

HOUSE OF ASSEMBLY**Monday 2 July 2007****ESTIMATES COMMITTEE B****Chair:**

Ms L.R. Breuer

Members:

Mr L.W. Bignell
 Mr S.P. Griffiths
 Mr T.R. Kenyon
 The Hon. R.G. Kerin
 Mr D.G. Pisoni
 The Hon. P.L. White

The Committee met at 11 a.m.

Department of Further Education, Employment, Science
 and Technology, \$284 428 000

Witness:

The Hon. P. Caica, Minister for Employment, Training
 and Further Education, Minister for Science and Information
 Economy, Minister for Youth, Minister for Gambling.

Departmental Advisers:

Dr T. Donaghy, Director, Office for Youth, Department
 of Further Education, Employment, Science and Technology.

Mr B. Cunningham, Chief Executive, Department of
 Further Education, Employment, Science and Technology.

Mr F. Ngui, Business Manager, Office for Youth,
 Department of Further Education, Employment, Science and
 Technology.

The CHAIR: As you know, the estimates committees are a relatively informal procedure and, as such, there is no need to stand to ask or answer questions. The committee will determine an appropriate time for consideration of proposed payments to facilitate the changeover of departmental advisers. I ask the minister and the lead speaker for the opposition to indicate whether they have agreed on a timetable for today's proceedings and, if so, to provide the chair with a copy.

Mr PISONI: Yes.

The Hon. P. CAICA: The timetable has been agreed. I do understand that discussions have occurred and are ongoing about perhaps shortening the science component this afternoon.

The CHAIR: Changes of committee membership will be notified as they occur, and members should ensure the chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the committee secretary by no later than Friday 7 September.

I propose to allow both the minister and the lead speaker for the opposition to make opening statements of 10 minutes each. There will be a flexible approach to giving the call for asking questions, based on about three questions per member, alternating each side. Supplementary questions will be the exception rather than the rule. A member who is not part of

the committee may, at the discretion of the chair, ask a question. Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced. Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion in the House of Assembly *Notice Paper*.

There is no formal facility for the tabling of documents before the committee. However, documents can be supplied to the chair for distribution to the committee. The incorporation of material in *Hansard* is permitted on the same basis as applies in the house, that is, it must be purely statistical and limited to one page in length. All questions are to be directed to the minister and not to the minister's advisers. The minister may refer questions to the advisers for a response. I am advised that the Speaker has said that for a trial period only, until the conclusion of the estimates committee hearings on 4 July, 'I am prepared to allow unlimited filming from the vantage points in the northern media galleries of both chambers, as well as the usual position in the public gallery of each chamber.'

I declare the proposed payments open for examination and refer members to the Budget Statement, in particular pages 2.23 to 2.34, Appendix C, and the Portfolio Statement, Volume 3, part 13, pages 13.1 to 13.37. Minister, do you wish to make an opening statement?

The Hon. P. CAICA: I have a brief opening statement. I welcome the opportunity to make an opening statement about the important work being undertaken by the Office for Youth to support young South Australians. Young people are important to the government of South Australia. They are an asset to our communities and their enthusiasm and ideas are a vital part of a dynamic, sustainable community. With the ageing of our population, the role played by our young people is becoming even more critical. The state government is committed to ensuring that young people are considered in the decisions governments make. Young South Australians can make valuable contributions to decision-making about matters that affect them directly and issues that impact upon our community at large.

The state government's Office for Youth undertakes important work in supporting young South Australians by providing meaningful opportunities for them to actively participate in community life. Over the past year the office has also delivered on a coherent strategy that helps to build the capacity of governments to engage with, consider the views of and better understand the needs of young South Australians. The office works across government to implement the government's policy framework for the South Australian Youth Action Plan, which is a blueprint that guides youth policy across the whole of government. It seeks to broaden opportunities for young people by ensuring that they are consulted and included in the delivery of South Australia's Strategic Plan and through the development of specific government policies.

It has been a very successful year for the Office for Youth. The programs and services provided by the office are highly regarded across government and the community sector, and there are some programs that I would particularly like to mention today. First, I acknowledge the outstanding work of the Minister's Youth Council. This dynamic and talented group of young people meet regularly to provide me with first-hand advice about how young people are engaging across a range of issues, and it is great to get an insight into what young people are experiencing, the barriers they are coming up against, and the successes they are having in

meeting the challenges of their day-to-day lives. During the past year, the MYC has paid special attention to the needs and experiences of young migrants and refugees, and it will continue to develop this focus over the next year.

The Premier's Memorandum on Youth Participation, launched in August 2006, has played an important role in encouraging organisations to include young people in day-to-day decision-making. By signing up to the memorandum, organisations make a public commitment to involve young people in their business. Organisations are supported by the Office for Youth and receive free youth participation training and advice in addition to access to the youth participation register.

The Duke of Edinburgh awards continue to provide young South Australians with personal development opportunities. By participating in the awards young people are challenged to learn new skills, take part in physical activities and involve themselves in their local communities. In 2006-07 the Office for Youth set a target to sign up 1 500 new participants to the awards, and this target was achieved. The Office for Youth also worked with a number of organisations to increase the diversity of young people participating in the awards—for example, through projects to support the engagement of young people from emerging communities. The Office for Youth will continue to provide these young people with close support as they progress through their awards.

I am particularly happy to mention today a relatively new state government initiative—Office for Youth Policy Action Teams. These teams provide a unique opportunity for young employees from government, universities and the private sector to inform current policy debates. Other youth programs that require collaboration across government include the Youth Advisory Committees—or YACs, as they are commonly known—and I know that all members here have YACs within their particular electorates.

Mr Kenyon interjecting:

The Hon. P. CAICA: Have you? Excellent (I knew what you were talking about). YACs provide young South Australians with the opportunity to give advice to local government throughout our state. The Activ8 program works closely with Department of Education and Children's Services schools in providing self-development opportunities for young people. During the past year the Office for Youth has continued to build its reputation for encouraging the involvement of young people across the full spectrum of government activity.

In closing my opening remarks I would like to thank all Office for Youth staff and all other youth organisations and individuals who have made such a terrific commitment to the government's youth agenda, and for being prepared to contribute to the well-being of young people throughout our state.

Mr PISONI: I have a short opening statement. The opposition believes that the office of the Minister for Youth represents the importance of youth and their role in our society and has a responsibility to foster their inclusion and success. In this regard the commitment to the welfare of our youth is totally bipartisan and all initiatives to this end should be fully supported across the political spectrum—and I would like to take this opportunity to congratulate the minister on his bipartisan approach, certainly in public when representing the government in the youth portfolio.

It is important to not only recognise the needs of our youth but also actively plan for their participation and encourage their development, and significantly supporting schemes such

as the Duke of Edinburgh program promotes the qualities of persistence, organisation and participation needed by our community from future leaders. There is no doubt the continuing focus of future youth programs should be on the integration and valuing of migrant youth—in particular, refugees. If diversity and tolerance are valued and encouraged in our youth it will inevitably filter through our society as a whole. Youth councils and Youth Advisory Committees can contribute significantly to our ability to tap into a youth perspective of how the administrative processes of government impact on youth and the ways in which this process can be improved or adapted. Inclusiveness is the key.

Our responsibilities to youth are diverse; our goal is not only to provide them with the facilities they need to become educated and socialised, and to express and develop their creativity but we must also ensure that we make available for them the means to be involved, at all levels, in the decisions which will shape their lives and the society in which they will live. I am encouraged by DFEEST's use of business roundtables to promote interaction between the business community and youth because it is this type of information exchange which is, essentially, at the heart of promoting a better, more inclusive, rewarding and productive future for our youth.

Members interjecting:

The CHAIR: I can see that we will have a very pleasant day today. Member for Unley, do you have any questions?

Mr PISONI: My first question refers to Budget Paper 4, Volume 3, page 13.29, sub-program 3.3: Creative Leadership Footnotes. While being fully supportive of the youth leadership grants budget being increased from \$12 000 to \$21 000 in 2006-07, and the increased number of young people who have therefore been able to receive the grant, I am not so keen on the name change; the focus seems to be drifting from youth to the minister. Can the minister advise how changing the name from Youth Leadership Grants to Minister for Youth Grants advances the cause of youth leadership? Is the minister in competition with the Premier on prefixes? Does the Duke of Edinburgh award have anything to worry about in terms of naming rights?

The Hon. P. CAICA: As the honourable member is aware, the Minister for Youth's Leadership Grants are available for young people 12 to 25 to support them to contribute to their community and undertake leadership opportunities they could not otherwise afford. As of 30 April 2007, we have expended \$18 670 on 41 Minister for Youth's Leadership Grants. Expected expenditure, as has been highlighted by the shadow spokesperson, will be in the vicinity of \$21 000.

In respect of the specific question about the change of name, I am advised that we undertook an extensive consultative process with our stakeholders within that particular sphere. It was collectively agreed, as I understand, that the name change would be useful for a variety of reasons, in particular, to help young people to be linked specifically to the Office for Youth by providing—and I am not one for big-noting myself, as you know—a bit of a different focus from that which had existed in the past, specifically to engage more young people. To that extent, the Office for Youth website and other resources are being changed to reflect that. It was a decision made independently of me, but I understand that it was made for all good reasons and we are providing a more specific focus than has been the case in the past.

Mr GRIFFITHS: I refer to Budget Paper 4, Volume 3, page 13.28, Performance Commentaries. It refers to grants

for non-government and government agencies for projects supporting young people's engagement in the community. I am aware that the youth network grants are \$2 000 each, but I am also aware that it is a necessity for each of those youth networks to purchase \$10 million public liability and \$10 million products liability insurance coverage. Information that I have been provided indicates that that is \$696 per policy, or 35 per cent of the grant. Given that my great frustration in dealing with community groups over a lot of years has involved the insurance cost and the effort that goes into raising these funds for insurance, is the option available for the Office for Youth to actually bulk purchase insurance policies and thereby reduce the cost and allow more of that money to actually go into supporting youth networks?

The Hon. P. CAICA: I am advised that there is not a requirement to raise additional money or that it is taken out of the grant on the basis that the eligibility criteria insists that it be funds provided to an incorporated body. As a consequence of that, the incorporated body already has that form of insurance.

Mr GRIFFITHS: I understand the situation that, as an incorporated body, it has to have the policy in place. The sole basis for existence of one group that I am aware of is to support a youth network, and so it is the extension of its existence that requires it to have a policy in place. I would have thought that the government would be interested in getting more bang for its buck and there would be an opportunity to look at bulk purchase options. I am confident that that would exist so that, therefore, the required insurance is in place, but you are getting more real effect for the dollars.

The Hon. P. CAICA: The network itself will set the priorities that it wishes to achieve through the networking grant. I refer back to the statement about the particular councils. I am certainly seeking more advice about grants that have been provided, if any at all, and on those occasions—and you are telling me, so I have no reason to disbelieve you—we are not aware of money that has been expended to purchase insurance policies. I am certainly willing to go on a fact-finding mission to find out how widespread it is and, from there, make a determination based on what we can do to ensure—as you have put in a very good term—a better bang for the buck. Naturally, once we do that, we will feed back—as I always do—through the consultative processes to confirm the true circumstances and, if necessary, determine a way of doing it better.

Mr GRIFFITHS: I hope there is no confusion in the room about the youth advisory committees and the fact that they are supported by local government and, in many cases, are a direct subcommittee of the council and therefore their insurance liability is accepted by the council. My understanding is that the youth networks are completely autonomous and exist within local government areas but are not directly linked to councils. So, as long as the commitment for a review to be undertaken is given, I am happy with that issue.

The Hon. P. CAICA: I hear what the honourable member says. As I said, I am not confusing what these grants are for at all, or what it is that local councils establish. However, to make the point again, if indeed what you say is something that is more widespread than the case of which I have been advised, we will get back to you on it. We will get that evidence in the first instance and then liaise with the shadow minister on this matter.

Mr BIGNELL: I refer to Budget Paper 4, Volume 3, page 13.27. What is the significance of the Office for Youth Support for youth advisory committees?

The Hon. P. CAICA: I notice that the honourable member is trying to trick me.

An honourable member interjecting:

The Hon. P. CAICA: I am pleased to advise that the government, through the Office for Youth, does indeed support young people's active engagement with local government bodies and local communities. Only last week I accepted an invitation to visit Yorke Peninsula, and the member for Goyder and I met with one of the youth coordinators at Kadina and discussed quite a few issues which we found very useful.

The youth advisory committees (YACs) comprise groups of young people aged between 12 and 25 years and are excellent examples of community-based youth participation. Young people are engaged in local decision-making and community building and have the opportunity to express their views and work in partnerships with councils to address, importantly, issues that affect them. For many young people, involvement with their local YAC forges connections and friendships in their local communities that influence their future educational and career choices.

There are 58 YACs in South Australia, of which 41 are situated in rural and regional areas. Each council is eligible for annual funding of \$3 000 to establish or strengthen their resources. Supplementary funding is also available to assist councils to increase diversity and engage a broader range of young people in YAC activities. During 2006-07, \$168 000 was provided in YAC grants, with a further \$40 000 in diversity funds. Over the past year approximately 1 300 young people were engaged in the 58 YACs across the state and it is estimated that these young South Australians volunteered around 29 000 hours to their local communities.

The work undertaken by YACs has been incredibly diverse and broadens the horizons of young people and their communities. It gives young people the opportunity to develop skills that will inform and influence their lives, such as working in a team, leadership, advocacy and negotiation skills. This makes for an overwhelmingly rewarding and positive experience. I will provide a couple of examples. The Mitcham youth advisory committee participated in the Mitcham central urban design framework consultation. Through this consultation the council identified a need for more youth-friendly areas, including a cinema. When part of the local shopping centre was destroyed by fire, which we all remember, a cinema was included in the plans for the new development. The City of Mitcham planning department now consults with young people through the YAC when planning their major projects. Prior to the development of the Mitcham YAC, I am informed that young people may not have been consulted as regularly on such matters as they are now.

The Campbelltown youth advisory committee, in consultation with the South Australian Police drug and action team, developed the 'know your limits' alcohol awareness program. This was in response to growing concern about binge drinking and alcohol-related incidents involving young people. Transport is regularly identified as an issue for young people living in the Adelaide Hills region. As such, the YAC in that area is working with Transport SA to review timetables and routes. The Naracoorte youth advisory committee program worked with the South Australian Police and emergency services to stage a mock accident to raise awareness about road safety in the region.

Students at the Keith and Lucindale area schools and from Naracoorte and Bordertown High School participated in this activity, a cross-regional effort. Further support provided to

local government during 2006-07 included sponsorship of \$4 000 to the Limestone Coast area consultative committee to run a seminar on best practice youth participation in local government. Another \$5 000 was provided to the Local Government Association to support their youth participation strategy for the November 2006 local council elections. These are excellent examples of young people identifying problems and providing practical solutions.

Over the next year a particular focus will be given to further strengthening partnerships with the Local Government Association and increasing opportunities for young people in YACs to participate in broader government activities, including the provision of advice from a local perspective to the Minister for Youth through my ministerial youth council. I have asked the ministerial youth council to start brokering these relationships more strongly than has been the case in the past with the various YACs. We have the YACfest each year and there will be variations to that in an effort to make it more relevant to the regional areas and to attract more people there, and I will be happy to elaborate in private later.

Mr BIGNELL: I refer to Budget Paper 4, Volume 3, page 13.27. What opportunities are provided for young South Australians in rural and regional areas to participate in Office for Youth programs?

The Hon. P. CAICA: I am pleased to advise that the Office for Youth has a range of initiatives to support young South Australians from rural and regional areas. In 2006-07, through the active8 Premier's youth challenge \$126 300 in grant funding was provided to 14 rural and regional schools to engage young people in community-based learning activities. In total, 298 young people from regional areas participated in the active8 programs. An amount of \$61 500 was provided to 41 rural and regional councils for National Youth Week. These grants are matched dollar for dollar and/or through in-kind support by councils and are made available to support local councils develop events, activities and initiatives in partnership with young people to target local needs. As members of parliament we have all been involved in some of the activities that have been conducted by young people during National Youth Week and we commend their efforts.

Total funding provided to rural and regional youth advisory committees was \$120 000. In addition, \$33 200 in diversity funds was provided to 16 regional councils to assist young people from a range of backgrounds to participate in the YAC program. The Duke of Edinburgh awards has a broad reach across rural and regional South Australia, and currently 53 registered operators are delivering this self-development program to young people in non-metropolitan areas. Based on the Duke of Edinburgh awards, the Reach your Dreams program received \$50 000 in funding to target young people aged 14 to 25 from regional South Australia, an initiative of the social inclusion school retention action plan. This program encourages young people to better engage with their school and broader communities. In 2006-07, 241 young people from rural and regional areas participated in the Reach your Dreams program.

Free youth participation training was held in the South-East of South Australia to equip youth service providers with the skills and knowledge needed to involve young people in the decision-making and leadership processes. Also, \$126 800 will be provided to the rural and regional source through the Youth Engagement Grants by the end of the 2006-07 financial year which, of course, has concluded. These grants support projects designed to develop the ability

of young people to positively shape their lives, as well as providing young people with opportunities to contribute to the development of their communities. In addition, \$2 410 was provided to six young people in regional areas through the Minister for Youth's Leadership Grants to promote and encourage the development and enhancement of a young person's leadership skills.

I would have written to local members, advising them of the successful applicants within their electorates to this outstanding award. Also, \$26 000 was provided to 13 regional youth networks through the Minister for Youth's Network Grants to provide opportunities for people and organisations that work with young people to share information to ensure that services, programs and policy meet the needs of the young people in their local area. The support provided through the Office for Youth demonstrates, I believe, the government's commitment; and, indeed, as was mentioned by the shadow spokesperson in a bipartisan approach, a commitment to providing opportunities for young people in rural and regional areas. It is about engagement.

The Hon. P.L. WHITE: I refer to Budget Paper 4, Volume 3, page 13.27. What support does the government provide to young people to encourage their engagement with key policy issues?

The Hon. P. CAICA: We do quite a bit of work, as the honourable member would be aware. I will not leave it at that, of course, and I thank the honourable member for her question. I am particularly delighted to report that, in this past financial year, we have been extremely successful in initiating the Office for Youth's policy Action teams, or the A teams as they are known. Those teams have grown from strength to strength over the past year. Essentially, they were established to support young people to engage in current policy debates that are important to young people, the government and ultimately to all South Australians.

These teams are comprised essentially of young people in government, universities and the private sector. Present at a meeting to review the conclusions reached by one of these A teams was a representative from the Adelaide City Council, which was also involved. Again, we are looking at engaging people across a broad range of what constitutes the public sector. These A teams conduct research, analyse evidence and present recommendations connected to their findings. They are provided with support during this process from the Office for Youth and a fairly large range of high level stakeholders, including government agency chiefs.

I know that my Chief Executive has been involved (along with others) in that engagement with the A teams. What is important, of course, is that it provides fresh thinking and a youthful insight, which is all that is required to sweep away some of the cobwebs that sometimes collect around important policy issues. It brings that breath of fresh air to it. It also helps to find an effective and lasting solution to the problems with which our community has often been grappling for years.

The A teams encourage collaboration between government agencies, the universities and the private sector. It brings young people together to build working relationships, to share their experiences from different workplaces and to take what they have learnt back to their own workplaces. It is these experiences that allow young people to improve their skills in policy development, research analysis, group discussion, public speaking and leadership. Participation in the A teams is giving each and every person a unique opportunity to step away from merely operational aspects of policy implementa-

tion in which they are involved and become involved in the development of recommendations and strategies that have the potential to influence policy issues in the state.

In 2006-07, the Office for Youth supported five A teams which looked at the areas of youth housing and homelessness, early childhood development and the recruitment and retention of young people in the Public Service. Interestingly, and to their benefit and to the credit of the Office for Youth's approach, is that the A teams have been based around the residencies of the high profile Adelaide Thinkers in Residence, including Ms Roseanne Haggerty, Dr Fraser Mustard and Dr Geoff Mulgan. The A teams have also had the opportunity to question panels of senior public servants, including chief executives of the various departments.

It is this high level interaction that provides the young participants with confidence to think outside the square in which they have been forced to operate and make hard-hitting recommendations which they believe can make a real difference to the lives of others. In May and June this year, three A teams met to investigate the recruitment and retention of young employees in the Public Service. They all considered different aspects of what would make the Public Service an employer of choice for young people. They became mini-policy think tanks while they carried out research and brought personal experience to their discussions.

On 5 June 2007, the three A teams met to present their recommendations to senior public servants. The recommendations included innovative marketing initiatives, modernising recruitment processes, changes to Public Service remuneration and accredited training for managers. In response to the A team presentations, the Chief Executive of the Department of the Premier and Cabinet proposed that the A teams be reconvened in six months to provide an update on the implementation of their recommendations.

People get sick of me saying this, but when I first became the Minister for Youth I wanted the Office for Youth to be a facilitator, the octopus, if you like, and its tentacles—namely, the Office for Youth—would go down through the various government departments to ensure not only that the voice of youth is being heard but also, and more importantly, being listened to. That is the vision. We are slowly getting towards that, and the concept of the A teams is a fine example of how it can work across the public sector.

I am very pleased that the government's reform commission support for the Office for Youth policy action teams is further evidence that this Office for Youth initiative is recognised as a forum where young people's views can be heard and that their recommendations are valued. The next one to kick off in 2007-08 is that the A team will work in partnership with the Adelaide Thinker in Residence, Dr Dennis Jaffe. Dr Jaffe is an expert in family business and specialises in helping businesses transfer their legacy from one family generation to the next. We are looking at involving the A teams in a very broad range of policy areas. I encourage all members to obtain a copy of the report of recommendations that these young people have made; it certainly makes a very worthwhile read.

The Hon. P.L. WHITE: I have a supplementary question. I realise that this may be something for which the minister may not have his relevant adviser here and he may need to take it on notice. I was interested to know what the feedback was in terms of young people's identification of characteristics of employer of choice.

The Hon. P. CAICA: I am being advised on this, but I think I understand the question, anyway. To a great extent,

it is no different from what the broader public sector employees feel and even beyond the public sector; that is, a level of flexibility within the workforce that provides that balance between life and work. That appears to be the major focus of the A teams. However, having said that, that goes beyond the public sector, as we well know. Today we will be talking about employment and training matters. Again, if we are to ensure that we have not only the workforce but the community which a society such as ours ought to have, it is about embracing more flexible arrangements in relation to work than what we have ever had in the past. At the moment, it is all one thing or nothing.

Their primary focus has been on flexibility and professional development, as well as supporting mobility across the workforce. That is, if you work in the public sector, how are you provided with a level of mobility which increases your personal development through the diversity of work within the public sector? They are the areas at which we are looking. I would be very pleased to provide the report to members of the committee which goes into greater detail than what I have described in these particular areas.

Mr PISONI: My question refers to Budget Paper 4, Volume 3, page 13.28, sub-program 3.2. Can the minister explain why there is a budgeted increase in the cost of the young people's engagement program of \$91 000 from the 2006-07 budget to the 2007-08 budget, yet the targets in terms of participation remain reasonably static? How will this additional funding be spent?

The Hon. P. CAICA: I am advised that we are focusing on the completion of the programs, including the programs currently being conducted, as opposed to an increase in the overall number. In other words, some programs that are in the pipeline need to be completed. When we couple that with what was a similar number to last year, it shows a reduction, because it is critical that these people complete the programs that they have started. In addition, I am further advised that we are increasing the diversity of the people participating to include, amongst others, people with a disability, and an additional expense is involved with that broadening of diversity.

Mr PISONI: My next question refers to Budget Paper 4, Volume 3, page 13.26, 'Summary income statement', 'Income—Sales of goods and services'. I note that the budgeted amount for the sale of goods and services for the 2006-07 year was \$222 000, whereas the estimated result so far is only \$18 000. Can the minister advise what goods and services were planned to be sold and where do we account for the shortfall?

The Hon. P. CAICA: We will take that question on notice.

Mr PISONI: I refer to the same Budget Paper, page 13.29, 'Performance indicators'—youth leadership grants. Can the minister advise what the criteria is for the selection of young people to receive a youth leadership grant?

The Hon. P. CAICA: Yes, I certainly can. As I mentioned earlier, this grant assists young people aged 12 to 25 in their personal and social development by funding initiatives that develop skills and active involvement. As at 30 April 2007, the expenditure for the youth engagement grants totalled what I believe is a significant amount of money, with a balance of about \$264 000 of the \$4 000 that was to be expended on 17 youth engagement grants by the end of the current financial year. Many new organisations have been successful in obtaining a youth engagement grant: the Rural City of Murray Bridge, Multicultural Youth SA

Inc., Gateways, YWCA of Adelaide, Southern Youth Theatre Ensemble and Chiton Rocks Surf Lifesaving Club. Projects funded through the youth engagement grants are very diverse and included a peer education program for young mums on the southern Fleurieu, a cultural connection—

Mr PISONI: The question related to the youth leadership grants.

The Hon. P. CAICA: Yes, I was trying to put it in context to show what it is that we have done, but I am happy to go straight to the point. We fund it on the criteria. They are non-competitive so, if they meet the criteria, we will fund them.

There is a broad definition of what is leadership and, again, it is about trying to cast the net as broadly as we can to ensure that we incorporate as many groups as possible to meet the broad criteria. What we are about is increasing the support, through our Office for Youth, to help organisations meet their eligibility and that particular criteria. I know that you are aware of some of the activities (because I think I have written to you, as well) and of people involved in those activities. One example involves a young man from Elizabeth Downs who was provided with the opportunity to attend and present at the annual Australian and New Zealand Adolescents Health Conference in Sydney. Other examples include programs as diverse as Step Forward, a shoe recycling program; presenting at the Australian Wildlife Management; and attending the 90th anniversary Guiding Leadership event in Hong Kong.

The criteria and eligibility are very broad. It is non-competitive, and if it fits those very broad criteria (which are managed through the Office for Youth) generally a grant will be provided. There is a maximum of two grants per particular event so, again, it helps our young people here in South Australia who have to go through a panel assessment. Once they meet the criteria, they will front a panel assessment and, if they meet the criteria, being non-competitive, we will fund it.

Mr PISONI: Who decides whether they have met the criteria?

The Hon. P. CAICA: Youth conducts the panel of which I spoke. Also on the Office for Youth panel is a young representative.

Mr PISONI: You made the point that those who meet the criteria then go to the panel.

The Hon. P. CAICA: No, the application goes to the panel. We have all been through it ourselves, when someone says, 'You didn't quite cut the mustard this time,' but you never hear any feedback about why it was. The Office for Youth specifically feeds back to all applicants who have not met the criteria to ensure that, first, they understand why; and, secondly, when the next application is made they have a much greater understanding of the criteria and the assistance that would be provided through our office to ensure that they, as best as possible, can meet it.

Mr PISONI: Who is on the panel?

The Hon. P. CAICA: I might defer to Dr Donaghy to answer that question, because I am not familiar with who is on the panel.

Dr DONAGHY: We have three to four people on each panel. It is often a rotating panel with different perspectives. My program officer chairs the panel. When assessments are made we quite regularly need to go back to young people to provide them with further support because, although the spirit of the application meets the criteria, we need to help them tweak a few things so that it can be appropriately assessed.

All recommendations then come to me and I make an assessment. I get a report on each one and then I make an assessment on whether or not it meets the criteria, and then I sign off on it. Then we go through the process of advising the minister and providing a draft letter for the appropriate member in each electorate advising that the funds are going to be distributed.

Mr PISONI: You said it was a rotating panel. Would you explain that?

Dr DONAGHY: There is a standard chairperson who operates it. Often, in my office, there are staff changeovers and, therefore, a professional development opportunity arises for a number of the young people in the office to sit on the panel. There are an established two people who are always on that panel and who are responsible for the administration of the grant, and then other young people (within the office or involved with the office through the minister's youth council or the participation register) will have an opportunity to see how a panel assessment works.

Mr GRIFFITHS: I have a supplementary question. I commend the minister for the use of the term 'non-competitive' but, to me, that means that, as long as the applicant meets the criteria and they get through the panel assessment, they are guaranteed in terms of getting the money. Is there some financial control in place or is it an open-ended amount? I note your target this year is for 50 people to receive the youth leadership grant; potentially, though, could it be 250?

The Hon. P. CAICA: Potentially it could be and, of course, we would welcome that. We have to operate within the budget we have (and you have seen that in the papers there) but we would welcome 250 people applying, although that would put some pressure on the resources of our office to manage this and also probably require a cap-in-hand job back to the Treasurer at bilaterals time.

An honourable member interjecting:

The Hon. P. CAICA: Yes, that is right. Certainly, we would hope that, over time, more people become familiar with it through the mechanisms that we have in place. The dollar amount we have in place now is based on a strong history of the number of people who have applied for the grant but, like you and others in the chamber here, we would welcome more people applying. That is a problem we would like to have.

Mr PISONI: My question refers to the same budget paper, at page 13.28, the dot point second from the bottom under 'Young people's engagement: increase to 4 200 the number of young people participating in volunteering in their local communities through the Office for Youth programs'. My questions are:

1. Will the minister give us the base figure and indicate how he plans to increase that?
2. In what sort of areas would they be encouraged to volunteer?

The Hon. P. CAICA: I am having a bit of difficulty, not in understanding the nature of the question but in finding the information. I will take that question on notice and come back with a fuller answer than I can give now.

Mr PISONI: My next question relates to Budget Paper 4, Volume 3, page 13.26. In the summary income we have an estimated result of \$204 000, yet in the budgeted amount it is zero. Will the minister give details of the income source and why it was not budgeted for in 2006-07?

The Hon. P. CAICA: I am advised that we received some unexpected grants from the national body of the Duke's

awards, and that is what gave us that very pleasing estimated result. That is it in a nutshell: we received money from the national office of the Duke's awards to run some of our programs, and that totalled an estimated result of \$204 000 that was not budgeted for, because we never necessarily expected to get it. By way of interest, the money was used to establish a program in the Liberian community in collaboration with the city of Port Adelaide Enfield, where 23 Liberian young people registered to do their bronze award. Another program was to employ a young person with a disability to assist with conducting promotions in schools to support participants with a disability to fulfil their Duke's award requirements and provide advice to the Office for Youth on specific access and equity strategies.

Mr PISONI: Would that then account for the estimated result being \$2.225 million for employee expenses and costs? This is on page 13.26. You have an additional \$272 000 in the estimated amount over and above the budgeted amount for employee benefits and costs which were budgeted at \$1.948 million, where the actual estimates figures come in at \$2.225 million.

The Hon. P. CAICA: I am told that the variation in that figure was because the money went directly to casually employ people who were going to be able to deliver on the Duke's grants program, in particular, the expeditions, where specific people with certain qualifications are needed to lead the expeditions in which the young people participate.

Mr GRIFFITHS: In recognition of the fact that the money came through from the national body unexpectedly, was this program always intended to be in the 2006-07 financial year?

The Hon. P. CAICA: Yes; I am told it was.

Mr GRIFFITHS: If it was, why are you suddenly up for more money to employ casual staff when you should have factored the program into the original costs?

The Hon. P. CAICA: We have our set staffing within the Office for Youth, and the casual staff who are brought in are primarily driven by the programs that are put in place, so it is on demand.

Mr GRIFFITHS: So, there was scope for an original project, but it was increased when the national body money came through?

The Hon. P. CAICA: We hold the licence to the Duke's. The involvement of the Duke's program and the delivery of that program may be and is conducted by other people and they request that support, so that reinforces the demand-driven nature of it.

Mr PISONI: I have a quick question, which I am happy to take on notice. It is more of a nuts and bolts type question. I refer to Budget Paper 4, Volume 3, page 13.26. The budgeted amount for employee costs and benefits for 2006-07 in this year's papers appears at \$1.948 million, whereas in last year's papers the budgeted figure appeared at \$1.975 million, and I wonder why there has been a change in the budgeted amount.

The Hon. P. CAICA: I will have to take that one on notice.

The CHAIR: There being no further questions for the Minister for Youth I declare the proposed payments adjourned until later today in this committee.

Independent Gambling Authority, \$1 486 000
 Attorney-General's Department, \$85 288 000
 Administered Items for the Attorney-General's
 Department, \$50 841 000
 Department of Treasury and Finance, \$98 924 000
 Administered Items for the Department of Treasury and
 Finance, \$1 065 167 000

Membership:

The Hon. I.F. Evans substituted for the Hon. R.G. Kerin.

Departmental Advisers:

Mr R. Chappell, Director, Independent Gambling Authority.

Mr K. Della-Torre, Director, Gambling Policy, Department of Treasury and Finance.

Mr W. Pryor, Liquor and Gambling Commissioner.

The CHAIR: I declare the proposed payments open—and reopened—for examination and refer members to the Budget Statement, in particular, Appendix C, and the Portfolio Statement, Volume 1, part 3, page 3.22, and part 4, pages 4.88 to 4.91. As this it is a new portfolio I refer members to my opening statements of the previous session, and I think those statements stand. Again, I advise that for a trial period unlimited filming will be allowed from the vantage points in the northern media galleries of both chambers, as well as the usual position.

If the minister undertakes to supply information at a later date it must be submitted to the committee's secretary no later than Friday 7 September. There will be a flexible approach to asking questions, and I refer back to my comments at the start of the previous session. Questions must be based on lines of expenditure in the budget papers and must be identifiable and referenced. Members unable to complete their questions may submit them as questions on notice in the House of Assembly *Notice Paper*. I now ask the minister whether he wishes to make an opening statement.

The Hon. P. CAICA: It is widely acknowledged that, while gambling can form part of an entertainment experience for many people, it can be a source of harm for the individual, for that person's family and for the wider community. Preventing or minimising this harm is a primary goal in the development of the gambling policy in our statement and much has been achieved in the 2006-07 financial year. In May the Independent Gambling Authority released its report on its 2006 code review, signalling an innovative shift in approach. The authority is extending and building on the good work done by Sky City Casino with its 'host responsibility' coordinators, the Australian Hotels Association with 'gaming care' and Clubs SA with 'club safe'.

Venues that identify and assist gamblers with problems will do more to reduce harm associated with gambling than solely relying upon measures mandated by legislation. The IGA has carefully crafted incentives to achieve this necessary and desirable cultural shift, and I do congratulate them on this important piece of work. I look forward to receiving regular updates as the IGA continues the complex task it now faces of filling in the detail of how the amended codes will operate in conjunction with the industry and community sector.

In November last year I established the Responsible Gambling Working Party, comprised of representatives from industry and the community sector. I set this working party the clear goal for 2007 of devising strategies that assist

people who gamble, using electronic gaming machines, to make responsible gambling decisions for themselves by pre-committing to spending and/or time limits. The financial year 2006-07 has laid the foundation for a significant shift in the approach to assisting people who experience problems associated with gambling. The government anticipates that the measures outlined above, in conjunction with other initiatives of the state government, such as the full implementation of smoking bans, will in due course bring significant benefits to members of the community who use electronic gaming machines, by encouraging gambling venues to assist their patrons to make responsible gambling decisions.

The CHAIR: Member for Davenport, as lead speaker for the opposition, would you like to make an opening statement?

The Hon. I.F. EVANS: No.

The CHAIR: Have you some questions?

The Hon. I.F. EVANS: I do, and I refer to Budget Paper 4, page 4.9, under the expense line. How many staff does the OLGC have inspecting venues with gaming machines in South Australia, and how are they deployed?

The Hon. P. CAICA: In the casino—which is open 24 hours a day, 7 days a week (except for Good Friday and Christmas Day)—it is primarily performed by a dedicated inspectorate which is staffed by 10 inspectors and a manager. In regard to the number of inspectors for hotels and clubs, the OLGC currently employs nine liquor and gaming inspectors who not only have responsibility for inspecting the 592 venues with gaming machines but also for another approximately 4 800 licensed venues in the state that do not operate gaming machines. So, that is 10 and a manager for the casino, and nine for the hotels and clubs.

The Hon. I.F. EVANS: I refer to the same budget line. In your view, where is the biggest problem you are trying to solve? You have just said that you have 11 staff at the casino and nine staff doing the 592 venues with gaming machines and the other 1 100 (I think you said) premises without gaming machines; so you have 11 staff at one venue and nine staff trying to cover 1 600 others. Why the imbalance?

The Hon. P. CAICA: As I mentioned in my opening statement, I am particularly focussing on the IGA review of 2006. I referred to the difficulties associated with problem gambling at the venues being something that could be best dealt with by the heavy involvement of the venues themselves and, as a consequence, the engagement with the hotel industry and clubs (via Club Safe and other programs) to assist in the pre-commitment and, indeed, the difficulties that are associated with gambling in this state. I think your specific question related to where the majority of problems currently exist; is that correct?

The Hon. I.F. EVANS: My question was about where you think the majority of problems exist. Are they in the suburban hotels or in the casino? It seems to me that more than 50 per cent of the inspectorate staff is sitting at one venue, but I would have thought that the majority of concerns were actually at the other 592 venues (at least, from anecdotal reports).

The Hon. P. CAICA: You have asked for my opinion and I will give it. I think that, to a great extent, you are right, and my view is also that the majority of problems exist within the suburban and regional hotels. As a consequence, that is the primary focus of the IGA review where, to a certain extent, the fine work the casino had achieved over an extended period of time has been—we will not say pushed to one side—recognised and then transposed onto the broader hotel and club sector. As a consequence of that, there will be an opt

in/opt out proposal by the IGA about the level of compliance and enforcement required for the hotels and clubs not already operating under Game Safe or safety programs.

So you are quite right but, again (harking back to my opening statement), the focus has to be through the engagement of the hotels and clubs. Mandatory warnings for advertising, venue signage limitations, and all those things in themselves are not going to head where we want to head. It has to be the active engagement of people at the venues, and the best way of doing that is through the hotels themselves.

Mr GRIFFITHS: My understanding is that the number of machines per head of population in regional areas is actually more than in the metropolitan area so, as a proportion of the number of inspections carried out across the state, is there equality or is the entire focus actually on inspecting suburban facilities?

The Hon. P. CAICA: The setting of the inspection and compliance program is based on all licensed premises being categorised according to a risk-based system. This forms the basis of determining the frequency that premises are inspected. It is risk based, and that will determine the frequency. In regard to the compliance record of each venue, it is also taken into account. The risk-based approach was developed with the assistance of the Auditor-General. Gaming machine venues are categorised as high priority and will ensure inspection at least once every 12 months; therefore, 600 inspections have been targeted for gaming venues in 2007-08. So, it will not matter whether it is in the regional areas or the urban areas; if, as is the case, the risk-based system is taken into account, it is irrelevant whether it is in the country or the urban area.

The Hon. P.L. WHITE: I refer to Budget Paper 4, Volume 1, page 3.22. What progress can be reported at this time regarding the work of the Responsible Gaming Working Party or, rather, the Responsible Gambling Working Party in relation to pre-commitment?

The Hon. P. CAICA: I thank the honourable member for the question.

An honourable member: She's sharp.

The Hon. P. CAICA: Yes, she is, and even her slip of the tongue in relation to gaming and gambling was an interesting comment. We had a debate in the briefing about what constitutes what. However, pushing that to one side, because we do not need to have that debate again here, in November 2006 I established the Responsible Gambling Working Party to develop strategies that would directly support customers in committing to limits related to their gambling behaviour. As an analysis of gambler pre-commitment behaviour, a report released by Gambling Research Australia found that virtually all gamblers typically have a monetary amount with which they attempt to self-regulate expenditure during gambling activity. The study also found, however, that regular gamblers often reported exceeding these limits.

Effective pre-commitment strategies can provide gamblers with the ability to pre-commit the amount of time and money they wish to spend on electronic gaming machines. This approach directly addresses problems that some people have in association with gambling, but it does not unduly impact on the choices made by other gamblers for whom gambling is not a problem behaviour. The members of the Responsible Gambling Working Party are: Ms Cheryl Vardon, Chair of the Responsible Gambling Working Party and CEO of the Australian Gaming Council; Mr Mark Henley, UnitingCare Wesley; Mr Ian Horne, General Manager, Australian Hotels Association; Ms Eve Barratt, CEO, LifeLine, who lives in the

South-East; Mr Andrew Lamb, the Manager of Government Affairs, SkyCity Australia; Mr Cameron Taylor, President of Clubs SA; and Mr David Di Troia, Assistant Secretary of the Liquor, Hospitality and Miscellaneous Workers Union.

Additional support for the Responsible Gambling Working Party has been made available by the Department of Treasury and Finance and the Office for Problem Gambling. The working party is currently finalising its progress report, which will guide the efforts of the working party over the next six months. It is committed to creating an environment that supports commitments made by customers in relation to gaming machines before, during and after play. In relation to supporting customer commitment before play, the work of the working party has centred and will centre upon providing information to customers that supports informed decision making and improving financial literacy.

In relation to supporting customer commitment during and after play, the working party is to focus on enabling customers to set the parameters of their commitment, tracking customer activity in relation to their commitment, and reporting back to the customer on their activity. I look forward to receiving the finalised progress report from the working party and, indeed, in a timely fashion, the implementation of the key proposals that are contained therein.

Mr KENYON: I refer to Budget Paper 4, Volume 1, page 3.38. What is the purpose of the payment to the ministerial council on gambling? I always wondered about that.

The Hon. P. CAICA: You are about to find out. The payment referred to is South Australia's final commitment to the Gambling Research Australia program, which is an activity of the ministerial council on gambling. This is a \$4.7 million five-year program which has been established to purchase research services in the area of gambling. The payment to which the honourable member has referred is calculated by reference to South Australia's proportion of the national gambling expenditure. By way of comparison, the annual contribution of the Australian government is \$300 000, New South Wales is \$290 000, and the Northern Territory is \$7 800.

Gambling Research Australia, which is responsible for the program, is comprised of representatives of the relevant ministers in each jurisdiction. South Australia is represented by the Director of the Independent Gambling Authority, who is also the current convenor of the GRA. Secretariat support for the GRA is provided by the Victorian Office of Gaming and Racing. The Ministerial Council on Gambling has approved the following six priority research areas:

- a national approach to definitions of problem gambling and consistent data collection;
- the feasibility and consequences of changes to gaming machine operations, such as pre-commitment of loss limits, phasing out note acceptors (something which we do not have here in South Australia, of course), the imposition of mandatory breaks in play and the impact of linked jackpots;
- the best approaches to early intervention and prevention to avoid problem gambling;
- a major study of problem gamblers, including their profile, attitudes, gambling behaviour and the impact of proposed policy measures on them;
- benchmarks and ongoing monitoring studies to measure the impact and effectiveness of strategies introduced to reduce the extent and impact of problem gambling, including studies of services that exist to assist problem gamblers and how effective these services are; and

- the patterns of gambling and strategies for harm reduction in specific communities and populations, such as indigenous, rural, remote or culturally and linguistically diverse communities, younger people or older people.

This has been a successful cooperative national initiative, unlike some of the other national initiatives that are undertaken from time to time. To date, \$2.1 million has been paid, or is firmly committed to projects, and other projects to the value of a further \$1.56 million are in the procurement stage. Projects which have been completed include those concerning the national definition of problem gambling and a study of precommitment behaviour. Projects which are presently being undertaken include a systematic review of early intervention measures, a study identifying problem gamblers at the gaming venue, a study of predictors of relapse in problem gambling and the development of a national data dictionary for help services. In addition, there is presently a call for grants and submissions concerning gambling in rural and remote communities.

Mr KENYON: I refer to Budget Paper 4, Volume 1, page 4.91. What is the nature and extent of the Office of the Liquor and Gambling Commissioner's involvement in lottery licensing?

The Hon. P. CAICA: I thank the honourable member for his question. The Lottery and Gaming Act 1936 provides for the licensing of what might be called small lotteries, which distinguishes them from those conducted by the South Australian Lotteries Commission. A small team within the Office of the Liquor and Gambling Commissioner processes applications for licences to conduct fundraising lotteries, including major lotteries, instant lotteries and bingo sessions. It is these activities that are commonly conducted by clubs and associations, and the proceeds must be applied to one or more of the approved purposes as defined in the Lottery and Gaming Regulations 1939, which include medicine, sport, education, community, environment, culture and animal welfare.

Each year, the Commissioner's office grants licences for around 250 major lotteries, 200 licences for the conduct of bingo sessions, and about 1 000 licences to sell instant lottery tickets. The Commissioner's office also grants licences to six suppliers of instant lottery tickets. In addition, the regulations provide for the licensing of trade promotion lotteries, and approximately 6 000 of these are granted annually to companies promoting various goods and services. Since these functions were transferred to the Commissioner's office in July 2004, processes involved in the consideration of applications have been streamlined, resulting in a significant decrease in the processing time. Also, access to online lodgement of trade promotion lottery applications has been expanded. The Lottery and Gaming Regulations are currently under review in consultation with industry stakeholders in anticipation that the reforms proposed will reduce unnecessary regulatory burdens for licensees. Concurrent with a review of the regulations, the Commissioner's office is in the process of implementing a new computer system that will assist in the processing of applications and resulting in a further expansion of access to online applications.

The Hon. I.F. EVANS: Going back to the same budget line as previously identified, given that we have agreed that the biggest problem area is in licensed clubs, or venues with gaming machines outside the casino, I am interested in knowing why the number of inspections being proposed is only 20 per cent outside the casino and 80 per cent inside the casino. The figure outside is 600, which is one per venue per

year outside the casino, and inside the casino, which the minister previously told the committee is not the centre of the problems, there will be 2 300 inspections. I am wondering why that is the policy decision of the government, and why we are not focusing inspections on the area which you agree is the problem area.

The Hon. P. CAICA: To a great extent the issue is a definition of the check, and an audit conducted at the casino may include a number of components—for example, verification of net gambling revenue. It includes a daily audit of four processes—a soft count, a hard count, a main bank and gaming table floats, whereas inspection of one gaming venue requires checks of up to 48 compliance requirements but is recorded as a single inspection, which will equate to about 28 800 individual checks. So, we are not comparing apples with apples with respect to the nature of the checks being conducted.

The Hon. I.F. EVANS: Is the government still committed to reducing the number of poker machines by its original target, which is a reduction by 3 000? If so, do the tax revenue estimates reflect this? Why will the government not announce a date by which it wants to achieve its target of reducing the number of machines by 3 000?

The Hon. P. CAICA: It is a very interesting question and, certainly, I have made public that there is a commitment of this government, as imposed and agreed to by parliament, to reduce the total number of machines from the 2004 figure by 3 000. Currently, and I stand to be corrected, I think we have achieved the removal of 2 218 machines from the system, but if that is wrong I will correct the record later. However, it is around that figure. It certainly has been clear that the process by which we undertake the trade is a process that will take an extended period, if the latest trades are anything to go by. I am eagerly awaiting, as we speak, the review being conducted by the IGA of the 2004 amendments. I will await that review and not pre-empt it, as the member would not expect me to do.

Yes, we are committed to reducing by 3 000, and that was a decision made by the parliament and adopted by the government. It is clear that the mechanisms we have in place make it doubtful that we will reach that level under current circumstances, so they need to be reviewed; the IGA is doing that and I eagerly await that report. As a consequence we have put no forward date on it because, quite clearly, if we are to achieve that 3 000 level things will need to be different from the way they are at the moment. Without anticipating the report, which I cannot pre-empt, under the current circumstances I cannot specify a date.

In relation to the specific question as to why the budget papers do not reflect the net gaming revenue going out, the gaming machine tax figure is dependent on net gaming revenue, which is a measure of activity in the gaming sector, and I have been advised that it is not a reliable measure on problem gambling because it can vary for a range of reasons other than that of problem gambling. For example, in the March quarter this year the net gaming revenue was quite high and a range of major events, including the 2007 World Police and Fire Games, most likely drove this.

The best indicator of problem gambling comes from the 2006 gambling prevalence in South Australia report, which showed that the prevalence of moderate and high risk gamblers was 1.2 per cent and 0.4 per cent respectively. Together these moderate and high risk gamblers are classified as problem gamblers and total 1.6 per cent of the population, or around 18 000 adults. The gambling prevalence study

period covered a period before and after the compulsory reduction in gaming machines and, from the best available information, it is not yet possible to conclude that the reduction in gaming machines has been a failure. There was a stabilising of the net gaming revenue over that period. If you take on board what I have said about the linkages that exist between net gaming revenue and problem gambling, the figures as displayed in the budget papers will not show necessarily a great reduction over an extended period commensurate with a reduction in the number of poker machines.

The Hon. I.F. EVANS: On the same budget line, you introduced legislation as a private member in relation to giving the industry certainty. Do you hold the view that it is important that, once the government has given a commitment not to increase a tax above an agreed level, the government honour that commitment? I refer to Budget Paper 3, Volume 3, page 3.11, under 'gambling taxes'.

The Hon. P. CAICA: I hold the very firm opinion that with respect to gambling in this state there ought be cost recovery from the venues in regard to the enforcement of and compliance with any regulation as it applies to venues in this state.

The Hon. I.F. EVANS: Does that mean that if the government has given a commitment to not increasing taxes above an agreed level you will honour that commitment?

The Hon. P. CAICA: That question would be best directed to the Treasurer as he involves himself with taxation matters. In regard to specific gambling as it applies in this state, every endeavour will be undertaken to ensure that it is the venues themselves that pay for the level of compliance and enforcement as it relates to the regulation of those venues in this state.

The Hon. I.F. EVANS: But what say do the venues have? You say it is good policy to have the venues pay for their own enforcement. What say do they have about the level of enforcement? The government could increase it threefold overnight and the venues have no say in it. The government can really cost recover as much as it wants. Who decides, and how does the industry know that it is getting a fair deal?

The Hon. P. CAICA: Madam Chair, I think it is an interesting question that has been posed by the shadow spokesperson and the opposition's lead speaker. However, I remind the committee that this matter is currently before parliament and a bill has been introduced in this specific area, that is, the cost recovery of the casino.

The Hon. I.F. EVANS: The minister raised it in the answer: I did not. I was just questioning the minister's answer.

The CHAIR: The minister has stated his position. It is after 12.30 p.m. I declare the proposed payments to the Independent Gambling Authority and the Department of Treasury and Finance complete. The proposed payments to Attorney-General's Department and administered items for the Attorney-General's Department are adjourned to committee A on 4 July and administered items for the Department of Treasury and Finance are adjourned to committee A on 3 July.

[Sitting suspended from 12.31 to 1.30 p.m.]

Department of Further Education, Employment, Science and Technology, \$284 428 000

Additional Departmental Advisers:

Mrs E. Bensted, Deputy Chief Executive, Employment and Training Services, Department of Further Education, Employment, Science and Technology.

Dr C. Fowler, Deputy Chief Executive.

Mr P. Mylius-Clark, Director, Planning and Evaluation.

Mr D. Royle, Executive Director, Shared Business Services.

Membership:

The Hon. R.G. Kerin substituted for the Hon. I.F. Evans

The CHAIR: I declare the proposed payment re-opened for examination and refer members to the Budget Statement, in particular, pages 2.23 to 2.24 and Appendix C, and the Portfolio Statement, Volume 3, Part 13, pages 13.10 to 13.18. Does the minister wish to make an opening statement?

The Hon. P. CAICA: I certainly do. I welcome the opportunity to make an introductory statement as the Minister for Employment, Training and Further Education. Given the fact of our ageing population and the impact this could be expected to have on the size and composition of the labour force, economic growth and social wellbeing in this state will depend heavily on our ability to innovate and to continue to improve productivity through the development of a better-skilled workforce. These trends emphasise the need for there to be a focus on increasing participation in the labour force and increasing the productivity of the workforce.

The demand on the education and training systems and the related labour market programs will be paralleled by the dynamic effects of changes in industry structure and occupational mix and changes in the skill mix within occupations in response to innovation and economic change. South Australia has robust and responsive education and training systems that continue to build strong links with industry. They offer a diverse range of education and training options through a wide range of providers. This foundation, however, needs to continue to adapt to the requirements for reform emanating from both the state and national levels.

The directions for the national training system have been the subject of two phases of reform under the auspices of the Council of Australian Governments. In accordance with this national process, there have been some improvements in the way skills and competencies have been developed and recognised. When combined with the strategies being developed by the state government, these important reforms should continue to further improve and deliver improvements in our ability to match skills and training supply to meet the requirements of industries and specific enterprises.

Ongoing change and improvement in the training system at a state level is necessary to ensure we respond in a timely and effective manner to the challenges of economic, demographic and social change. Building on the release last year of the \$98 million package 'Skilling South Australia' much has already been achieved. For example, the Mineral Resources and Heavy Engineering Skills Centre has been established and the workforce information service website has been created to provide labour market profiles, population profiles and an annotated workforce development bibliography.

In collaboration with the ASC, DFEEST developed an educational brief for the air warfare destroyer project that will

assist to identify all future training and development requirements for the project. In partnership with the secondary schools sector, DFEEST developed and implemented the defence industries Pathway program. International student enrolments increased by 14.1 per cent compared to the national average of 10.9 per cent, and South Australia's share of overseas students in Australia has increased to 5.7 per cent at February 2007. In order to achieve improved training and employment outcomes, DFEEST continuously reviews its allocation of resources.

The department has made significant progress in the reduction of overhead costs, the objective being to maximise resource allocation to expenditure on training employment programs. These changes have included the standardisation and streamlining of various business processes and the reorganisation and consolidation of functions where appropriate. The department is also undertaking a business review to identify areas for ongoing improvement based on benchmarking with other organisations. This will drive further improvement in the cost effectiveness of training delivery and will provide a solid foundation for growth.

The state government's strong support for vocational education and training, as well as higher education and a program to support people to make the transition into training and employment, is reflected in South Australia's strategic plan. National Centre for Vocational Education and Research data for 2006 compared with 2005 shows that both TAFE SA student numbers and total hours of training provided have increased. The increase in TAFE participation continues to be supported by a substantial promotion of the TAFE SA admissions' campaign.

An important aspect of this increase was growth over this period in fee-for-service or commercial income. As the provision of vocational training becomes more varied and complex, TAFE SA is required to operate and succeed in a more commercial environment, and increasing fee-for-service business is one of a number of key objectives. South Australia's employment performance and outlook continues to be good, with trend growth in employment to April 2007 increasing. In 2006, trend unemployment fell to 4.8 per cent, the lowest since monthly records began in February 1978. Data from a range of sources suggests that the demand for labour in South Australia remains strong.

A significant feature of the strong labour market has been the decline in long-term unemployment. In the year to April 2007 an average of 6 900 people were identified as long-term unemployed. This is 54 per cent or 7 100 fewer than five years ago.

DFEEST's South Australia Works has made a significant contribution to the achievement of these outcomes. Employment opportunities for Aboriginal people continue to be expanded, with increasing opportunities becoming available in areas such as the mining and health sectors. NCVER statistics for the December quarter 2006 estimate South Australia had 34 300 apprentices and trainees in training at 31 December 2006, a 1.8 per cent increase on a year earlier. This is the equal second highest figure on record for the state. South Australia's in-training increase is three times higher than the national increase of 0.6 per cent. The number of apprentices and trainees completing their training also increased by 3.1 per cent compared to the previous 12 months, reaching a total of 10 100 completions.

The number of school-based apprentices and trainees is also growing. South Australia has the highest proportion commencing their training in the nation: 6.6 percentage

points higher than the national average and comprising 13 per cent of all South Australian commencements. Completions of traditional apprenticeships over the 12 months to 31 December 2006 were 25 per cent higher in 2006 than the previous 12 months. Traditional apprenticeships represented 22.7 per cent of South Australia's total completion figure, 6.3 percentage points higher than the national average of 16.4 per cent. As at 31 December 2006, there were an estimated 19 900 young apprentices and trainees in training, 2.6 per cent higher than the 19 400 recorded 12 months earlier: 5 400 young apprentices and trainees completed their training in South Australia, an increase of 3.8 per cent on the previous year's figures.

The VET system in South Australia also continues to achieve very good qualitative outcomes in the provision of training and employment opportunities and compares very favourably with the performance of other jurisdictions. Other important achievements in the VET system (based on the latest available data for 2004 and 2005) show increases in the numbers of Aboriginal students, students with disabilities and students with a language background other than English being supported by the government to undertake VET courses. In 2006-07, the new Veterinary and Applied Science Centre at the TAFE SA Gilles Plains campus was completed. This \$15 million investment will refurbish and upgrade existing buildings to provide laboratory and other facilities capable of supporting the training required in this growing area of skills development.

Coming into the program in 2007-08 to complete the major redevelopment of the Gilles Plains campus is the upgrade of the dental facility on this campus at an estimated cost of \$3.4 million. The 2007-08 budget will enable South Australia to continue to advance its skilling and workforce development objectives through education, training and employment programs that provide equitable access to quality training.

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

Mr GRIFFITHS: Just a brief one, if I may, Madam Chair. Before I get into that, I thank the minister for his trip to Yorke Peninsula last week at very short notice. I certainly appreciated the fact that he made some precious time available to look at the TAFE facilities on the peninsula at Point Pearce, Yorketown and Kadina, and that he had an opportunity to talk to people about the very important broadband needs in the region and to talk to the youth development officer. The minister talks about the many good things happening across the state—and there is no doubt about that—but in my brief opening comments I want to discuss some issues that do concern me.

Unemployment is at a very low level. The minister talked about the long-term unemployed figure in his opening comments. We would all acknowledge that youth unemployment is an issue that really does need to be addressed because it is so important to the future of the state. For young people to be faced with the fact that, most months, the youth unemployment rate is between 25 and 30 per cent is a very daunting prospect. We need to ensure that every energy goes into channelling. I also want to comment on the fact that probably about a month ago in the House of Assembly I talked about the fact that, in the 14-month period prior to that date, nationally approximately 276 000 jobs had been created, with over 90 per cent of those being full-time positions.

While one would have assumed that South Australia with 7.6 per cent of the population may have benefited equally, we

did not. Based on my understanding, we had 800 jobs created over that 14-month period, whereas if we had a percentage of the population increase as part of the 276 000, it would have been nearly 22 000 jobs. However, I do note that, in the month following my comment in the house, I think 6 000 or 7 000 positions were created within South Australia statistically. Workforce participation rates are an interesting one for me and, sadly, it only came to my attention not that long ago. I am intrigued to find that, between the working age demographic of, say, 17 to 65, my understanding is that only 62 per cent of South Australians are in the workforce.

For those people between the ages of 50 and 65, who I would have thought, in many cases, should certainly be in the workforce, the workforce participation rate is only 50 per cent. I noted those comments as part of my involvement in the work/life balance select committee where we have heard many representations, and it intrigues me. However, I do note that about three months ago the minister launched an initiative targeting the more mature worker, and I commend him for that. Let us hope that continues and that we are able to build up our workforce numbers in South Australia by improving upon the workforce participation because they are here already, they live here and they are part of networks. These people should also be part of the workforce.

One other thing I note, though, is that there is a projection that over the next 10 years one-third of the workforce within public utilities such as water, electricity and gas will retire. I would ask: what is the government doing to plan for this generational change that will occur across the workforce? Certainly it relates to the traditional work areas, too, of the trades. Many people are reaching that critical age of being 55 and above and are contemplating their future. If they have worked hard and they have planned for the future, the opportunity is there for them to go onto the next stage of their life and enjoy some quality leisure time. It will create many opportunities for our young people, but we have to ensure that young people are getting the opportunity to train for what they need. That builds upon some comments that the Treasurer included in his budget speech when he said:

South Australia can look forward to significant economic stimulus, including the Prominent Hill mine (which is already under way), the air warfare destroyer contract and the proposed BHP Billiton Olympic Dam mine expansion projects.

These pressures to supply a skilled workforce, coupled with the fact that from within South Australia's existing workforce we will be losing so many people over the next 10 years, is a great challenge.

In TAFE I just want to talk briefly on the fact that the feedback that I am receiving, from many of the people that I have been talking to, is that they have been under financial pressure for the last couple of years to create cuts and that is taking away time from lecturers, who should actually be working with students. However, they are performing admin support tasks which support staff have traditionally done, but they are either on significantly reduced hours or are just not there. I am told that happens in metro and regional areas, so I look forward to asking the minister a few questions on that one.

These staff are very dedicated and I know the minister (having visited probably every campus in the state in his time in that role) would have met a lot of wonderful people. To me that was exemplified by our trip around Yorke Peninsula last week where we met people who are very dedicated to their role. They want to ensure that the people who attend their TAFE facilities have the opportunity to develop the skills

they need. Learning is not just something you might do when you are younger; learning is a life-long experience, and the sooner South Australia recognises that, the better our state will be for it.

Mr GRIFFITHS: Minister, I refer to Budget Paper 4, Volume 3, page 13.6, and the 2007-08 targets in that area. Will the minister provide me with an explanation of the target to 'implement domestic and international marketing plans, including detailed marketing priorities; and undertake further market research to support strategic analysis of TAFE SA markets and products'? That is a wonderful target but will the minister tell me what the intention is in that area?

The Hon. P. CAICA: I mentioned in my opening statement how well we are doing with international students. One area in which we are significantly behind the eastern seaboard is the area of vocational education and training. We believe that is an untapped market as it relates to South Australia; if not untapped, certainly a market that has not been tapped as well as it should have been. Part of the process involves looking at ways by which we can engage overseas markets in such a way that they become familiar and aware of what we have in the area of vocational education and training. Part of that, of course, involves looking at the marketing plans.

The honourable member and I have probably been at events where the best ambassadors for South Australia are those students who have already studied in South Australia. They go home to their respective countries and are perceived as international students or citizens of the world and they go back, from our perspective, as great ambassadors for South Australia. Part of that process is to ensure that we build on our existing student market in such a way that we encourage prospective students from within the cohorts of those who were existing students here in South Australia.

It also has a focus on marketing these priorities, as it suggests there, to support strategic analysis of TAFE SA markets and products. As I understand it, we have been doing some testing overseas with the linkages that we have already made. Not only do we have Education Adelaide playing a role in attracting South Australian students through its marketing, we are linking those strategies through the TAFE system and targeting new products that we think might be attractive to our international students. That includes a two-year diploma in horticulture and we are particularly targeting the new markets in China, where we know there are a lot of products.

The top five source countries in South Australia for TAFE at the moment are China, Japan, Hong Kong, South Korea and Taiwan. That represents 41 per cent of our international VET students and involves a growth of 13 per cent in the year to date. The emerging markets, we believe, are Thailand, Vietnam and India. We are targeting what we believe are the most popular courses that we can offer relating to those countries' needs as well. Those diplomas are not only in horticulture (which I mentioned), but also in hospitality management, commercial cookery and nursing.

I am, in fact, going to China this week, leading a trade delegation which is specifically focusing on information communications technology. Of course, it would be a nonsense for me to go to China specifically for that purpose without building on the relationships that have already been forged through TAFE SA and regions within China. In particular, there is a significant focus in those areas on a diploma in nursing and pre-enrolment, a diploma of interpreting and translating, a diploma of international business, and

an advanced diploma in hospitality management. The strategy is to focus on what we are good at but, at the same time linking to what are the needs of the countries with which we deal and, indeed, those emerging markets; and then, through that as the underpinning strategy, continue to build the relationships that currently exist in such a way that we get a greater share of the international VET students who are studying in South Australia.

The total expenditure by international students in the VET sector in South Australia, as I understand it, amounted to \$55 million in 2006-07. When we consider that the international students' contribution to our economy is now the fourth-biggest export earner at around \$600 million, I am advised, we want to increase not just that overall figure but increase it by meeting our market share, or beyond our market share, in the area of vocational education and training.

The CHAIR: Minister, watch out for the rabbits when you are in China!

The Hon. P. CAICA: Yes, they built a wall to stop them; that is right.

Mr GRIFFITHS: With the same reference, building on that international theme—and I acknowledge that the minister made staff available to brief me on Monarch College—will the minister confirm whether TAFE SA is continuing to provide students of Monarch College in India with learning opportunities in the Advanced Diploma of Hospitality Management?

The Hon. P. CAICA: Yes; I am advised that we are. I am not sure of the exact numbers, but you would have been fully briefed on that issue. In fact, to a certain extent it verified the checks and balances and processes in place to ensure that the TAFE SA brand and quality were not compromised in any way. We continue to operate with Monarch. As is the case with all organisations we have arrangements with, there needs to be due diligence to ensure that they will be complementary to our branding and our delivery of services and not putting that quality and branding at risk.

Mr GRIFFITHS: I am pleased with that response, because information provided to the Leader of the Opposition led us to believe that the arrangements were no longer in place.

The Hon. P. CAICA: I do not know who it might be who is leaking to the opposition on certain issues, but I am advised that our arrangements are still in place. I will be happy to provide the honourable member with an update briefing on where it is at if he so requires it.

Mr GRIFFITHS: With the same reference point and as an extension of that answer, will the minister advise me on how much money has been spent on delivering the degree course to Monarch College students through TAFE SA? Has TAFE SA generated a profit on that arrangement and, if so, how much?

The Hon. P. CAICA: I will have to take that question on notice, because I do not have that information here with me.

Mr BIGNELL: My question refers to Budget Paper 4, Volume 3, page 13.13. What support is the government providing to assist those South Australians who are disadvantaged in the labour market to improve their skills and find pathways to sustainable employment?

The Hon. P. CAICA: You can see how big our department is by the voluminous notes I have here, so it might take me a little while to find the specific reference.

The CHAIR: They are just written notes you are referring to?

The Hon. P. CAICA: Absolutely; just notes. The state government runs South Australia Works through DFEEST. I know the member for Goyder and every member of this chamber is aware of the outstanding work undertaken by the South Australia Works program, and it is continuing to build on its past successes by providing opportunities for people disadvantaged in the labour market through statewide learning, training and employment programs. I eagerly await a subsequent question from the member for Goyder on participation rates. South Australia Works is a program aimed specifically at engaging people into the workforce and hence increasing our level of participation. South Australia Works tailors a number of programs that focus on the specific training and employment needs of young people, Aboriginal people and mature aged people. Over 25 000 people have participated in the employment and training programs in 2006-07, with 7 945 people gaining employment.

This is an excellent outcome for a program that has successfully encouraged many thousands of disengaged South Australians back into learning and work since commencing in January 2004. The program's success comes as a result of the state government working closely with regional and sector based organisations to ensure people develop the confidence and skills that are required in their local regions. Local knowledge is used to identify which industries require skilled labour and which sources of labour are available to tap into for skill development and employment. Since the commencement of South Australia Works, more than 81 700 participants have engaged in learning, training and work programs, with over 26 000 gaining employment. South Australia Works has exceeded its target for each financial year and is on track again to exceed its targets for the 2006-07 financial year.

Some \$30.1 million was spent on South Australia Works programs in 2006-07, including \$6.86 million of externally funded programs, including Australian government funding. South Australia Works aims to help 24 255 people in 2007-08, with an expected 7 910 people gaining employment. The budget allocation for South Australia Works in 2007-08 is \$30.7 million, including \$5.04 million of externally funded programs which, again, include some Australian government funding.

In 2006-07, South Australia Works programs assisted 8 035 people in the regions, achieving 3 145 employment outcomes; 4 240 young people achieving 1 726 employment outcomes; 3 050 mature aged people achieving 1 295 employment outcomes; 1 200 Aboriginal people achieving 484 employment outcomes; 3 159 other people, including people with a disability, migrants and unemployed or under-employed people aged between 25 and 39 years of age with 1 745 gaining employment; 520 public sector trainees, apprentices and cadets; 3 500 trainees and apprentices in group training, including 1 600 new commencements; 886 displaced workers with 575 gaining employment; and 8 500 people in adult community education.

South Australia Works is providing much needed assistance to those who are disadvantaged in our labour market and also provides industries and enterprises with a chance to enhance their own workforces. Madam Chair, you would be quite familiar with South Australia Works involvement in your electorate, particularly the fine City of Whyalla, and its involvement and partnership with OneSteel on the Goal 100 program and the outstanding success of that program. It is going to be utilised as a template as we move

forward into these areas that offer opportunities for the disadvantaged and under-employed to gain employment.

The CHAIR: It is an excellent program; it has worked extremely well.

The Hon. P.L. WHITE: I have a question relating to skills development for our defence sector. I refer to Budget Paper 4, Volume 3, page 13.10. What measures has the government put in place to assist the defence industry in developing a suitably skilled workforce for our future requirements?

The Hon. P. CAICA: I thank the honourable member for Taylor for her question. It is a very significant and important question, as the expansion of the defence and heavy industry sector gathers pace. Worldwide this sector is renowned for being a leader in the development of technology and innovation. The Department of Further Education, Employment, Science and Technology is at the forefront of workforce planning in this area to ensure South Australia is well equipped to capitalise on this growth. DFEEST, in conjunction with the Department of Trade and Economic Development, the Defence Skills Institute and the Industries Skills Board's Defence Skills Cluster, is developing a whole of defence workforce development action plan.

Initiatives include: job and career campaigns and promotions aimed at encouraging South Australians to consider careers in engineering, computer science, mathematics and science; working closely with the schools sector to enhance the awareness of the value of science and mathematics in primary and secondary education; developing youth pathways through the new SACE and the trade schools for the future; creating partnerships between industry and schools, such as the Northern Advance Manufacturing Industry Group; increasing the numbers of apprenticeships and traineeships, including prevocational programs and group training initiatives; the redeployment and retraining of skilled and experienced workers in industries undergoing restructure, for example, former employees in the automotive and white-goods industries; providing more places in higher education to increase the pool of engineering, technology and computing graduates; upskilling existing workers, particularly through customised workplace training and through specialist skills centres; encouraging local and interstate workers to consider the defence industry in South Australia as an exciting career prospect; and, in addition, the recruitment and training of skills migrants to complement the training and employment of South Australians to help meet gaps in the demand for workers with specialist skills and experience.

In recognition of the importance of the defence industry to the future of our state, DFEEST has been successful in securing an additional \$625 000 of commonwealth funding to assist in rolling out these initiatives—money that we welcome and we hope that there is more on the way. The defence industry is poised for a major expansion in our state, and I am delighted to be associated with the effort to ensure that the benefits of having an expanded defence industry presence in our state can be shared by all South Australians.

Mr KENYON: I refer to Budget Paper 4, Volume 3, page 13.6. What is the purpose of the review of the Training and Skills Development Act 2003?

The Hon. P. CAICA: I thank the honourable member for his question. It relates to the review of the Training and Skills Development Act 2003, which commenced with the distribution of a consultation paper on 30 September 2006. This particular review is being led by the chief executive officer of DFEEST, Mr Brian Cunningham, who sits with me here

today. It is a review of the many aspects that govern our state's training and skills system, which covers the areas of apprenticeships, trainees, universities, further education and community learning. The purpose of the review of this act is to enhance the capacity of South Australia's post-compulsory education and training sector to develop a more highly skilled workforce.

Another purpose of the review is to ensure that there remains a strong level of consumer protection for apprentices, trainees and students, and that the mechanisms for handling disputes between parties in connection with contracts of training are improved. Submissions to the review closed on 30 November 2006, with 54 submissions being received from a broad range of stakeholders, including employer associations, employee associations, registered training organisations, government agencies, statutory bodies and community groups. At the moment careful consideration is currently being given to the suggestions arising from the submission and there will be a further opportunity for public consultation on any proposal for changes to the act.

Since the act became operational significant changes have occurred at both state and national levels, in terms of industry priorities for training, the overall demand for skilled labour and the systems and agreements that underpin the delivery of training. It is anticipated that proposals for improving the operation of the act will be identified by the end of this year, and coupled with this review is also to ensure that as the minister and as a government we have a body that is representative of all those that make up the training system that is able to provide sound and robust advice as and when required. Part of the process is also to look at ways by which we can enhance the role and function of the training and skills commission, and that does not necessarily have to be undertaken through any regulatory changes, but we are also reviewing that as we go forward.

Mr GRIFFITHS: I refer to Budget Paper 4, Volume 3, page 13.6 and the targets. An interesting question has been posed to me in respect of whether the bookshop at Regency TAFE is still open to students. Can you confirm what the situation is there?

The Hon. P. CAICA: I am advised that the bookshop is closing, that all the staff have been advised accordingly and that the prospective date—we are not quite sure whether it is closed at this moment or it is imminent.

Mr GRIFFITHS: I think it was last Friday.

The Hon. P. CAICA: That is the perfect question to ask, given that 1 July was yesterday. I will get back to you on the exact closing date, but you are probably fairly well advised, anyway. I would highlight the point that the staff have been advised and that arrangements have been put in place for those staff.

Mr GRIFFITHS: I am pleased that arrangements are in place with staff, but I am a little concerned about the accessibility of the books by students, and I am just wondering what arrangements are intended to be in place to allow students to have ready access to the textbooks that they need to purchase.

The Hon. P. CAICA: As you would expect, we will be looking at provisions to be put in place to ensure that books are accessible to students. In that regard, I am advised that we are currently in discussions with university bookshops to look at the provision of books to those students who will require them. I am also advised that the demand for hard copies of books through that book store was in decline, on the basis that there is a significant trend towards purchase on-line. We

are not in any way looking at disadvantaging our students, so we will ensure that they are able to access whatever they have previously been able to access from a dedicated, on-site bookshop.

Mr GRIFFITHS: The minister has stated that students will not be disadvantaged but, by virtue of the fact that the bookshop has closed while you are still determining arrangements for an alternative for the sale of books, it appears to me that the timing is a little out. There should have been a focus on getting alternative arrangements in place before closing the bookshop.

The Hon. P. CAICA: I acknowledge that comment, but I remind the member for Goyder that these students commenced at the start of the year and, in fact, the majority of their book requirements have already been purchased.

Mr GRIFFITHS: Thank you, minister. I hope the arrangements do not actually involve the lecturers themselves being expected to handle the books. You are looking at alternative arrangements, so that is good.

The Hon. P. CAICA: Again, we will keep you informed as this matter progresses so that you become as familiar with it as I am.

Mr GRIFFITHS: I have one cheeky question to ask. It is being taken away from state control and potentially going to university bookshops; is that an example of privatisation or is it still within government control?

The Hon. P. CAICA: I do not see that as a form of privatisation; I see it as more effective delivery in being able to supply our students with their needs and redirecting the funds into areas in which we believe we will get a better bang for our buck.

Mr GRIFFITHS: Again, I refer to Budget Paper 4, Volume 3, page 13.6, and some of my opening comments in regard to workforce participation for people between the ages of 50 and 65. Can the minister give some details on what the government is doing to ensure that the 50 per cent level of workforce participation for that age group increases?

The Hon. P. CAICA: I thank the honourable member for his question. I can probably put it in context by speaking briefly about workforce participation in such a way that it achieves the state's economic and social objectives—and I know the honourable member shares those objectives because we have discussed it. South Australia's employment to population ratio stabilised at 60.9 per cent, which is slightly below the national average of 61.9 per cent. The state consistently registers a lower rate of workforce participation than other mainland states.

In response to this widening gap between South Australia and Australia's employment population ratio, the government has introduced a new target in the state's Strategic Plan aimed at reducing this gap. As you mentioned in your opening statement, we see workforce participation as a key component of delivering skills and employment outcomes to support South Australia's economy. Increasingly, participation of those South Australians not in the labour force is crucial to meeting the state's current and future demands for skills and labour.

I spoke about the South Australia Works initiative as a specific example of linking those people most disadvantaged with skills and training to get a job. For the benefit of the committee, I will now focus on some of the key points as they relate to mature age programs (the specific subject of your question). We are aiming to provide training, up-skilling and employment programs for mature age workers and job seekers through the development of an early intervention

strategy: to help older workers deal with the prospect of unemployment; to provide opportunities for mature aged unemployed people to learn about today's labour market; to provide retraining; and to encourage businesses to support the retention of older workers.

I think we are actually on the cusp of something very special here in South Australia. If everything we learn as being right comes to fruition it will be a great opportunity to engage people who have historically been left out of the workforce because employers did not see them as being key candidates for employment. I am not going through a labour versus capital discussion about supply and demand—

Mr Kenyon interjecting:

The Hon. P. CAICA: I will ask my friend over here to give a Marxian overview, shall I? To get back to the point, the simple fact is that I believe in the future we will be able to offer opportunities that did not exist before, and those will partly come about because in a very tight labour market it becomes an employees' marketplace; employers will be looking to get the employees they need and will perhaps look broader and wider than they ever have before. They will look at the mature-aged and at those who have been socially or economically disadvantaged, for whatever reason, and opportunities will arise for them.

In regard to outcomes, I am sure you will ask a question about this later because you cannot look at this without it being part of an integrated plan of workforce participation as a whole. This morning we spoke very briefly about work/life balance (I think it was the member for Taylor's questions) and a couple of other issues that relate to that. It is not only about retaining people in the workforce longer than would otherwise be the case but also specifically about re-engaging those people who have been out of the workforce but who have skills that are readily available to re-employment through more flexible arrangements than may have existed in the past.

In regard to the outcomes and achievements in the area of mature-age people for the 2006-07 year, 3 050 mature-age people participated in employment programs, with 1 295 people achieving an employment outcome. These results include 400 mature-age people participating in metropolitan regional forums and workshops through Employment 40 Plus, 120 of whom gained employment. In addition, 267 mature-age people enrolled in training to support their return to the workforce through the Parents Return to Work program, with 205 people gaining employment; and 1 683 mature-age people developing skills through South Australia Works in the Regions, with 750 people gaining employment from this program. Further, 700 mature-age people who experienced barriers to employment were assisted through the employment assistance program, resulting in 220 employment outcomes.

In addition, over 500 callers who accessed the Employment 40 Plus Infoline, an information and referral service, were provided with information on pathways to employment. Expenditure in that line for the 2006-07 year was \$1.382 million. You would be aware of our targets through the budget papers that have been provided to you. It is our aim and objective for this financial year that 3 245 mature-age people will participate in learning, training and employment initiatives with, we expect, 1 420 employment outcomes being achieved. In addition, the Employment 40 Plus Infoline will continue to provide an information and referral service to over 500 mature-age people. The 2007-08 budget allocation will be comparable to 2006-07, and we expect to

continue providing employment opportunities and linkages to sustainable employment for people in the mature-age category.

Mr GRIFFITHS: Good answer on that: it certainly enforces the fact that workforce participation across all age groups is important. From our point of view, we believe that it actually ties in with the good economic policy that our federal government is proposing, and what they have done across the country in the past 10 years.

The Hon. P. CAICA: On that point, I certainly encourage and welcome any working relationship with the federal government that looks at building upon and integrating what we already have here in South Australia. We can have a debate about some of the money that has been spent under the federal government employment programs that have stood outside and stood alone as a silo as opposed to integrating into the system that we already have. Notwithstanding that, I welcome the opportunity of engaging with the federal government in such a way that taxpayers' money is properly spent and that we all get what we want, that is, employment outcomes for the people towards whom that money is aimed.

Mr GRIFFITHS: That is the challenge for all levels of government: to ensure that money is spent appropriately at all times.

Mr Pisoni interjecting:

The Hon. P. CAICA: Precisely. Yes, that is right.

Mr GRIFFITHS: I refer to Budget Paper 5, page 49, Capital Investment Statement. Minister, will you provide me with information as to why the Marlestone TAFE campus project will not be completed by December 2008 as it was targeted in last year's budget papers? I note that stage 1 is due for completion by December 2008, but the completion date in total has gone out to December 2009. I am just interested as to why that project has slipped.

The Hon. P. CAICA: As the honourable member has specifically identified, it is proposed to develop a master plan for the Marlestone TAFE campus, and detailed plans for the stage 1 project. The stage 1 development is to be constructed on the recently acquired land adjacent to the campus. Professional service contractors have been appointed to develop master and concept plans for the campus. An initial master plan has been completed, and the development of an updated business case for stage 1 and preliminary sketch plans are progressing.

An indicative cost estimate of stage 1 is now at \$32 million. This has resulted in more work, and that is a revised business case to determine whether the current scope is appropriate and can be supported. A cost at completion will be provided at the concept planning stage. Pending confirmation of the revised cost, the original estimate of \$17.5 million is reported in the 2007-08 Capital Investment Statement. That business review will link to stakeholders and others within the building and construction industry to ensure that what we are going to develop down there meets not just the current needs but the projected needs of workforce development in those particular industries as well. It is important, as we look at our ongoing capital works program, that we make sure that we do not second-guess what we are going to build; that we make sure that we construct establishments in such a way that they meet not only the needs of the local area but, in the case of Marlestone, a much broader catchment area than a normal TAFE to ensure that it meets industries' needs. That is the primary objective.

Mr GRIFFITHS: Therefore, minister, the scope of the project is increasing as it is growing conceptionally, with

potentially more involvement. It is not just a matter of poor budgeting for the initial scope of the project.

The Hon. P. CAICA: Not at all. In fact, we would be able to reveal the scope of the project as well, as I mentioned.

Mr GRIFFITHS: I refer to Budget Paper Volume 3, page 13.3. I have a question about the accommodation costs for the department at its new facilities in Flinders Street. Can you detail for me whether it is actually more than was involved with the previous facility? Are the accommodation costs for the department more than those involving the previous facility it used and, if so, how much in dollar and percentage terms?

The Hon. P. CAICA: It is true that the rental costs for the new accommodation are higher than the amount we were being charged by the Education Department when we were located at Flinders Street. However, economies of scale have been achieved through this process, in that five previous leases that we had throughout the city square, in the main, have been consolidated into a single site.

We expect there to be some economies of scale and savings in that regard. With respect to the specific costs, I do not have those figures in front of me, but I will get back to you on the exact comparison of what it was we were paying previously compared to what has been incurred at this point. Those cost savings will take into account the fact that this building, I understand, is South Australia's—if not Australia's—only five-star green energy-saving building, so we will incorporate those reduced utility expenses in the figure I will ultimately provide to you.

Mr GRIFFITHS: I noted with interest the article in Saturday's *Advertiser* that talked about the five-star rating for the building. It was hard not to be impressed at the times when I have been in there.

The Hon. P. CAICA: I still cannot get used to there not being any carpet, only concrete. Apparently that provides a significant saving also.

Mr GRIFFITHS: I looked at it and thought, 'Is it finished yet?' Under the same reference, what is the period of the lease of that facility?

The Hon. P. CAICA: I am advised that it is a 10-year whole of government lease and, if it is any different from that, I will get back to you.

Mr GRIFFITHS: I refer to Budget Paper 5, page 49, the Capital Investment Statement: will the minister provide me with an explanation as to why the Narrunga redevelopment project, due for completion in March 2007 at Point Pearce, has been delayed until 2008?

The Hon. P. CAICA: We had a reasonable discussion last week on the Narrunga facilities at Port Victoria. The initial proposal was to construct a new TAFE building at Narrunga as a vocational education and training project, teaching local TAFE students in building construction practices, but the changes to the CDEP funding meant this was not possible. This option for the project will now not proceed due to the difficulties in securing student numbers, and to site problems amongst other buildings in this community. New options are being considered to provide TAFE facilities at Narrunga or nearby Port Victoria. These are progressing in consultation with the local community. It was the first time I had visited the Point Pearce site and we met four very nice people and an extremely dedicated lecturer, Mr Milera, who is certainly reflective of the majority of our TAFE personnel who are dedicated to their cause. He is a former Army officer who has returned to Point Pearce to put something back into the community from which he came. One of the things we

discussed at that meeting was the difficulties of the governing council and its representation within particular communities.

Referring back to my answer to an earlier question, it is certainly a requirement that we consult with the community about what we are doing, not just in Aboriginal communities but in all areas of our responsibility. That has been a little difficult to date because I understand there have been some significant problems, with which you are familiar (and I will not recount them now), in relation to the governance in that area. I understand that elections may have been held at the weekend—and, if not, they are imminent—to elect a new governing council, and we hope that will be a defining moment in our levels of consultation with the community.

There is a need to focus the training and delivery of training at that facility on education that relates to providing sustainable employment opportunities. You yourself know of some of the examples of people in our Aboriginal communities who have done a handful or more of certain training schemes and in the end it does not provide any real opportunities to move into employment. We are looking at the delivery, in consultation with the community, of courses that will relate to employment opportunities. Another interesting aspect I learnt of was the difference in levels or standard of acquiring education since the decision to shift from the Point Pearce site to Maitland the education of years 4, 5, 6 and 7, and some of the results being achieved there are quite outstanding. We will be looking at a host of things, and I look forward to consulting with you and getting your support for the proposals we put in place because I, like you, care very much for that community.

Mr GRIFFITHS: I am grateful that the minister has highlighted the situation at Point Pearce and, much as my frustration was, I only got one vote of the 38 votes cast in last year's election. They need a lot of support. Judy Walker, the lady whom you met, is sick of doing training continuously and not getting job outcomes, and that certainly shone through. This year's budget identifies that, of the \$600 000 cost of the project, which is carried through, \$100 000 has been spent already. The minister would recognise that the building has not had any money spent on it. The fact that it has power only over about half the structure, that there is no running water in the place and for toilet facilities they have to go to the medical centre, highlights that no money has been spent there. Can the minister detail the \$100 000 spend so far?

The Hon. P. CAICA: There has not been a \$100 000 overspend. The proposed expenditure for 2007-08 and the estimated cost has been the result of a carryover. We have carried over \$500 000 and there is an expectation that we will put in a bid for the other \$100 000 to be carried over as well. No money has been spent there at the moment. I understand, though, that Treasury does a two-staged carryover process. It is not how we would like it to be, but we will take it up with the Treasurer. We are thankful to have the \$500 000 at this stage and that it is automatically carried over. We will put in a bid—which we expect to be successful—for the other \$100 000.

Mr GRIFFITHS: That is interesting, because I interpret it differently. As the minister says, it still includes the total project cost of \$600 000. Given that it is due for completion in June 2008, and you have allocated \$500 000, I would have thought that the other \$100 000 has already been spent and it is not part—

The Hon. P. CAICA: No.

Mr GRIFFITHS: Well, the economics of that do not add up to me.

The Hon. P. CAICA: I am sorry, but the honourable member is wrong. That is the only way I can put it. We have not spent any money there. It may be a reflection of the way in which the papers are produced. It is a Treasury requirement that we go through the two-staged carryover process. We are thankful to have that carryover. As I said, there is an expectation that we will put in a very solid bid for the \$100 000 which we believe will be successful and which will take it up to the level that it ought be.

Mr GRIFFITHS: No doubt as my time goes by in this place I will understand how these books are presented, because I am confused by that.

Mr PISONI: I refer to Budget Paper 3, page 2.23. I note that Education Adelaide has been provided with further support to expand its marketing efforts in emerging markets, such as the Middle East. The estimated expenditure for the expansion of Education Adelaide operating initiatives is just over \$1 million over four years. How many new markets are expected to materialise as a result of the expansion?

The Hon. P. CAICA: How can I put this in my fire-fighting type way? It is no use having all your eggs in one basket, is it? We have a particular focus in China and the Asian market. Part of the processes the honourable member has identified through the papers is to look at providing Education Adelaide with support to expand its marketing efforts into emerging markets, one of which is the Middle East. Recently I hosted a delegation from Kazakstan, who intend to provide—

Mr GRIFFITHS: Not Borat?

The Hon. P. CAICA: No. In fact, Greg Kelton has a lot to answer for with respect to that article. He could have wrecked it. However, we will see 19 full-fee paying students from Kazakstan. When you look at that country's position in the European market you can see that it has the second highest real growth in economic terms of any nation in the world. That is the type of market on which we want to focus because those countries have a real commitment to educating their people. As I mentioned earlier, our international education industry is now the state's biggest export earner, generating \$553 million in 2006 and supporting around 2 800 jobs.

We attracted 20 580 international students in 2006, up 14.1 per cent when compared with the national average growth. Our top markets were China, India, Malaysia, Hong Kong, South Korea, Japan, Singapore, Taiwan, Vietnam and Thailand. The strongest growth was recorded in countries specifically targeted by Education Adelaide's marketing activities of Vietnam, India, China and Korea. Notwithstanding that, significant preliminary work is being undertaken with the Middle East, Kazakstan and, indeed, other European countries to look at gaining a share of those markets.

I do not know what it came out like, but I was lucky enough to appear on Ho Chi Minh City TV when it filmed in Adelaide, and I understand that it was played on prime time Ho Chi Minh City TV. Again, that was expanding on what makes Adelaide what it is to international education and something about which we can all be proud. Vietnam is an emerging market and we want to make the best of that. I want to mention Dubai and other Arab countries. The Middle East countries are not without their challenges in terms of the structures that would need to be put in place here so that they feel not only comfortable but also confident in what it is we can provide here.

That will change our thinking about the way in which we can do things here. I think we can set ourselves up to make Adelaide an attractive place for Middle Eastern students to contemplate moving to Adelaide to further their education. That is it in a nutshell, really. I commend the work that Denise Von Wald, her team and Education Adelaide does for international education here in South Australia. As the committee would be aware, the recently resigned head of Tourism SA Bill Spurr now chairs International Adelaide and, again, that is an exceptionally good appointment.

Mr PISONI: I refer to Budget Paper 4, Volume 3, page 13.6 and 'Targets and highlights'. Last year's 'Targets and highlights' were quite specific that South Australia's share of overseas students would double by 2014. What was the base-line figure and why is that not in a 'target' or a 'highlight' for this year's budget papers? Has there been an adjustment?

The Hon. P. CAICA: Bearing in mind that we are moving steadily towards increasing it to the level that had originally been calculated at 42 000 by the year 2013, we are on target to achieve that. Using the basis of the percentage, that is, a doubling of the share of the Australian market, it has created a figure that I think will be questionable as far as whether or not South Australia wants to achieve that. Under existing figures it was 42 000 international students. We believe South Australia has the capacity to achieve that figure—although it is not without its challenges—and that we have the infrastructure and everything else in place. When we look at the exponential growth that has occurred nationally over that time, bearing in mind that we now have a larger share, it would take it from 42 000 to 67 000.

From all the evidence I have received to date—and I think I will get your agreement on this—that figure would probably not place South Australia in a good position in relation to international students because we might not have the capacity to accommodate that number. The figure of 42 000 was a realistic figure based upon our capacity. We could have 67 000, but Adelaide might look like certain parts of Melbourne as far as the manner in which they accommodate and look after their students in that particular city. I am not having a crack at what occurs in Victoria, but we in South Australia want the quality of international students to link into our vision of a university city. We are looking at attracting international students of a high standing who study at quality institutions and who study high quality courses which relate to the specific needs of the individual, their nation and, hopefully, in turn, South Australia and Australia as well.

In a nutshell, the figure has gone through a process of recalculation on the basis that, if we went through what it was that we required as a percentage through the State Strategic Plan target, it would have resulted in a requirement of 67 000 international students. Given the reasons I have outlined, I certainly believe that that is an inappropriate number of international students for the state of South Australia.

Mr PISONI: As a layperson, I would suggest that, in a growing industry, we would be falling behind compared to the rest of the nation. The rest of the nation is able to increase its student numbers but we are not. Will we be hanging on to our current level percentage-wise or will our level be increasing? What level will it be? You said that it will not double. We have come back from that original target of 2006-07. What figure are you prepared to put out there in the way of a percentage increase from the 2006-07 budget to

2014? What are you hoping to achieve? What percentage of the national education cake do you hope to have, and what will that be in actual numbers?

The Hon. P. CAICA: Adelaide attracted 20 580 international students in 2006. That was up 14.1 per cent compared to the national average growth of 10.9 per cent. Our share of the national market has risen in line with the targets in the SA Strategic Plan. It is up from 4.5 per cent in 2003 to 5.4 per cent in 2006. On the calculations that we have done to date and where we are heading, I believe that we are still in line to achieve a figure of 42 000 international students by the year 2013. It may be argued that that will be a smaller percentage of what might be the national growth in South Australia's international student commencements. However, I refer back to what I mentioned earlier; that is, it is about what we have the capacity to deliver and what quality we want to deliver. That figure is more in line with our overall vision of a high quality learning destination for international students. We will attract 42 000 quality students because of the quality of our learning institutions, the delivery of our services and the ability to deliver on the needs of the nation from which they come.

Mr PISONI: How come other states can do it and we can't? I am struggling to understand. I understand that there is a requirement for infrastructure and resources in order to do that. I suppose that this is a profitable business. What I am struggling with, minister, is: if we are conceding that we are at the foot of a booming mountain, why are we only aiming to get to level one or two when the rest of Australia is aiming to get to three, four and five?

The Hon. P. CAICA: In answer to your question, we are still growing our share off a smaller base. You will notice that the target for 2007-08 is still 5.8 per cent, which is an increase on the estimated results from the previous year. However, again it is about our capacity in South Australia. We could most likely attract 67 000 international students without any problems at all if we so chose. We could have 67 000 people, but I am convinced that we would not achieve the quality of education that we want as we would with the realistic figure of 42 000. That figure is based on quality courses, quality institutions, quality accommodation and quality community support and is in line with our State Strategic Plan target as determined for the year 2013. I have no doubt that we could have a crack at 67 000 and probably be successful, but I am not convinced that the 67 000 at the end would, from an educational sector perspective, look better than the 42 000.

Mr PISONI: I a little confused. Are you suggesting that South Australia is offering a different standard than the other states and, consequently, the standards that we are not prepared to take on we will let the other states have? I am just a little confused as to why you are expecting us to have a smaller amount than the rest of Australia in the growth of this new booming industry.

The Hon. P. CAICA: We are still expecting a significant share of a growing market. I cannot comment on what other states do but I certainly know that other states have not attracted a Carnegie Mellon; other states have not entered into arrangements with Cranfield University; other states have not entered into discussions and negotiations with University College London, which is a marquee university of international significance, with 19 Nobel Prize Laureates.

What we are focusing on here is a university city concept that is not going to be replicated anywhere else in the Southern Hemisphere. Despite the fact that we have good

quality institutions here in South Australia and throughout Australia, the simple reality is that we do not have a University College London, and we do not have universities like MIT or Yale or Oxford. But, through strategic alliances, which will support and increase our existing learning institutions, our particular focus is to create something that other people do not have and something which will make South Australia a unique and attractive destination for international students. In four years' time you may be in government—I do not know, David—and you may want to change that particular vision, but that is the vision we have for South Australia.

Mr Pisoni interjecting:

The Hon. P. CAICA: Are they not going to make you a minister if you get in?

Mr PISONI: Not in this portfolio.

The Hon. P. CAICA: That is our vision and that is our focus. I think it is an appropriate vision with a particular focus that is going to benefit South Australia, the people already studying here and the calibre of people that we attract because of the quality of our learning institutions here in South Australia.

Mr PISONI: Does that include ensuring that there is accommodation here for those students? Is your department involved in dealing with that?

The Hon. P. CAICA: It is a very interesting question. Specifically, my department is not involved with it, but Education Adelaide certainly has an involvement. In fact, I spoke recently at a forum that was convened to look at, amongst other things, the infrastructure means to accommodate international students. There were some interesting concepts and programs raised at this particular meeting, as to how other cities around the world had been able to manage the infrastructure demands as a result of increasing levels of international student numbers in particular locations.

Here in South Australia the 42 000 that we aim to get (and I am confident we will get), again, is not without its challenges. Because it is not the single responsibility of the government or the single responsibility of the local councils—nor, indeed, the single responsibility of the learning institutions—it needs to be done collectively, it needs to be done strategically and it needs to be done in such a way that we are able to offer the form of accommodation which will attract the type of students we want.

There is the Capital City project (I think it is called) being driven out of the Adelaide City Council chamber and, on that particular committee, is a host of people who have an active interest in student accommodation. They have identified the needs of South Australia (and Adelaide in particular) in this area. I know (without breaking any confidences) that there is some good work being done, both with the private sector and through the universities, for different arrangements to be put in place to establish that accommodation whilst ensuring that, as much as possible, it remains affordable, accessible and provides South Australia with a major competitive advantage for our state and for Education Adelaide.

I think it is public information that Education Adelaide through the Capital City group have already identified that the dwindling supply of rental stock could severely impact on the city's brand proposition of Adelaide. What we do not want, of course, is what has plagued the eastern states which has highlighted a lack of community support because of the bitter issue that exists involving the number of students, the growing anger about the exploitation of part-time workers, and substandard accommodation for students in those states.

That is not the road that we want to head down. The road we want to head down complements the vision that I spoke about earlier in terms of an education city. There are international students who will pay an enormous amount of money for first-class accommodation, and others who will not be at the other extreme end of the spectrum but somewhere in between. We want to make sure that it meets their needs, that it is accessible and that it adds to the flavour of Adelaide as an education destination for international students.

Mr GRIFFITHS: I refer to Budget Paper 3, page 2.30. Will the minister provide some detail as to why the 2006-07 budget was \$465 million for the department, but the estimated result was actually \$483 million? Where was the \$18 million blow-out spent?

The Hon. P. CAICA: I am advised that there has in no way been the blow-out that you might have described. The 2007-08 budget for DFEST provides for expenditure of \$481.4 million compared with the estimated result for the revised 2006-07 budget of \$483.2 million. This budget also includes \$6.25 million of new expenditure initiatives for the employment, training and further education portfolio, \$3.225 million for the science and information economy portfolio and \$0.013 million for the Office for Youth. I am told that the variance in expenditure between the 2006-07 estimated outcome and the 2006-07 budget mainly reflects expenditure initiatives approved during 2006-07 for transitional support of \$9.8 million for managing DFEST's shortfall, which we have spoken about, and implementing COAG training reforms of \$0.9 million, with end of year carryovers of \$2.9 million approved from the 2005-06 to 2006-07 year.

This includes VET in schools at \$0.4 million; the Equity Development and Training Innovation program, \$0.08 million; Learncape, \$0.3 million; e-Learning for Targeted Leaders, \$0.2 million; Youth Pathways, \$0.2 million; group training grants, \$0.2 million; and skill centres, \$1.8 million, as well as supplementation for enterprise bargaining increases approved in the 2006-07 year of \$1.3 million; additional expenditure authority of \$2.7 million associated with the revaluation of employee liabilities by Treasury and Finance; and additional expenditure authority for changes in commonwealth revenue of \$1.1 million for a number of programs.

Mr GRIFFITHS: I refer to Budget Paper 4, Volume 3, page 13.7. I noted with interest in last Saturday's employment section of *The Advertiser* the commentary about JobFest 2007 and also the apprenticeship expo that is planned for later in September. Can the minister confirm whether the state government is financially supporting these initiatives? JobFest is occurring on Wednesday.

The Hon. P. CAICA: I can confirm that we are involved financially with the JobFest and that we provide financial support to Careers Week. What was the third one?

Mr GRIFFITHS: The apprenticeship expo on 25 September.

The Hon. P. CAICA: I do not know about that, but I hope that we would be involved in some form or another at an apprenticeship expo. In fact, it was not all that long ago that I tried my hand at a similar exercise in Try a Trade with bricklaying and did an outstandingly poor job. Be that as it may, I had a go. I would have been a lot better off if I had done a trade. I am not familiar with the apprenticeship expo, but I will take it on notice, and I hope we would be involved in that program in some way or another.

Mr GRIFFITHS: As an extension of that question, because the issue refers to youth unemployment, what does the minister think about the 25 per cent youth unemployment rate?

The Hon. P. CAICA: In a nutshell, I think that any percentage of youth unemployment is unsatisfactory; I want it reduced. Any child or young person in the 15 to 24 age group who is looking for a job and who is out of a job is one person too many. The reality is that I am not satisfied with that figure you have expressed, nor would I be satisfied with any figure that had young people looking for work but being unable to find it. You know that South Australia's youth full-time employment rate rose from 24.4 per cent in April 2007 to 25.3 per cent in May 2007. We are still ranked the second highest of all the states; the national average is 18.3 per cent, and South Australia's youth full-time unemployment rate has decreased by 1.7 per cent since March 2002 from 27 per cent to 25.3 per cent.

Young people participating in full-time study, full-time work or a combination of part-time work and part-time study can be and are considered to be in a satisfactory labour market situation. In the April quarter of 2007, 15.7 per cent or 16 300 young people 15 to 19 years old were at risk of not making a successful transition to work; and, for the same period, 25.1 per cent or 27 100 young people 20 to 24 were considered at risk of not making a successful transition from study to work. Significantly, engagement in education and training supported 69.2 per cent or 71 900 of 15 to 19-year olds and 24.2 per cent 26 100 young people 20 to 24 years.

We can have an argument about the statistics and the figures, and we know that the manner by which these figures are collected actually does not mean that 25 per cent of people in that age group are unemployed but, when compared with other states, it still is the second highest in Australia and it is still a number that is too high. Quite often it is publicised and understood by the people out there as being 25 per cent of the total cohort; we know that is not the case. That is why we are not changing. It is a statistic, and it is a statistic that will continue to be used. We will not shy away from that, but we will also look at comparing that with a different measurement that actually reflects the total number of people within that cohort.

With regard to the outcomes and achievements during the last financial year, in 2006-07 there were 4 240 young people participating in the South Australia Works for Young People programs, of which 1 726 gained employment. The SA Works programs benefited through an estimated total number of 8 700 young people in 2006-07, supporting over 3 720 to gain employment. But again, that is in the past: what are we going to do now? I think that is the thrust of your question. The next step in our target is to implement and develop a network of trade schools for the future. Whilst that is a program that will primarily be driven out of the DECS system, it has involved very much the involvement of my department to ensure that we are not only heavily involved with it but that we are an organisation, along with other registered training providers, which can provide the pathways, because you know yourself—and this is Jane's area and I do not think that I will be stepping on her toes—that raising the school retention age to the level that is envisaged (which I certainly support) will only be as successful as the pathways that we have available for people within the system. That will include our TAFE system and other registered training providers, and the aim will be to ensure that those learning and education mechanisms are available and that the various

pathways that are attractive to those students we will be retaining at school (when school might not have otherwise been that attractive to them) can be explored.

We are also convening an inter-ministerial committee on learning and work, which will specifically focus on achieving the learning and work target in South Australia's Strategic Plan. We will also develop and implement the infrastructure and services to support young people in and through the transitions to learning to work. My department (DFEEST) will continue to provide and enhance the number of pathways for young people to connect to learning and work. As such, what the department will be delivering is vocational education training to young people, again, through the South Australian Works for Young People learning and work programs (4 880 participants). We expect 2 237 to gain employment and additional numbers and opportunities being offered to young people through public sector traineeships, apprenticeships and cadetships in the vicinity of around 683. There is a lot of work to be done in that area and, again, I welcome, as we mentioned this morning, a bipartisan approach to ensuring that we can get all of our young people transitioning into employment.

Our Aboriginal apprenticeship program, which is an outstanding success, has not only a retention but a completion rate of around 70 per cent. When we compare that with some of the more traditional apprenticeships, we do not have that same level of completion. I think that the success of the Aboriginal apprenticeship program comes from the support mechanisms in place for the participants in that program. Such was the success of the Goal 100 program that was undertaken in Whyalla that it is going to another phase and another level. I am sure that the chairperson is very pleased that it will provide additional opportunities to the people in Whyalla. The secret of that particular program's success was the level of support provided to the participants at every stage of the way. The young people—the 'learn to earners'—whom I met on my first trip to Whyalla when we launched Goal 100 in that city could not even look you in the eye. They had to be trained to get out of bed in time and then to present and to look people in the eye when they talked to them. Those are things that most of us would say are basic skills that people ought to have picked up throughout their life.

Mr Kenyon interjecting:

The Hon. P. CAICA: That is because of the shape of your eyes; they should not point in different directions! This is an extremely serious matter, and the point I am trying to make, albeit in a long-winded way, is that it not only takes a commitment to target these particular young people who are unemployed but, in addition to that, it takes a larger amount of resources to do it properly. So, it is no use coming here next year and saying: 'Yes, we have gained this employment for these people', if it is not going to be sustainable employment opportunities and, indeed, if through the process it has not been a life-changing and defining moment for these young people. That is our focus and it does cost a lot more money than otherwise would be the case with training programs but, again, if you look at the savings that will occur to the state over the remainder of the lifetime of that person for whom we have been able to provide financial independence, you will see what a worthwhile investment it has been; it is as simple as that. It is investing now to save in the future.

So again, I look forward to the opposition's support in this particular area as we further develop the programs, in respect of which we will probably—and we will see what happens after the next federal election—be seeking the support and

assistance of the federal government of the day in what we believe is a template here in South Australia. This is a template for providing a greater opportunity of engaging these young people and transforming their lives and, as a consequence of that, ultimately reducing the figures that we both agree are unacceptable as it relates to youth unemployment.

Mr BIGNELL: My question refers to Budget Paper 4, Volume 3, page 13.6. What are some of the initiatives being undertaken in response to shortages of skilled employees in critical industry sectors?

The Hon. P. CAICA: That is an exceptionally good question and exactly what I would expect from the member for Mawson, a very impressive local member. The state government has set a target of funding at least 2 600 additional trainees and apprentices by 2009 to meet occupational demand. A pre-apprenticeship program in engineering, mechanical and fabrication engineering, electrical and electronics, and carpentry and roof plumbing provided pre-apprenticeship training to 90 participants at a cost of \$310 000. A further pre-apprenticeship training program is providing pre-apprenticeship training for up to 180 participants over two years at a cost of approximately \$660 000. Funding for the pre-apprenticeship training program is open to private and public registered training organisations through a tender process.

User Choice training subsidies contributed to the cost of training for 72 per cent of all trainees and apprentices. Since 1 January 2005 these subsidies have also been available to trainers and existing workers in areas of skills shortage and are available to existing workers undertaking apprenticeships in areas experiencing skills shortages. A strategy to reduce skills shortages in the childcare sector has funded the up-skilling of 92 existing workers through the Diploma of Children's Services under traineeships to meet licensing requirements. This particular initiative has an estimated cost of \$450 000 over three years. In addition, up to 100 existing workers will be funded to undertake the Diploma of Out of School Hours Care and, to date, 64 nominations for this initiative have been received. The estimated cost of the initiative is \$450 000 over three years. The pre-apprenticeship program delivered in 2006 resulted in 42 job seekers gaining employment, including 37 in apprenticeships. The Diploma of Children's Services up-skilling program was fully subscribed and, as I said, to date the Diploma of Out of School Hours Care has received 64 nominations from childcare centres. A trades recognition support service also supports local and migrant workers seeking recognition of their trade skills in our state.

For the benefit of the member for Mawson, it links a little to what we discussed earlier in response to a question from Mr Pisoni (I think). When we look at the retention and completion levels within the various trades (and I spoke about the outstanding success of the Aboriginal apprenticeship program), things like pre-apprenticeship programs and, before that, VET in schools and trade schools have to be undertaken in such a way. We will always have people who decide that they do not want to complete their course, for whatever reason, but we have to minimise that total figure, and we can achieve that by ensuring, as much as possible, that the young and not-so-young people entering into a traineeship have a clear understanding of what they are going into; that they are going in with their eyes wide open. That also can be money well spent because we do not want people to undertake a trade and then decide to opt out (for whatever the reason

might be) soon after commencing or half-way through their particular course.

So, pre-apprenticeship programs, trade schools for the future, and VET in schools are all part of the process—at the end of which people entering those trades have made, as best they can, a firm and positive decision to enter it and complete it for the right reasons. Such a supportive process prior to signing up for the apprenticeship will have a positive impact on the completion rates that can be achieved. Thank you for the question.

Mr GRIFFITHS: I would like to go back to the previous question asked by the opposition regarding youth unemployment. I do not have a detailed understanding of the Goal 100 project, but I recollect that you and I, as well as Lew Owens, were interviewed by regional ABC about the program and, at the end, the announcer commented to me that it was unusual for the government and the opposition to be in agreement on the benefits of a program. I just said, ‘How can you criticise something that actually gives people who are chronically and long-term unemployed a chance of a future?’ My recollection is that something like 67 out of the 100 actually had employment after that; the rest had dropped out of their own choice.

I did note that you mentioned a variety of things in your detailed answer, but there were three programs in particular where you quoted the number of people involved and the number of job outcomes achieved. My recollection is that it was a return of between 30 and 50 per cent, depending on what they were. You have also talked in a quite detailed fashion about the need to ensure that there is support for people in these sorts of courses. Does this level of support include trying to make some key connections with business opportunities across the state to ensure that, instead of having only between 30 and 50 per cent job outcomes, we can get it up to 75 and 80 per cent? I think that is where we will see a far better return on the investment.

The Hon. P. CAICA: That is an outstanding question, and I will do my best to answer it without being long-winded. We already have the employment skills network, but we will go one step back. When you specifically talk about the 30 to 50 per cent success rate you are quite right. For a lot of the people who engage in these programs it is the provision of a foundation as much as anything else, and they will continue to build on that foundation to move towards employment. I think the secret of our success in these programs—using Goal 100 as a particular example—has been the ability to extract from employers a willingness and commitment to employ people at the end of the training programs.

Up until last week (and the chairperson will confirm this) the people in Goal 100 were saying, ‘Well, we’re not really going to get a job out of this; this is just another training program.’ I think the figure was actually a few more than 67 but, again, for the 30 who did not get a job out of it this program has provided them with a foundation and they will be better placed to secure some employment in the next round. The point I am making is that our programs into the future—and what we say offers a great template to run programs similar to what was offered in Goal 100—link strategically to employers in such a way that, first, they admit the need and, secondly, they are willing to participate in the program in such a way that they guarantee employment. It is also reflected in the Aboriginal apprenticeship program.

Success breeds success, and we now have a whole host of employers who are more willing to take on Aboriginal apprentices than what had been the case in the past because

of the success of that program. In fact, Goal 100 in Whyalla has been such a success that a second round will be undertaken. Discussions are occurring with other mining companies throughout South Australia to offer job opportunities in line with what is being done there. You, yourself, have had discussions with Lew Owens and ETSA, and you understand their commitment to provide local jobs for local people. They have an understanding of the work that is involved in that, but the first step is to get their commitment to provide employment. I think it is the best that we can do.

Last week, we were talking with a couple of reps from the community at Point Pearce. What we have to do there is link employment opportunities to training that is ultimately going to be provided by getting a commitment out of local employers to employ people at the conclusion of their training programs. So, I think it gives us the template for the way in which we should be doing things, and it offers us a way forward to making greater inroads into the youth unemployment figures (and overall unemployment figures) than we have ever done in the past.

Again, as we mentioned earlier in a response to David’s question, it is an employee’s market out there. We have opportunities, and we know that employers are going to be hard-pressed because there will be a competitive market out there. That which may not have previously been attractive becomes attractive the next day if there is nothing else, if that makes sense.

Mr PISONI: Just while we are on youth unemployment, minister, I refer to page 13.6, Targets/Highlights. In last year’s targets, we had a target (third dot point down) which was equal to or better than the Australian average of youth unemployment by 2009. I notice that in this year’s budget youth unemployment is not referred to in either the targets or the highlights. I am just interested to know whether that target has been reviewed and why it does not seem to have the prominence that it had in the targets column of 2006-07. I think the minister said earlier that the average is about 18 per cent, and we are sitting at about 25 per cent now, and we are only about 18 months out from 2009. I am interested to know whether that target is still achievable or whether it has been revised.

The Hon. P. CAICA: The point is that it is not there this year.

Mr PISONI: In last year’s budget papers it was a target for 2006-07, but it is not mentioned in the highlights or targets for this year.

The Hon. P. CAICA: It still exists in the SA Strategic Plan, but the advice we received from Treasury was to include targets that related to a specific financial year and not to the longer term. Because the target is a longer-term one, we did not include it this year. As to the second component of the question about what would be the objective or aim to reduce the unemployment—

Mr PISONI: If you had that target for 2006-07, you must have some idea whether you are going to achieve it or whether it has been revised.

The Hon. P. CAICA: I understand it was not a one-year target and we have not revised those specific targets. It still exists within the Strategic Plan at the same figure as it did previously and will continue to be what drives our objective and where we want to get with youth unemployment. I would be delighted if we improve on that target. Incorporated into it is the new learning and earning target, whereby we have 90 per cent of people aged between 15 and 19 years engaged in learning or earning.

Mr PISONI: Generally when targets are set, procedures are set in place to achieve those targets and targets are also reviewed, particularly when this would have been a two to three-year target. I would have thought it feasible or not unreasonable of me to ask how that target was going and if it has been revised. You are telling me that it has not been revised. Are you confident of achieving that target in 2009?

The Hon. P. CAICA: We are certainly hopeful that the strategies we put in place, some of which we mentioned earlier about engagement, will have that target come in online. It is a target that is not without its challenges and will include the active engagement of employers to employ people within this category or make a commitment, and it will be for us as an organisation and as a community to ensure that we equip these people with the skills to meet the needs of those employing organisations that make such a commitment. It needs to be an integrated approach and we can talk about our industry skills boards, workforce planning and the ongoing development of skills centres that link young people to industry employers. We are looking to better integrate the education, training and employment systems, which includes developing adequate funding models to support young people, particularly the most disadvantaged, to engage in the non-school based education and training. As we develop those programs I will put them forward to Treasury to negotiate during bilaterals the programs we believe will be necessary to reduce that figure.

Mr PISONI: Does the target reflect a breakdown on socioeconomic grounds? The minister is saying that you have an overall target equal to or better than the national average. Is the minister looking at matching that over all socioeconomic areas or will he be targeting specific socioeconomic areas to achieve results?

The Hon. P. CAICA: From my limited understanding, we do not drill down to that specific level within the target. We use a holistic figure. Certainly, the SA Works programs and the other programs I have mentioned focus on those areas because, not surprisingly, those facing greatest disadvantage are those living in the lower socioeconomic areas. Our programs will particularly focus on those areas. If we are to achieve the employment levels that we know we need to achieve to ensure that we meet industry's requirements (both in defence and mining and the backfilling that will be required in the various communities), we will find our workforce in those lower socioeconomic areas. I am not being a smart Alec, but it probably goes without saying that the lower socioeconomic areas will be a focus because that is where the people with the most disadvantage reside.

Mr GRIFFITHS: I refer to Budget Paper 4, Volume 3, page 13.6. The first of the target dot points indicates that within the SA Works program a target of 24 200 people are in learning, training and work opportunities. I think that, in his earlier comments, the minister mentioned that 81 000 or 83 000 people have been involved in SA Works programs since they commenced. It is somewhat disappointing to me when I look at page 13.13 because 25 035 is the estimated result for 2006-07 for the number of people involved, and we have gone down in our target by 800. The minister used the word 'template' when talking about Goal 100, but of the 24 200 people targeted for this year, again, we are looking at only a one-third employment outcome figure. The minister has expressed some personal support for trying to ensure that there are better linkages with business. If Goal 100 worked so well in the last 12 months, why are we not trying to ensure that there is a greater emphasis instead on making it 15 000

people out of the 24 200 who get work outcomes? It is a two-point question. The first point is a work outcomes number and the other point is the fact that we have reduced the target this year from the previous financial year's estimated result.

The Hon. P. CAICA: The first point I make is that the SA Works program engaged 24 200 people in learning and provided South Australians participating with 7 900 employment outcomes. We would not have achieved that figure had we not undertaken the training of the 24 200 people. We can have a discussion about whether or not that is an appropriate statistic given the number of people who are participating. However, the simple fact is that, at the end of that program, a high percentage of the 24 200 people undertaking that program are not work ready.

Their initial engagement in that program is the foundation from which they then, through support, go into further programs of training, education and linkages to employment that result in employment opportunities. Of course, we would like to increase that figure. In fact, we would like to get to a situation where we are reducing the number of people who are undertaking the program because we have done such a good job previously. I look forward to that day coming about.

The difference in the figures about which the honourable member spoke and the second component of his question is that the 2006-07 and 2007-08 targets do not include the Labour Market Adjustment Program. That program, as the honourable member would be aware, provides support for workers as a result of redundancies or closures in an industry. It is a demand-driven program with participation levels difficult to predict. In 2005-06 there were 2 004 participants, while in 2006-07 the estimated result is 866 participants. Of course, we wish for the number of people who are included in the Labour Market Adjustment Program to be at a reduced level, not a high level; but, again, it is a number over which we do not have great control, nor do we have the ability to predict with any confidence what those numbers might be.

Mr GRIFFITHS: Was the basis of the Labour Market Adjustment Program Mitsubishi?

The Hon. P. CAICA: Yes—mostly within the manufacturing industry. Mitsubishi had a major component as did the shift at Holdens, as I understand it.

Mr GRIFFITHS: Was it \$30 million from the federal government and \$5 million from the state?

The Hon. P. CAICA: No. There was \$30 million but, as I understand it, not all of that money was to be labour adjustment. A major component of that is for emerging companies and structural adjustment to allow those second and third tier industries that might be associated with Mitsubishi to be able to transition into different areas of manufacturing. Specifically, in answer to the honourable member's question with respect to the displaced workers, in 2006-07 it was 440 from General Motors-Holden's and suppliers and 227 from Mitsubishi Motors and suppliers. In addition to that, and outside the major component of the labour adjustment funding, was the support and assistance provided by DFEEST to displaced workers from non-automotive companies, including AGL, Nexus Furniture and Primo Smallgoods. I know that the honourable member was heavily involved with that. On a couple of Saturday mornings we spoke about the fire that occurred at Primo Smallgoods. Other companies include Electrolux and, of course, Conroy's abattoirs, another program with which both the honourable member and the Hon. Rob Kerin are familiar.

Mr GRIFFITHS: I refer to Budget Paper 4, Volume 3, page 13.6. This question concerns the Aboriginal apprentice-

ship program. I think you quoted a 70 per cent completion rate. As I understand it, 160 apprentices are involved in training. Can you detail to me what the level of cost is per year in the budget for that and what level of subsidy is provided for each year of the training?

The Hon. P. CAICA: As I highlighted earlier, it is a highly successful program delivered through SA Works for indigenous people. It places Aboriginal people in trade-based apprenticeships in the private sector. Since its commencement in July 2000, the program has supported over 255 Aboriginal people into apprenticeships: 166 Aboriginal people are currently under a contract of training. There is also a post-placement support service that ensures that apprentices are retained in employment on the completion of their apprenticeships. This program, in our view and in the view of those involved, benefits both businesses and Aboriginal South Australians. It provides significant opportunities for sustainable employment targeted at the more traditional trade vocations, which again are identified as areas experiencing skills shortages.

In answer to the honourable member's specific question, I think it would be appropriate to highlight just where the Aboriginal apprentices commenced in 2006-07 are located. We have 22 in the metropolitan area and 33 in the regional areas. In 2006-07, the program has targeted a higher intake of apprentices in regional areas, with a particular focus on the Upper Spencer Gulf, as committed through the Skills for South Australia statement. It is pleasing that 18 new apprentices commenced in the Upper Spencer Gulf region, 12 of these in the steel industry. In answer to your specifics, the expenditure for this program was \$1.138 million. That expenditure is used to put in those support mechanisms about which I spoke earlier.

People might construe that as being a subsidy because it is providing support, but the fact is that it is money being expended to provide the support mechanisms by which we can achieve that successful completion rate. The only subsidy that is truly provided is that through the user choice funding for the program. It is \$1.138 million. That provides the support mechanisms for that program and then a training subsidy. The subsidy for training is the same as that made available to any other employer of apprentices and trainees through the user choice funding. As I understand it, the commonwealth employer subsidy is available through the commonwealth provisions.

Mr GRIFFITHS: That is interesting because, having previously been involved in the employment of a young Aboriginal person through this program, my recollection is that the subsidy was 100 per cent in the first year and 75 per cent, 50 per cent and 25 per cent in consecutive years. It appears as though you have reviewed that in your time.

The Hon. P. CAICA: As I understand it and I am advised, that is the federal employer subsidy.

Mr GRIFFITHS: I refer to Budget Paper 4, Volume 3, page 13.6 again. Quite a few TAFE students have approached me with concerns about the cost of some courses and pointing out financial hardships. Can the minister confirm how many TAFE students who were experiencing financial hardship were offered the equity initiative that reduced fees by up to 30 per cent in 2006-07? How many do you hope to fund in 2007-08?

The Hon. P. CAICA: I am advised that we expended \$450 000 in equity fees assistance in the previous financial year. How that relates to the number of students, I will have to take that specific question on notice because I do not have

that information in front of me. Certainly, it is my direction to the department—and I know that you would support this, too—that we do have these mechanisms in place to ensure that people can enter and complete training without the encumbrance of cost being a preventative mechanism. We are continuing to look at that flexibility as well. In fact, we have had discussions on that. Travel is another issue. First, our aim is to identify the impediments. The best way to do that is by talking to the students. The best way of achieving that is by ensuring that we have within our system mechanisms that allow students and potential students to raise those issues and then, on the evidence provided and the discussions, to negotiate what it is that we can do for those students within the criteria that will enable them to be able to study.

Mr GRIFFITHS: Minister, you have confirmed that it is \$450 000 for 2006-07. Is there a dollar figure available for 2007-08?

The Hon. P. CAICA: I am advised that it is the same amount for this particular financial year.

Mr PISONI: I refer to Budget Paper 4, Volume 3, page 13.6. I refer to a couple of dot points: increase proportion of apprentices and trainees completing their training; and increase TAFE SA student hours through more effective use of funding. Are you able to supply baseline figures in actual numbers and percentages, particularly with regard to the first dot point?

The Hon. P. CAICA: Yes, I think I am able to do that. The state government is increasing the number of skilled workers in South Australia by primarily working with industry to improve training and apprenticeship completion rates. DFEEST has assisted industry skills boards through the provision of information which has enabled industry to develop strategies specific to its needs.

The introduction of a competency-based traineeship and apprenticeship system was commenced on 1 January 2007, and this enables trainees and apprentices to complete their contract of training before the nominal term. It is something that has been pushed throughout the COAG agenda whereby, through a competency-based training system, if you display the ability to do, you can. Not everyone supports that, but the majority of people do support it.

The completion rates for apprenticeships are generally higher than for traineeships, and many skills shortages exist in apprenticeship occupations. Completion rates are approximately 61 per cent for apprentices and 50 per cent for trainees but, again, if you look at that overall figure of 61 per cent for apprentices, it is built up through a higher figure of completion rate for some of the more traditional trades than in other areas. It is 61 per cent for apprentices and 50 per cent for trainees.

As I mentioned, some of the apprenticeships, such as mechanical engineering, have a completion rate of 80 per cent whilst others, such as cooking, are significantly lower at 33 per cent. For the 2006-07 year in the six months ending 31 December 2006, the completion rate was, again, 61 per cent for apprentices and 50 per cent for trainees. Apprenticeship completion rates have risen by three percentage points during the past 12 months, up from 58 per cent to that figure of 61 per cent.

Our target and our objective is to continue to support industry in developing strategies that will improve completion rates for apprenticeship occupations that are experiencing skills shortages. In addition to that, I think we could have a fair discussion and debate whereby certain industries are going to have to improve the way in which they attract people

because of the competitive ways in which industry is now moving. What is it that makes an apprenticeship in one field more attractive than in another? That is not without its challenges as well.

We are working, through Workforce Development, with various industry skills boards, the regional development boards (which you would be familiar with), and integrating our approach to attraction and retention of apprentices and trainees. We will continue to work with other registered training organisations to ensure that the notification of an apprentice completing formal training is prompt. Finally, DFEEST will contact apprentices who have completed the nominal term of their contract but have not requested a certificate of competency and provide what assistance is required to make sure that they get it. Was your second question about activity levels?

Mr PISONI: Before we get to the second question, are you able to tell me how many apprentices and trainees, in actual numbers, finish each year?

The Hon. P. CAICA: I think I answered that earlier. I mentioned earlier that there were 33 700 trainees and apprentices in South Australia and 72 per cent are supported through User Choice. Traditional apprenticeships continue to increase with 4 200 traditional apprenticeships commenced in the 12 months from 30 September 2006. Young people under the age of 25 represented 60 per cent of traineeship and apprenticeship commencements in that same 12-month period. I am pretty sure I saw a figure and I will try, by the end of the seven or eight minutes that we have left, to get the specific answer to how many apprentices completed their training in the past financial year.

There were 10 100 apprentices and trainees completing their training. Again, if we extrapolate from that what the highest level within it was, that does not specifically answer your question about what component was apprentices as opposed to trainees. There were 10 100 completions, but I will get back to you.

Mr PISONI: Yes, you can take that on notice.

The Hon. P. CAICA: And what component of it are apprentices and trainees?

Mr PISONI: Yes. I am also keen to know what you think the increase will be in your target in actual numbers.

The Hon. P. CAICA: Okay. We will have to do the calculations on that. That will be dependent upon our ability to encourage and engage industry in such a way as to increase the take-up. We have had a few discussions, and it is interesting that it becomes a compounding problem. The traditional way by which we engage apprentices is through the one-on-one situation, albeit that the group training schemes can do things a little bit differently. But, in essence, if the member for Frome was the local plumber and I was his apprentice, it is a one-on-one—

The Hon. R.G. Kerin: I wouldn't hire you.

The Hon. P. CAICA: You would not hire me? It is a one-on-one situation which creates a compounding problem because, if you have a minimum amount of numbers (and a minimum amount who are willing to take people on), as a consequence, you have a minimum amount of apprentices. There are discussions occurring and I welcome your involvement in them. Those discussions are to look at ways by which we can forge forward in such a way that might be a departure (and this is not popular with a lot of people, whether they are employers or organisations) from the way things have always been done. I think, if we are to provide more opportunities and to ensure that we are still able to deliver, at the comple-

tion, a person who is expertly qualified to do the work for which they have been trained, perhaps we can have a look at departing from how we have done things in the past and look to how we can do things even better in the future. Was the other component of your question about activity levels and maintenance of TAFE delivery levels?

Mr PISONI: Yes. You can take that on notice.

The Hon. P. CAICA: I can give it to you. In 2006, TAFE total activity levels in hours increased by 1.9 per cent (that is, 0.3 million hours) to reach a total of 17.8 million. That is the most recent data available. Further growth in activity is targeted in 2007 compared with the actual levels achieved in 2006. Client numbers (I do not like that word, but that is the way of the world these days) increased in TAFE by 0.67 per cent (that is, 567) in 2006, compared with 2007. As these figures are currently reported on a calendar year, I will have them available soon and we will make them publicly available, as we would anyway. Our objective is to increase the level of hours over this financial year and target those hours in areas that will be trading and that will result in sustainable employment opportunities arising from the students who involve themselves in it.

Mr GRIFFITHS: As an extension of the question about apprentices, in the discussions the minister is having, is he looking at ways of creating greater incentives—not necessarily financial—for people to take on apprentices by ensuring that, if an employer goes to the effort to take on a young person and trains them so they are appropriately skilled and ready to go out by themselves, they then have the surety of getting a return by some form of indenture after the apprenticeship is completed? I have had people contact me, and no doubt the minister has also had people contact him, who are frustrated that they go to that effort but that someone else benefits from it. What is the minister's position on that?

The Hon. P. CAICA: It is a very interesting question, which I have asked my people to look at. I think the specific example I might have shared with you is in the member for Frome's electorate, namely, Cheeseman, a very good mechanical engineering firm. The person who runs Cheeseman is a decent human being; I understand it is an operation that has been in place for over 100 years. What raised my concern that day was that here was a place which had taken on some of the Conroy workers and where there were about 95 employees, 12 to 15 of whom were apprentices at any one time. They accept all that investment and complete their training and where do they go? They go to where all the big dough is, up north. No-one can blame a worker for seeking opportunities beyond their apprenticeship that will deliver them more money.

Interestingly, at that same meeting the manager said to me, 'How many apprentices do you reckon they've got over there?' That was the smelters over the road. It was zero. We have since had discussions with Zinifex about that. We met Ivan Cauley, the manager up at that site, on a couple of occasions, and said, 'We're not too happy with this, for a variety of reasons, not the least of which is that you're poaching, but where is your commitment to training?' I am pleased that it is operating at what it sees as its maximum capacity to engage. I do not have the figures with me, but I think Zinifex took 18 on board, with another 18, to a total figure of about 36 to 40 apprentices within its work cohort. I would have to check those figures in round terms. An organisation that had not committed to training undertook a commitment to training and is starting to take on apprentices. We also understand that Zinifex was going through some difficult processes at that

stage, and we take that into account, but it has made that commitment.

I come back to your specific point about how places such as Cheeseman that make this commitment are able to keep their workers. You made a suggestion about something like an indenture so, first, the person makes a commitment and, secondly, there is a period of time beyond the completion of the apprenticeship in which they are required to continue with the employer that engaged them as an apprentice. I think that has some merits. I have been told by a lot of people initially (and not these people I am surrounded with now) about some of the problems associated with that. Again, it is like telling me why it cannot work as opposed to telling me how it can work. It is one of the initiatives we are looking at that are worthy of exploration. I support to a very great extent exploring the feasibility in real terms as to whether or not that can be a goer.

Mr GRIFFITHS: I refer to comments the minister made in last year's estimates on 457 visas. I want to clarify what the minister's current position is. I quote from an extract from last year where the minister said:

From the state government's perspective. . . skill[ed] migration and the use of 457 visas and other overseas workers cannot and will not be at the expense of opportunities for South Australians and Australian workers.

In estimates on Friday the Treasurer said:

At present we are doing exceptionally well on skilled migration. We are supportive of 457 visas, although there are some glitches, and we are wanting to diversify the use of other visas for people to come to South Australia, particularly business migrants. We already get 10 or 14 per cent—

of the migrant intake, I think—
but we want more.

When I first heard the Treasurer's comment I thought that conflicted a little with what the minister said last year. Will the minister confirm what his position is and whether that aligns with what the Treasurer was saying?

The Hon. P. CAICA: I can. The 457 visa is the responsibility of the Minister for Immigration and, here in South Australia, the Treasurer, Mr Foley. I can say that my personal position—and I believe that position is still adopted by everyone—has not changed at all. Industry is a here-and-now scenario. In the first instance, 457 visas have to be categorised on the list of jobs that are in short supply and be accepted by the receiving states on the basis that they have not been able to source that workforce from existing people. We know there is a lead-in for some of the training that might be required, but I stand by my comments that our economic boom will offer great opportunities, the like of which have never been seen before, to engage our disengaged.

In addition to that, any fair assessment of where we are going would also indicate that our workforce requirements into the future will be dependent upon targeted skilled migration, which in turn is useful for our population increases as well. It is about a scientific approach to that in such a way that, first, we meet industry's needs, secondly, we meet the state's population targets and, thirdly, all of this is complementary to the opportunities that we know exist and exploits those opportunities that exist for the unemployed and the under-employed.

Mr GRIFFITHS: Madam Chair, is there time for one more question from the member for Unley before I read in the omnibus questions? You were granting us a five-minute extension, I think.

The CHAIR: Yes, we did give a five-minute extension.

Mr PISONI: I refer to the budget speech, Budget Paper 2, page 3. In last year's budget estimates I asked a question relating to the establishment of a mineral resources and heavy engineering skills centre. It was claimed in those budget papers that various mining projects were expected to proceed—Olympic Dam, Project Magntate, Prominent Hill and Mindarie—and would create 4 000 jobs in the regions. This seemed to be quite a variation from a figure (on the next page) of 23 000 new jobs being created by the Olympic Dam expansion alone, in reference to the establishment of the Olympic Dam task force. My question was: will 4 000 jobs be created in the regions by these projects; and if there will be only 4 000, where would the other 19 000 jobs be? I do not recall getting an answer; I think you took that one on notice.

The Hon. P. CAICA: I will chase that up, too.

The CHAIR: Member for Goyder, you have some omnibus questions.

Mr GRIFFITHS: I do. Just before that, I would like to thank the minister for his answers today. He has sat here and given quite detailed answers for the past two and a half hours, so I commend him and his advisers for that. The omnibus questions are as follows:

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

2. Will the minister provide a detailed breakdown of expenditure on consultants and contractors in 2006-07 for all departments and agencies reporting to the minister, listing the name of the consultant and contractor, cost, work undertaken and method of appointment?

3. For each department or agency reporting to the minister, how many surplus employees there are as at 30 June 2007, 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 2005-06 for all departments and agencies reporting to the minister, what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2006-07?

5. For all departments and agencies reporting to the minister, what is the estimated or actual level of under-expenditure for 2006-07, and has cabinet already approved any carryover expenditure into 2007-08, and if so how much?

6. (i) What was the total number of employees with a total employment cost of \$100 000 or more per employee, and also as a subcategory the total number of employees with a total employment cost of \$200 000 or more per employee, for all departments and agencies reporting to the minister as at 30 June 2007?

(ii) Between 30 June 2006 and 30 June 2007, will the minister list job title and total employment cost of each position with a total estimated cost of \$100 000 or more: (a) which has been abolished; and (b) which has been created?

7. For the years 2005-06 and 2006-07, will the minister provide a breakdown of expenditure on all grants administered by all departments and agencies reporting to the minister, listing the name of the grant recipient, the amount of the grant and the purpose of the grant and whether the grant was subject to a grant agreement as required by Treasurer's Instruction No. 15?

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

Madam Chair, I would ask that my reading of the omnibus questions for this session applies for the Office for Youth and the Office for Gambling and the next session that you have this afternoon, Science and Information Technology.

The Hon. P. CAICA: Madam Chair, I wish to clarify one matter with the honourable member. I think it might have been raised by the Premier or the Treasurer, I am not quite sure—one or the other. The specific question that relates to every single grant is going to tie up public servants for an enormous amount of time. We only have to look at the Office for Youth this morning and some of the smaller ones that we had. I think there was a specific request there that used the figure of grants above \$20 000. Is that acceptable for you from our department here?

Mr GRIFFITHS: Well, it was on Wednesday of last week, so it had better be today.

The Hon. P. CAICA: I thank you for clarifying that. Madam Chair, just before we conclude, I thank the committee for the way it has conducted itself today. Again, it just builds on what we were able to achieve last year. I thank both the opposition and the government members for the role they have played in this committee, and you for your expert chairmanship in this component.

Mr Kenyon interjecting:

The Hon. P. CAICA: No; just because some of the people who have been involved in this session will not be here, and to thank those people who have been involved in this session to date.

The CHAIR: Thank you, minister. There being no further questions I declare the examination of the Minister for Employment, Training and Further Education completed.

Membership:

Dr McFetridge substituted for Mr Griffiths.

Ms Geraghty substituted for the Hon. P.L. White.

Additional Departmental Advisers:

Ms A. Nelson, Deputy Chief Executive Officer, Bio Innovation SA.

Ms C.J. Wilson, Financial Controller.

Ms C. Anderson, Director, Information Economy Directorate, Department of Further Education, Employment, Science and Technology.

Mr M. Milligan, Director, Science and Innovation.

The CHAIR: I refer members to the Budget Statement, in particular pages 2.23 to 2.24 and Appendix C, and the Portfolio Statement, Volume 3, part 13, pages 13.19 to 13.26. Minister, would you like to make an opening statement?

The Hon. P. CAICA: I believe we have agreed on a time frame for this session. I will make a brief introductory comment, and I understand that the questions will come from the opposition benches. I welcome the opportunity to present this introductory statement—my first as the Minister for Science and Information Economy. This is an increasingly important area that has the potential to make a critical contribution to improving the mix of industries in the South Australian economy and, indeed, to a sustainable future in terms of economic and social development. Innovation, skills and knowledge are all well recognised as key drivers for economic, environmental and social prosperity, and governments worldwide have repositioned themselves as strategic

investors in their science and innovation systems. The South Australian government is no exception and, while it continues to invest in the state's traditional industry base, it is also investing in new areas of research infrastructure, the creation of centres of excellence and cooperative research centres, programs to attract leading edge researchers to our state, and programs aimed at improving the commercialisation of innovative ideas and technologies.

The government's commitment to science, technology and innovation is outlined in the STI10 vision, and there have been significant achievements in the past year. In 2006-07 the state government committed approximately \$22 million over the next five years for nine national collaborative infrastructure research projects in South Australia. Construction has also started at Thebarton on the bioscience business incubator, Australia's first purpose-built facility to grow budding bioscience businesses, and I was pleased that the member for Frome was able to attend with me at the turning of the sod at that site. Bio Innovation has the carriage of the day-to-day management of this particular project.

Other achievements include growth in business, research and development expenditure, up from \$27 million in 2003-04 to \$45 million in 2005-06, and Playford Capital is on track to invest \$1.58 million of ICT incubator program funds into six South Australian innovative technology companies in 2006-07. Playford exceeded its co-investment target of \$2.25 million (the target agreed with the commonwealth), having assisted its investee companies to secure \$12.5 million in private sector and commonwealth funding during 2006-07.

The South Australian Broadband Research and Education Network (SABRENet) backbone was completed, connecting the key metropolitan university campuses, DSTO, research precincts and teaching hospitals. SABRENet is one of Australia's first and largest purpose-built, customer-owned fibre networks. The high speed broadband services for the Coorong district and the Barossa and Light region were also completed and launched, and infrastructure to enable high-speed broadband services to Yorke Peninsula and Port Lincoln was also completed. Discussions are currently continuing between the state and federal governments with regard to ensuring that customers in regional South Australia are able to be connected to quality and cost-effective broadband services as soon as possible. In 2006-07 approximately \$800 000 will have been expended from the broadband development fund for broadband infrastructure projects in South Australia, with a total of about \$3.1 million having been spent since December 2003.

The state government continues to place a high priority on scientific research and commercialisation in areas in which we are truly world class. Similar to the significance of scientific research, the development of the information economy is also a key mechanism by which the government can support its longer term vision of improving opportunities for both the well-being and the living standards of all South Australians.

Dr McFETRIDGE: I congratulate the minister on his appointment, and we look forward to continuing cooperative arrangements. It has been a delight to work with the minister and his staff in the short time that I have had this portfolio. I also acknowledge the former premier and member for Frome, who is a member of this committee; he was certainly one of the movers and shakers in getting the bioscience industry in South Australia really moving along.

I refer to Budget Paper 4, Volume 3, page 13.22, subprogram: Information Economy, and the federal government's broadband policy. What action has the South Australian government taken to speed up the broadband roll-out process, and how has the state government modified its approach in response to changes that the federal government has recently made? What is being done to provide the timely delivery of these projects?

The Hon. P. CAICA: Back in August 2003, cabinet approved the formation of the Broadband SA program and the broadband strategy was launched in December 2004. To get to the specifics of your question, I think you asked, first, about what we have done in relation to our relationship with the commonwealth to speed up the roll-out and, secondly, how we have adapted to the changes that have been made by the commonwealth—that is it in a nutshell, is it not?

Dr McFETRIDGE: Yes.

The Hon. P. CAICA: Without blowing my own trumpet, we have done quite a lot. To put it in context, in South Australia we undertook a program or a process that I think in its purest sense reflects what the commonwealth required of the various states. Through linkages with the community and through regional development boards, local government, and the like, a process of aggregation was undertaken—this is with ISP providers as well—to aggregate the number of people to get a critical mass, ensuring that it was cost beneficial to connect as many people as we could at any point in time.

With the cessation some months ago of the provisions that existed from the federal perspective, it left everything in a vacuum. To that extent, I had an initial meeting with the Hon. Senator Helen Coonan in Sydney (soon after I became the minister) to discuss why this cessation had left a vacuum in South Australia. The purpose of the meeting was specifically to seek from her a commitment as to how we could build on the good work that was already being done here in South Australia, that is, in areas like Yorke Peninsula, the Coorong and Barossa and Light that were on the verge—particularly on Yorke Peninsula—and to flick the switch, because all the towers were there and the agreements had been reached. Of course, the subsidy or the connection fee that went with it also ceased at that particular time.

The meeting with Senator Coonan took place in Sydney. To her credit, and to the credit of her departmental officials, they supported and acknowledged the approach that had been undertaken here in South Australia—the collaboration and cooperation through the regions, through various boards and organisations within the regions, and the relationship with the ISPs to actually do what the commonwealth required. In fact, to a great extent, I do not blame Senator Coonan for stopping the program, because the simple fact is that a lot of money had been extracted out of that pool of money and the results, in a lot of areas, were not as they should have been. We believe that we were being hard done by because we had not only operated within the rules but we had gone ahead in what was the pure spirit of the rules.

As a consequence of that, we got some agreement from Senator Coonan that we would corral in the interim arrangements and the new arrangements that had applied in those three specific areas. Again, there was a significant time delay where, again, I was required to write to Senator Coonan. It was as late as the Friday before last when the guidelines were released and other arrangements were put in place. We were very pleased that what we had done here in South Australia

was recognised within those arrangements. Importantly, whilst it was there, it was still going to be a negotiating point between Opel, the company that had secured the contract, and the local providers as to what would occur in those three specific areas.

In essence, what we did not want—and I think it would have been dumb anyway—was for a large company like Opel to roll out over the top of what was already in place. I understand that preliminary discussions between Opel and the ISP providers in South Australia are such that things are looking positive in relation to the utilisation of existing infrastructure, so that people in those regions can benefit in regard to their broadband requirements.

There were some positive aspects to the inter-ministerial council meeting that we had last Friday. Based on the example here in South Australia, Senator Coonan again agreed with the other ministers at the meeting that a working party and arrangements should be established to ensure that there is no duplication or roll-out over the top, and that the priorities of the state—which you and I agree are priorities based on the local regions as they have been relayed to us—are taken into account during the roll-out of the Opel network. That which is already in place or capable of being utilised will be done. It is still up in the air, but I am positive that it is heading in the right direction.

In addition to that, a task force has been developed. There is a commitment to engage the states in consultations that will occur through that task force and its ultimate recommendations to ensure that what we get here in South Australia reflects our needs and requirements. The only other point I would make is that there is still some discussion, negotiation and feedback to occur between Senator Coonan's office and Opel to test the assertions made by Opel about building on the existing coverage and infrastructure. I will not speak on behalf of other states but, from South Australia's perspective, we are not convinced that what Opel has said is already in existence in South Australia, and what needs to be built on actually reflects the fact. Through cooperative working relationships, we intend to work through all those issues in such a way that, at the end of the day, the beneficiaries are those people in our regions who, for their business or for their personal lives, require connection to high speed broadband.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 3, pages 13.19 and 13.6, Program 2, Science, Technology and Innovation Targets. What will be the cost of completing the bioSA incubator at Thebarton and preparing land for new buildings on the five hectare bioscience park? What is the current status of the building and construction of the bioSA incubator, when will construction be completed, and when did cabinet sign off on the funding package for it?

The Hon. P. CAICA: I am pleased to report that the construction of the bioSA incubator has commenced and there is an expectation that it will be completed by mid 2008. The second allotment is expected to be sold for biotechnology development some time in 2007. The 2006-07 achievements related to the outcomes expected were that the state government approved in 2003-04 almost \$6 million to help triple the size of the Thebarton bioscience precinct to seven hectares. Clearing and remediation of all 4.9 hectares of land in the Thebarton precinct stage 2 will shortly be finalised, and the construction of the incubator has commenced. Our target and the next step for this financial year is to complete the construction of the incubator by mid-2008, to sell a fully environmentally audited land parcel at Thebarton for bioSA business development for a second biotechnology develop-

ment, and to attract companies to locate in the precinct and commence promotion of the bioscience incubator facility and tenant preselection, as well as to commence the design for a second commercial building in the precinct and to finalise an across agency report on the business case for Thebarton in the advanced technology of bioscience. Specifically in relation to your question on cabinet, it was September 2006.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 3, pages 13.19 and 13.6 on commonwealth funding. What will be the commonwealth funding component for each of the six SA innovative technology companies?

The Hon. P. CAICA: Are you referring to the cooperative research centres?

Dr McFETRIDGE: Yes, the CRCs.

The Hon. P. CAICA: We have been extremely successful here with the CRC program established by the commonwealth in 1990, with the specific purpose of enhancing Australia's industrial, commercial and economic growth through the development of sustainable user driven cooperative public/private research centres that achieve extremely high levels of outcomes in adoption and commercialisation. The essence of the program is to link researchers with industry so as to focus research and development efforts on progress towards utilisation and, importantly, commercialisation.

There exists a close interaction between the researchers and the users of research as a key feature of this program. Another feature is industry contribution to CRC education programs to produce industry ready graduates. With respect to your specific question on finances, I am advised that the South Australian government agencies are currently participating in seven CRCs and our involvement is to aggregate them to ensure that we have the proper researchers linked to what is the secret of its being cooperative, and that also entails linkages with interstate-like agencies and like researchers.

We are participating in seven CRCs that commenced in July 2005. The federal government is providing \$215 million to these CRCs over 2005-06 through to 2011-12. The state government provided \$600 000 in 2006-07 to four government agencies to enable their continued participation in these seven CRCs. In terms of new proposals, the government in South Australia supported five South Australian consortiums in their applications for new CRCs. The combined investment for existing and new CRCs will result in DFEEST administering \$1.2 million per annum to support the 12 CRCs, and participating state government agencies include the Department of Health, the Department of Transport, Energy and Infrastructure, the Department of Water, Land and Biodiversity Conservation, and the South Australian Research and Development Institute.

To a great extent South Australia is batting above its weight in relation to our involvement in this state with CRCs, which is a reflection on the quality of the research being undertaken in this state. I do not know whether you want broken down specific figures listed to the CRCs that currently receive state government funding, but I am happy to give them. The best deal we can get is to extract as much money as we can out of the feds and compliment it with the money we can here and focus on South Australia as being a centre for research excellence in those areas that we are already excellent at, so we will be even better.

Mr PISONI: I refer to Budget Paper 4, Volume 3, program 2.1, page 13.20, science and innovation. What

specific tangible outcomes have been achieved through the government's appointment of the state's chief scientist?

The Hon. P. CAICA: The question is difficult to answer based on figures that might be provided within the papers. In my dealings in the short time I have been the Minister for Science and Information Economy we should not underestimate the importance of having someone like our chief scientist, Emeritus Professor Max Brennan, heading up not only the Premier's Research Science Council but also the role he plays in advancing science matters in this state. To that extent, if we were to put a dollar figure on it I would suggest we get it pretty cheap. He has the ability of not only knowing his specific area of expertise but having contacts at the state, national and international level and being able to bring those linkages to South Australia. I know my friend the member for Frome attended a conference earlier, and I went to the biotechnology conference in Boston earlier this year and, amongst the things—

Mr Pisoni interjecting:

The Hon. P. CAICA: It was important, too, and I will have a talk to the honourable member about my views as to whether or not I should have gone, and my views when I came home about whether or not it was worth while; it was. I knew, anyway, that in Australia and South Australia at various levels of science we have equivalent people in the world, if not better, who are focusing on that area of science. The other thing I have learnt is that it is no use South Australia being good or average at what the rest of the world is average at. We must focus on our specific skills and strengths. The best way to advance what we are good at is by ensuring that there exist alliances and international collaborations with those people who are equally as good at what it is we do and to make what it is that we do here in South Australia even better.

The Hon. R.G. Kerin interjecting:

The Hon. P. CAICA: Yes, it was a worthwhile exercise. Getting back to the honourable member's point, it is people such as Max Brennan, Jurgen from Bio Innovation SA and others who not only have these contacts but also the ability to bring to the fore what it is that we as a state have as a vision for science and bio innovation in South Australia. To that extent, I believe that Max does an exceptionally good job. We know that he has indicated in some circles a question about his involvement in the future, because he is beyond what you would say is any reasonable retirement age for anyone. However, I am hopeful that we will be able to continue to have a role for Max.

Again, I have not been in the job that long, but whether it be in government or research it is often perceived—real or otherwise—that operations are conducted in a silo. We must have an environment that allows for a cross-fertilisation of the ideas and the work that is being done in such a way that it can be built on. Just as importantly, we must ensure that we are not duplicating what is being done, so that we get the best possible bang for the buck in these areas.

Mr PISONI: I refer to the same budget line. What are the expected results of the \$1 million additional funding provided to the Science and Research Council through the Premier's Science and Research Fund in this year's budget, and will all this money be for additional grants?

The Hon. P. CAICA: I will answer the second part of the question first. It is additional money to the grants program of the Premier's Science and Research Council. Our aim, as a result of a recommendation that came through the Premier's Science and Research Council on current priorities and the

advice then provided to government on the science and research priorities, is to open up those areas of research to have a particular focus on the area of defence, as well as the mining area, which historically had not been the focus of the research grants. Again, it makes sense to focus that additional money in the grants in this current financial year on those areas to ensure that we can provide the science, research and technology for the advancement of both defence and mining—the two areas that will underpin our economy well into the future.

Those areas will be the focus in the next round of funding. As the honourable member would be aware, we have offered and provided some fairly significant grants during 2006-07 representing a total South Australian government commitment of \$2.46 million over the three years. Those projects, just to give an overview, included that secured by Dr Peter Murphy from the University of South Australia to conduct a materials, research and engineering facility for conducting polymer devices; Dr Anton van den Hengel from the University of Adelaide on a visual technologies laboratory, \$750 000 over three years; and Professor Sarkie Pretorius, with whom everyone in this room is familiar, to work on the development of wine yeast strains to value add to Australian wine. The next round, as I said, is focusing specifically on defence and mining research and development.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 3, page, 13.19 and page 13.6: Program 2—Science, technology, innovation and research projects. Can the minister provide me with a list providing a description and details of the state and commonwealth funding of \$22 million over five years for the nine national collaborative infrastructure research projects? I am quite happy for the minister to take some of these questions on notice.

The Hon. P. CAICA: The NCRIS funding to which the honourable member refers is something that, again, South Australia is doing very well. In essence, that is state government support for new research infrastructure proposals under the federal government's NCRIS program. The nine NCRIS proposals co-funded by the South Australian government include:

- the Microfluidics Nanofabrication Facility at the Ian Wark Centre;
- the Australian Metabolomics Node at the Australian Wine Research Institute;
- the National Plant Phenomics Facility at the Waite;
- the Microscopy and Microanalysis Nodes at Adelaide University and Ian Wark Centre;
- the large animal imaging facility and access to the National Mouse Phenomics network at the IMVS, Gilles Plains;
- the BioFuels Node at SARDI;
- the SA Integrated Marine Observing System node via SARDI;
- supporting international accreditation of Hospira Adelaide Limited's microbial cell manufacture at Thebarton; and
- the development of national geological knowledge bases for use by PIRSA (Virtual Core Library) and DTEI (geospatial satellite nodes).

The Hon. P. CAICA: I do not have the financial breakdowns for each of the specific areas about which you asked. That was a component of your question, I think. We will feed that back to you later, if that is all right.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 3, page 13.20, Australian Science and Maths School. How much

funding has been allocated to the Australian Science and Maths School in 2007-08?

The Hon. P. CAICA: As the honourable member is aware, one of the initiatives associated with the DECS-led strategic directions for science and mathematics in South Australian schools was to provide scholarships to educationally disadvantaged students who have an interest in science and mathematics. The school is operated under the auspices of DECS. From DFEEST's perspective, we fund a level of money per annum for the 2004, 2005 and 2006 years. A sum of \$50 000 per annum for those years was allocated by DFEEST to support this particular program and it was used to assist students with accommodation, living and transport expenses. Over the three-year life of the program, 42 scholarships have been awarded. DFEEST's involvement in this program was re-evaluated with the cessation of the science/maths strategy at the end of 2006.

Due to the possibility of disadvantaging ongoing students who were in years 10 and 11, DFEEST decided (quite appropriately) to provide \$14 000 over the next two years to enable them to retain the scholarship for the remainder of their schooling.

Dr McFETRIDGE: Good news on the scholarships. I will just expand my question a little on students studying maths and science to Budget Paper 4, Volume 3, page 13.8, under 'Program'. Minister, how is the planning for the new VET school at Roseworthy going?

The Hon. P. CAICA: That is a good question. Of course, it is not necessarily related to the budget papers, but I am happy to—

Dr McFETRIDGE: Science.

The Hon. P. CAICA: No, but the relationship we have is that I am happy for you to ask those questions of me. In a nutshell, it is going very well. A series of meetings have occurred and are continuing to occur to prepare a submission from the Adelaide university's perspective that will be not only acceptable to the state government but ultimately acceptable to the commonwealth government. That is the work that is being undertaken. I would be more than pleased to provide any public information now to give you an overview of where we are at but outside of its being recorded in *Hansard*. I have had preliminary discussions with interstate people about this particular matter, but one of the things in our favour is its relationship to our TAFE facility at Gilles Plains through the veterinary and science clinic. I think you were at the opening that day and had a look around. In fact, we saw a cat castrated, as I recall. I also understand that it is the quickest money a vet can make! It was certainly a short operation. It is looking positive. I do not want to say that it is in the bag because it most certainly is not, but collectively I think we can get a lot closer.

Dr McFETRIDGE: I can guarantee you bipartisan support on that one, minister. I will speak to my federal colleagues to make sure they are on side as well. I have already spoken to minister Bishop. I refer to Budget Paper 4, Volume 3, page 13.20, science and maths again. How much funding has been allocated from DFEEST to assist and encourage more students to study science and maths at both primary and secondary school?

The Hon. P. CAICA: The matter of science specifically in schools is a matter for DECS, but we know that locally, nationally and internationally in many parts of the Western world fewer people are completing maths and science to the level that is required for them to move into further education in those particular areas. To that extent, it is very much a

great discussion point. In fact, I was in Sydney last week representing the Premier at a science function at which the topic was: why does science matter? That is a no-brainer; we know why it matters, but the focus of the entire day was on how we can engage children in the sciences and maths at the earliest level, for instance, at pre-school and the early school years.

I will take my son as an example. He is now 16½ and is in year 11 at Henley High School. Had he not been thrilled by science and maths and had it not captured his imagination before he reached year 7, he would have said that it was too hard. We know that it is not too hard, but we know that we have to engage people and get them excited and inspired by what is science. I know that DECS, DFEEST and, importantly, the Department of the Premier and Cabinet are looking at that. It is also our lead agency in looking at how we engage the broader community in sciences. At the moment, DFEEST is involved in a number of initiatives to generate a further interest in science and mathematics among students. An example of that is the state government's expanding its existing relationship with the CSIRO's science education centres, that is, CSIROSEC. We have invested \$56 000 in this particular expansion.

DFEEST will also provide \$14 000 over the next two years to enable existing scholarship holders, as we said, to complete their studies at the Australian Science and Mathematics School. The innovate initiative (which is engaging broader community involvement and awareness of science technology and innovation activities in South Australia) has been recently reviewed to better focus activities; and, during 2006-07, funding of over \$400 000 will be provided to the innovate initiative. I can continue to go through these specific issues, but the point is that it has been a focus at MCEETYA (Ministerial Council on Education, Employment, Training and Youth Affairs).

Even as late as last Friday at the ministerial council meeting on information, science and technology the question was: how can we engage more people in the ICT area—which, again, has a basis of science and mathematics? Everyone is grappling with it. I think the commitment from the state government in these areas will pay dividends. In a sense the means might be revolutionary, because they will be doing things that we have not done previously, but it is not something that will be fixed overnight; it will be an evolutionary thing and, hence, the Premier's decision, through Baroness Susan Greenfield, to establish what was the Royal Institute down under, through the Bragg Initiative.

That is going to be a good program. It is about integrating into our everyday lives an awareness and appreciation of science and maths, which should be done at the earliest stages of a person's life. We have to ensure that we have the facilities and mechanisms in place to be able to build on what we have from them, which is their interest and their excitement. In order to be able to do that we need properly and competently qualified teachers in the DECS system and beyond. We know that there is no shortage of schoolteachers but there is a shortage of maths and science teachers within the system, not just here in South Australia but in Australia. Again, this is not my area of responsibility so I do not want to get into strife, but there is a shortage, and it is well documented.

We have established and promoted here in South Australia the media science centre. That is located here in South Australia and was an initiative of Baroness Susan Greenfield. Again, that ensures the promotion of newsworthy stories, as

they relate to science in this state and Australia, by allowing reporters access to quality information provided by science in various areas. It is an integrated approach. I apologise for being long-winded but there is no easy answer. We have a lot of work to do (and we do not underestimate the amount of work we have to do) to bring science and maths to the fore, where they should be.

Dr McFETRIDGE: I understand that the federal member for Wakefield opened the new science labs at Kapunda High School today (funded by federal and state investment), which is good to see. I do get a bit concerned when the Premier says he is a political scientist. To me, that is an oxymoron. We all attend the university of life, I think.

The Hon. R.G. Kerin interjecting:

The Hon. P. CAICA: Yes, that is right; we are all artists. Rob has got it right.

Dr McFETRIDGE: Talking about science education, I have handed Mr Cunningham some brochures from people I know who run the Science Gang. They are trying to get young people interested in science, so I ask the minister to have a look at that and talk to these people because they are—

The Hon. P. CAICA: Sorry, Duncan, I did not include this in my answer. If we look at the Centre for Plant Functional Genomics at the Waite Institute—

Dr McFETRIDGE: It is brilliant stuff.

The Hon. P. CAICA: Yes, it is brilliant stuff, but they also have a marketing person there, Belinda Barr, who does an outstanding job of promoting the areas in which they are involved to young school students. I have had a look at some of the work they are doing and it is fascinating. That is the type of approach we have to integrate across the board in all areas of science, research and maths in this state. Again, that can be used as a template.

The first question I asked when I went out there was, 'Tell me how you relate to schools and how it is that you promote the work you are doing here to not only gain broader relevance but to ensure that we have younger students ultimately coming through in South Australia to take the positions of the other people here?' She explained it very well. It is about creating an environment where it becomes second nature.

Dr McFETRIDGE: Yes, that is right.

The Hon. P. CAICA: Have you been out there?

Dr McFETRIDGE: Yes, a couple of times.

The Hon. P. CAICA: Yes, it is excellent.

Dr McFETRIDGE: They are doing some fantastic stuff out there; absolutely brilliant stuff, in fact—particularly with biodiesels, etc.

The Hon. P. CAICA: Yes.

Dr McFETRIDGE: I refer to Budget Paper 3, page 13.20, sub-program 2.1: science innovation. My questions are:

1. What initiatives have been put in place by DFEEST to replace the programs offered by the now closed Investigator Science and Technology Centre?
2. How much funding has been provided for these initiatives in 2007-08?

The Hon. P. CAICA: Our primary focus has been an expansion of the CSIROSEC to replace the activities of the Investigator. I just make the point that it was due to the voluntary closure of the Investigator, and essentially to provide a seamless transition in science education for South Australian school students, that the government decided to expand its existing relationship with CSIROSEC. We already support CSIROSEC through the Department of Education

and Children's Services, and this will be further boosted by \$228 000 per annum for three years, commencing in this financial year. CSIROSEC advised that it required \$228 000 to reach a further 25 000 students, on top of its current reach of 34 000 students. It is already operating successful outreach science awareness programs in the state as part of a national network that draws the resources of all CSIRO scientists. CSIROSEC's existing programs cater for students in the primary, secondary and tertiary sectors, and teacher professional development in science is also built into a number of its programs.

Do you want me to talk about some of the programs that they have within CSIROSEC, or just make the point that this is part of what it is that is going to replace the Science and Investigator Centre? In addition to that, we also have the Bragg Institute, which I spoke about, and that will greatly value-add to science awareness and education in that area, as well as certain other programs that exist such as 'twinning', where we twin scientists with school teachers. That is an exceptionally good program, where science teachers will have at their fingertips or, if not at their fingertips, certainly within a short period of time, access to science in the specific areas in which the teacher is studying.

During 2006-07 we accelerated the expansion of CSIROSEC by providing \$56 000 for the purchase of a vehicle, marketing of new programs and the appointment of an additional staff member. This additional funding, in addition to what I have already mentioned, has already increased regional events, including taking CSIROSEC's most popular program 'Forensic Frenzy' to regional locations, and has resulted in 2 000 regional students accessing CSIROSEC's program. I am happy to provide the honourable member with a list of some of the other programs which it is running and which are replacing those which existed previously.

Mr PISONI: I refer to Budget Paper 4, Volume 3, page 13.7, regarding targets and highlights. I notice that in last year's budget papers we had a target for 2006-07 to develop a statewide e-learning strategy, with a focus on the digital divide across the community. First, I would like to know what that means and, secondly, I do not see any reference to it in the highlights for this year. Can we have an update as to how you are going in whatever it is that you are doing?

The Hon. P. CAICA: The primary focus, at this stage, has been for the VET sector to develop an e-learning map. To that extent we have engaged private providers on the advantages that can occur from the embracement of e-learning. It is safe to say, I think—and I do not think I will get into strife—that we have got a lot more work to do in that area. In addition to that, it is work that is necessary because, clearly, e-learning is a way of the future, amongst other ways by which people learn. It is going to become more and more important and more and more common that the tyranny of distance is no more and that people can learn in a classroom situation through electronic means.

We were successful recently in obtaining the agreement of the commonwealth to assist in the funding of two programs, one of which was a TAFE Clever Networks video-conferencing project. In essence, this means that, if you are a TAFE student, through your computer you will be able to hook into the classroom and participate in classroom activities. It was quite a coup for South Australia, and it builds on what we already had—the teleconferencing services within the TAFE system. This takes it to the next step. It is

clear to me that e-learning is our future. It is also safe to say that we have a long road to go along before we are anywhere near—

Mr PISONI: So, you are developing a strategy?

The Hon. P. CAICA: Well, a strategy to the extent that private providers will have mechanisms whereby they can engage in e-learning, and they can understand the benefits of that as well. It will be not only the public provider who can benefit from these advances, it will also be the education sector, private and public alike. The strategy has been focusing on that area at the moment, but we still have more work to do in the area of e-learning and the digital divide that we know exists. Again, we talked about social—

Mr PISONI: Can you define 'digital divide' for me?

The Hon. P. CAICA: As I understand it, the 'digital divide' means the difference between those who have and those who have not. How do we jump the divide in terms of what we know exists as between those people who possess and those who do not? It is a bit like the literacy divide.

Mr PISONI: It is a bit like the South Australian parliament and the Western Australian parliament, where they can sit in their office and see what is going on down in the chamber.

The Hon. P. CAICA: I always thought that was an intellectual divide more than anything else, but I will let them know that you, not I, said that. I love my Western Australian colleagues, as I know you do.

Dr McFETRIDGE: I will make this the last question, as I am conscious of the time. I refer to Budget Paper 4, Volume 3, page 13.22, concerning the information economy. How long will it take to complete the connection of SABRENet to those organisations listed in the budget documents—university campuses, the DSTO, and research precincts and teaching hospitals, as well as, I understand, the Osborne maritime facility?

The Hon. P. CAICA: It will be quite variable over the next year as the institutions named in the budget papers expend their capital expenditure to be able to connect to it. They all understand the advantages of connecting, and the provision of the spine has been there. To a great extent, it will be the capital expenditure requirements of those various organisations. Specifically, from a TAFE perspective, we know that certain campuses within our system will be connected. Those sites we have control over are the Elizabeth, Gawler, Panorama, Regency, Roseworthy, Salisbury and Urrbrae TAFEs. The school sites can deal with those. The facility is there. It is a great facility, and it is a great fibre network. It is a matter of the capital expenditure programs that relate to those organisations determining the time lines in which they will be connected. The first challenge was to get it up and running; it is now there.

I think that an important part will be focusing on learning institutions to a great extent. The next level above that is research and development, which does not necessarily always happen in learning institutions, and the application and the advantages that can also accrue and apply to industry, within the capacities of the network, to link into that network for the quick exchange of information and research requirements for private industry as well. Again, that is further down the track and to start with we are focussing on these research institutions. My understanding is that there is nothing.

In fact, talking about Western Australia, at last week's conference that state was looking for federal support to build a spine from (I think) Karratha down to Perth; they have lots of money in Western Australia, but that is an enormous

project that could incur significant costs. Other states are looking at it but, again, here in South Australia we have the advantage of a fairly compact city with a lot of our research institutions along that spine. That is why it was developed and, again, it will help with collaboration and exchange of information—which we know underpins our ability to do better what we are doing.

Dr McFETRIDGE: Will SABRENet replace edu-CONNECT?

The Hon. P. CAICA: I am told it won't.

Dr McFETRIDGE: I would like to thank the minister and his advisers for their cooperation. There will be some questions on notice for which I am sure we will get comprehensive answers.

The Hon. P. CAICA: I would also like to thank the opposition and government members of the committee as well as all those people who have advised me through these procedures today. I would also like to thank you, Madam Chair, and your table officers for the effort you have put in, and members of Hansard for their work today.

The CHAIR: I thank everyone for the timing of this committee. There being no further questions I declare the proposed payment to the Department of Further Education, Employment, Science and Technology completed.

ADJOURNMENT

At 5.17 p.m. the committee adjourned until Tuesday 3 July at 11 a.m.