

Mr SCALZI: I will ask my question then.

The Hon. J.D. LOMAX-SMITH: This government has taken volunteers very seriously. They are an undervalued resource that is extremely important around our state. We have a very high level of volunteering, and we obviously have a community which values the opportunity to volunteer. Just as we recognise that they do inordinate good, they also gain enormous satisfaction. There is something very special about our volunteers, and that is why the Premier as Minister

for Volunteers has supported a range of policy development for that area and has appointed the member for Wright as the parliamentary secretary for volunteers. In taking on your question, this has been an area of government interest. In terms of the DECS portfolio, we recognise the opportunity to have volunteers within our schools. We are currently engaged in having a policy for recruitment, management and vetting of volunteers so that we comply with the mandatory reporting and recommendations of the Layton report and so that we can manage the process well. We are looking at the matter as we speak.

Mr SCALZI: Thank you minister. I would now like to go to my questions.

Members interjecting:

Mr SCALZI: I said that if that was the case, I would withdraw that one. In regard to Budget Paper 3, Volume 3, page 11.2, given the number of working days lost increasing from 49 569 in 2000-01 to 76 046 in 2002-03, the cost of new claims in the same period increasing from \$2.815 million to \$3.516 million and the cost of all claims increasing from \$10.645 million to \$15.56 million, what provision has been made this year and in 2004-05 to address the serious increase in occupational health and safety issues in the department?

The Hon. J.D. LOMAX-SMITH: The past two years have seen a significant change in the ways which we manage, support and counsel people with various injuries. The figures are not quite as bleak as you suggest.

Ms Chapman interjecting:

The Hon. J.D. LOMAX-SMITH: They do not talk about the fine grain of the types and the length of loss of work. There are some issues about the—

Mr Scalzi interjecting:

The Hon. J.D. LOMAX-SMITH: They are gross figures.

Mr SCALZI: It changes from \$10.6 million to \$15.5 million.

The Hon. J.D. LOMAX-SMITH: Yes, but the issue is that the numbers mask the detail of the types of—

Mr SCALZI: Okay.

The Hon. J.D. LOMAX-SMITH: Over the past two years we have improved the support mechanisms for people suffering from psychological or physical health problems. We have instituted a more supportive regime within DECS, with district directors and district support teams offering greater support and remedial activity.

We have been training our staff in the management of psychological health, which includes an understanding of the management of distress and the importance of the relationships as well as information about developing resilience and the characteristics of healthy sites, including how to successfully engage with the staff and to use a risk management approach to staff wellbeing. We have been working across the organisation to alter the mix of OH&S claims to try to reduce the length of each episode and to reduce the severity and number of them. I believe that in some ways we have been effective in that.

Ms CHAPMAN: Sir, I have a supplementary question. It is pleasing to see that that support is available and is being implemented. But this is a massive increase in both number of days off and cost, and the question was: what provision has been made this year and in the 2004-05 budget to cover the occupational health and safety claim costs, which have risen from something like \$10 million to \$15 million in one year?

The Hon. J.D. LOMAX-SMITH: Ms Evans will respond to what processes are in place.

Additional Departmental Adviser:

Ms M. Evans, Executive Director, Department of Education and Children's Services.

Ms EVANS: Comparative to other agencies, DECS is performing reasonably well. WorkCover is a difficult area—and that is so across the world. However, we have rearranged the way in which we are managing claims so that we can fairly aggressively address the issue of getting people back to work. Teams have been created to work with and target schools that are having difficulties with staff in relation to return to work programs. We have employed two additional people within the office whose task is the support and management of the return to work for work injured employees.

Ms CHAPMAN: I thank the minister's assistant for that explanation as to the current trends, and the supportive message is reinforced. But what amount has been allocated in this year's budget and in the 2004-05 budget to cover occupational health and safety claims?

The Hon. J.D. LOMAX-SMITH: I think we will have to take that question on notice.

Mr SCALZI: I refer to Budget Paper 4, Volume 3, page 11.2 headed 'Workforce summary'. Full-time equivalents from 2003-04 will increase from 19 300 to 19 367 in 2004-05. What is the expected total number of teachers and non-teachers employed in schools for each of those periods?

The Hon. J.D. LOMAX-SMITH: We do not have that data. We will have to take the question on notice.

Mr SCALZI: My next question also relates to Budget Paper 4, Volume 3, page 11.2. The minister's full-time equivalent staff has increased in number from nine to 12—and I note that the minister has responsibility for education and children's services and tourism. What is the breakdown of the number of staff in each area of the portfolio, and has there been an increase in either area?

The Hon. J.D. LOMAX-SMITH: In the minister's office?

Mr SCALZI: Yes.

The Hon. J.D. LOMAX-SMITH: I think I will take that question on notice, because I would have to work out the designation of each of them. I think it is the same as before, but I am not sure.

Mr O'BRIEN: I refer to Budget Paper 5, page 35. I note that an announcement has been made in relation to new buildings for Henley High School. What is the overall budget investment for school capital works?

The Hon. J.D. LOMAX-SMITH: I thank the member for Napier for his interest in the Henley High School. More classrooms and school facilities will be improved and funding will be provided for new works under a \$125 million capital program, which includes provision for new teaching and learning requirements such as eEducation, purchase of land and school buses. This program includes provision of \$33 million for new works and \$51 million for continuing works. I was pleased to recently visit Henley High School to see the plans and discuss the aspirations of the school with respect to the \$3.925 million program to build new classrooms for middle school year 8 and 9 students, including new art rooms. Some \$650 000 of this money will be allocated in 2004-05. Among other capital works initiatives, the budget provides for a number of new works that will benefit local communities across the state. For example, at Mawson Lakes school \$3.85 million will be committed for stage 2 of the school's development. This will focus on classrooms for

reception to year 8 students, and \$500 000 of this will be allocated in 2004-05. New science, art, home economics and computing facilities will be allocated to Kingscote Area school, and \$350 000 of a \$4.95 million budget will be allocated in 2004-05.

In general, we are taking a strategic approach to maximising our capital investment. Scheduling for tender in major works has been revised and adjusted because of building industry conditions and impact on tender prices. Some rescheduling of tender calls has been designed to ensure a maximum value for expenditure of public funds. Schools at Port Elliott, Elizabeth Grove, Cleve Area School, Fraser Park and Gepps Cross High will also benefit from new buildings designed to meet changing and important teaching and learning needs.

Mr O'BRIEN: I refer to Budget Paper 4, Volume 3, page 11.7, 'Program 1'. How many families have been involved in the Learning Together project, and what evidence is available to show any benefits? Also, have any programs attracted Aboriginal and Torres Strait Islander families?

The Hon. J.D. LOMAX-SMITH: Since 2003, 330 families have participated in five Learning Together programs established in the state. These programs focus on adult learning and support as well as helping to strengthen parent-child relationships and encourage child involvement in learning. A significant number of the families participating in Learning Together are Aboriginal or Torres Strait Islander families. Such families comprise 21 per cent of the participants at Enfield, 40 per cent at Christie Downs and O'Sullivan Beach and 98 per cent at Carlton Aboriginal School in Port Augusta. The range of activities provided for families in these programs includes playgroups, home visits, take-home literacy packs and parent education groups.

The government is committed to working in partnership with parents so that we can strengthen literacy and numeracy, particularly in the early years and improve the learning outcomes for all, especially for those young people who are at risk. The Learning Together program is helping to engage people in education throughout their lives. There is already evidence to show that connection with a Learning Together project has helped some parents re-engage with their own learning through enrolling in high school study or adult literacy or TAFE accredited study.

The program focuses on the engagement of learning for both parents and young children. This has been particularly valuable on a number of fronts. For example, a group of parents in the Port Augusta area have just completed a Red Cross first-aid certificate course. In fact, 100 per cent of the parents enrolled in the course attended the full course and achieved their certificate. They will be able to use this in their personal lives and they have had an opportunity to participate in a meaningful learning activity which they value. Due to this experience, they are able to model positive attitudes towards learning and can support successful engagement of their own children with schooling.

In the southern area, some parents who were previously quite disconnected from school have developed skills and confidence through the Learning Together program which have enabled them to become strong, participating members of the local school's governing council. It is this connection with education throughout life that the government is committed to supporting as a high priority. It is anticipated that further links with adult education opportunities will be developed in the future. The government has allocated \$2.8 million to the Learning Together project as part of our

efforts to work with school and preschool communities to create better opportunities for all young people.

Mr SCALZI: As a supplementary, what percentage of participants in this program have a non-English speaking background? What is the department doing to encourage people of non-English speaking background and new migrants to be involved in that scheme?

The Hon. J.D. LOMAX-SMITH: That is a good question. I am not sure that I can give you the breakdown, but I will find out that information for you.

The ACTING CHAIRMAN: Has the department made any progress in evaluating the possibility of having some specialist technology high schools? Contrary to what some people think, the member for Napier and I are not seeking to create elitist-type schools but ones that have very costly and sophisticated technological equipment and provide appropriate education in those areas. I guess they would be somewhat parallel to the specialist music schools and they are keenly sought by parents as an alternative for their children. Have you and the department had any chance to do any evaluation on the likelihood of some pilot schools on that?

Ms CHAPMAN: The Liberal government opened two.

The ACTING CHAIRMAN: I am talking about something a little different from Windsor Gardens and Christies.

The Hon. J.D. LOMAX-SMITH: The idea of specialist schools is a very attractive one, not perhaps for the obvious reasons. Some people want to go back to halcyon days and re-create the past. I think it would be appropriate to create a different future where some senior secondary schools would develop specialist interests that would be effective in meshing with local career opportunities and industry, as well as giving opportunities to young people who might otherwise miss out on latter years, drop out of school or be unable to engage with further or higher education.

Some of the areas that we have looked at particularly relate to special industry opportunities. A robotics peer mentoring program initiative between Uni SA, some schools and local companies has been established to develop particular programs in some schools. That will go into 40 schools and affect 1 000 students. We have an established advanced manufacturing trial with five schools across South Australia, including Charles Campbell, Hallett Cove, Tumby Bay, Brighton, Balaklava and Fremont-Elizabeth. Re-Engineering Australia is a national program that is being coordinated through this venture.

We are also working with the Electronics Industry Association to look at opportunities to put electronics training into schools. On top of that there are the areas that you would be well aware of, that is, the Southern Vocational College, Windsor Gardens Vocational College and the design and technology learning areas that are being put into many secondary schools now. We will be looking particularly at having specialist schools with a variety of areas where the resources and enthusiasm will support not only learning opportunities but career opportunities for young people. We will keep you informed of that as it progresses because I know that you have been a great advocate for specialist schools and technical schools and outcomes that will help young people get a career.

The ACTING CHAIRMAN: The member for Napier and I are quite keen on this but we fight a battle against people who ask whether there would be any theory and general vocational education and training programs in schools. Of course there would be. We are not saying that this

is mutually exclusive. We are looking for a new and expanded approach to some high-tech opportunities. There are corporations willing to contribute generously but they cannot provide the equipment or backup to every high school in the state, obviously. We are moving down the path and we are pleased to hear that.

Mr O'BRIEN: I refer to Budget Paper 3, page 2.37. What initiatives are included in the budget to assist schools with financial management, particularly those schools that are new to local management?

The Hon. J.D. LOMAX-SMITH: Good financial management is essential to all schools and preschools if we are to maximise educational opportunities and wellbeing of children, students and future citizens. With the progressive implementation of a single system of local management this year in all South Australian schools and preschools, transition plans for some schools are necessary and ongoing support across the system is required. The budget line referred to by the member will provide for a financial support services strategy. This will focus on financial training and capacity building for school and preschool leaders and support staff.

The strategy consists of initiatives at local, district and central office level. First, in this budget \$4 million over four years will fund nine new district based finance officers to coordinate additional training and support in financial management to school staff, particularly school services officers. From 2005 these finance officers will provide vital on site support when issues cannot be resolved remotely.

Secondly, a one-off grant of \$10 000 in 2004 has already been allocated to every district for the establishment of quality practice networks. These networks will provide ongoing support and mentoring for educational leaders, finance officers and support staff and, with the nine new finance officers, build financial capacity and develop strategies for each district. The assistance offered to schools and pre-schools ranges from basic training in financial business systems to the preparation of reports and data, and will include broader guidance and strategic planning for educational leaders.

A new team has been established in central office to conduct this training, and ready assistance is also available through a newly established gold book web site, which provides an easily accessible clear financial management framework for schools and preschools. The systems are also being improved. An extra \$500 000 will be invested in improving and expanding administration software for schools and preschools and new financial systems and e-business strategies are being investigated. The member's concern with schools new to local management is addressed further with training initiatives. The experience of two principals and a finance officer is being made available to schools entering the new system.

In addition, implementation grants of \$70 per school student and \$12.50 for every preschool child has been provided to schools new to local management to enable preparation for the changes required. The aim of this comprehensive package, which has been significantly enhanced in this budget, is to ensure that leaders and staff have extensive support in carrying out their financial responsibilities to maximise the effective use of educational resources.

Mrs PENFOLD: My question relates to the same Budget Paper, page 2.37, regarding school buses again, this time contractors. What action has been taken to amend the current index used to calculate payments to contractors of school bus

services to more accurately reflect the costs incurred by school bus operators?

The Hon. J.D. LOMAX-SMITH: I thank the member for Flinders for her question. She has shown a great deal of interest in the difficulties regional students have in getting to their schools. Some school bus operators indicated that they think the index used by DECS to adjust their contract rates does not reflect the increased costs of running their businesses, and this dates back to 1998 when the Bus and Coach Association was part of a working party that reviewed the index. It was representing school bus operators and at that time they agreed to all parts of this index, including the fuel component and method of payment for wage increases.

In 2000, after agreement with the Bus and Coach Association, fixed term service agreements were initiated for five years, with a five-year right of renewal. The new contracts were established and agreed to by the BCA (Bus and Coach Association), and these included specific details of the index by which the contract remuneration would be adjusted to account for wage and price changes. These agreements were signed and agreed to by all existing bus operators when the contracts were reviewed in 2002-03. A significant part of the agreements was that the contractors were permitted to renegotiate their contract rate to include the capital cost of vehicles. This was designed to improve the quality and age of the bus fleet used by school bus operators. The agreements and subsequent index adjustments resulted in a direct increase to contract payments of \$4.5 million per annum, bringing the total level of funding provided to school bus operators to \$15 million a year.

One of the outcomes of the 1998 review was that the index was to be examined every five years. DECS officers met with the BCA in September 2003 and requested a paper on the BCA position to enable the review to commence. A paper was provided on 24 May 2004 outlining recommendations for changes to the index and requesting back payments to the time that government charges and insurance increased. The submission provided by the BCA is currently being assessed and costed and I have yet to receive advice on it.

Mrs PENFOLD: Will DECS consider adjusting the index for school bus service contractors annually, as is the case in Victoria?

The Hon. J.D. LOMAX-SMITH: At the moment we are waiting for a report on this matter, so when it comes we will form an opinion.

Mrs PENFOLD: I refer to Budget Paper 3, page 2.37, school buses. Has the department engaged the services of a consultant to investigate the provision of school buses under contract or by the department and, if so, what is the name of and amount paid to this consultant and when are they expected to report?

The Hon. J.D. LOMAX-SMITH: I am told that we have not engaged a consultant.

Mrs PENFOLD: I refer to Budget Paper 3, page 2.24, capital works, where it indicates that there were no proceeds from the sale of replaced school buses in the 2003-04 or 2004-05 financial years, but \$200 000 in each of the 2005-06 and 2006-07 years. The school buses are to be replaced in 2004-05. Are they to be sold? If not, why not and, if so, why are they not recorded in the 2004-05 financial year? It seems that a year has been missed.

The Hon. J.D. LOMAX-SMITH: I am not sure how the asset management will operate over that term. We will take the question on notice.

The ACTING CHAIR (Ms Bedford): In the tradition that we established in estimates this year, I would like to ask a question from the chair. I refer to Budget Paper 4, Volume 3—

Ms CHAPMAN: I formally take objection to the chair asking questions, but I realise that it is a practice—

The ACTING CHAIR: You have been silent for other chairs, so I am feeling honoured that you have noticed me. I refer to Volume 3, page 11.5.

Ms Chapman interjecting:

The ACTING CHAIR: And the noise continues on my left. What is the state government doing to support arts education in schools and preschools?

The Hon. J.D. LOMAX-SMITH: I thank the member for Florey for her question. I know she has an interest in the opportunities for young people to be involved in the arts and she is a great supporter of performance and visual arts. Certainly they enrich our lives and expand our understanding, knowledge and creativity. ARTSsmart is an initiative of the Department of Education and Children's Services in association with Arts SA. It is designed to secure a central role for the arts in young people's intellectual and cultural development.

DECS has committed \$140 000 for each financial year of this three-year strategy, with Arts SA contributing \$100 000 per annum. Fourteen disadvantaged schools and preschools in northern and southern Adelaide (seven in each area) have been provided with extra resources. Currently, these sites are working to enrich their arts program and engage professional artists to work with their students.

ARTSsmart has already initiated two major arts projects. A theatre based project with the Playford council, and other community bodies in the northern suburbs, targeted at disengaged young children from the age of 12 to 16, is also supported by the Social Inclusion Unit. In addition, a performance project has been developed with the Southern Youth Theatre and the Come Out youth arts festival to provide a model for future collaborative work between artists and schools.

ARTSsmart is a statewide initiative to include children's services sites as active participants, with three preschools in the south and three preschools in the north participating. Outcomes are being achieved through partnership with arts organisations targeting funds to disadvantaged schools and preschools and developing an online resources portal. Research to measure the impact of the ARTSsmart initiative on participating students is being conducted. The implementation of the strategy is guided by the ARTSsmart steering group comprised of a wide cross-section of senior members of the arts industry and education sectors. This program presents a way of building strong and effective partnerships between schools, preschools and the arts industry.

The ACTING CHAIRMAN: Does the member for Florey have another question, as it was her turn?

Ms BEDFORD: Apparently, I have upset the member for Bragg in asking that question, so I will leave it to you, Mr Acting Chairman, to sort that out.

Members interjecting:

The ACTING CHAIRMAN: Order! It has always been a tradition that the chair can ask a question, as the chair is a member of the committee.

Ms CHAPMAN: Excluding trips to countries for student recruitment and business development and excursions to assist students with language skills, 125 departmental employees took overseas trips in 2003, mainly to attend

conferences and undertake professional development. The total spent in respect of those trips was \$1.64 million, which equals an average of over \$13 000 per employee. What amount has been allocated for professional development and conferences involving overseas travel for the 2004-05 financial year?

The Hon. J.D. LOMAX-SMITH: Some of the greatest resources we have in the department relate to teachers, administrators and people developing programs, ideas and initiatives. One of the tragedies in many workplaces is that they do not value staff sufficiently to invest in their continuing learning. I feel very strongly that our educators, teachers and administrators should be upskilled and trained to a level where we can be at the cutting edge in terms of all developments. I am especially keen that South Australia can once again be a leader in many fields. When one considers the number of staff within the department—over 20 000—it is important that they all be engaged in ongoing learning, upskilling and staff development programs, because I think our staff are our most important resource.

Ms CHAPMAN: My supplementary question is: how much is allocated in the 2004-05 budget for this important purpose?

The Hon. J.D. LOMAX-SMITH: Because you have fragmented the budget into marketing trips and training trips—

Ms CHAPMAN: No, minister; I have excluded all the marketing trips and those for student recruitment and business development. I am talking about just those trips for conferencing and professional development, which total \$1.64 million in the 2003 academic year. I have asked you how much has been budgeted for the same purpose in 2004-05.

The Hon. J.D. LOMAX-SMITH: Will the honourable member tell us the budget line, as it would assist us considerably?

Ms CHAPMAN: If we look at services in relation to expenditure, it is not identified. That is why I ask: how much is allocated for overseas travel for the professional development of the staff or education department officers.

The Hon. J.D. LOMAX-SMITH: It may be possible to find that information, but I think you are referring to sums spent from the global budget of schools, and I am informed that it may be difficult—

Ms CHAPMAN: I am talking about the departmental expenses. If it assists, a summary of overseas travel is referred to on page 109 of the 2003 annual report, if you have it there. Obviously, there is an allocation each year for the important aspect we have identified in relation to—

The Hon. J.D. LOMAX-SMITH: You are referring to the annual report now, are you?

Ms CHAPMAN: That is correct.

The Hon. J.D. LOMAX-SMITH: Not the budget papers?

Ms CHAPMAN: Exactly, and that is why, having identified last year's budget in the annual report, I ask: how much of this year's budget is for this purpose? We are talking about the financial year 2004-05. Of all the money spent by the department, how much is allocated for conferencing and professional development for overseas travel?

The ACTING CHAIRMAN: The minister might like to take that question on notice.

The Hon. J.D. LOMAX-SMITH: I think I will, because it does not refer to the budget papers. Just before we go, I congratulate the member for Bragg on her birthday and wish her a very happy day.

The ACTING CHAIRMAN: We do not give early minutes here, because something might happen if you leave the school grounds too early, but we congratulate the member on her birthday.

Ms CHAPMAN: In November 2002, minister White announced a 10-point plan for safer schools and by November 2003 announced that new regulations would be introduced to make it a requirement for teachers to undertake mandatory notification courses every three years to gain and maintain their registration as teachers. At the departmental reviewing she announced the child protection curriculum as a new program for 2004. I have twice met with the departmental representatives and I have been informed that these are still being written. In how many schools is the new curriculum operational now, and when can the minister assure us that every teacher in schools has had the training under the new curriculum?

The Hon. J.D. LOMAX-SMITH: Safe schools are very important in terms of the issues raised by the Layton report and child protection. There are issues about the Teachers Registration Board that we will be looking at in the next few weeks, working in a range of areas. First, we have produced regulations about authorised persons allowed on school premises. We have implemented a Mediation Dispute Resolution Unit. Whilst we have been reviewing our mandatory notification training for some time, we are trying to enmesh this with the other Layton report findings and implementation plans across the whole of government. We have already revised and improved our guidelines about duty of care and these have been drafted, but we are also now working with volunteers to have a volunteer strategy about reporting. So, the matter is in train and will be implemented over the next year.

The ACTING CHAIRMAN: Teachers are telling me that, unless it is quite severe child abuse, then the agency, FAYS, is unable to do much, so in order to get some action where a child is being abused, it has to be at a fairly serious level. That is not your fault, not your responsibility. But just on the weekend a teacher for whom I have great regard was telling me that at her school you really have to make a strong case at almost the highest level where a child's life is at risk to get any action. I do not know whether you are aware of that situation, and I guess you can always pick out an isolated case but, as I say, I have a lot of regard for this teacher, who has many years of experience, and she tells me that, unless it is a serious abuse, then FAYS says 'We can't do anything about it.'

The Hon. J.D. LOMAX-SMITH: I take that comment very seriously. If that is true, then we would like to act on those specific allegations, and perhaps after the meeting you could speak to the CEO. If that is occurring in one of our schools, we need to know about it; it is a matter of great concern. With our mandatory notification requirements, there should not be a value judgment about what is severe abuse, because any abuse is unacceptable abuse. We would like to take that up and investigate it with information from you, if you agree.

We would imagine that there were many areas where the government, the state and many governments throughout the state have been slow over the last quarter century, but I genuinely believe that we have begun to appreciate the severity of these issues and, following the Layton report and the reconfiguration of the Department of Family and Youth Services into Families and Communities and the enormous funding injection that has gone into that department with the

large numbers of additional staff, I believe that the errors of the past will be reduced and it will be quite a new era for our response in this state. We have been collaborating with other school sectors and have reached a high level of support between the sectors to make sure there is no sector hopping by people who recognise that the time is up and they have to move schools.

We have introduced a range of responses, and we have about eight specific responses that affect DECS coming out of Layton, and are very keen that all those should be implemented. I am confident that the new funding and the number of staff, and directly the number of staff going into schools in terms of counselling as well, should mean that we will turn the corner. However, I would seriously want to have any specific allegations investigated because in my view there is no such thing as minor child abuse: it is all entirely unacceptable, and there should be a zero tolerance policy for any level of activity of that sort.

Ms CHAPMAN: I have a supplementary question. I apologise if you have already answered this but, in relation to my question on the curriculum, in how many schools is the new curriculum operational and when can you give us an assurance that all teachers in South Australian schools will actually have undertaken this new curriculum training (a commitment that is now over one year old)?

The Hon. J.D. LOMAX-SMITH: I will ask Mr Marshall to respond to that.

Mr MARSHALL: With regard to the training of teachers, it is a requirement for all principals to induct every new staff member to their school in the areas of child protection and also their requirements in terms of mandatory reporting. In addition, \$2 million was provided in the last budget to ensure that counsellors are providing support to all teachers across the state. So, we will be working throughout the rest of this year to develop the professional development program to ensure that all staff are aware of their requirements. As I said, though, all principals are currently required to induct teachers new to their school in the areas of child protection and mandatory notification.

Ms CHAPMAN: I thank the chief executive for that response, and I appreciate what the current position is, but my question specifically related to the announcement of the former minister in relation to making it a requirement to undertake the mandatory course every three years. This is now over 12 months old and it was specifically proposed that the program would be implemented in 2004. It is in her press release from November 2003 (I can give you the exact date if you like). Therefore, I am asking which schools have that new curriculum; has the new curriculum been finished; is it in any schools and, if so, how many; and when can we have the assurance that all teachers will actually be qualified under this new curriculum?

The Hon. J.D. LOMAX-SMITH: I think that, if the minister's advice was 2004, there is still half of 2004 to go.

Ms CHAPMAN: With respect, I will read the quote, as follows:

The education department is reviewing the current child protection curriculum to devise a new program that they plan to trial in a number of schools early next year.

Now that happens to be 2004, so I ask: are there any schools that have actually trialled this new curriculum? Has it been written? Where is it? When can we have the assurances? Is it going to be a one or two year plan before every teacher in this state is complying with the new curriculum, which is part

of the safe school program which has been announced for over two years now as a priority for this government?

Mr MARSHALL: I thank you for that supplementary question. The development of the new child protection curriculum is currently in its final draft form. We will be trialing that curriculum throughout the rest of this year, and the former response I gave was in relation to the professional development.

Ms CHAPMAN: I understand that—that was why I wanted clarification. Last year minister White announced the introduction of a new model for the asset management funding of schools. There was some \$30 million then (in about March/April last year) actually in an account held by the department on behalf of schools in asset management funds that had already previously been applied. How much is now in that fund?

The Hon. J.D. LOMAX-SMITH: I will refer that question to the administration because I do not have the daily cash flow statements. I am not sure that the CEO has the daily cash flow statements, either.

Mr MARSHALL: Yes, but I can make a comment. In July 2003 the government announced that asset funding totalling \$30 million would be announced. It is made up of \$12 million for the 2002-03 budget, \$14 million from the 2003-04 budget, and \$4 million that was held in sites. As a consequence of that we have aggregate works. We expect that all of those works that were identified through the asset management planning process will be completed. As far as the question regarding how much money is left to be expended, we have the number of projects but we do not have the total cash amount so we will take that on notice.

Ms CHAPMAN: I am happy with that, and perhaps for the sake of completeness that could be as at 30 June which, of course, is only nine days away. That may assist, and I would be happy to receive it as at that date. Those are my three questions. Minister, what is the cost of administration of school fees in state schools, and how many staff in the department are responsible for school fees and the school card assessment and implementation?

The Hon. J.D. LOMAX-SMITH: I am glad that the member for Bragg has raised the matter of school fees, because she was heard on radio to suggest that it cost as much to collect them as was collected. I am sure that she did not really mean that because we are talking about over \$30 million, and to have 100 per cent collection cost would be quite unthinkable. The resources required are, of course, spread between schools and the central office. I am not sure how many people are in the department collecting the money.

Mr MARSHALL: The cost of the administration is approximately \$4.5 million. That would take into account not only the work required at the site or school level but also the departmental officers. I must say, though, that in terms of DECS there are only a few officers. What we have not done previously is act as a collection agency on behalf of sites. That is a new initiative that will be established. Previously, the department did not act as a broker in collecting those fees. However, over the total, the total amount of compulsory materials and services charges collected across the entire system is approximately \$30 million. Therefore, in terms of administration we are talking about a substantial amount of less than that \$4 million.

Ms CHAPMAN: How much of that \$30 million is paid for by the department, that is, when somebody is eligible for School Card relief, and the department pays that to the school as distinct from the parent?

Mr MARSHALL: I would need to take that on notice.

The Hon. J.D. LOMAX-SMITH: Since we have been in government the system has improved greatly. Previously, there was no transparency, and nobody knew what the fees were supposed to encompass. Now there is a totally transparent system. There are guidelines set down as to what can be charged, invoices are vetted and the system is audited and monitored so that there is no sense that the parents are not aware of what the charges are, how they are incurred and what they cover. Indeed, there is a vote on whether or not the charges should be above the minimum level. I am informed that we pay \$9.93 million in School Card reimbursements.

Ms CHAPMAN: The \$4.5 million referred to—

The Hon. J.D. LOMAX-SMITH: It is a calculated sum, which includes the DECS staff and schools.

Ms CHAPMAN: Is it for the administration of school fees and School Card?

The Hon. J.D. LOMAX-SMITH: I think we were informed that it is just school fees.

Ms CHAPMAN: My question was about the School Card as well, that is, the assessment of that program. I understand that some of the cross checking of that is now with Centre-Link and that some of the resources are now used from the agency to assist in the processing of the applications. However, there is clearly some net cost. Does the Chief Executive have any knowledge as to the number of staff who are operating the School Card division within the department?

Mr MARSHALL: We have four staff members who administer that program.

Ms CHAPMAN: I appreciate that the department is currently about to commence a review of school fees and, as the minister is aware, that is a matter which is to come back to the department in September 2005. What provision in the budget has been made for the cost of that review?

The Hon. J.D. LOMAX-SMITH: It is to be performed internally within existing resources.

Ms CHAPMAN: Does that cover the cost of consulting with all the stakeholders in the education community?

The Hon. J.D. LOMAX-SMITH: Stakeholders will be all principals' associations; the South Australian Association of State School Organisations; the Association of School Parents' Clubs; SASSAOA, which is the administrative officers association; the two involved unions, the PSA and AEU; and the Department of Treasury and Finance.

The ACTING CHAIRMAN: There has recently been talk about the need to run special programs for boys in schools. We know that sometimes these topics get a little bit out of balance, but one of the points raised—and it applies not only to boys but also to girls—is the need to be physically active during the day. I know from my days long ago as a primary teacher that we had a lot of physical activity during the day. I am not talking just about organised sport. There seems to have been a general falling off in the amount of physical activity during the day, and I am wondering what has been done to build it into the curriculum in an overt way and also in an implicit, ongoing basis, including encouraging, where appropriate, children walking to school and home.

The Hon. J.D. LOMAX-SMITH: We have adopted a whole of government approach to some of these issues, particularly with the minister for recreation's physical activity cabinet sub-committee, which includes the Minister for Health, the minister for planning, the Minister for Recreation, Sport and Racing and me. That is to work across portfolios to find out where there are obvious opportunities and synergies. On top of that we have our 'Be Active—Let's Go'

strategy, previously 'Active for Life'. It aims at increased participation in physical activity, and improved quality of physical activity and student attitudes. We have developed nine Be Active innovation sites, which engage children and young people in physical activity at school, as well as recognising and promoting schools which have high achievement in this area. We aim to have evidence that 60 per cent of children have been physically active for 60 minutes or more a day for five days every week as a minimum. A provision of a fundamental movement skills resource and a professional development course package has been developed for educators across years 4 to 8. We are also increasing our leadership capacity building to enable the enhancement of the capacity of teachers to promote these ideals.

On top of that, work is about to be undertaken with schools to explore how to best target funding and positively affect those schools and students most in need and be involved in complementary initiatives, particularly Eat Well, which will encourage children to eat sensibly and to eat balanced diets. Certainly, we have been active through our capital works program in investing in physical infrastructure such as ovals and gymnasiums and also promoting PE teaching within schools. We have also taken part in a MCETYA national physical activity strategy for schools and early childhood, and we are working on that with other states. We are also dealing with the Social Development Committee's inquiry into obesity, because that is something that is set in train at schools.

In terms of boys, their needs are increasingly becoming evident within the community. Certainly, our teachers are more often male than in other states; the role models are there. But, clearly, the way in which curriculum is developed, framed and tested is perhaps part of the issue to do with the achievements of boys and, certainly, is part of the SACE review. There will be a discussion, I am sure, about the capacity of boys to perform well in our current system, and the evidence-based processes that will go around our literacy programs and literacy retrieval programs will certainly, I imagine (I am not an educator), respect and respond to gender differences in learning styles. It will also be true in our school engagement and youth retention strategies because I think that, inevitably, those strategies will be gender linked and gender based in terms of the most effective way in which to deliver good youth engagement statistics.

Ms CHAPMAN: I asked some questions before about the blow-out in WorkCover funding for the provision of support to employees of the department. Every year the minister's department is audited by WorkCover as an exempt agency, and for each of the past three years, as I understand it (and probably in preceding years), the audit has presented recommendations as to how the department would ensure that its sites and workplaces are compliant for the purposes of the occupational health and safety of the staff and other employees. In relation to the past three audits that have been provided to this government, what provision has been made in the 2004-05 budget to comply with the recommendations of those audits?

The Hon. J.D. LOMAX-SMITH: I will refer that question to the CEO.

Mr MARSHALL: In regard to the occupational health and safety standards that were set down in 1996, the department has made a considerable effort working right across the agency within both the corporate section and the sites to ensure that we meet those standards. I think it is safe to say that, in terms of complying with those standards, the depart-

ment has been successful. We need to be mindful of getting official endorsement from the WorkCover authority to verify that, but the type of work that has been put in practice over the past two years has been significant. More people are trained in this system today than have ever been trained before. We are reducing all sorts of risks and hazards, but we still acknowledge that it is a major challenge not only for this department but also for all departments, particularly given our work force profile. I will ask Margery Evans to speak more particularly about some of the strategies that we are using.

Ms EVANS: A number of areas were identified, to which we have paid particular attention. Machine guarding is one. We have developed a small team centrally. The government has put in an additional \$1 million to ensure that all machines in use in schools are well guarded. Extensive training programs are in place to ensure that that happens. We also have spent considerable time and effort in training. An online management program has been introduced, and it is available to all our school leaders at no cost. We have developed an online psychological health program and currently approximately 800 people are enrolled in that program. We have similarly reviewed a range of policy and procedural arrangements for schools. These are available on the web and are part of an ongoing consultation process with our stakeholders. We also ensure that each district has established an occupational health and safety committee, and a level three committee has been established at state level so that we hear the voices of our stakeholders and constituents so that we can deal with the issues that they raise.

Ms CHAPMAN: Do I take it that you are fully compliant now with everything that has been recommended by the WorkCover audit?

The ACTING CHAIRMAN: That is through the minister.

Ms CHAPMAN: Yes. I am happy for the minister to answer it.

The Hon. J.D. LOMAX-SMITH: No, I am happy for Ms Evans to answer it.

Ms EVANS: The WorkCover board met last Thursday and Friday. It has yet to officially announce its decision, but I have every reason to be optimistic—although, certainly, that remains to be verified.

Ms CHAPMAN: When you say ‘verified’, do you mean for it to verify that the department has been compliant?

Ms EVANS: No, the decision has been made. That decision has not been communicated to us officially at this stage.

Ms CHAPMAN: When I talk about the decision, the decision (whether it has complied or not) relates to the question of whether the department has been compliant with all its recommendations. Is that the decision that you are talking about?

Ms EVANS: Yes.

Ms CHAPMAN: We are waiting to hear about that, and you are satisfied that it will come back positively?

Ms EVANS: Yes.

Ms CHAPMAN: Minister, what provision has been made in the 2004-05 budget (I am happy to go back to Ms Evans or whomever may be able to answer, and this was my original question) for compliance for the purposes of occupational health and safety requirements? Is there any, or are you saying that you have done it all?

The Hon. J.D. LOMAX-SMITH: What does the member mean by ‘compliance’? Does she mean auditing costs, or compliance costs?

Ms CHAPMAN: WorkCover undertakes an audit of the minister’s department annually and it reports as to whether, in fact, the department is or is not compliant with the requirements in relation to occupational health and safety.

The Hon. J.D. LOMAX-SMITH: I understand the background. What I do not understand is the question that the member is asking. Is the member talking about compliance cost?

Ms CHAPMAN: The amount of funding available in this budget to undertake whatever is necessary to comply with the WorkCover audits.

Ms EVANS: DECS is required to achieve a level three standard. I am optimistic that, indeed, we have done that. In terms of an audit program, WorkCover audits all self-insurers. It does not do that on an annual basis. And that is its cost, not ours.

Ms CHAPMAN: Your department has a cost to undertake any action that is necessary to comply with its recommendations. As I understand it, to date, you are saying that you are hopeful, or positive, that there will be a recent decision to say that the decks are clear, that is, that you are up to speed and you are complying with its requirements. Because this is an annual audit, I am asking what provision has been made in the 2004-05 budget, which we are talking about today, to cover costs of the department to comply with occupational health standards?

The Hon. J.D. LOMAX-SMITH: The advice we have is that it is part of our core business.

Ms CHAPMAN: I understand that. There is no extra provision in the budget for that cost; is that right?

The Hon. J.D. LOMAX-SMITH: I think that you are being somewhat misleading in saying there is no provision. There is no budget line that includes that sum, but it is provided for. The advice we have is that it is part of the base budget.

Ms CHAPMAN: I understand that. There is no extra provision? I do not want to be misleading.

The Hon. J.D. LOMAX-SMITH: And I understand no less.

Ms CHAPMAN: There is no extra provision for the purposes of compliance?

The Hon. J.D. LOMAX-SMITH: But there is the asset management investment in terms of OH&S, capital works.

The ACTING CHAIRMAN: Given that there seems to be some confusion, perhaps the member for Bragg can rephrase the question and the minister can try to come up with an answer that matches the question. I think that you are at cross purposes.

The Hon. J.D. LOMAX-SMITH: I am not sure whether we are talking about assets or compliance with processes.

Ms CHAPMAN: We are talking about occupational health and safety requirements which, as the chief executive highlighted, are set out in a standard issued in 1996 and annually, this department, like all others that are self-insured as such, are audited by WorkCover. They provide a report, they produce recommendations for this department like most others, and I think that I have ascertained so far from Ms Evans that she is satisfied that the department has complied with the recommendations under the last audit to date.

The Hon. J.D. LOMAX-SMITH: I think that we have a simple response that may explain why we are confused by your questions, which are somewhat oblique.

Mr MARSHALL: The department is required to reach a standard. That standard is set by WorkCover and we have

been working towards meeting those requirements. As Ms Evans has said, it is our view that that is likely to have been met, yet to be verified. Once the standard has been met, it is definitive, so we have complied within existing resources that are available. No new additional resources have been provided in the last budget. We have been able to employ the current resources to those initiatives that were outlined. We are very optimistic that we will reach that standard. Once we get verification, you can say confidently that the department has reached those standards and is compliant with any recommendations that have been made on an annual basis or in the past.

Ms CHAPMAN: Thank you, I appreciate the chief executive's clarification of that position. In relation to the reports, do you have available the last three WorkCover audit reports on your department?

The Hon. J.D. LOMAX-SMITH: I think that we have just explained that the board met on Thursday and Friday and they have not released the report.

Ms CHAPMAN: I am talking about the WorkCover audit reports, not their response as to whether or not you have complied. I am referring to the reports that set out the recommendations that they seek to ensure that the department is in order and up to standard for the protection of the health and welfare of their staff.

Ms EVANS: The last report was made available and is available to members of the level 3 committee and to people within the organisation.

Ms CHAPMAN: Is the minister happy to make those last three reports available to the committee?

The Hon. J.D. LOMAX-SMITH: I am not happy to release information unless I know the nature of it. I do not know whether the regulations permit us to release it.

Ms CHAPMAN: Subject to the regulations, is the minister agreeable to providing to the committee copies of the last three reports?

The Hon. J.D. LOMAX-SMITH: There is no annual report.

Ms CHAPMAN: I did not say annual report. I said a WorkCover audit report.

The Hon. J.D. LOMAX-SMITH: I think that a misapprehension underlines the theme of these questions. That is why it is quite difficult to answer, because there seems to be a basic misunderstanding. I will ask the CEO to respond.

Ms CHAPMAN: Does the chief executive understand the reports that I am talking about?

Mr MARSHALL: Any reports that have been provided to DECS with regard to its meeting or otherwise of the standards will be provided to the minister for her consideration and should she choose to release those in whatever form she chooses is really for the minister. Any reports that are there will be made available to the minister.

Ms CHAPMAN: Then I turn to the minister. Subject to your being legally able to do so, because you have made that qualification, are you prepared to make the last three reports—

The Hon. J.D. LOMAX-SMITH: I am happy to take advice.

Ms CHAPMAN: On the basis that they will be provided subject to that advice?

The Hon. J.D. LOMAX-SMITH: I will take advice.

The ACTING CHAIRMAN: As you know, schools have to prepare and lodge an annual report. How useful are those school reports? I raise that because I am on several school councils and it takes a lot of time to put them together. I am

often told that the only person who reads them is the superintendent and maybe some people on council. Do they improve the education of our children in schools or is it just to keep principals out of mischief?

The Hon. J.D. LOMAX-SMITH: They are an important means of showing the performance of a school and what the achievements are. I think that they are very important for the schools. I am not sure how educationally important they are.

Mr MARSHALL: From a national perspective, there is a growing momentum for schools to report to their community as part of transparency for the expenditure of public money but also the outcomes that they achieve in terms of student wellbeing and learning. South Australia is no different. The annual reports do provide a great source of data for the department, to think how it will strategically make decisions to improve policy and improve implementation.

Can we improve in this area? Absolutely! Are there some principals or school communities that might look at them and think that it collects dust on the shelf? Perhaps that is the case, but on average if you aggregate all the opinion the annual reports are seen as a worthwhile initiative to inform the community and the school so that it can plan forward. It is a necessary part of the organisation's continuous improvement.

The ACTING CHAIRMAN: They contain some useful information and could be made more useful if they addressed some issues of interest to parents; for example, what options could be offered in the school, incidents related to bullying and how it dealt with it, and so on. As I see it, they are fairly bland documents. I am not saying that they have to be sensational, but they could be more challenging and of more interest if they discussed or reported on things that have not been reported on traditionally; for example, whether there is a demand in the school for a new program, course or physical activity for the children. They tend to be not very exciting to read and consequently most schools do not seem to distribute them widely at all.

The Hon. J.D. LOMAX-SMITH: We will look into where they are distributed and how meaningful is the data within them. I will ask the CEO to see what can be achieved and may discuss it with you again at a later date to ascertain your views.

Ms CHAPMAN: Does the minister yet have available a list of all the investment program works for 2004-05 that I referred to earlier today, that is, the actual document?

The Hon. J.D. LOMAX-SMITH: I cannot give you all the information asked for previously, but I can tell you that the cost of the lift at the Sturt Street Community School was \$140 000. In relation to the question asked by the member for Napier, I put on the record that with the Elizabeth Park project, to which he referred, begun in May 2004 with work commenced on stage 1 involving landscaping and the provision of an outdoor learning area, a tender was called for a new hall on 15 June 2004 for stage 2 of the project and a tender for stage 3, that is, for the balance of the works, will be called in October 2004.

Ms CHAPMAN: Has there been any attempt to find the list for this year?

The Hon. J.D. LOMAX-SMITH: I understand that the question was noted and a response is being sought.

Ms CHAPMAN: I will come back to it after dinner. I have a copy of the 2001-02 investment summary statement—a document produced by acting minister Hill at the estimates in 2002—and I look forward to receiving this year's and last year's statement. Until we have that, I will ask a couple of

other questions in relation to the capital works. What is the breakdown, the name of the project and the amount to be allocated for the \$12.231 million for small projects, page 38 of Budget Paper 5?

The Hon. J.D. LOMAX-SMITH: The officer was seeking a response to your previous question—could you repeat it?

Ms CHAPMAN: What is the breakdown, the name of the project and the amount to be allocated for the \$12.231 million for small projects?

The Hon. J.D. LOMAX-SMITH: I understand that is the same question as the last one, but in a different form.

Ms CHAPMAN: Not quite, with respect minister, because there are some other general lists and the list, as you might know, in the investment statement is not the total list of all projects.

The Hon. J.D. LOMAX-SMITH: We will provide the information when we can.

The ACTING CHAIRMAN: I point out that, with the huge number of teachers and support staff in our schools, very few ever abuse children in a physical or other sense. The community should be proud of the teaching profession and support staff that the number of incidents of abuse is infinitesimally small, and thank goodness for that. However, it is important that children are protected against abuse and it is a topical issue, but in terms of getting a balance between protecting children and normal healthy physical contact, for example, where a child falls over in the playground (and I know this from my sister, who is a junior primary teacher), whether explicit (and I believe it is) or implicit, there is a feeling amongst teachers that you should not pick up a child where a child has hurt their knee or whatever, and I see that as rather callous and not a good approach when we are trying to develop a more caring society.

When I have raised this issue in the past I have had what I think have been fairly unsatisfactory responses in terms of the answer being that you let the child look up and see how tall you are and all this sort of stuff. The reality is that if you are six years old and fall over in the yard you will not look up to see whether the teacher is six foot or two metres tall or whatever. Is the department trying to get a sensible balance between the need to protect children against abuse, which is very rare in our system anyway, and the need to not deny people normal healthy physical contact where appropriate?

The Hon. J.D. LOMAX-SMITH: I thank the chair for that question as it is an important one and one the CEO has thought about.

Mr MARSHALL: I thank the chair also for the question. The key issue for the particular child who may have fallen over, been bumped to the ground or whatever and is injured is that the individual teacher must provide care for that student. If that means picking up a student, then they should do that. If it means counselling the student through some form of physical contact, then that is also appropriate under specific circumstances. It is inappropriate for an adult to touch a child in places unacceptable to the community and unacceptable in law. But, if a child hurts themselves, depending on the age of the child it is appropriate that, in the supervision, a teacher can (and this would be supported by the department) exercise due diligence and care in attending to that individual.

The ACTING CHAIRMAN: The reason I raise this issue is that I am aware that Premier Bob Carr gave notice that he would introduce legislation specifically to clarify the issue, because he was worried that an almost callous situation

existed in New South Wales. I do not know whether we need legislation here, but I thought that the guidelines I received from the department some time ago were silly. I am pleased that there is a balance emerging between protection and normal duty of care.

The Hon. J.D. LOMAX-SMITH: The CEO has another comment in relation to that issue.

Mr MARSHALL: I will certainly undertake to look at the current regulations to determine whether or not they provide sufficient clarity to the teaching force about what they can reasonably be expected to do in such circumstances. I will do so in consultation with the appropriate associations and so forth. I would like to be on the record as saying that we do not want to be callous, and we certainly do not want to be in a position where we are not providing care for youngsters who find themselves in danger. So, I will take that question about the regulations on notice and ensure that we amend them as appropriate.

The ACTING CHAIRMAN: Finally, it is very important in terms of junior sport, too. People who work in this building have said to me that they find the situation now a bit unclear, and men particularly fear that they will be accused wrongfully of something that they do. If you want people to be involved in junior sport and you want teachers to show care, the guidelines need to be quite clear.

The Hon. J.D. LOMAX-SMITH: It is very difficult to recruit young men into teaching when so many are perceived as being a problem.

Ms CHAPMAN: It is true that 98 per cent of the staff of the department in junior primary schools are women. However, the Acting Chairman raised an important point. When a child is in some danger in the school environment or when they have fallen over and cut their knee the situation is easy, but the real issue, surely, is in relation to a child who may exhibit some distress, not because they have fallen over and hurt themselves or because they are in any imminent danger, but they are nevertheless distressed—for example, they may not have finished their homework, or they may have some problem at home. The situation then arises when it would seem reasonable that a responsible teacher, in exhibiting some comfort to that child, may physically touch the child, whether it be to put their arm around them or otherwise. Those instances are the problem in defining what is appropriate and what may cause some offence to the child, or what is unacceptable to them, especially if they have had some training not to appreciate any unwanted touching or approach. In considering those regulations, will you also look at the guidelines issued by the department in relation to child protection and teachers?

Mr MARSHALL: Certainly. The critical point that the member raises is what is reasonable, and that can be different depending on the circumstances and the person. Community standards are no sure-fire way of determining what is reasonable. However, we need to portray a variety of scenarios. So, we will look at the regulations and at the child protection issues you have mentioned. The percentage of male teachers in South Australian government schools is higher than the Australian average. For example, we have 23.8 per cent; the Australian average is 20.9. You indicate that the majority of the teaching profession is women—

Ms CHAPMAN: I mentioned junior primary teachers—98 per cent.

Mr MARSHALL: Irrespective of gender, we need to provide good advice to schools and to staff about what they can do to exercise due diligence in their duty of care and how

to provide that as described—not in a callous way but in a way that responds to what the community expects of us as good standards.

Ms CHAPMAN: In relation to child protection, the proposal for prosecuting those who might be inordinately associated with children is being discussed at the moment. This is an attempt to identify those who might not be prosecuted or convicted or have any history of paedophilia or offences against children. In your department, is there any provision for looking into how you might retrain or re-educate your teachers to ensure that they are also protected in relation to that sort of behaviour and, indeed, so that they do not indulge in it for the purposes of being caught—particularly teachers who, on a daily basis, associate with young people, who are the potential victims?

The Hon. J.D. LOMAX-SMITH: Will the honourable member clarify what she means by ‘retraining’? Does she mean retraining abusers, or retraining—

Ms CHAPMAN: No; I am talking about alerting the staff to the fact that this legislation may be put into place, as announced by the government.

Mr MARSHALL: If there is any change in regulations, it is incumbent upon us as the department to provide that in a timely way, with good advice and support, and to build awareness and understanding of how it applies to a teacher or to a school. The answer to the member’s question about whether support will be provided if regulations change is that it is highly probable, although that is speculative, because we have not looked at it at this point.

Ms CHAPMAN: Do you have a line in the budget for the advice and education of the staff in relation to regulation change?

Mr MARSHALL: There is a major professional development fund for a range of purposes, including curriculum and other matters. We do have a budget for professional development of teachers.

Ms CHAPMAN: What is that in total for 2004-05?

Mr MARSHALL: The budget for professional development is in a range of different places. For example, schools are in receipt of their own budget, and they make decisions on what they expend on the professional development of teachers. From a broader perspective, we would have strategies for example in science and mathematics. We would have professional development around the standards of teaching etc. So, there is a variety of different budget lines where professional development would occur. While I am not in a position to give you a total right now, it would be several million dollars.

Ms CHAPMAN: I am happy for that to be taken on notice and, rather than aggregate in the science and mathematics, I am looking to see the budget line that would incorporate the re-education of all the staff in the event that there is a regulation change in relation to child protection. Minister, which schools are proposed for additional land to add to existing schools and site expansion to the value of \$1 million (Capital works, page 38 of Budget Paper No. 5)?

The Hon. J.D. LOMAX-SMITH: I think there may be child-care centres as well as schools.

Ms RIEDSTRA: The \$1 million is a provision, and all the properties are not identified at this point.

Ms CHAPMAN: Are any?

Ms RIEDSTRA: There may be some, but I would have to take that on notice.

Ms CHAPMAN: What is the basis, then, upon which the million dollars is actually allocated for the purposes of

acquisition if you do not have any school sites or child-care centres in mind?

The Hon. J.D. LOMAX-SMITH: It is based on history.

Ms CHAPMAN: Was there an allocation for last year of \$1 million?

Ms RIEDSTRA: Yes.

Ms CHAPMAN: How much was spent?

Ms RIEDSTRA: I will have to come back with that.

Mr SCALZI: I would like to ask a question from my local area. Will the minister confirm who owns the former Hectorville Primary School site? When was it sold? What were the proceeds? Was any consideration given to the Sunrise Christian School occupying the site? I have been informed that the Sunrise Christian School was in contact with the former minister and would certainly like to occupy the site. My understanding is that Sunrise Christian School has over 60 per cent of students on School Card and could certainly occupy the former school, which would save a considerable amount of money from bulldozing the school to use it for other purposes.

The Hon. J.D. LOMAX-SMITH: The directives through government, as you know, require us to offer property to other government departments first. It was offered to the Housing Trust, which purchased the site and settled in June of this year.

Mr SCALZI: You are saying that there is no further opportunity to reuse the site for a school facility?

The Hon. J.D. LOMAX-SMITH: I am no longer the owner of the site. DECS is not the owner of the site. I am not aware of the detailed plans at this stage.

Mr SCALZI: You would not know what the proceeds of the sale were? Surely that would come into the education budget.

The Hon. J.D. LOMAX-SMITH: I cannot give you the details of the sale price. I do not have that information. We can obtain it.

Ms CHAPMAN: As a supplementary question in relation to Hectorville Primary School, was the minister (or officers of her department) aware of the request by the Sunrise Christian School to be able to occupy that site; that is, that it not be sold and be available for their educational needs?

The Hon. J.D. LOMAX-SMITH: I am aware of some correspondence and some discussions, but I am not privy to all that debate as I was not the minister.

Ms CHAPMAN: Is the minister amenable to allowing any non-government schools to occupy a property owned by the department for the purpose of educational facilities or is there a policy not to provide that?

The Hon. J.D. LOMAX-SMITH: We currently have the policy whereby property is offered to government departments and then there is a chain of events, so private schools would clearly have the opportunity to tender and buy property after other government departments had made a decision on their requirements.

Ms CHAPMAN: That is not my question: that is the question of the priority of whether they go to other government departments then to local government and then to the general market place. I am not talking about that general process.

The Hon. J.D. LOMAX-SMITH: I have been complying with a Treasurer’s directive about this. That directive is complied with in all matters of this sort.

Ms CHAPMAN: I understand that and understand the directive. It is not a new one, but it is one that you need to follow if the decision you make as minister is to sell it. The

alternative is not to sell it and to make it available as a site to be occupied by a non-government school. In view of the fact that Hectorville was not available to the Sunrise Christian School, is there a policy of the department not to allow the occupation of any non-government school on Education Department land where it can, obviously, provide an educational service?

The Hon. J.D. LOMAX-SMITH: It is true that where a site or some land is surplus to requirements we follow the proper process. That does not require us to make a value judgment about the preferred buyer or interfere with the competition issues and the processes that are in place.

Ms CHAPMAN: Perhaps we are at cross-purposes. I am not talking about selling it. Once the department has identified that it no longer requires it for a government school, it can of course be leased. It can still be owned by the department and could be available at peppercorn rental, as often occurs with government assets or local government assets, for a school or educational institution to occupy.

The Hon. J.D. LOMAX-SMITH: It is a most interesting strategy that you have. When your government was in power, before it closed a lot of schools, I do not know that it had progressed to giving them at peppercorn rent to private operators. If that is the strategy, it is a rather interesting one.

Ms CHAPMAN: Again, regarding the issue about schools being closed (and two have been closed by your government since you started) I ask the question: is it a policy of your government not to make departmental assets available for occupation?

The Hon. J.D. LOMAX-SMITH: It is not a policy of our government to give government assets to private operators.

Ms CHAPMAN: Will you allow it to be occupied for commercial lease rental?

The Hon. J.D. LOMAX-SMITH: It is our policy to follow the processes in place and apply the Treasurer's instructions properly and not to do sweetheart deals on the side.

Ms CHAPMAN: Leaving aside sweetheart deals and leaving aside the sale, that is why I am asking: is it the policy of your government not to make land owned by the department available to other non-government institutions for commercial rental?

The Hon. J.D. LOMAX-SMITH: We have not been in the rental property market, with the exception of some short-term strategies where a not-for-profit organisation has required accommodation in some particular circumstances. I think Down's Syndrome, for instance, was one. Having said that, if land is surplus to requirements we follow the Treasurer's instructions and offer it to other government departments followed by offering it for sale on the private market.

Ms CHAPMAN: I take it, minister, that you did not have anything to do with the actual sale of the site?

The Hon. J.D. LOMAX-SMITH: The minister never has very much to do with the sale of the site. It is all done either by the Land Management Corporation or tenders of various kinds.

Ms CHAPMAN: Perhaps I should clarify that: the contract was not signed while you were minister?

The Hon. J.D. LOMAX-SMITH: I think that the final settlement could have been prevented by me. I do not believe that I was in a position to abort the sale of Hectorville Primary School and to do as you suggest, which is give it to a private operator at a peppercorn rent.

Ms CHAPMAN: Well, I did ask the minister about the question of commercial leasing. The Sunrise Christian School has actually requested a meeting with you, has it not?

The ACTING CHAIRMAN: I think we are getting well outside the budget line. The minister has indicated that she has no current responsibility for the land.

Mr SCALZI: If you would indulge me, for the sake of my constituents.

The ACTING CHAIRMAN: You should not indulge in anything but the committee.

Mr SCALZI: My understanding is that when the school became surplus there was an agreement with the then minister that the land would be made available to Hectorville Sporting Club for an extra two tennis courts, and also that proceeds would go to the new amalgamated East Torrens Primary School. My question is: will those commitments be honoured so that we can have the preschool on East Torrens Primary School—

The Hon. J.D. LOMAX-SMITH: I am afraid that every time the member for Hartley talks about this project he comes up with a different piece of information. This idea of being gifted to the tennis club is quite new information.

Mr SCALZI: No: the idea is that that land was made surplus, there has been a sale, and I am interested to know whether the government is going to use the proceeds from that educational facility for the well-being and education of the community in my area. I think that is a fair question.

The ACTING CHAIRMAN: The question is outside the expanded scope of the committee. I think that the minister has indicated that she has no responsibility for the disposal of assets—they have to be done in accordance with the Treasurer's instructions. It has been taken out of her hands. We can stay here all day and night but I do not think that we are going to advance it. You would need to ask the minister responsible.

Mrs PENFOLD: My question relates to Budget Paper 5, page 47, relating to capital works. I would like to know about the Ceduna Area School. Can the minister advise what progress has been made to date to complete stage one of the Ceduna Area School? And perhaps I can ask a supplementary question at the same time about whether the administration building will still be included in stage one, as was originally planned.

The Hon. J.D. LOMAX-SMITH: As you know, we announced a \$3.9 million redevelopment of Ceduna Area School—

Mrs PENFOLD: Except that it did not occur in this budget. It disappeared in this budget.

The Hon. J.D. LOMAX-SMITH: It is carry-over.

Mrs PENFOLD: It did not seem to be there, either.

The Hon. J.D. LOMAX-SMITH: The carry-overs do not appear in the same way—the money is there. It has not disappeared.

Mrs PENFOLD: That will be very nice. Plus the \$1 million from the federal government plus the interest for four years, I hope.

The Hon. J.D. LOMAX-SMITH: The total amount is \$3.9 million.

Mrs PENFOLD: Including the \$1 million plus interest from the federal funding?

The Hon. J.D. LOMAX-SMITH: That is included, I understand.

Mrs PENFOLD: It should be \$2.9 million from the state and \$1 million from the federal government, making \$3.9 million, plus you have had the \$1 million from the federal government for four years now. That should be about

\$0.25 million, which I am hoping will pay for that administration—

The Hon. J.D. LOMAX-SMITH: I do not understand that that is how it happens. The money goes into allocated funding for the school. There is no question of paying interest.

Mrs PENFOLD: Well, it was allocated for the Ceduna Area School and I would have thought that, seeing that it has not been used for four years—

The Hon. J.D. LOMAX-SMITH: I am advised that it is not with interest.

Mrs PENFOLD: Are we getting the administrative building in stage one, as it was originally planned?

The Hon. J.D. LOMAX-SMITH: I do not have that level of detail to hand, but I am advised that there will be 10 new classrooms, support spaces, a new school community library, landscaping and the removal of surplus DEMAC accommodation.

Mrs PENFOLD: By what date?

The Hon. J.D. LOMAX-SMITH: It has gone to tender, and we are still working on finalising the project.

Ms RIEDSTRA: Some initial work is planned for the July school holidays. The intention is to have the classroom accommodation ready for the start of the next school year.

Mrs PENFOLD: I understood that the tender was way over and that it was going to be looked at again and reassessed.

The Hon. J.D. LOMAX-SMITH: Is this the matter related to the new modular format?

Mrs PENFOLD: Yes. I came and saw you about it.

The Hon. J.D. LOMAX-SMITH: The modular format seems to be the way we are progressing. The school community will approve the design and the shape of the building.

Mrs PENFOLD: Will the tender go to the person who originally tendered, or is it to be re-tendered? What will happen?

The Hon. J.D. LOMAX-SMITH: No. The original tender, as I understand it, was for a different style building. The new tender for the modular design will be a different tender process.

Ms RIEDSTRA: That is currently under negotiation.

The Hon. J.D. LOMAX-SMITH: It is one that can be done very quickly, because it is a quicker construction form. That is why it will be ready by the beginning of next year.

Mrs PENFOLD: So, it is a preferred tender. Can I ask about the stages for the middle and upper schools at Ceduna, because that is a very sub-standard school with DEMAC classrooms put there many years ago?

The Hon. J.D. LOMAX-SMITH: As I understand it, those extra schools are not on the program at the moment.

Mrs PENFOLD: I think I have more Aboriginal students in my electorate than in any other part of the state. This particular school has—

The Hon. J.D. LOMAX-SMITH: I do not think it corresponds to another stage of this development.

Mrs PENFOLD: It is just very unfortunate that this school is not being progressed.

The Hon. J.D. LOMAX-SMITH: It is one that can be assessed for future works, but it is not a later stage of this development; it is a different project, as I understand it.

Mrs PENFOLD: When are the Elliston School buildings expected to be completed?

The Hon. J.D. LOMAX-SMITH: The tender was let in June 2004. This is part of a fire replacement activity, and we

are hoping that it will be completed by December 2004. Construction is due to commence almost immediately.

Mrs PENFOLD: In relation to Budget Paper 3, Volume 3, page 9.16, what program has been put in place to complete the maintenance backlog, much of it relating to the occupational health and safety issues in the 12 area schools across my electorate? It is a depreciation matter, and there is a budget line there.

The Hon. J.D. LOMAX-SMITH: I am not sure that I can give you the information about all of your schools.

Mrs PENFOLD: They had a meeting a couple of weeks ago. Evidently, it was undertaken that the major backlogs would be addressed.

The Hon. J.D. LOMAX-SMITH: There was a rather dramatically large backlog of maintenance when we came into government—about a quarter of a billion. The timetable for those extra works is being finalised now, as they have not yet been prepared. Which schools are you interested in?

Mrs PENFOLD: The 12 area schools. The rest of the state would probably like to know about theirs, but I am particularly interested in my 12.

The Hon. J.D. LOMAX-SMITH: We will get that information to you as soon as is practicable.

The ACTING CHAIRMAN: Minister, what progress has been made in reducing the cost of arson and vandalism in our schools?

The Hon. J.D. LOMAX-SMITH: We have a safe school strategy. We know this is essential in order to produce student well-being and a feeling of safety on-site, as well as to reduce the devastating effect of arson in our schools. It has a major impact not only on our budget but also on student well-being; they often lose materials. SACE material and a lot of projects are lost during fires. We are putting \$1 million a year into the safe school strategy. This includes perimeter fencing, closed circuit televisions and lighting around the perimeters. We have a school care centre in Hindmarsh where there are programs about how best to operate the security devices and televisions. In addition—I found it quite interesting when I visited—is the capacity for capital investment to make equipment more secure. For example, they showcase modular trolleys that will receive laptops so that they can be locked in a school site with added security. There is a range of devices and gadgets that can be used for additional security for schools. The program can never eradicate all arson activities. I know that you have been involved in your own electorate. We aim to reduce the number of impacts each year. We have anecdotal information that the areas in which we have invested seem to be less targeted.

The ACTING CHAIRMAN: I know that recently the school leaving age was raised. Are you able to give any progress report on the effectiveness or otherwise of student outcomes and so on?

The Hon. J.D. LOMAX-SMITH: As you recall, the school leaving age was one of the first legislative amendments of the government. It was introduced from 1 January 2003. In 2003 there were 12 675 fifteen year olds in South Australian schools. This was 425 students (3.5 percent) more than would have been expected based on previous progression rates from 14 year olds. However, there was no change in the number of 15 year olds in non-government schools. There is an increase in the number of students aged 15 in 2004 compared with the same time in 2003. As of February 2004, 12 690 fifteen year old students were enrolled in government schools. That is approximately 290 (2.4 percent) more than expected from the previous progression rate. There

was an increase of 3.5 per cent during the first year, and then another 2.4 per cent in the second year. It would suggest that this has had an impact on school retention. A number of programs were also initiated or built on to support those 15 year olds who are required to stay at school longer.

First, there is the student mentoring program which we talked about previously. In addition, one important facet was the extra attendance counsellors who were to work with students at risk of dropping out. In addition, there has been a range of strategies in the other portfolios. DFEEST has implemented regional networks for employment strategy and our own Futures Connect strategy, together with the work from the Social Inclusion Unit on school retention. All these areas are attacking similar issues from a different point of view and should enmesh to produce a sort of safety net and a catch-all to retain the maximum number of young people possible in the education system.

The ACTING CHAIRMAN: Are there plans to raise the school leaving age to 17?

The Hon. J.D. LOMAX-SMITH: Yes. I think it is 2010 in the State Strategic Plan. I cannot quite remember the cut-off year for that project, but it is within the forward plan.

Ms CHAPMAN: The Premier has announced what we now know to be his idea for South Australia to have a population of 2 million by 2050. There is no detail about the research that has been undertaken, but he is going to do some. Anyway, he has told us that this is his idea. What provision has the minister's department made for education to accommodate a population increase of 25 per cent over that period? Has the department started planning, or has it made any provision for that?

The Hon. J.D. LOMAX-SMITH: We are, indeed, planning for the future and investing considerable time in future planning.

Mr MARSHALL: One of the things that I have commissioned at the moment is a more detailed analysis of our demographics and trends for this state over the next 20 to 50 years so we can start to look at the implications in terms of what provision we need with respect to teacher supply and demand and also the nature of those people if the policy intervention is successful—for example, where would those students be and what would be the requirements for teachers and teacher development? I have worked with the Primary Principals Association in looking at this case, and we expect the department to put out a paper later this year with those various trends and implications, so we can start to examine how we might prepare ourselves for the future over the next decade or two.

Ms CHAPMAN: Who has been commissioned to do this work?

Mr MARSHALL: This year we have established the position of Strategic Futures and Accountability, and we have an executive working in that area. I have specifically asked them (they have commenced the work) to build on the government's initiative with regard to the population policy.

Ms CHAPMAN: Is there any funding in the budget for this new strategic futures and accountability division, or person?

Mr MARSHALL: This is within existing resources, to ensure that the department is responsive to the needs of the community and to plan successfully for the future. It has been done within existing arrangements.

Ms CHAPMAN: Last year nearly \$15 million was not spent in capital works (as it is commonly described). I am referring to the investment portfolio, Budget Paper 5,

page 47, where it is stated that this was due to 'the implementation of a revised tender schedule for government projects', which has altered the timing of expenditure 'on several projects'. I note that Kalangadoo Preschool, Kapunda Primary School, Norwood Primary School, Salisbury East High School, Booleroo Centre District School, Burton Primary School, Colonel Light Gardens Primary School, Mylor Primary School and Smithfield Plains Preschool were all schools where there was a delay, as announced by minister Weatherill earlier this year. Is that what is meant by 'several' schools?

The Hon. J.D. LOMAX-SMITH: The member has answered the question, because she is quoting from the budget documents and—

Ms CHAPMAN: Does the minister agree that that is clearly not 'several' schools?

The Hon. J.D. LOMAX-SMITH: I do not know that we need to get into a definition of semantics.

Ms CHAPMAN: Does the minister agree?

The Hon. J.D. LOMAX-SMITH: I do not need to agree about what another minister said.

Ms CHAPMAN: No, I am talking about what is contained in the minister's document. This is in the budget paper: 'several' schools.

The Hon. J.D. LOMAX-SMITH: I thought it was minister Weatherill whom the member was quoting.

Ms CHAPMAN: No, I have listed the schools with respect to which he has announced there have been delays, and what the minister has reported in her section of the budget is 'several' projects.

The Hon. J.D. LOMAX-SMITH: I am told that there are fewer than 20 schools out of 600 schools. So, whether you have a few, a small number or a percentage—it is an imprecise measure.

Ms CHAPMAN: I understand.

The Hon. J.D. LOMAX-SMITH: I do not think we need to get into—

Ms CHAPMAN: So, 'several' projects, for the minister, is less than 20?

The Hon. J.D. LOMAX-SMITH: I think that there are several, many, small numbers, a few. It is a percentage of 600. I do not know that it will contribute much to our understanding to work out whether 'a few' comprises two, four, six, eight, 10 or 12.

Ms CHAPMAN: With respect, this is a document that is published for the public in relation to what the government intends to do—it is an explanation of what it says it has done, and it refers to all these projects as being 'several' projects.

The Hon. J.D. LOMAX-SMITH: I am also informed that, in six of the eight years under the previous government, the department's capital works budget was underspent. In the 2002-03 DECS capital works budget it was fully expended—in 2002-03, in fact, slightly more was spent than was budgeted, with capital receipts \$9.975 million lower than budgeted due to non-receipt of some commonwealth capital grants until 2003-04.

Ms CHAPMAN: For the completeness of the record, does the minister agree that there was a \$34 million underspend in 2001-02?

The Hon. J.D. LOMAX-SMITH: The information I have is that it was \$31.96 million in 2001-02 and \$31.72 million in 2000-01.

Ms CHAPMAN: I ask about the redevelopment of the Henley High School, which was a \$4.8 million project under the former Liberal government and has been allocated

\$3.9 million in your budget. What will not be redeveloped as a result of the drop in funding allocated?

The Hon. J.D. LOMAX-SMITH: I am informed that the guesstimate produced by the last government in 2001 about the redevelopment was a loose assessment of what they thought the cost might be. It had not been scoped, no work was performed. Having now gone through the process of scoping, the project requirements, I understand that the development fits the needs of the school.

Ms CHAPMAN: There is no proposal in relation to that that has been cut as a result of the reduction in funding?

The Hon. J.D. LOMAX-SMITH: I do not believe so. My impression from visiting the school was that they were very happy.

Ms CHAPMAN: That may be so. I think that you have answered this question, but you have gone from a guesstimate of \$4.8 million and when it has been costed down the same project is only \$3.9 million?

The Hon. J.D. LOMAX-SMITH: The impression I can gather from my advice is that the \$4.8 million was not related to any specific design. It was not costed and the project was not scoped. As I understand it, the school did not know what they wanted but they thought they needed a new development. It may not be possible to get any closer to the details than that. My impression from the school was that they were happy with the current design.

Mr VENNING: Minister, you would be aware that the federal government has announced a grant of \$105 000 towards the establishment of a new building to house the Nuriootpa High School's innovative, world-class, wine education program. Will the minister match that funding, along with public contributions of over \$50 000, which would total in excess of a quarter of a million dollars to complete stage 1 entirely?

The Hon. J.D. LOMAX-SMITH: I am not entirely sure what you are requesting because I understand that the project is fully funded. My advice is that the project is fully funded.

Mr VENNING: It is not fully funded, it is a new building facility.

The Hon. J.D. LOMAX-SMITH: My advice is that it has been fully funded.

The ACTING CHAIRMAN: Perhaps the member for Schubert can talk to the minister later if he is unsure about it.

The Hon. J.D. LOMAX-SMITH: The member for Schubert says there has been no funding whatsoever. So has the federal government withdrawn its as well?

Mr VENNING: It announced last week \$105 000 towards a new building project, a new wine centre project, for Nuriootpa High School, and they were hoping that the state government would match it so they can get on and do something.

The Hon. J.D. LOMAX-SMITH: My understanding is that funding is there from a variety of sources already.

Mr VENNING: The course is funded but not the facility.

The ACTING CHAIRMAN: Perhaps the honourable member can have that clarified.

Mr VENNING: Due to delays with the upgrade of the Kapunda Primary School, I understand the costs have now blown out by some \$200 000 and the school is now forced to choose between maintaining the heritage building or building the much-needed new classrooms. An asset of the magnitude and age of the heritage-listed, main school building will require more expenditure the longer it is left unattended. Does the government recognise the undue angst and upheaval that the lack of allocation to this project has caused and will

continue to cause until the project is properly funded? Can the minister give the school community any confidence that the project will be completed?

The Hon. J.D. LOMAX-SMITH: My understanding is that the brief has not been worked up yet.

Mr VENNING: It has been cancelled. The money was in last year's budget.

The Hon. J.D. LOMAX-SMITH: I am getting rather tired of the scaremongering. Clearly there is a strategy to announce that projects have been cancelled when they have not. We have not cancelled that school's redevelopment. It is misleading and less than honest. I thought better of you.

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

Ms CHAPMAN: Minister, do we have the list yet of investment programs, the capital works?

The Hon. J.D. LOMAX-SMITH: I think they are still being collated.

Ms CHAPMAN: So, I take it that the detail in relation to the small projects in the budget is also not available?

The Hon. J.D. LOMAX-SMITH: The staff providing those answers are mainly those who have been in this room and they cannot be in two places at once.

Ms CHAPMAN: I understood that it was to be obtained.

The Hon. J.D. LOMAX-SMITH: We have obtained some information, but not that information.

Ms CHAPMAN: The total number of students in each of the educational programs for the 2004-05 budget is not recorded or available as 'new statistical model being developed'. That was last year's excuse for this information not being provided; accordingly, when will this new statistical model be developed and implemented?

The Hon. J.D. LOMAX-SMITH: There is a need for our education system to be flexible. Whilst it may have been all right for the previous government to lie doggo and not notice what was remiss in the system, we have made a very serious attempt to analyse the data and produce ongoing improvement. In terms of the remodelling, it will be next year.

Ms CHAPMAN: So in next year's budget it will be ready then—three years later?

The Hon. J.D. LOMAX-SMITH: I am saying next year not three years.

Ms CHAPMAN: I am saying three years: this was not available last year because the new statistical model was being developed. When will the new statistical model be developed and implemented?

The Hon. J.D. LOMAX-SMITH: I said next year.

Ms CHAPMAN: Does that mean that if it is implemented next year—

The Hon. J.D. LOMAX-SMITH: It is being developed this year for implementation next year.

Ms CHAPMAN: Was it developed at all in the preceding year? It was announced in the budget for 2002-03.

The Hon. J.D. LOMAX-SMITH: Preliminary work last year, finalising work this year, implementation next year.

Ms CHAPMAN: Student enrolment for term 2, 2002, to term 3, 2003, is down 2 336 full-time equivalents. Does the minister have any idea how many children are currently enrolled full-time equivalents in South Australia and, if so, how many are there?

The Hon. J.D. LOMAX-SMITH: The numbers are recorded as having reduced. We know there has been a reduction in public enrolments that has continued over the past decade because of a range of policies implemented by

other tiers of government and the enrolments are not available until the second term because the census is not taken until after the start of the first term.

Ms CHAPMAN: By way of supplementary question, does the minister therefore have any idea how many children are currently enrolled in government schools in South Australia at present and, if so, how many?

The Hon. J.D. LOMAX-SMITH: There are 165 964 full-time equivalent enrolments in South Australian schools. Of these 102 774.5 are primary students and 63 189.5 are secondary students. That is the February 2004 census results. There are 82 020 full-time equivalent enrolments in non-government schools as of February 2004, but I cannot tell you how many are enrolled today.

Ms CHAPMAN: That is at February. Why, if that information was available in February, is it not in the budget papers?

The Hon. J.D. LOMAX-SMITH: It is a census in February, but the results are not ready in February. You misunderstand how the documents are compiled. It is a census: a census is the date on which you ask the question—it is not the date on which you get the answer or can collate it.

Ms CHAPMAN: So, there is not sufficient information from the census you take in February 2004 to be able to record that in the budget to provide any guide as to the number of students for the purpose of which the programs you have budgeted for are included.

The Hon. J.D. LOMAX-SMITH: My advice is that the census occurs in February, but the results are published later. They were not available until 30 May. I reiterate: the date of the census is when you ask the questions. The date the answers are available is when you collate the results.

Ms CHAPMAN: So, when did you find out there were 165 964 full-time equivalents in our schools?

The Hon. J.D. LOMAX-SMITH: I do not think the time at which I was aware of that figure was a particularly relevant one in my life and I did not note it in my diary.

Ms CHAPMAN: Did you know it before today?

The Hon. J.D. LOMAX-SMITH: I knew it at some time between the end of May and today, but I cannot give you the date.

Ms CHAPMAN: Is it proposed that the numbers of students will not be disclosed in the budget papers, for which funding is significantly allocated according to the number of students? Is it the proposal of this government that you will continue to publish budgets without at least an estimate of those numbers being in there?

The Hon. J.D. LOMAX-SMITH: They are based on estimates: they have always been based on estimates.

Ms CHAPMAN: Yes, minister, but they are not disclosed in the document.

The Hon. J.D. LOMAX-SMITH: From the time of the Lucas treasury there has been a very clever financial arrangement whereby there is an on-going decline in funding to take into account falling enrolments. So, in order for this government to invest as we have done and as your government never did, it always comes on top of the sum following the reduction in funding for the Lucas cuts.

Ms CHAPMAN: Given that you say that that is such an inept formula, from your current statement, why have you perpetuated it in these budget papers?

The Hon. J.D. LOMAX-SMITH: I did not say that it was inept. I was explaining how it came about.

Ms CHAPMAN: Yet your government is not proposing to change it?

The Hon. J.D. LOMAX-SMITH: We are changing a lot of things and we are refunding the education system. We know that it was not a strategy of your government.

Ms CHAPMAN: You are proposing not to include an estimate of the number of students for the purposes of publication of the budget on an annual basis? Are you proposing to continue to carry that practice or not?

The Hon. J.D. LOMAX-SMITH: The numbers in the budget papers are August enrolments. The 2004 number is not yet available.

Ms CHAPMAN: So that is the practice you will continue?

The Hon. J.D. LOMAX-SMITH: I would like to know how we could have the August numbers ready for the budget. I am not sure how you would do that.

Ms CHAPMAN: But the budget is announced in May each year and those figures are seven months old.

The Hon. J.D. LOMAX-SMITH: And you would like us to anticipate the results from the August census?

Ms CHAPMAN: No, to provide information as to what is the estimate of the enrolments as at the time of publication of the budget. I think you made it clear that you do not intend to do that, and you do not.

The Hon. J.D. LOMAX-SMITH: They are estimates for 2003. Are you suggesting we make an estimate for 2004?

Ms CHAPMAN: Correct.

The Hon. J.D. LOMAX-SMITH: And that we should predict a year ahead?

Ms CHAPMAN: Yes; I understand that—to prepare your 2004-05 budgets. Yet data that you provided us for the number of enrolments is as at August 2003.

The Hon. J.D. LOMAX-SMITH: You do not seem to understand that it is a difficult process.

Ms CHAPMAN: That is fine. That is what you plan to do.

The Hon. J.D. LOMAX-SMITH: I am not quite sure what you are paid to do, but while I am here I will tell you that the Hectorville Primary School—

Ms CHAPMAN: You have answered the question, thank you, minister.

The Hon. J.D. LOMAX-SMITH: —land sale proceeds—

Ms CHAPMAN: I appreciate the answer.

The ACTING CHAIR (Ms Bedford): Order! The minister is speaking.

The Hon. J.D. LOMAX-SMITH: The land sale proceeds were \$3.65 million.

Ms CHAPMAN: I am sorry; will you repeat that answer?

The Hon. J.D. LOMAX-SMITH: The member was speaking when I spoke. I said—

Ms CHAPMAN: With respect, Madam Acting Chair, I was not speaking: Madam Acting Chair was speaking. Will the minister repeat that answer?

The Hon. J.D. LOMAX-SMITH: I said \$3.65 million.

Ms CHAPMAN: Will the state government continue to fund the Seasons for Growth student focus support program, run by teachers in state, Catholic and independent schools, after June 2004. If not, why not?

The Hon. J.D. LOMAX-SMITH: That item falls outside the matter for discussion, and I think it should be discussed after 8 o'clock. It is not in these budget papers.

Ms CHAPMAN: This provides for state as well. I will delete 'Catholic and independent' and ask that question after 8.30, if the minister wishes. Will the government continue to fund the Seasons for Growth student focus support program,

run by teachers in state schools, after 30 June 2004? That was part of my original question.

The Hon. J.D. LOMAX-SMITH: That matter is still under negotiation with another department and the organisation to which you allude.

Ms CHAPMAN: What is the explanation for the delay in completing a feasibility study to relocate the Aldgate Kindergarten to the Aldgate Primary School site? If approved, what is the time frame for implementation?

The Hon. J.D. LOMAX-SMITH: I am very happy to ask a member of the administration to update us on the Aldgate child-care centre. From experience, until I have those facts before me I do not accept that there has been any inordinate delay.

Mr MARSHALL: On 26 July 2003 the then minister approved a feasibility study for the relocation of Aldgate Kindergarten to the Aldgate Primary School site. The basic undertaking was that it would be a cost neutral project. The Valuer-General's report indicated the kindergarten property value. A valuation report received recently from Land Services in South Australia indicates that the Aldgate Kindergarten property is valued at approximately \$150 000, and a shortfall needs to be addressed. Whilst that matter is before us, we are not at liberty to provide any further detail, other than to say that it is under consideration with the funding arrangements and the valuation of that property.

Ms CHAPMAN: I thank the Chief Executive for that explanation of the progress of the matter. My question was: what is the explanation for the delay in completing it?

The Hon. J.D. LOMAX-SMITH: Is there any evidence that there has been a delay? We have no evidence.

Ms CHAPMAN: I indicate that on 17 December 2004 Ms Redmond (the member for Heysen) received a response from the Hon. Trish White's office that there had been a delay in completing the feasibility study required and approved earlier that year, that is, in 2003. I ask again: what is the explanation for the delay?

The Hon. J.D. LOMAX-SMITH: I am not aware of the documents you have.

Ms CHAPMAN: That may be so, minister.

The Hon. J.D. LOMAX-SMITH: I am not aware of this matter, so we have no information. We can find out whether there is a delay and report back, but we have no information on that matter.

Ms CHAPMAN: Is it correct, minister, that in fact there has been a delay as a result of lost paperwork in the department?

The Hon. J.D. LOMAX-SMITH: There is no way I can answer that. I do not have that kind of operational detail to hand.

Ms CHAPMAN: A whole team of senior people from your department is sitting around you, yet you say that you have no information on why there was—

The ACTING CHAIRMAN: Order! The member is going beyond the responsibility of this committee.

The Hon. J.D. LOMAX-SMITH: I have asked the CEO, and he has given you the information he has at hand. Any further information has to be produced on notice.

Ms CHAPMAN: I take it that that question is on notice and that that inquiry will be made. Is that correct?

The Hon. J.D. LOMAX-SMITH: That is what I said.

Ms CHAPMAN: Thank you.

The Hon. J.D. LOMAX-SMITH: Perhaps you did not hear.

Ms CHAPMAN: No; I did not. What action did the Department of Education and Children's Services take to secure the Stirling Kindergarten tenancy at the Adelaide Hills council property, which is currently available at peppercorn rental?

The Hon. J.D. LOMAX-SMITH: We will take that question on notice.

Ms CHAPMAN: If the tenancy is to conclude, what arrangements have been made for the relocation and cost of a future tenancy?

The Hon. J.D. LOMAX-SMITH: It is a pity that the member for Bragg does not want to discuss school retention, early literacy, or any of the positive programs in place.

Ms CHAPMAN: I have heard that under your government retention rates have gone down and literacy has failed, so I do not need to ask you any questions on those issues.

The Hon. J.D. LOMAX-SMITH: In our government, we have—

The ACTING CHAIRMAN: Order! We are not in a slanging match.

Ms CHAPMAN: It is unfortunate that the minister takes the view that she should direct what questions the opposition asks. Nevertheless, fortunately the rules are on our side and we can ask what we like.

The Hon. J.D. LOMAX-SMITH: I think you are having trouble finding dorothy dixers.

Ms CHAPMAN: In relation to the capital works provision for the Kingscote Area School in Budget Paper 5, a review was undertaken in relation to all Kangaroo Island schools during 2003 and consideration given to closing some classes at the Parndana Area School and Penneshaw Area School. Is it proposed that either of those other two sites will have any capital works improvement to their property in the forthcoming year?

Mr MARSHALL: The establishment of the single entity Kangaroo Island Education is the amalgamation of those four existing sites. The honourable member is quite right that a review of education services on the island was undertaken, and recommendation for that entity known as Kangaroo Island Education was made. The decision has been taken and received well. That is combining Kingscote, Parndana, and Penneshaw area schools and Kingscote preschool under single administration with one governing council. The entity will be funded as it would have been if all sites had remained as separate entities. There is no reduction or change in funding. The change is being implemented this year. The normal process for capital works or assets will be conducted with those particular sites. Could the honourable member remind me of the particular school that she referred to?

Ms CHAPMAN: Parndana Area School and Penneshaw Area School. Is there any proposed reduction of classes?

Mr MARSHALL: There is no proposed reduction of classes—contingent upon enrolments, of course. That is how it is determined. But there is no specific plan to reduce classes at this stage.

Ms CHAPMAN: Is it proposed that if there is any intention to reduce classes at those two area schools there will be another review, pursuant to the requirement of the Education Act?

The Hon. J.D. LOMAX-SMITH: Increasing class size: is that what you are suggesting?

Ms CHAPMAN: No, nothing to do with class size: the actual provision of services of classes at all.

The Hon. J.D. LOMAX-SMITH: So we send the whole class home? What does this mean?

Ms CHAPMAN: It was proposed, if the minister is not familiar with it, that there would be a reduction of classes available at the respective schools; that is, reduce them to year 5, was the first proposal. Students wanting education past year 5 would then have to attend the Kingscote Area School to complete their education. Is there any proposed reduction of those services in those two sites without a further review?

The Hon. J.D. LOMAX-SMITH: This has been consulted on extensively with the local community, and the changes that have been made have been with their consent and approval, so we are not likely to go unravelling it and coming up with a different process.

Ms CHAPMAN: I am pleased to hear that, but my question is: is there any proposed reduction of those classes without a further review?

The Hon. J.D. LOMAX-SMITH: I have just answered that question.

Ms CHAPMAN: Are there any proposed capital works for those two sites in the forthcoming budget?

Mr MARSHALL: There are no capital works proposed for Parndana and Penneshaw in this latest budget announcement.

Ms CHAPMAN: How is the extra principal to be funded without loss of any other staff to the other sites if there is to be no increase or decrease in funding for these schools?

Mr MARSHALL: The principal appointment will not flow on as a reduction in budget to the total entity. That will be picked up centrally.

Ms CHAPMAN: There will be some extra provision to ensure that is covered?

Mr MARSHALL: That is correct.

The ACTING CHAIRMAN: The University of SA, as you know, used to train home economics and what were called technical teachers. That no longer occurs at Underdale and the site has been sold. Recently, I heard the minister indicate that there is an alternative program in place, although it would not be an integrated degree, as I understand it. Will the minister provide information on what the department is doing with the university, TAFE or anyone else in order to try to satisfy the demand for what used to be called (and may still be called) home economics teachers and technical teachers?

The Hon. J.D. LOMAX-SMITH: I think I was talking about the two new programs being put in place by the University of South Australia in response to the shortage of teachers for both home economics and design and tech studies. As of 2004, the University of South Australia has introduced what is called a Graduate Certificate of Education (Home Economics). Eighteen teachers are currently retraining as home economics teachers, so they have some teaching experience in other areas. Meanwhile, the Bachelor of Education (Design and Technology Studies) will begin in 2005. Unfortunately, there is a lag period, but it is expected that the first group of graduates will qualify in 2009. This is a long-term strategy for tech studies. I think that there are still some opportunities for design and tech studies perhaps to be a retraining program, but that one has not been instituted yet.

Ms CHAPMAN: I have what are known as omnibus questions, which am I happy to read. I do not expect that the minister will necessarily have the information immediately available and I appreciate that she may wish to take them on notice, but I will be happy to hear her answers if she wishes to answer.

1. Did all departments and agencies reporting to the minister meet all required budget savings targets for 2003-04 set for them in the 2002-03 and 2003-04 budgets and, if not, what specific proposed program cuts were not implemented?

2. Will the minister provide a detailed breakdown of the expenditure on consultants in 2003-04 for all departments and agencies reporting to the minister, listing the name of the consultant, cost, work undertaken and method of appointment?

The ACTING CHAIRMAN: That is with a cut-off point of \$5 000.

Ms CHAPMAN: Yes. I am happy for that to be noted.

3. For each department or agency reporting to the minister, how many surplus employees are there? For each surplus employee, what is the title or classification of the employee and the total employment cost for the employee?

4. In the financial year 2002-03, for all departments and agencies reporting to the minister, what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2003-04?

5. For all departments and agencies reporting to the minister, what is the estimated level of underexpenditure for 2003-04, and has the budget approved any carryover expenditure into 2004-05?

6. (i) What are the total number of employees with a total employment cost of \$100 000 or more per employee and also, as a subcategory, the total number of employees with a total employment cost of over \$200 000 or more per employee for all departments and agencies reporting to the minister as at 30 June 2003?

(ii) What is the estimate for 30 June 2004?

(iii) Between 30 June 2003 and 30 June 2004 will the minister list job title and total employment cost for each position with a total estimated cost of \$100 000 or more, either (a) which has been abolished or (b) which has been created?

7. What is the difference between consultants and contractors and how many people or services that have previously been classed as consultants are now shown as contractors or short-term employees? Secondly, what is the value of their contract and what are the services that they provide?

Having noted that those questions are on notice I am happy to provide the committee with a copy of those questions with item 3 being qualified to the extent of \$5 000. I thank the minister and members of her staff for being in attendance for today's questions.

Mrs PENFOLD: I understand that \$4 million has been allocated for solar panels and rainwater tanks in schools across the state that already have adequate water and power. Is the funding for these panels and tanks coming from the education budget and, if so, can you indicate the budget line as I cannot find it?

The Hon. J.D. LOMAX-SMITH: It is coming from our budget line; it is our appropriation. To start with I do not think that it is \$4 million per year—it was \$1.25 million last year. The other sums were not for tanks: they were for reticulation watering and programs for water conservation. I do not think it was exactly tanks.

Mrs PENFOLD: While we are getting that information: will these tanks be connected to the toilets and, if so, are the necessary pumps and pipes for connection provided within that \$4 million? Also, I am concerned about contamination of the water in the tanks, because SA Water does not agree with people drinking the tank water and for places like

Streaky Bay, with startling contamination, I would not be at all happy. So I was wondering whether anything has been put in place to ensure that students do not drink the water from the tanks.

The Hon. J.D. LOMAX-SMITH: I think that there is also lead in some paints going into tanks, so there is a risk of contamination. My understanding of the ESD and the water devices was that it was not tanks. I have to say that my—

Mrs PENFOLD: I have seen two brand new tanks in the last month in my electorate with my 72 schools.

The Hon. J.D. LOMAX-SMITH: We were dealing with water conservation strategies to do with stormwater run-off and irrigation systems for ovals in particular. I have no knowledge of drinking taps or water for—

Mrs PENFOLD: So these are just going to be used for watering ovals?

The Hon. J.D. LOMAX-SMITH: These may have been a choice of the individual school and not something that was appropriated from our funding, but if you could provide us with the names of the schools we could track down—

Mrs PENFOLD: I guess that if I have seen two there are probably quite a lot of them, and I wondered whether children were going to drink from these and whether they were going to be plumbed to toilets, but if they are just being used on grass then there is no problem. But I still have a problem that it is coming from the education budget, because I really do think that is an environmental matter not an educational one.

The Hon. J.D. LOMAX-SMITH: No: we had funding that was an appropriation for these strategies. The Premier arranged an allocation. So, when we say it is within our appropriation it is not coming out of teaching money; it is not coming from the base funding for education. In fact, the point I made about the increased funding is that, when we calculated the per capita funding for students in schools and pointed out that we had increased the funding by just under 17 per cent over three budgets, that is new money going into education. This is a separate allocation that came from the Premier's initiative for solar systems which was \$1.25 million and I think, from memory, the \$1 million a year which was the environmentally sustainable development program which, in the last year, has been channelled into irrigation and water systems.

Mrs PENFOLD: I hope there is a 17 per cent increase in my 72 schools! I will check that.

The Hon. J.D. LOMAX-SMITH: All the schools were getting more money. Of course, there may not be 17 per cent on their global budget allowance, because you will recognise that the global budget is dependent upon enrolments. So, if there has been a dramatic decline in enrolments the global budget will fall as well.

Mrs PENFOLD: On the whole, mine are going up.

The Hon. J.D. LOMAX-SMITH: That is good.

Mr SCALZI: In respect of the amount allocated in global budgets to government schools in 2003-04 and 2004-05 years, what is the total amount to be paid in each of the financial years, what is the percentage of those amounts and how much is allocated to payment of salaries and associated costs for all staff?

The Hon. J.D. LOMAX-SMITH: Can I just clarify that? When the school year goes through two financial years, you want to know the percentage and the way that the money is allocated to schools?

Mr SCALZI: Yes.

The Hon. J.D. LOMAX-SMITH: Whether it goes in equal portions at the beginning of the year and the end of the year. Was that the question?

Mr SCALZI: No; the two separate financial years—the 2003-04 and 2004-05 years.

The Hon. J.D. LOMAX-SMITH: I think there may be some confusion. The reason I am having difficulty answering this is that schools are funded on calendar years, not financial years. Perhaps you did not realise that we allocate funding according to the enrolments by the calendar year. The question does not quite get to the point that I think you are trying to make. If you could explain again what you want to know, I will see whether we can answer it more rationally.

Ms CHAPMAN: May I ask a supplementary question to help clarify this?

The Hon. J.D. LOMAX-SMITH: I think the member for Hartley knows what he wants.

Ms CHAPMAN: I am sure he does. In relation to the two separate financial years, whilst it is noted that global budgets might be allocated as funding over an academic year, the budget papers by your department need to identify what money is being spent within this entity. What money is being appropriated in each of those financial years? What is sought is the total amount paid to schools in the 2003-04 budget, and the total amount paid to schools in the 2004-05 budget—both financial years. In each of those years what is the percentage and amount paid for salaries?

The Hon. J.D. LOMAX-SMITH: There is a resourcing allocation which is part of an industrial award, and we pay the larger of the two entitlements or global budget amounts. They relate to the number of students enrolled. There is absolutely no way that I can tell you what we will be paying in the 2005 school year, because enrolments are not discovered until that year begins. We do not actually allocate funding for the 2005 school year until the enrolments have been delivered after the census. It is information that is based on a misunderstanding of how we allocate school funding.

Ms CHAPMAN: In the period from 1 July 2004 to 30 June 2005, a certain amount of money will be paid to schools relative to global budgets. How much is budgeted in 2004-05 to pay to schools? I realise you need to calculate it, but how much is budgeted for payment to schools in global budgets? What is the total amount for the state in all government schools?

The ACTING CHAIRMAN: Maybe you could look at the question—

The Hon. J.D. LOMAX-SMITH: I think the questions are conflated, confused and ill-advised, because they seem to confuse the calendar years, the academic years, enrolments and the allocation allowances. I think that, if you do not understand the system well enough, you can ask some very bizarre questions. I can give the exact amount per capita but, of course, it depends on the index of disabilities and the number of children with special requirements; therefore, the number is very fluid.

The ACTING CHAIRMAN: Perhaps you could take the question away. If the members for Bragg and Hartley are unhappy, they can put the question on notice.

Ms CHAPMAN: The minister is saying that she cannot predict that in this forthcoming year, and I understand what she is saying. In relation to the other part of the question, which is the total amount for the 2003-04 financial year about to conclude in nine days, how much is the total amount paid to schools for global budgets?

The Hon. J.D. LOMAX-SMITH: It is a collapsed figure for two calendar school years.

Ms CHAPMAN: I understand that. I will be asking the same question next year, when you complete it. For this year—since you cannot work out next year's—can you tell me how much in total your department has paid out in global budgets to schools?

The Hon. J.D. LOMAX-SMITH: It will be 50 per cent of last year and 50 per cent of this year, I suspect.

Ms CHAPMAN: It may be but, if you do not know the number off-hand, I am happy to take it on notice.

The Hon. J.D. LOMAX-SMITH: Yes. We will take it on notice. It is a figure that might give you much joy, much like the miscalculation of the Myponga global budget.

Ms CHAPMAN: In relation to the other part of the question for 2003-04—since you are unable to identify what estimate you are going to provide for 2004-05, notwithstanding that it is exactly the budget with which we are dealing—of that total budget, when you ascertain that figure, what is the percentage paid to salaries? That is the second part of the question.

The Hon. J.D. LOMAX-SMITH: The percentage of the global budget?

Ms CHAPMAN: The total global budgets paid. I would be most surprised if you do not have that information available but, if you do not, I am happy to take it on notice.

The Hon. J.D. LOMAX-SMITH: Of course, they are not all funded on global budgets; that is another issue.

Ms CHAPMAN: I understand that.

The Hon. J.D. LOMAX-SMITH: It is the percentage of global budgets and other. So, the question is not specific, because you do not actually want the percentage of global budgets.

Ms CHAPMAN: Minister, I do.

The Hon. J.D. LOMAX-SMITH: You do not, because they are not all—

Ms CHAPMAN: I do, because there may well be other schools that receive other funding in a different way. I am asking about global budgets, not the ones that are still under the old system in that part of the year.

The ACTING CHAIRMAN: We are cutting into the remaining time. Can the minister take that away and try to come up with something? If the members for Hartley and Bragg still want further information, they can put it on notice through the House of Assembly.

Ms CHAPMAN: That is all right. She has the question; that is fine.

The ACTING CHAIRMAN: We will move on to SSABSA and non-government schools for the remaining time.

Additional Departmental Adviser:

Ms J. Keightley, Chief Executive Officer, Senior Secondary Assessment Board of South Australia.

The ACTING CHAIRMAN: Does the minister have any statement?

The Hon. J.D. LOMAX-SMITH: I think we might go straight to questions.

Ms CHAPMAN: The state government has allocated significant funding for the training of school counsellors in child protection measures, some of which have been detailed by the minister today. This is an issue of prime importance for all schools. What proportion of this funding will be

provided for counsellors to support the needs of students in non-government schools?

The Hon. J.D. LOMAX-SMITH: We are not providing counsellors to non-government schools. They receive grants from the federal government and the state government. However, I would expect proper processes to be in place. We have been reviewing child protection activities in our own schools, and we work very closely with the non-government sector. The level of cooperation from the Catholic education sector is extremely high, and I suspect that other sectors will be growing increasingly willing to adopt best practice and communicate openly within all sectors. I believe that the degree of communication is now quite high, and the processes have improved dramatically over the past five years.

Ms CHAPMAN: I have a supplementary question. I did not ask about the provision of counsellors. My specific question was: how much was the funding for the training of school counsellors? I appreciate that the minister's department does not make provision for counsellors in non-government schools, but if there are new child protection provisions it is a question of training all counsellors. Is there to be any funding for the training of non-government school counsellors?

The Hon. J.D. LOMAX-SMITH: Non-government schools are responsible for funding their own staffing.

Ms CHAPMAN: Including the training? The government is not going to provide any training of non-government school counsellors with respect to child protection?

The Hon. J.D. LOMAX-SMITH: To my knowledge, we have not. We do provide, of course, significant per capita funding to the sector. It chooses to spend that money as it will. We provide significant resources to the private sector in terms of developing a curriculum for drug use reduction, and very many of our curriculum materials are available to the private sector should it want them.

Ms CHAPMAN: The government has allocated \$35 million over four years to the early years, including the provision of three days of training for all preschool to year three teachers to enhance their skills in teaching literacy. As literacy is fundamental to the education of all young people, will this training provision be made available for the independent non-government school teachers and, given the importance of this matter, will it be provided without cost to those teachers?

The Hon. J.D. LOMAX-SMITH: I can see from the line of questions that the member for Bragg is asking that she wants the state government to provide more funds for private schools and private operators. Clearly, that is her policy position. I think that we are already generous in our delivery of funds to the private sector.

Ms CHAPMAN: Do I take that as a no?

The Hon. J.D. LOMAX-SMITH: I can understand that the member's desire is to undermine the public school system. She has sided with the federal government on all its strategies not to put extra money into the public school system, and now she wants us to fund the private school system more than we do already from our funding arrangements.

Ms CHAPMAN: Minister, is that a no?

The Hon. J.D. LOMAX-SMITH: I think the member is very quick on the uptake.

Ms CHAPMAN: Thank you. The government has appointed 30 teachers to work as mentors to help other teachers develop skills in literacy teaching. Will the non-

government school sector be able to access any of this provision?

The Hon. J.D. LOMAX-SMITH: I think I am getting a good catalogue here. The member would like us to close Whyalla High School, to close schools owned by the public sector, and to offer peppercorn rents to the private sector or give it the land free, and she would also like us to train and put resources into the private sector schools. That is not our general policy.

Ms CHAPMAN: I take it that is a no?

The Hon. J.D. LOMAX-SMITH: I think the member is quick on the uptake.

Ms CHAPMAN: Excellent. Many independent schools are unable to have sufficient broadband access because of the recurrent costs and the cost of providing the infrastructure required. This provision is vital for the development of online learning. The majority of independent schools are smaller primary schools with limited resources. What measures will the minister take to ensure that independent schools in need are able to gain sufficient broadband access, and at rates that are comparable with those of government schools?

The Hon. J.D. LOMAX-SMITH: I am glad that the member for Bragg has mentioned needs, because that has been substantially absent from her arguments about the funding of schools. Otherwise, she might well have taken up, in defence of the South Australian public school system, the needs of our public schools and the needs of some of our private schools.

Ms CHAPMAN: Sir, I have a point of order. This has nothing to do with the question, with respect. Whilst the minister has raised an interesting and important matter in relation to public education, that is not the question that I asked the minister. I asked her a question specifically in relation to broadband accessibility for non-government schools.

The ACTING CHAIRMAN: Order! I think that, in fairness, the member for Bragg has canvassed a few of her views and I think that, likewise, the minister should be able to canvass some of hers. But the main purpose of the committee is not for people to expound their world view.

The Hon. J.D. LOMAX-SMITH: I am pleased that the member for Bragg has noted that some schools do have special needs. Our proposition has always been that schools should be funded according to needs, not according to whim or electorates or other ideological dogmas that might prevail with respect to both the federal Liberal government and the Liberal opposition. I would be the first to admit that there are some non-government schools which have special needs and which are not well funded. I think it is quite appropriate that, where federal funds are being spent on the private sector, those federal funds should be biased towards schools with special needs. I suggest that, as the member obviously agrees with me on this matter, she might like to approach her federal friends and ask them to reschedule their funding to the private sector according to needs.

Ms CHAPMAN: I take it that the minister will not be providing any measures to give broadband access at rates comparable with government schools?

The Hon. J.D. LOMAX-SMITH: I am absolutely convinced that the funding from the federal government should be on a needs basis. That is in fact the way that the state government funds its grants to non-government schools, and I would encourage the member to support South Australian students by having the funding from the federal government also on a needs basis.

Ms CHAPMAN: I appreciate that contribution, but my question was whether your government, and you particularly, will ensure that there are sufficient measures to give these students broadband access commensurate with government school students. If the answer is no, I would appreciate that answer.

The Hon. J.D. LOMAX-SMITH: We do give funding according to need and then it is for the school to allocate those funds. We believe in needs funding. It is the Liberal Party that does not.

Ms CHAPMAN: I will take that as a no. State recurrent grants to non-government schools in South Australia are the seventh lowest in Australia, according to the Productivity Commission report of 2004, and the South Australian state government subsidy for capital works in non-government schools is also at a similar level. Capital works subsidy from the state government for non-government schools in South Australia is approximately \$6 per student. Will the minister agree to consider increasing the capital works subsidy on a needs basis for non-government schools?

The Hon. J.D. LOMAX-SMITH: I certainly pick the member for Bragg's intent to increase funding to private schools. Our commitment has been on a needs basis and we will not be giving a blanket increase in funding to some private schools which, of course, are quite well off. We do fund some capital works programs on a small recurring budgetary means, but we believe in needs funding. We believe that we give a fairly allocated and equitably distributed degree of funding to non-government schools, and I would encourage the member for Bragg to lobby her federal colleagues to do the same thing.

Ms CHAPMAN: Again, I ask as a supplementary question whether you are satisfied with the capital works subsidy you give to non-government schools and whether you are prepared—granted on a needs basis, as I have qualified it, and which we both agree on—to grant any increase at all. At \$6 per student, it is a pretty paltry amount.

The Hon. J.D. LOMAX-SMITH: I am most dissatisfied with the funding amounts that have come into schools in South Australia from the federal government. I am not at all satisfied with that level of funding and with the failure to adequately address the needs of schools in South Australia.

Ms CHAPMAN: This is your funding that we are talking about. It has been grossly inadequate.

The ACTING CHAIRMAN: Order! The member asks the question, the minister responds, and that is it. In relation to SSABSA and the inquiry being chaired by the Hon. Greg Crafter, can you report any progress as to the interest in it in regard to submissions and the like, or is it too early?

The Hon. J.D. LOMAX-SMITH: I believe it is too early. We have put out a discussion paper which I hope you have had a chance to read. It is quite a comprehensive but non-loaded discussion paper. It is not push-polling in any way. It canvasses the range of different ideas and different approaches that might be taken up in the review. I have been very impressed by the way in which the review team has gone around to rural and regional South Australia. One of the great challenges for education in South Australia is to lift the achievements of children in regional centres and find ways to encourage them to attain higher and further education, as well as better retention rates. Those consultations have occurred around the state and I understand that there are now consultation phases that involve formal responses from stakeholders of SSABSA and also particular input from universities, TAFEs and employers.

I think it is critical that the program will include employer input as well, because there are significant issues about the understanding of the SACE system. The view from some business leaders is that the system is inflexible and does not include real-life experience, and there is a whole range of assertions that actually bear no relationship to the truth. I have been astounded at the range of competencies that are assessed, going down to the level of first aid and Duke of Edinburgh type awards and Queen's Scouts—all sorts of life experiences can be counted towards SACE and the TER score.

In order to improve accessibility, an online survey has just been developed and a system for SMSs, so young people who are much nimbler with their thumbs than us can respond by SMS to the review, as well as attending to the online survey and making formal submissions in the routine way as you and I might make them, and attending some of the discussion groups and sessions. The consultation has been wide.

I have been particularly impressed by the level of engagement really from a whole range of organisations, not only the secondary school teachers and principals associations but particularly also primary schools. I have attended meetings with Catholic educators and I have also attended some schools, specifically speaking to councils about the options for future review of education in the state. I have to say that I have been astounded by the willingness and enthusiasm people have for this review.

The ACTING CHAIRMAN: I have looked at the discussion paper and the questions, but I think it is fair to say that the questions are really for academics and people who are in the system. I do not think that they are necessarily what the average mum or dad out there in voter land could respond to, and they want to comment in terms of whether they thought current arrangements were too strenuous on their child where they have had a child go through the system. I am not sure how they can fit into the picture. I am not trying to put people down, but how can the non-academic respond?

The Hon. J.D. LOMAX-SMITH: We thought about the matter that you raised and, without saying it is a dumbed-down version, we did produce a simpler, less academic version of the facts, which was aimed at younger respondents. I would be very pleased to get you a copy of that because it is a simpler, shorter version. I suspect it will be more easily addressed by parents who complain often that they do not understand the system and who struggle to realise what sort of options are available. As parents know, most of the information they are ever expected to find or know about is at the bottom of their children's school bag mashed up with a banana, and it is quite difficult to get information home to parents.

Ms CHAPMAN: Presently, the SACE qualification is available to South Australian students over a period of more than one year. When you and the Premier make public statements in relation to retention rates, you refer only to those children who are undertaking or completing full-time year 12. Why is that?

The Hon. J.D. LOMAX-SMITH: We have noticed that the numbers have been going down over the past 10 years during the time that the Liberal government was in office, and there has been a distinct steady decline that we have managed to arrest. I note that you observe anomalies in the recording system, but they have been there for 10 years and have not been addressed. Those anomalies relate to the statistical collection of part-time students, part-time apprentices and

partial SACE studies in relation to three or four units and when students are studying part-time.

Notwithstanding those anomalies, this government has recognised that school retention is the key to future learning and engagement and has put a considerable amount of effort into analysing the data around school retention figures and addressing the problem as such, because it was never seen as a problem by the Liberal government, which was happy to sit on statistics of full-time or apparent study without ever recognising that there was a problem that needed addressing. We have recognised that a problem needs addressing and have put money into addressing it, but before we did that we were aware that there was a gap in understanding that had never been addressed in terms of isolating those children at risk—those dropping out of school.

We have put in some careful analysis which was never done during any of the terms of the previous government and which calculates the number of people between the ages of 15 and 19 years: those who are out of school, out of work and out of training and therefore at risk of never engaging in ongoing education, struggling to reach any qualifications, lacking skills and therefore destined to be unemployed or in low skill, low income jobs for many years. That cohort of young people at risk we have taken very much to be central to our achievement of not only our social and community objectives but also clearly our economic objectives, because we cannot be economically vibrant while there are these disadvantaged, forgotten children who were never addressed by the Liberal government when they were in power. It is an area that we are actively addressing.

Mr Scalzi interjecting:

The Hon. J.D. LOMAX-SMITH: We have analysed the cohorts. The blame has to be sheeted home. This was denial, big time, and there is no denying any more. We have these young people in our sights and we do not want them out of employment, out of training and out of school.

Ms CHAPMAN: The group I am speaking about are the ones in occupation, with school and training, and in fact those who are completing their year 12. That group that was recognised under SACE during the previous government are the ones you and the Premier refuse to recognise and include in the retention rates in our schools. I am not talking about the group slipping through the net who are not in employment or undertaking some study, but about students who are undertaking their SACE over more than one year whom you and the Premier refuse to recognise in the statistics on retention rates. For the government of social inclusion, why do you persistently refuse to recognise these students in the statistics?

The Hon. J.D. LOMAX-SMITH: I absolutely recognise the achievements of young people in traineeships, apprentices or working. If young people are involved in any of those activities they are engaged in employment, training or education and that is a good achievement and a good goal.

Ms CHAPMAN: So, why don't you add them into the statistics and recognise them properly?

The Hon. J.D. LOMAX-SMITH: We have drilled down into the statistics so we know where are the numbers of those people who are failing. We have analysed the data and we have a strategy and a plan, which is more than can be said of the previous government.

Ms CHAPMAN: So, is the strategy and plan to say that these children simply do not exist, we will not refer to them at all and down the track you will say, 'Aren't we a great government because we have increased the full-time year 12s', by completely ignoring the others?

The ACTING CHAIRMAN: Order! The member for Bragg is grilling the minister in a way that is not—

The Hon. J.D. LOMAX-SMITH: The member for Bragg is projecting her own motives onto someone else, and I reject them.

The ACTING CHAIRMAN: I am not suggesting there is anything untoward in non-government schools, but what processes are in place to ensure that teaching the curriculum, the methodology and so on is modern, acceptable and not completely out of step with community expectations? How do you know that in non-government school X there could be a curriculum or methodology taught that is way out of whack with what should be happening?

The Hon. J.D. LOMAX-SMITH: I believe the curriculum is prescribed. The teaching members are not prescriptive, but there is a very great degree of flexibility, and there is perhaps a misjudgment in the community that the system is very academic and inflexible in that the range of options is almost one of the problems. There are so many opportunities and different ways of learning, and I would hope that in the government schools there is a degree of personalised management of young people in that they are given opportunities to use their talents. Currently there is no prescription about how teaching is carried out in private schools. But I think the curriculum is, if you like, a framework and a guide. I will refer that question to Ms Keightley.

Ms KEIGHTLEY: Certainly, at stages 1 and 2 of the SACE there is a very clear curriculum statement at both levels. There is also an assessment and a quality assured process that SSABSA undertakes, although the methodology used is up to the individual professionalism of the teacher, supported by SSABSA in the form of workshops we run for teachers when we introduce a new curriculum statement to ensure the standards are those we are expecting. Similarly, we now use our web site to make illustrative materials available to teachers that set examples for them about the standard and also give them some clues about methodologies to develop the learning outcomes we have specified in the curriculum statement.

The ACTING CHAIRMAN: So, if a school wanted to teach a particular view of history, or a particular ideology—

The Hon. J.D. LOMAX-SMITH: I think the Acting Chairman might be referring to a subject such as creation science.

The ACTING CHAIRMAN: I was not thinking specifically of that. In other countries, it has been known that schools can teach their own programs that suit their particular creed. We accept that in religious classes but, in terms of general studies, the system cannot be abused and, in effect, be indoctrination rather than education.

Ms KEIGHTLEY: Certainly, within the SACE there is a requirement for the teachers to ensure that all the curriculum learning outcomes are achieved. The students are assessed against all the learning outcomes, which means that the teachers cannot ignore certain sections of the curriculum; if they do, it would disadvantage their students significantly in the final outcome. Within the frameworks set by SSABSA, it is not possible for a particular line to be run at the risk of the rest of the curriculum because, clearly, the students would be disadvantaged. I believe the school community would certainly be concerned about that.

Ms CHAPMAN: In the course of the review by SSABSA in relation to the SACE, has any submission been received by anyone to change the current system so as not to enable students in South Australia to undertake their SACE over more than one year?

The Hon. J.D. LOMAX-SMITH: First, SSABSA is not conducting the review: it is the SACE review committee. Secondly, I am not receiving and reading the submissions before the review committee. It is not my job: other people are paid to do that.

Ms CHAPMAN: Has the department put in a submission at all?

The Hon. J.D. LOMAX-SMITH: I do not know. The closing date is 3 August.

The ACTING CHAIRMAN: This will be the last question for the member for Bragg.

Ms CHAPMAN: I have two more questions, Mr Acting Chairman. Independent schools educate and care for students with disabilities, yet the funds available for this important matter are insufficient to provide the staffing and infrastructure levels required. A student with a severe disability in a government school can be funded up to a maximum of about \$22 000 (and that was the figure given today, although it may be more), while the maximum available for a non-government school student is less than \$1 400. Will the minister consider increasing the funds directed towards students with disabilities in non-government schools?

The Hon. J.D. LOMAX-SMITH: I would dearly love the member for Bragg to make representations to her federal colleague, because he believes that a disabled child in a private school should get five times more than a disabled child in a public school—and that is how he funds our schools in South Australia.

Ms CHAPMAN: I take it that is a no: there is no extra funding for children who are disabled who attend non-government schools.

The ACTING CHAIRMAN: The member has asked the question. She needs to ask her last question.

Ms CHAPMAN: I simply record on the transcript that I consider the minister's answer to be no. The government supports the MCEETYA careers and transition services framework and is a signatory to the Stepping Forward declaration. It has made funds available to government schools through the Futures Connect strategy. This funding is not available to non-government schools. Given the importance of the successful transition from school to further training and to careers, will the minister make funding available to students in non-government schools for this purpose? In canvassing this matter with the previous minister, I was given the clear understanding that some of this funding would be available to non-government schools and that they will have access to this service.

The Hon. J.D. LOMAX-SMITH: I am quite happy to look through the transcripts to find those details.

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

ADJOURNMENT

At 8.36 p.m. the committee adjourned until Tuesday 22 June at 11 a.m.