

**HOUSE OF ASSEMBLY**

Wednesday 4 July 2007

**ESTIMATES COMMITTEE B****Chair:**

Ms L.R. Breuer

**Members:**

Mr L.W. Bignell  
 Mr S.P. Griffiths  
 The Hon. G.M. Gunn  
 Mr T.R. Kenyon  
 Mr A.S. Pederick  
 The Hon. L. Stevens

*The committee met at 11 a.m.*


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Department for Environment and Heritage, \$134 717 000  
 Administered Items for the Department for  
 Environment and Heritage, \$3 606 000

**Witness:**

The Hon. G.E. Gago, Minister for Environment and  
 Conservation, Minister for Mental Health and Substance  
 Abuse, Minister Assisting the Minister for Health

**Departmental Advisers:**

Mr A. Holmes, Chief Executive, Department for Environ-  
 ment and Heritage.

Mr R. Janssan, Director, Business Services, Department  
 for Environment and Heritage.

Ms L. Boswell, Chief of Staff, Office of the Minister for  
 Environment and Conservation.

Dr S. Close, Ministerial Adviser, Office of the Minister  
 for Environment and Conservation.

Ms C. Kieswetter, Director, Office of the Chief Executive,  
 Department for Environment and Heritage.

**The CHAIR:** 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 proceed-  
 ings and, if so, provide the chair with a copy.

Changes to committee membership will be notified as they  
 occur. Members should ensure that 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 about  
 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 a member 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 incorpora-  
 tion of material in *Hansard* is permitted on the same basis as  
 applies in the house, that is, that it is purely statistical and  
 limited to one page in length. All questions are to be directed  
 to the minister, not the minister's advisers. The minister may  
 refer questions to advisers for a response. Until the conclu-  
 sion of the estimates committee, for a trial period, unlimited  
 filming will be allowed from the vantage point in the northern  
 media gallery.

I declare the proposed payments open for examination and  
 refer members to the Budget Statement, in particular  
 pages 2.21 to 2.22 and Appendix C, and the Portfolio  
 Statement Volume 3, Part 12, pages 12.1 to 12.43 and pages  
 12.90 to 12.99. I call on the minister to make a statement.

**The Hon. G.E. GAGO:** The 2007-08 budget supports a  
 range of initiatives that will consolidate South Australia's  
 leadership in sustainable management of the environment.  
 The Department for Environment and Heritage (DEH) is an  
 outstanding organisation. It is forward thinking and aspires  
 to a prosperous and sustainable South Australia that values,  
 conserves and invests in its rich heritage and diverse natural  
 environments. DEH is responsible for biodiversity conserva-  
 tion, heritage conservation and animal welfare, and for the  
 collection and provision of information and knowledge about  
 South Australia's environment. DEH also manages the state's  
 public land, which includes national parks, marine parks,  
 botanic gardens and our unique coastline.

Before outlining the main aspects of the DEH budget for  
 2007-08, I will highlight some of the department's significant  
 achievements over the past year. Work is well under way to  
 advance the 'Lose no species' target in South Australia's  
 Strategic Plan. The development of no species loss, a nature  
 conservation strategy for South Australia 2007 to 2017, is a  
 direct response to this target. The no species loss strategy, to  
 be released shortly, provides an encompassing framework  
 that will guide our efforts to improve the conservation and  
 sustainable management of the state's biological diversity. It  
 provides the basis for government, industry, indigenous rural  
 and urban communities and NRM boards to work together to  
 put in place new and innovative measures for improved  
 nature conservation in South Australia.

During 2006-07, work has also progressed on Nature-  
 Links—the initiative that will deliver another of the targets  
 in South Australia's Strategic Plan to establish five biodiver-  
 sity corridors across the state by 2010. These corridors will  
 link fragmented habitats across the state to increase the  
 viability of endangered plant and animal species. This will be  
 achieved through linking protected areas in key regions with  
 private lands that are managed for conservation purposes.  
 NatureLinks is a fundamental component of the no species  
 loss strategy.

The draft action plan for the east meets west biodiversity  
 corridor, linking Eyre Peninsula with the Western Australian  
 border, has been released for public comment. Consultation  
 has commenced with stakeholders on the Flinders-Olary  
 Ranges corridor draft action plan, and planning has com-  
 menced for the remaining three corridors—Cape Borda to  
 Barossa, River Murray-Coorong and the Arid Lands. The  
 government has allocated \$5.7 million over four years to

establish the River Murray forest, which will form part of the River Murray-Coorong NatureLinks corridor. Around 2.5 million native trees and shrubs will be planted to reconnect ecosystems, sequester carbon and promote sustainable industries. Of the \$450 000 allocated in 2006-07, only \$130 000 was spent due to the drought. Unspent funds will be transferred to the 2007-08 financial year.

South Australia's parks and reserves lie at the heart of our efforts to conserve biological diversity. In 2006-07, just over 9 846 hectares of land were added to the state's protected areas system, including the creation of four new parks. Over four years, from 2006 to 2010, \$7.2 million has been allocated to create 20 additional full-time park rangers. Seven of these positions are now filled. Two rangers will coordinate and recruit volunteers. One ranger has been appointed in the west region and another in the South-East region. A further three rangers will participate in a ranger development program, with placements across regional South Australia.

Greater protection for our marine and coastal environments is an issue high on the public agenda. South Australia's Strategic Plan acknowledges this by setting a target to create 19 marine parks by 2010. On 1 September 2006, I released the draft Marine Parks Bill for public comment. This purpose specific legislation will inform the dedication, zoning and management of South Australia's marine parks. I am pleased to say that the Marine Parks Bill 2007 was introduced into parliament on 20 June 2007 and I look forward to the ensuing debate and continuing bipartisan support for this important issue.

This year's budget papers show an additional \$4.2 million over the next four years for marine parks, demonstrating the government's commitment to achieving the SA Strategic Plan target. Funds have been reallocated internally in DEH, and the expenditure on marine parks in 2007-08 will be approximately \$3 million. In July 2006, as part of Australia's living beaches strategy 2005 to 2025, DEH started the first of two sand pumping pilots at the Adelaide Shores boat haven. The second pilot at the Torrens outlet commenced in March 2007. Sand pumping is being tested as a more efficient alternative to carting sand by trucks.

Improving fire management remains a priority for DEH and for the government as a whole. Fire managers are increasingly challenged to keep pace with the impacts of climate change, drought, increasing fuel loads, continuing urban sprawl into rural areas and the increasing costs of fire suppression. In 2006-07, DEH committed net expenditure of approximately \$7.3 million towards planning and implementing fire management prevention programs in parks across the state. During the 2006-07 fire season, DEH fire crews attended 118 fires. A number of significant fires, including on Kangaroo Island and in the Murraylands, required the use of aircraft and heavy machinery over extended periods. Due to unprecedented demand on DEH resources, the government provided \$650 000 for an additional 26 seasonal firefighters who were employed in January 2007 for a three month period to supplement existing teams. This took the combined seasonal firefighting resource to 63 and enabled DEH to increase and maintain its capacity to provide fire suppression resources.

Additionally, in 2006-07 DEH and SA Water increased the number of seasonal fire crews available for fire suppression on land owned by both agencies by 10, bringing the total number of firefighters under this joint arrangement to 22. In 2006-07, DEH responded to 10 fires on SA Water land, including a fire at Mount Bold, which had the potential to

impact significantly on the state's major water catchment areas. SA Water has committed ongoing recurrent funding of \$1.1 million for the employment of seasonal firefighters for a three-year period—an outstanding example of the agencies working together cooperatively to ensure more efficient use of resources.

In 2006-07, DEH allocated \$164 500 to its prescribed burning program across the state, which continues to reduce fuel loads in parks and provide protection for life, property and the environment. Since 2003, DEH has successfully implemented 130 prescribed burns over an area of 5 749 hectares. Since 2003-04, \$7.9 million has been committed for six years to upgrade visitor facilities at Belair National Park—one of South Australia's most visited parks, receiving more than 300 000 visitors per year. To date, more than \$3 million has been spent on upgrading facilities.

In 2006-07, the district administration and workshop functions were transferred to Cleland Conservation Park to make way for upgrading of the park entry and adventure playground. Concept designs have been completed for the adventure playground, and community consultation has started on concept designs for the park entry. Capital works have also continued at the Adelaide Botanic Gardens. These commenced in 2004-05, when the government allocated \$5 million towards improvements in celebration of the gardens' 150th anniversary. The focus of work in 2006-07 has been construction of the Amazon Waterlily Pavilion, an elegant energy-efficient glasshouse that will showcase the Giant Victoria Amazonica Waterlily.

The review of the Prevention of Cruelty to Animals Act has also been completed, and I will shortly introduce the bill into parliament. Other notable achievements for DEH during 2006-07 include: the release of the draft Crown Lands Management Bill for public consultation; adoption of the marine planning framework for South Australia and the completion of community consultation on the draft Spencer Gulf marine plan; completion of the second stage of the single heritage register for national, state and local heritage in South Australia; and completion of 7 194 applications to the perpetual lease freeholding project (this amounts to 79 per cent of all applications received). The 2007-08 budget builds on the successes of 2006-07. DEH's net cost of services for programs has increased progressively since 2005-06, as reflected on page 12.9 of the Portfolio Statements. This outcome reflects the continuing process of aligning agency expenditure with targets in South Australia's Strategic Plan, election commitments and other key environmental priorities.

While this process has resulted in reductions in net expenditure in some programs in aggregate, the agency's expenditure budget has increased significantly in 2007-08 in excess of \$20 million relative to the estimated result of 2006-07. Even after adjusting for a once-off payment to consolidated account and a reduction in interest expense, this is a significant underlying increase in expenditure of approximately \$5 million. This trend is evident from the figures presented on page 12.28 of the Portfolio Statement.

The increase in expenditure budget for 2007-08 will enable DEH to progress a number of priorities. Work will commence on implementing the No Species Loss strategy. A tender scheme for planting will commence for the River Murray forest project, which has been allocated \$2 million for 2007-08. The first plantings are expected to occur in autumn 2008, dependent of course on weather conditions. Five additional park rangers will be recruited across regional

South Australia to consolidate the good work that has already been done by rangers across the state.

Following the proclamation of the marine parks legislation, public comment will be sought on the boundaries of all proposed marine parks, and work will commence on the development of management plans in consultation with stakeholders and local communities.

**The CHAIR:** Minister, I have been very lenient, but you have had nearly 15 minutes. Will you be going for much longer?

**The Hon. G.E. GAGO:** In closing, I am pleased to say that the 2007-08 budget will build significantly on the achievements of 2006-07.

**The CHAIR:** Thank you, minister. Member for Goyder, do you wish to make an opening statement?

**Mr GRIFFITHS:** I do wish to make some brief opening comments, and I indicate that we will be asking questions about many of the issues the minister has mentioned in her comments, so I look forward to hearing even more detail. However, as you would expect, the opposition has a different perspective on this budget. We think it is one of disappointment for the environment.

The Conservation Council of South Australia in its budget response criticised the Treasurer for not referring in his speech to the environment or the critical issues such as climate change and the River Murray. In the times we are now facing, this is negligent with respect to South Australians, particularly those in the regional areas who are facing drought conditions and the prospect of vastly reduced water allocations. The Conservation Council, however, gave the government a tick for the \$4.2 million over four years for the long-overdue establishment of the 19 marine parks but it did, however, have some concerns about whether the funding will be sufficient to implement those.

The Department for Environment and Heritage appears, *prima facie*, from our review to have had a significant funding cut, particularly in the circumstances of increasing demands in relation to environmental protection. Some accounting smoke and mirrors (and this is a phrase coined by another member, not me) appears to make the DEH budget look as though it has increased. However, we believe that further examination will indicate that the dividend to Treasury has increased. In the 2006-07 year, employee benefits and costs escalated between the budget figure and the estimated figure by nearly 15 per cent, yet the government expects that in the 2007-08 year employee benefits will actually shrink.

Popular parks and heritage sites have been left out of the government's priorities and, in some cases, allowed to run down. Some cannot provide the service levels that they provided under the last Liberal government. Most notably, these include the Old Adelaide Gaol, which has fallen into a poor condition, including salt damp and white ant damage, and the government decided in May 2007 that it would no longer allow visitors to stay overnight because of OH&S and public liability concerns, with that decision taking effect on 30 June. Marble Hill has been under a cloud since the government released its expressions of interest, which included an option for its sale and long-term lease. The EOI closed on 27 April, but the Friends of Marble Hill still do not know the outcome and, in the meantime, have not been able to take any bookings, resulting in a loss of revenue of \$50 000 so far this year.

In relation to the Morialta Conservation Park, the previous Liberal government considered purchasing additional

allotments adjacent to the park in 1999 and 2002. Users of the park do not realise that they are actually walking through private land on those trails, which currently takes place only with the permission of the private land-holders concerned who tolerate it. The minister has told the parliament through question time that the government is just not interested. It will not even consider a purchase of a slice of land to enable the paths to be entirely on public property.

A number of programs have been delayed within the DEH budget over successive years. To mention a few, these include: the nature link corridor East Meets West; the Flinders O'Leary Ranges Bounceback; biological surveys; the No Species Loss program; the Protected Areas Strategy; the Million Trees program; and the nature link corridors.

The marine parks implementation has been much delayed under this government. The proposal was initiated by the previous Liberal government, and our policy before the election was to have all marine parks dedicated by 2006. As I understand it, the most recent timetable of the government is to finish this by 2010.

I refer to Budget Paper 4, Volume 3, pages 12.28 and 12.38. We have reviewed the recurrent expenditure, and I am wondering whether the minister can clarify what the expenditure increase is from 2006-07 to 2007-08 in relation to statement of incomes and variations.

**The Hon. G.E. GAGO:** There is a variation of an increase of \$21 million, as I mentioned in my opening remarks. The details pertaining to that are outlined on pages 12.37 and 12.38 of the Budget Statement, where a full explanation is provided.

**Mr GRIFFITHS:** I refer to page 12.38, where it states, 'The increase in revenue between 2006-07 estimated result and 2007-08 budget is primarily as a result of' and then a number of programs are listed, which total \$10.6 million, not \$9.5 million. It also refers to an increase in appropriation in 2007-08 related to inflationary growth in wages and goods and services. Can the minister confirm whether the increase in the budget is due only to the inclusion of the one-off payment to Treasury and Finance of \$18.8 million?

**The Hon. G.E. GAGO:** As stated previously, we have put on record that there is an underlying increase of \$5 million; that is having removed the once-off payment of \$18.8 million.

**Mr GRIFFITHS:** I refer to the same budget line. There are a number of significant discrepancies in the 2006-07 budget figures for employee benefits and costs, and in the 2006-07 estimated result. The details that I have here are that they include a 12 per cent increase in program 1, nature conservation (page 12.10); a 54 per cent increase in program 3, public land fire management (page 12.14); a 12 per cent reduction in program 5, coast and marine conservation (page 12.18); and a 29 per cent increase in program 9, agency support services (page 12.26). Can the minister explain how the department has got these figures so wrong in between what its original budget was and what the estimated result will be—because they are major variances? I am quite happy to accept answers program by program on the four that I identified.

**The Hon. G.E. GAGO:** Can the member list the programs?

**Mr GRIFFITHS:** Program 1, a 12 per cent increase; program 3, a 54 per cent increase; program 5, a 12 per cent reduction; and program 9, a 29 per cent increase. My introductory comments were 'as it relates to employee benefits and costs'.

**The Hon. G.E. GAGO:** In relation to program 1, the increase of about \$3.1 million in net expenditure from the 2006-07 estimated result is primarily the result of the following: an increase in expenditure in 2007-08 related to the River Murray forest election commitment of \$1.9 million; an increase in expenditure in 2007-08 related to a grant payment in respect of Adelaide city parks, \$0.6 million.

**Mr GRIFFITHS:** Madam Chair, can I just clarify? My question related to 2006-07 budget figures and 2006-07 estimated result figures, not 2007-08.

**The Hon. G.E. GAGO:** An increase of about \$0.6 million in net expenditure from the original budget is primarily the result of the 2006-07 estimated result, including expenditure resulting from a grant payment in relation to the Adelaide city parklands, \$0.6 million, representing the second half of the 2006-07 payment, with the first half being paid by the Department of Treasury and Finance; additional expenditure allocated during 2006-07 relating to enterprise bargaining allocations, about \$0.6 million; and expenditure allocated during 2006-07 related to water security, Wellington weir, \$0.2 million. These variances are partly offset by under-expenditure in 2006-07 related to the River Murray forest election commitment of \$0.3 million and a decrease in expenditure during 2006-07 relating to Australia's virtual herbaria of \$0.1 million.

**Mr GRIFFITHS:** Can I seek clarification on one answer to that component? In relation to the minister's comment on the parklands, when she said there were two component payments, one made by the department (I think the second one) but the first one made by Treasury and Finance, why was that broken up into two departmental areas for financial responsibility?

**The Hon. G.E. GAGO:** I have been advised that that reflected the timing of the introduction of the legislation and the formation of the new Parklands Authority. In relation to program 3, the increase of approximately \$1.5 million in net expenditure from the 2006-07 original budget is primarily the result of the following issues: an increase in expenditure as a result of one-off funding in 2006-07 allocated to increase DEH firefighting capacity, \$0.7 million; additional expenditure allocated during 2006-07 related to enterprise bargaining allocations, approximately \$0.2 million; and an increase in regional support costs allocated to the fire management program from that estimated at the time of the 2006-07 original budget, formulated at \$0.2 million.

The next one, program 5, the decrease of approximately \$2.2 million in net expenditure from the 2006-07 original budget is primarily the result of the following issues: resultant expenditure related to the Adelaide Living Beaches strategy, as a result of the realignment of expenditure across the forward estimates, \$0.7 million and carryover into 2007-08 of \$0.9 million; and a reduction in expenditure related to the Adelaide Living Beaches strategy, as a result of reclassification of operating expenditure, investing during 2006-07, \$0.6 million. These variations are partly offset by additional expenditure allocated in 2006-07 relating to enterprise bargaining allocations, approximately \$0.2 million, and a one-off increase in expenditure in 2006-07 relating to the Great Australian Bight Marine Parks initiative of \$0.1 million.

**Mr GRIFFITHS:** Minister, you talked about the Living Beaches strategy where you have reallocated across the forward estimate period. The amount devoted across that four-year period is not reduced; it is just that you have

changed the focus of the different financial years, so the total amount is still committed.

**The Hon. G.E. GAGO:** I have been advised that that is correct. I need to add to the answer that the budget figures are developed on a conservative basis and the expenditure will increase where additional revenue is received, such as the sale of goods and services.

**Mr GRIFFITHS:** The last one is program 9.

**The Hon. G.E. GAGO:** The increase of approximately \$5.6 million in net expenditure from the 2006-07 original budget is primarily the result of the following issues: additional expenditure allocations to agency support services during 2006-07, including expenditure relating to accommodation and accommodation refurbishment, occupational health and safety initiatives, governance and internal audit; software and IT cost pressures of \$2 million; the reclassification of investing expenditure as operating during 2006-07, primarily as a result of an increase in DEH's assets capitalisation threshold of \$1.9 million; additional expenditure allocated during 2006-07 relating to enterprise bargaining allocations, approximately \$0.8 million; additional expenditure relating to the revaluation of employee liabilities of \$0.7 million; expenditure relating to legislation and an environmental policy component of the former Office of Sustainability (which was not specifically allocated to the agency support services program at the time of the 2006-07 original budget), which was formulated for inclusion in the 2006-07 portfolio statements, around \$0.7 million; and additional expenditure allocated during 2006-07 related to the ministerial office, \$0.1 million. These variations were partly offset by a decrease in depreciation expenditure allocated to the agency's support service program during 2006-07 of \$1 million. I think they were all of the offsets.

**Mr GRIFFITHS:** I would like clarification on one point: was the \$100 000 spent on your ministerial office a physical additional resource or was it a refurbishment in your office? Where did it go?

**The Hon. G.E. GAGO:** It certainly was not a refurbishment. It was just general operating costs.

**Mr KENYON:** My question relates to Budget Paper 4, Volume 3, page 12.25. On that page a highlight of 2006-07 was to prepare a draft regulation on rodeos. How does the minister propose to better regulate rodeos?

**The Hon. G.E. GAGO:** Today I announced my intention to make three reforms to better regulate rodeos in South Australia. First, I have asked the Department for Environment and Heritage to arrange for parliamentary counsel to write a South Australian rodeo regulation. Currently, the national code for rodeos is appended to schedule 2 of the Prevention of Cruelty to Animals Regulations, and this means that breaching the code, if proven, can lead to a successful prosecution. However, the RSPCA has raised concerns with me that the national code is not written in a sufficiently clear and unambiguous way and that that may cause difficulties for it in mounting prosecutions.

In the event that it observes breaches in the code, this also means that the rodeo participants may not be clear about what is and is not a breach of the law. Having a regulation written specifically on rodeos means that what is and is not legal at a rodeo will be much clearer and, therefore, provide a firmer legal basis for any future prosecutions.

The second element of my announcement was to state my intention to ban calf roping by including in the legislation a minimum weight requirement of 200 kilograms for cattle participating in rodeos. The leadership of the RSPCA raised

with me last year their particular concerns regarding calf-roping events given that these events involve young animals being thrown and tied, which risks injury to their undeveloped soft joints. I understand that removing this event from the rodeo program does not preclude contestants in South Australia from entering the national competition, as steer roping is an acceptable alternative. Victoria has banned calf roping for some years.

The third announcement is that I intend to formalise the ban on the use of small, easily-concealed, electric prods. Last year I included a ban on these at rodeos as a condition of issuing a permit, but I intend to include this provision in the rodeo regulations, and this will make it more easily enforceable. The concern regarding small prods that has been raised with me is that, while the use of any prod is banned in rodeo shoots under many circumstances, it is not always possible to detect the use of small prods which can be hidden by hands or sleeves. Requiring the use of only larger prods, and only in circumstances where the animal or rider's life or welfare is threatened, will remove some concerns about the over-use of prods during events.

This government has no intention of banning rodeos. My expectation is that these three reforms will make the regulation of rodeos much more straightforward and, should any breaches of the regulations occur, precautions can be successfully mounted.

**The Hon. G.M. GUNN:** I have a supplementary question.

**The CHAIR:** Member for Stuart, I know your supplementary questions; make it a very quick one. We know your feelings about rodeos.

**The Hon. G.M. GUNN:** I just want information. I am a very humble member of parliament—

**The CHAIR:** Member for Stuart, ask your question.

**The Hon. G.M. GUNN:** Supplementary to the question asked by the member for Newland, what discussions has the minister or her officers had with those people conducting rodeos in South Australia? Has she consulted with the people who run one of the biggest at Carrieton? There is also a rodeo at Spalding, one at Peterborough, one at Marrabel and one at Wilmington. I point out to the minister that some of the things she intends to ban are already used at Calgary, which is probably the biggest rodeo in the world, and over 70 000 people attended the rodeo at the Sydney Royal Easter Show.

Has the minister had discussions with these volunteers (who are raising money purely for the purpose of assisting the Flying Doctor and keeping their local communities going)? If they are restricted or prevented, or if unreasonable action is taken against them (as has already taken place in a most disgraceful exhibition of prosecutions), we will not have any rodeos. Is the minister going to prop up the shop at Carrieton and other places? We want to know what sort of discussions have taken place, or have the discussions been one way only with extremist elements of the RSPCA? People like myself also happen to be members of the RSPCA, but we do not agree with most of the foolishness of that organisation.

**The Hon. G.E. GAGO:** The draft regulations will go out for extensive community consultation before being adopted.

**The Hon. L. STEVENS:** My question relates to Budget Paper 4, Volume 3. I note that on page 12.19 of the Portfolio Statement there is a reference to the release of the draft Marine Parks Bill 2006 for public consultation. Would the minister advise the status of this important initiative?

**The Hon. G.E. GAGO:** The government is committed to the development of 19 marine parks by 2010, which are being designed to protect and conserve representative samples of

marine habitats and biodiversity. The blueprint for the South Australian representative system of marine protected areas was released in November 2004, and it is the government's overarching policy for the establishment of marine parks. The methodology for marine park development was tested through the Encounter Marine Park pilot process, which included three months' public consultation on the draft zoning plan between March and June 2005.

The government has included the following zoning provisions for marine parks:

- restricted access zones;
- sanctuary, or no take, zones;
- habitat protection zones—protection for species and habitats whilst allowing activities that do not harm them;
- general management use zones—this involves protection for species and habitats whilst allowing ecologically sustainable use; and
- special purpose areas, if needed, for specific activities or uses such as public infrastructure development or for cultural purposes.

Marine parks are designed to protect and conserve marine biodiversity for the benefit of current and future generations; they are not designed for fisheries management purposes. Thorough planning and pragmatic zoning, including community and industry input, should ensure that South Australia's marine parks have the least possible impact on existing activities and uses whilst delivering the desired biodiversity and conservation outcomes.

On 1 September 2006, I released the draft Marine Parks Bill 2006 for six weeks' public consultation. Following a request from a number of stakeholders and industry sectors, I extended the public consultation period to three months. A series of 16 public meetings were held in 15 metropolitan and regional locations across the state to ensure that all members of the community had an opportunity to obtain copies of the draft bill, receive other relevant information and have their questions answered.

A total of 674 people attended these meetings, with 162 written submissions being received from various state and local government agencies, boards, industry bodies, conservation groups and individuals. The government wishes to acknowledge the time and effort individuals, families and organisations put into preparing these submissions, many of which provided important feedback on the proposed legislative arrangements for marine parks in South Australia. All submissions are being carefully considered in revising the Marine Parks Bill, and I am pleased to advise that the Marine Parks Bill 2007 was introduced into parliament on 20 June 2007.

The bill contains a number of key changes requested by industry and the community, including:

- an opportunity to comment on marine park boundaries;
- the inclusion of principles in addressing the future impacts of climate change;
- longer periods of public consultation for management plans and subsequent requirements to table these plans in both houses of parliament; and
- the ability to establish a process to consider community nominations in the regulations.

The government has also provided additional funding to this initiative (\$4.2 million over four years) as part of the 2007-08 state budget. This additional funding will assist the Department for Environment and Heritage to proclaim all 19 marine park boundaries simultaneously and commence the development of management plans with local communities concur-

rently across the state. These are both outcomes that the community and the industry wanted to provide greater certainty and surety. I look forward to the debate and continued bipartisan support on this important matter in the next session of parliament.

**Mr BIGNELL:** I refer to Budget Paper 4, Volume 3, page 12.19., which refers to the implementation of Adelaide's Living Beaches: A Strategy for 2005-2025. How are the sand collection and pumping trials progressing?

**The Hon. G.E. GAGO:** In November 2005, the government released a strategy for managing Adelaide's metropolitan beaches, entitled Adelaide's Living Beaches: A Strategy for 2005-2025, with the aim of maintaining beach quality for recreation, amenity and protection purposes. Sand collection and pumping trials are being conducted at West Beach and the Torrens Outlet at an estimated total cost of \$1.6 million. The sand carting program has been maintained to supply sand to the eroding southern beaches and maintain protection from coastal storms at a cost of \$1.67 million.

The design of the pipelines and pumping stations is anticipated to begin in the 2007-08 financial year, and a reduction in dredging costs at Glenelg and West Beach harbours from \$1.27 million in 2006-07 to \$1.14 million in 2007-08 is forecast. Sand collection from the seabed and beach to supply the sand-pumping pipeline is being trialled using several methods, including extending the use of dredging beyond the harbour, maintenance at Glenelg and West Beach, and using methods to avoid picking up seagrass at the collection area.

In the past, sand dredging from the harbours has been discharged offshore because it was full of seagrass. In the future, DEH is considering separating out the seagrass and pumping sand directly onto the beach. During the trial at West Beach, significant progress has been made on finetuning methods of separating seagrass matter from collected sand. This will enable DEH to ensure that only clean sand is pumped through the future pipelines. In addition, better use will be made of the sand dredging from harbours, because it can be pumped through a pipeline onto the beach, rather than being discharged offshore.

In December 2006, the trial equipment was moved to the Torrens Outlet to measure the capacity of the device in an area where there was less seagrass. It is important that comprehensive investigations are undertaken before design specifications for the future permanent pipeline system are finalised and the infrastructure is put in place. This will necessarily take time, so installation of the pipelines is scheduled to begin in 2008. The traditional beach replenishment program, using trucks to recycle the sand, is being maintained until the pipelines are installed. The pump trials at the Torrens Outlet have successfully pumped sand from the outlet to the West Beach dunes.

**The Hon. G.M. GUNN:** I would like to add further to the minister's comments, and today's press release, concerning tighter controls for rodeos in South Australia. I ask the minister: is it anticipated that these new proposals will outlaw campdrafts? I point out to the minister that one is to be held at Oodnadatta at the end of July. Campdrafts are time trials where calves are roped. They take place all around Australia, and I understand that they also take place at the Calgary stampede. The last couple of lines of the press release state:

I'd like to thank the RSPCA for their support and vital contribution to ensure that we end up with regulations that are both effective and enforceable.

I also ask the minister: is she consulting only the RSPCA? It seems to be involved in this. What about the people who are running these rodeos? They are good citizens of South Australia who have done nothing wrong. They have supported their local communities. Obviously, it is a fait accompli, but I really think that, before these drafts go out, there ought to be some decent consultation with the small rural communities and other groups that have some practical knowledge.

I have attended a number of these things, and I have seen these irrational people. Last year, they videoed me and Iain Evans. Some of their behaviour is absolutely over the top, to put it mildly. They do not tell the truth, and they have caused a great deal of heartbreak. As to the poor constituents who were dragged before the courts in a most unprofessional manner and the cases were dropped, will you pay their legal fees? They are out of pocket. It appears, from what these people are doing, that you are just trying to make it impossible for them to take place, which will make South Australia the laughing stock of the world.

**The CHAIR:** Member for Stuart, is there a question in there?

**The Hon. G.M. GUNN:** I think it was a good question.

**The CHAIR:** I think a question was asked, but I have forgotten it.

**The Hon. G.M. GUNN:** Would you like me to repeat it, Madam Chair? I am quite happy to do so.

**The CHAIR:** No. Minister, did you get the question?

**The Hon. G.E. GAGO:** I will have a go, Madam Chair. I will do the best I can.

**The Hon. G.M. GUNN:** Minister, these are not my regulations: they are yours. You have done it, and you have to face up to it.

**The CHAIR:** Order!

**The Hon. G.M. GUNN:** This is nothing compared to what will happen—

**The CHAIR:** Order!

**The Hon. G.E. GAGO:** I bring to the member's attention that the government is not banning rodeos. We acknowledge that there is a wide range of mixed community views about rodeos that come equally from extreme ends: those who are extremely opposed to them and those who extremely support them, as well as all the shades of grey in between. The current draft regulation we are looking at is to ban events involving animals that weigh less than 200 kilograms. I am not sure whether the event the honourable member alludes to involves animals of that weight, but if it is it does involve animals weighing less than 200 kilograms it is likely to be affected. I reiterate that these are draft regulations and they will be going out for extensive consultation prior to adoption.

**The Hon. G.M. GUNN:** We will change the subject, but we have not finished with this one. This will be an ongoing exercise before this is finished. You have made my next couple of weeks on the local TV. I refer to the intransigent attitude of the Native Vegetation Council and its effects on rural communities. I refer to page 12.49 and bring two issues to the minister's attention. It has been brought to my attention that the intransigent attitude of the Native Vegetation Council is stopping the release of industrial land in Whyalla, with hundreds of jobs involved. I was on the NRM parliamentary committee which went to Kangaroo Island and saw the exercise where they wanted to prosecute someone for putting in a dam, which was then used by SA Water to supply Kingscote and Parndana with water.

I ask the minister: is she aware that the people of Kangaroo Island drink water? I do not think the chairman of

the Native Vegetation Council understands that they drink water. We know he has an unfortunate attitude. Does the minister or the chairman understand that they need to drink water and that you cannot barge in? What action is the government taking to bring these people to accept that they need to use common sense and that they cannot get in the way of development, because there are lots of people who want jobs in South Australia, including the people in Whyalla. I have driven past the land in question dozens of times, and it is very suitable industrial land. If people are going to come and invest there it is good for South Australia, and the same applies for people on Kangaroo Island and elsewhere who have been the unwitting victims of intransigent bureaucracy.

**The Hon. G.E. GAGO:** I request that the honourable member refer us to the appropriate page in the budget document that he is referring to under the Department for Environment and Heritage.

**The Hon. G.M. GUNN:** On page 12.49 there is a section and it goes right through it. You are the minister for the environment, and we are talking about the environment. It is the same minister. I am quite happy to raise it again this afternoon.

**The Hon. G.E. GAGO:** Madam Chair, there is no page 12.49 in the Department for Environment and Heritage Portfolio Statement. I think the honourable member is confused and is alluding to the portfolio documents in relation to the Department of Water, Land and Biodiversity Conservation, which will be heard later today.

**The Hon. G.M. GUNN:** I have given the minister a bit of forewarning.

**The CHAIR:** We will defer that question until later on today, if the member for Stuart still wishes to ask the question at that stage. Does member for Stuart have another question?

**The Hon. G.M. GUNN:** Yes, I do. In relation to the government's proposals to have all these enlightened marine parks around South Australia (and it is one of the things we have heard a lot about), can the minister give an assurance that average citizens who want to go fishing, and particularly those involved in commercial fishing, will not be excluded from going about their normal recreation or business?

**The CHAIR:** I think that reference is to page 12.19.

**The Hon. G.E. GAGO:** That is right. In relation to the marine parks, we have gone on public record previously and indicated that the marine parks will involve multi-use zoning, so each park will have a range of different zoning. I have outlined in my opening address the different levels of zoning, and those different zones do include recreational fishing as well as commercial fishing, so there will be capacity for those activities within some aspects of the park. Just to add to that, thorough planning and pragmatic zoning incorporating community and, obviously, industry input will ensure that South Australian marine parks have the least possible impact on existing commercial and recreational activities whilst still trying to achieve the desired conservation outcomes.

**Mr GRIFFITHS:** I have several commercial fishers who live in the Goyder electorate, and anything that impacts upon their viability, given the netting licence buy-backs that occurred a couple of years ago, is of great concern to them and me. Can the minister qualify her statement about trying to reduce impacts as much as possible? What will be the real effects? Will there be some areas where commercial fishers are not allowed to operate within the marine park zones?

**The Hon. G.E. GAGO:** As I have already stated, the multipurpose zoning arrangement will include some areas where commercial and recreational activities will not be able

to occur, as already exists currently. However, we are committed to minimising the impact on those industries. This government is very committed and acknowledges the importance of those industries, so we will be working very closely with those industries in consulting extensively. We will continue those consultations to ensure that there is minimal impact.

**The CHAIR:** I suggest that members look at the package that has been put out by the department. By coincidence, I happen to have it in front of me and I was reading it as these questions were asked. I think it sets out very well the situation with fishing.

**Mr PEDERICK:** I refer to Budget Paper 4, Volume 3, pages 12.28 and 12.38. In the Conservation Council's budget response press release, we see, 'No news is bad news, say conservationists.' On 7 June 2007, the CCSA stated:

We do have major concerns whether this funding will be sufficient.

Is the CCSA wrong?

**The Hon. G.E. GAGO:** The answer is yes, it is wrong.

**Mr KENYON:** I refer to Budget Paper 4, Volume 3, page 12.8. I note that one highlight of 2006-07 is the recruitment of the first two of 20 additional rangers. Can the minister inform the committee regarding the progress of the government's initiative to appoint an additional 20 park rangers over four years?

**The Hon. G.E. GAGO:** The South Australian government is demonstrating its interest and support of the state's national parks by funding an election commitment for 20 additional park ranger positions. These park ranger positions will be created over four years at a cost of \$5.249 million for operating costs, together with \$2 million in capital funding. The additional 20 park ranger positions will assist with the management of DEH's expanded parks system by providing increased capacity for the support of the Department for Environment and Heritage's extensive volunteer network and essential nature conservation work in response to emergency situations, such as bushfires.

In 2006-07, DEH appointed two volunteer support rangers in the Adelaide region to work with the many Friends of Parks groups, volunteers in the Southern Lofty and Northern Lofty districts respectively. Two rangers were also appointed to the west and to the south-east region to assist in delivering the landmark Nature Links program, which will play a key role in protecting and conserving South Australia's unique biological diversity.

In addition, recruiting has been completed for three park ranger positions, those officers to be assigned to an intensive development program and to spend time working on key programs across regional South Australia, such as nature conservation, visitor management and supporting the 141 Friends of Parks groups, which will make a huge contribution to some of South Australia's truly special places. An additional five park rangers will be placed throughout regional South Australia in 2007-08, with a focus on emerging issues such as sustainable development in our unique coastal areas, facilitating mining and protecting of key biodiversity assets in the north and west of the state, and engaging rural communities in nature conservation.

It is anticipated that another three rangers will be appointed in 2008-09, and the final five rangers in 2009-10. Our park rangers are some of the most highly regarded and hardest working public servants, and they have provided many years of reliable service in some of the most isolated and remote

locations in our state. The 20 new rangers initiative will provide the existing workforce with some reinforcements in the ongoing battle for nature conservation in South Australia.

**The Hon. L. STEVENS:** Minister, this question also relates to Budget Paper 4, Volume 3. On page 12.25, a target for 2008 is the introduction of the animal welfare legislation in parliament. Will the minister advise on the status of the Prevention of Cruelty to Animals (Animal Welfare) Amendment Bill?

**The Hon. G.E. GAGO:** The review of the Prevention of Cruelty to Animals Act 1985 has been completed, and I shall shortly seek the endorsement of government to introduce in parliament an amendment bill. In 2003, the RSPCA suggested a number of changes to the act, and my predecessor accepted the RSPCA's request for a public discussion paper based on the act's enforcement and inspectorial provisions. Based on submissions made in the discussion paper, a draft bill was prepared. Consultation on this draft bill concluded on 29 January 2007. A total of 99 submissions were received and collated, and all comments were considered in some detail.

Many issues raised related to the administration of the proposed amendments. These issues have been addressed through the development of a memorandum of understanding between the enforcing agencies and with the support of the South Australian Farmers Federation. Key components of the draft amendment bill are:

- increased penalties, up to \$20 000 or two years' imprisonment for animal ill-treatment and organised animal fights, such as cock fighting;
- make aggravated animal cruelty an indictable offence;
- increasing the penalties for offenders;
- empower animal welfare inspectors to routinely inspect intensive farming establishments, puppy farms, circuses, council pounds and similar places holding animals;
- allow inspectors to enter a property to rescue an animal, even if the owner is not present;
- empower courts to order confiscation of objects used in an offence;
- allow the courts to order the forfeiture of mistreated animals, even where no conviction has been recorded;
- include in an offence of ill-treatment of animals the keeping of animals in inappropriate conditions; and
- change the name of the act to the Animal Welfare Act 1985 to reflect a changed emphasis from preventing animal cruelty to promoting animal welfare.

This emphasis is reflected throughout the provisions of the bill. The Department for Environment and Heritage, the Department of Primary Industries and Resources South Australia, the RSPCA and the South Australian Farmers Federation will jointly provide training and information sessions for livestock producers and other stakeholders when the amendment bill is enacted.

**Mr BIGNELL:** I refer to Budget Paper 4, Volume 3, Portfolio Statement, page 12.11. The 2007-08 targets for the Department for Environment and Heritage include finalising the east meets west NatureLinks corridor plan and the release of the draft of the Flinders-Olary Ranges NatureLinks corridor plan. What progress has been made in the development of the other corridor plans and how much funding is allocated to this initiative in the coming financial year?

**The Hon. G.E. GAGO:** Healthy biological and diverse ecosystems underpin South Australia's environmental, social, cultural, spiritual and economic well-being. Climate change is likely to interact with and exacerbate existing stresses on biodiversity, such as habitat loss, fragmentation and diversifi-

cation. The five biodiversity corridors identified in South Australia's Strategic Plan provide a bold vision for biodiversity conservation in South Australia to enable South Australia's species and ecosystems to survive, evolve and adapt to environmental change. Definition and planning for all five biodiversity corridors has commenced. The draft plan for the east meets west corridor, which stretches from the Western Australian border to northern Eyre Peninsula, was released for public consultation in October 2006. More than 50 people attended two public workshops held in Ceduna and Adelaide and 15 public submissions were received from individuals and organisations.

The Department for Environment and Heritage has begun incorporating feedback from this process into the final plan, which is expected to be released later this year. The Flinders-Olary Ranges corridor, stretching from the southern Flinders to the Gammon Ranges and including the Olary Ranges, encompasses an expansion of the successful bounce back program, and a preliminary action plan for the Flinders-Olary Ranges corridor has been developed and consultation with stakeholders prior to the release of the draft plan has begun. Definition of the Cape Borda to Barossa corridor is nearing completion and a planner will begin preparation of this plan in the new financial year.

The River Murray-Coorong corridor has been defined. A report on the ecological character of the Coorong and Lower Lakes RAMSAR site released this year forms an important ecological base line for part of this corridor, and the \$5.7 million River Murray forest project is a critical on-ground component. Planning for this corridor will also commence in the new financial year. Preliminary definition and planning for the fifth arid lands corridor commenced with an initial stakeholder workshop in March 2007. The budget allocation to continue planning and implementation of the biodiversity corridors in 2007-08 has been increased from \$1.16 million in 2006-07 to \$1.5 million in 2007-08.

A significant achievement to date has been the adoption of the NatureLinks strategic directions vision and philosophy into other planning structures of the state, including revised planning strategies. The state NRM plan and business plans of government instrumentalities, such as SA Water and Forestry SA, and the achievement of South Australia's Strategic Plan target 3.2, is challenging and requires the engagement of private landholders and managers and the alignment of existing and new resources and partnerships.

DEH has defined five strategies to facilitate implementation of the NatureLinks biodiversity corridors, which include prioritising investment, embedding NatureLinks elements and principles into planning frameworks, sharing biological knowledge with the wider community, developing partnerships with key stakeholders and targeted research and development. The five biodiversity corridors will provide a vision for an ecologically sustainable future for South Australia by integrating proactive biodiversity management with regional development and natural resource management.

**Mr GRIFFITHS:** I refer to Budget Paper 4, Volume 3, page 12.40. The financial commentaries relate to income statement, administered items. I note that several pieces of crown land were sold in 2006-07, including what must be a significant parcel of land at Port Adelaide that went for \$23.5 million, surplus crown lands (which under the DPC circle are \$114 000), Lochiel Park and Port Bonython. Will the minister provide us with information on whether the full market was realised for each parcel of land, to whom each parcel of land was sold, and whether the sale was managed

through the Land Management Corporation and, if not, why not?

**The Hon. G.E. GAGO:** In relation to the first part of the question, we receive a full evaluation before going to sale. In relation to whom the sale is to, we will take it on notice and bring back a response. In relation to the involvement of the LMC, I am advised that it would have been party to negotiations and liaising with third parties.

**Mr GRIFFITHS:** I understand that there are thousands of parcels of land for which the minister is responsible and that the valuations are undertaken prior to sale. Do you consider concessional costs in some cases where the land will be transferred for some greater community benefit? I quote the example of a request for a portion of land to be excised from the department at Minlaton on Yorke Peninsula for the building of a facility for physically and intellectually disabled persons. I understand that a request is going through the minister's department and I wonder what her attitude might be towards it.

**The Hon. G.E. GAGO:** The sale of land is always premised on consistency with circular 114, unless of course there are special circumstances and the matter is taken to cabinet and considered there.

**Mr GRIFFITHS:** I thank the minister for her answer, and I hope that the proposal I talked about will go to cabinet. I again refer to page 12.40, still on the income statement and administered items. In part of the commentary it refers to a revaluation of crown land at Port Adelaide. Can you provide us with some information on that?

**The Hon. G.E. GAGO:** I will ask Mr Rick Janssan to provide those details.

**Mr JANSKAN:** The sale of the parcels of land that you are referring to is associated with the earlier question asked about the Port Adelaide maritime authority. As part of that exercise of transfer, there would have been revaluation of those lands. Hence, when that revaluation occurs, it comes through as revenue into that income statement to reflect the increase in the value. So it is basically an accounting treatment.

**Mr GRIFFITHS:** I am a little intrigued by the fact that the commentary in the Budget Paper says that the decrease in revenue between the 2006-07 estimated result and the 2007-08 budget is primarily a result of one-off revenue in 2006-07 resulting from a revaluation of this parcel of land and several others. If you are revaluing the land, was it revalued up or down for a decrease in value to occur?

**Mr JANSKAN:** It would have been revalued upwards in 2006-7 and, hence, there would have been a one-off effect in 2006-07 relative to the 2007-08 budget. Hence, the revenue figure is lower than the 2006-07 estimated result.

**Mr GRIFFITHS:** For 2007-08 it is lower?

**Mr JANSKAN:** Yes.

**Mr GRIFFITHS:** Minister, will these transactions have any impact upon the recurrent budget of DEH?

**The Hon. G.E. GAGO:** I have been advised no.

**Mr GRIFFITHS:** I refer to Budget Paper 4, Volume 3, page 12.39, financial commentary, major variations, Balance Sheet—Controlled. There are two references to the Accrual Appropriation Excess Funds Special Deposit Account. It states:

Cash and deposits at call will decrease in 2007-08 primarily as a result of the following:

- A reduction in the Accrual Appropriation Excess Funds Special Deposit Account, relating to the repayment of a loan liability to

the Department of Treasury and Finance, in 2007-08 (\$38.1 million); and

- A reduction in the Accrual Appropriation Excess Funds Special Deposit Account, relating to an adjustment for amended depreciation expense being applied against the asset base of the agency, in 2007-08.

In relation to those comments, can the minister explain the purpose of the Accrual Appropriation Excess Funds Special Deposit Account? Why is it returning funds to Treasury and Finance? What was the purpose of the \$38.1 million loan that was paid back into Treasury and Finance; and is there an impact upon the recurrent budget of DEH?

**The Hon. G.E. GAGO:** We have information pertaining to some of those questions but not all, so we will need to take some on notice. As at 30 June 2007, the Department for Environment and Heritage will have a loan liability with the Treasurer of \$38.054 million, all of which was accrued before 30 June 1994. The accrual of this liability was primarily the result of past Department of Treasury and Finance practice where allocations for capital purposes were treated as borrowings, where it was considered the agency's activities were cost recovery in nature. In contrast, non-revenue generating agencies generally received capital funding as grants. DEH loan liability was attributable to the former department of lands which merged with the former department for environment and planning.

There have been many changes to the agency's structure and naming over many years, including the functional transfer of the land services group, a significant revenue-generating entity, away from the current DEH. Given the changing circumstances, DEH has gained the Treasurer's approval to repay the loan liability through the use of the Accrual Appropriation Excess Funds Special Deposit Account during 2007-08. DEH's 2007-08 budget reflects the repayment of the \$38.054 million loan balance through the utilisation of the accrual excess funds balance.

Appropriation and expenditure authority is currently provided on an annual basis to cover interest rates on debt. Given the repayment of the debt during 2007-08, commensurate reductions in annual appropriation and expenditure authority for reduced annual interest charges are also reflected in DEH's budget from 2007 to 2008 onwards. In relation to the member's question about the impact on recurrent funding, I have been advised that the answer is no. In relation to the purpose of accrual appropriation, I will take that question on notice and bring back a response.

**The Hon. G.M. GUNN:** I refer to the minister's press release today about rodeos. Is the minister aware that, by the decision to place restrictions on the weight of animals, she will most likely ban camp drafting? In small communities such as Oodnadatta, what steps will she take to support those communities to find alternative methods of raising revenue? I point out to her that I have attended camp drafts at Cameron's Corner, which happens to be across the border in Queensland. They are still able to have them in Queensland, but if you step back across the border into South Australia you are not allowed to have them. They have them in the Northern Territory, but we cannot have them here. The people in the north do move around.

I point out in explanation that the minister's colleague the Minister for Tourism provided substantial funds to build excellent facilities at the Oodnadatta racecourse, and those facilities would be used for these camp drafts. It is a typical type of activity that takes place on stations, and people compete, so they will be prevented from competing on a

national basis. Clearly, the minister is going to ban them. What steps will she take to help those small communities?

**The CHAIR:** Member for Stuart, I think that question is a bit beyond the scope of this minister. I am not sure that the minister needs to answer that question if she does not choose to do so.

**The Hon. G.E. GAGO:** I am happy to reiterate that this government is not banning rodeos. The proposed changes to the draft regulations are just that: proposed changes. I reiterate that they will be going out for full consultation to all appropriate stakeholders.

**The Hon. G.M. GUNN:** The minister in her opening statement referred to freeholding of crown lands. Has the minister given consideration to lifting the restrictions on people who would have perpetual leases, which are known as the transitional zone, where there is no reason why they should not also be included in the freeholding? I point out to the minister that a report was prepared for the select committee, which her predecessor agreed was a nonsense report. My explanation is that it was reflecting on those people. Why can they not now be included in the arc?

I point out that there is a group of people who have run this who have really had their own agendas. They have not wanted people to freehold, and they have systematically got around two or three ministers on both sides of politics. It appears to me that they are still involved in that activity. Is the minister prepared to now see the reality and ensure that commonsense and fairness apply?

**The Hon. G.E. GAGO:** The government has been quite consistent on this matter from the outset, and I believe that the honourable member well and truly knows that. It has been a consistent policy with the previous government, and our current policy position is not to freehold in transitional zones. We have always had, and we continue to have, this policy, and the honourable member knows that.

**Mr KENYON:** I refer to Budget Paper 4, Volume 3, Portfolio Statement, pages 12.12 and 12.20. Capital works are envisaged for 2007-08 in respect of Belair National Park and the Adelaide Botanic Garden. Can the minister elaborate on what is being planned?

**The Hon. G.E. GAGO:** Building on the planning and public consultation that has been undertaken on the redevelopment of the Belair National Park to date, total funding of \$1.2 million is proposed for capital works at Belair in 2007-08. Construction works to upgrade the Adventure Playground precinct are expected to commence in October 2007 and be completed by April 2008. This will involve redesign of the car-parking area to improve safety and traffic flow, provision of better barbecue and picnic facilities, upgrading of toilets and the installation of new play equipment. In addition, concept design and construction documentation for the Belair National Park entry precinct are planned for completion, in anticipation of construction occurring in the following year (2008-09). The design will be determined in consultation with a wide range of park users to ensure the best long-term outcome for the Belair National Park and the people of South Australia.

With respect to the Adelaide Botanic Garden, as we speak, contractors are finishing off construction work of the Amazon Waterlily Pavilion, which is a major part of the garden's 150th program. Over the coming months, minor works such as equipment fit-outs, plantings and signage will occur, in anticipation of an official opening later this year. As an important project of the garden's 150th program, the former Victoria House and attached Schomburgk range of glass-

houses, which were built in 1957 and which are in poor condition, are being replaced by a contemporary energy efficient glasshouse: the Amazon Waterlily Pavilion.

The giant *Victoria amazonica* waterlily is an iconic plant of the Adelaide Botanic Garden. A native of South America, it was collected by the brother of the garden's second director, Richard Schomburgk, and has been displayed in the garden's purpose-built Victoria House since 1868. The waterlily flowered in that year, watched by throngs of very excited visitors. The pavilion is smaller in area than the glasshouses formerly on that site, and the original pond built for the waterlily in 1868 is being incorporated in the centre. The Amazon Waterlily Pavilion rivals the glasshouses of botanic gardens internationally and I understand is quite unique in Australia.

Work on the refurbishment of the Museum of Economic Botany will commence in 2007-08, using \$1.1 million to come from the Australian government Department of Education, Science and Training. With the recent completion of the relocation of the cacti collection (a collection that is, indeed, very dear to my heart), further work is to occur on the design and development of a new garden entrance and medicinal garden on the western side of the Adelaide Botanic Garden. As a first stage, work is anticipated on the earthworks to better accommodate flooding from the main lake, and a new trade road to link to Frome Road.

The board of the Botanic Garden and State Herbarium is planning to raise approximately \$600 000 towards the western entrance projects for the 2007-08 financial year from sponsorships and donations.

**The Hon. L. STEVENS:** My question again comes from Budget Paper 4, Volume 3. I note on page 12.11 that nature conservation programs have been affected by the drought. It is widely known that we are experiencing serious drought conditions over most of the state. Much has been done by the state government, in partnership with the Australian government, to assist drought-affected rural communities and also to assist farm enterprises and businesses in dealing with drought conditions. What has been happening in relation to the natural environment? How is the government addressing the impacts of the drought on the environment?

**The Hon. G.E. GAGO:** I thank the member for her question. Whilst our natural systems are well adapted to drought and are often considered resilient to drought, human-induced impacts over many years have modified many of the natural systems and made them less resilient to drought. Drought can be the critical event that leads to species' extinction and irreversible habitat decline. Typical impacts of drought conditions on the environment include serious alterations to natural processes which can result in large-scale concentrations of native wildlife having to depend on diminished vegetation and other natural resources, such as water. These areas are often referred to as drought refugia, as these are areas where plants and animals may be able to persist or take refuge in dry times. These areas are critical to ensure species survive and recover from drought.

Likely impacts of the drought on the environment include fire and increased frequency and intensity of fire events; in water and aquatic ecosystems, rainfall impacts can be exacerbated due to increased grazing pressures by livestock, native and feral animals; serious disruption to water levels can result in localised extinctions, and this can be addressed by conservation measures designed to save priority species; abundant native species can increase, squeezing out space for

other species and increasing competition with natural resource users.

During drought conditions feral animals can have greater impacts, although eradication of pests such as rabbits, goats and camels, can be made easier during drought as they group around water sources. During times of drought the government, private landholders, rural communities and volunteers alike need to work together to mitigate the impact of drought on natural resources, to focus on accelerating recovery of natural systems post drought, and to build resistance in systems to prepare for future drought events.

As for the condition of the natural environment during the current drought, data and anecdotal reports indicate that, in most cases, natural resource managers are managing their biodiversity assets extremely well. There has not been any increased level of reports of significant damage to native vegetation by overgrazing, and soil resources are reasonably well protected, considering the harsh conditions.

Monitoring of drought-affected high-priority species and habitats has resulted in two valuable populations of threatened native fish (the Yarra pygmy perch and the southern purple-spotted gudgeon) being taken into captive maintenance to prevent extinction. In the case of other species and habitats, on-ground actions to improve habitat conditions have been identified.

The government and its partners continue to monitor these situations to guide future drought response activities. Internal agency resources have been redirected to deal with the drought, including, but not restricted to, providing biodiversity advice to manage the risks associated with wetland closures for water security reasons, and accelerating pest management programs where drought conditions have provided significant opportunities, such as feral camel surveys in the Far North. Much of this work will continue beyond the drought to assist with drought recovery and future preparedness.

**Mr BIGNELL:** My question relates to Budget Paper 4, Volume 3, Portfolio Statement page number 12.14. How has the Department for Environment and Heritage developed its relationships with other fire and land management agencies?

**The Hon. G.E. GAGO:** I thank the member for his question. The Department for Environment and Heritage continues to develop strong partnerships with other agencies to manage fire. DEH and SA Water have developed a cooperative arrangement for DEH to undertake fire suppression activities on SA Water managed lands. SA Water has committed ongoing recurrent funding of \$1.1 million for the employment of seasonal firefighters for a three-year period. In addition, SA Water committed up to \$1.5 million in 2006-07 for the purchase of appliances for use by seasonal crews in the suppression of bushfires and other works on DEH and SA Water lands. Whilst not engaged in bushfire suppression activities, the seasonal firefighters will assist in prescribed burning operations and other fuel management programs on both SA Water and DEH managed lands.

This is an outstanding example of agencies cooperatively working together to provide efficient use of resources, a safer community, and regional employment opportunities. DEH also continues to build on its relationship with the Country Fire Service (CFS) in the planning and development of fire management programs. Since 2003, DEH has jointly responded to 355 bushfires with the CFS on both government and private lands throughout the state, totalling an area of 566 334 hectares. These relationships have seen DEH staff integrated into CFS operational initiatives. DEH has estab-

lished links with a number of local and interstate universities and with bushfire cooperative research centres (the CRCs) to develop and conduct fire research in this state.

Another project of significance, in conjunction with researchers from CSIRO and the bushfire CRC, has seen the development of a research project, Project FuSE, which is investigating the distribution, dynamics and structure of Mallee fuels in the Ngarkat Conservation Park. Expected outcomes from Project FuSE will lead to the development of a fire behaviour model based on experimental fires, which will assist in determining the appropriate size of firebreaks, give an indication of spotting distances, and be a decision support tool for prescribed burning and bushfire scenarios.

**Mr PEDERICK:** I refer to Budget Paper 4, Volume 3, page 12.8, and the 2007-08 Targets/2006-07 Highlights of the Department for Environment and Heritage. One of the aims in 2007-08 is to complete the tender scheme for the River Murray forest. Has the government changed the original intent of the program by introducing the concept of including it in a carbon trading scheme? If so, how can the government provide a realistic market value before the market has even been established?

**The Hon. G.E. GAGO:** The South Australian government has committed \$5.7 million over four years to establish the River Murray forest, involving more than 2.5 million native trees and shrubs. The River Murray forest will reconnect patches of valuable ecosystem sequestered carbon and promote sustainable new industries. I am informed that the sequestering of carbon was part of our original design initiative and continues to be part of our considerations.

The River Murray forest is entirely within the River Murray/Coorong nature links corridor, one of five biodiversity corridors being established under South Australia's Strategic Plan Target 3.2. Establishment of the River Murray forest will involve the use of both public and private land along a broad corridor, likely to be 20 kilometres either side of the River Murray and initially between Morgan and Renmark. Investment in the River Murray forest will be sought from the community, private landholders, business and industry. Individuals and groups will also be able to contribute to the project by volunteering their time to help plant trees.

The scope of the River Murray forest has been confirmed and project planning is well advanced on both public and private land components. An amount of \$450 000 was allocated in 2006-07; however, the drought delayed this initial project implementation, and only \$150 000 will be expended in 2006-07. The remaining \$300 000 has been carried over to the 2007-08 financial year, increasing the funds available in that financial year from \$1.7 million to \$2 million. A steering committee has been established in conjunction with the South Australian Murray-Darling Basin NRM board. A project manager has been appointed and initial contracts to collect seed and identify potential sites have been completed. Ongoing evaluation of public land for potential forest plantings has identified some promising locations, with site management issues currently being assessed; the balance of the plantings will be on private land.

Pilot tender specifications are being developed for plantings planned for 2008, and the pilot tender scheme will seek to maximise the biodiversity and carbon sequestration benefits from the planting. In terms of 2007-08 targets, \$2 million will be allocated for the 2007-08 financial year compared with \$450 000 in 2006-07. In addition, a project manager and implementation officer will be appointed in

2007-08. The pilot tender scheme will be undertaken and, subject to a cessation of dryland drought conditions, tree planting will commence in autumn 2008.

**Mr PEDERICK:** You mentioned the sites, minister, and it sounds as if a lot of the site planning has been done. Can you be more precise on what sites you have identified apart from the land between Morgan and Renmark? Why is there a different purpose stated in the budget documents between public and private land for the River Murray forest? The reference for this is in the DWLBC area, page 12.49, about half way down in the performance commentary under Natural Resources Management Services. It reads:

Public land plantings will be focused on achieving a biodiversity benefit. On private land the plantings will provide a balance between nature conservation carbon sequestration and other benefits.

I am not sure whether people have just used words, but why you would differentiate anyway?

**The Hon. G.E. GAGO:** In relation to the first question pertaining to further site identification, further details are still being developed and will be made available in due course. Regarding the different purposes, the advice I have been given is that the project team involves both DEH and DWLBC members and that, in effect, there is no difference in purpose; it is simply the terminology used to describe the project within two portfolio statements.

**Mr PEDERICK:** I refer to Budget Paper 4, Volume 3, page 12.49. I am asking this question just in case I get knocked out from here. Can the minister assure the committee that any plan to increase the capacity of the Mount Bold reservoir will comply with the native vegetation clearance regulations in the same manner as would any other proposal?

**The Hon. G.E. GAGO:** Does this pertain to the impact of native vegetation?

**Mr PEDERICK:** Yes; the studies on the Mount Bold expansion.

**The Hon. G.E. GAGO:** That would come under the Department of Water, Land and Biodiversity.

**Mr PEDERICK:** That is fine; I can ask the question later. I just did not want to miss out by not asking it now.

**Mr GRIFFITHS:** I refer to Budget Paper 4, Volume 3, page 12.19, the Adelaide's Living Beaches strategy. In answer to a question from the member for Mawson, you referred, minister, to the issue of seagrass, and I want to highlight that. We note that there is no mention in the review of the Coastal Protection Act 1972, which was listed in the previous budget's targets and highlights pages as having had amendments drafted in 2005-06 and which would be released in the 2006-07 financial year for public consultation. Why has the redrafting of the act been dropped when, according to the publication produced for the Adelaide's Living Beaches strategy, some 34 per cent of Adelaide's coastal seagrasses have been destroyed since 1950?

**The Hon. G.E. GAGO:** Can the member repeat the question?

**Mr GRIFFITHS:** Certainly. It relates to issues that were in the highlights and targets of the last budget, which talked about the Coastal Protection Act review.

**The CHAIR:** Member for Goyder, can you speak a little more into your microphone, as you sound a bit muffled.

**The Hon. G.E. GAGO:** You are hard to hear.

**Mr GRIFFITHS:** I refer to page 12.19. There is no mention of the review of the Coastal Protection Act 1972, which was listed in last budget's targets and highlights pages as having had amendments drafted in 2005-06 and which would be released in the 2006-07 financial year for public

consultation. Why has the redrafting of the act been dropped when, according to the publication produced by the Adelaide's Living Beaches strategy, some 34 per cent of Adelaide's coastal seagrasses have been destroyed since 1950?

**The Hon. G.E. GAGO:** The review of the Coastal Protection Act has not been dropped: it has simply been put on hold until the Marine Parks Bill has been dealt with. It was considered that, due to the similar policy areas, it could be quite confusing to have both acts out in the public arena at the same time, so a decision was made to put the review of the Coastal Protection Act on hold.

**Mr GRIFFITHS:** Can I clarify the time lines? I understand that you want to create some distinction between the two acts; therefore, if the Marine Parks Bill occurs first, what is the time line for it to be completed to allow the Coastal Protection Act to be considered?

**The Hon. G.E. GAGO:** It will depend upon the cooperation of the opposition, in particular. The quicker we can proceed with the Marine Parks Bill through both houses of parliament, the quicker we can have it proclaimed and move onto the Coastal Protection Act. So, I look forward to your cooperation.

**Mr GRIFFITHS:** I understand that, but is it scheduled for the next session? In your forward programming, when do you plan to introduce it?

**The Hon. G.E. GAGO:** When the Marine Parks Bill has been completed.

**Mr GRIFFITHS:** I am relating it to the Marine Parks Bill. Has it been introduced yet?

**The Hon. G.E. GAGO:** It was introduced on 20 June.

**Mr GRIFFITHS:** I refer to Budget Paper 4, Volume 3, page 12.19. I refer to the Treasurer's environment budget release of 7 June, entitled Marine Parks: Centre of Environment Investment. I believe, minister, that you have talked about \$4.2 million in the forward estimates over the next four years for the 19 marine parks. In the 2006-07 budget, the net cost of this program was \$13.462 million, with the estimated result coming in at \$11.257 million. Can you explain the reason for the underspend?

**The Hon. G.E. GAGO:** I have been advised that the reduction in expenditure relating to the Adelaide's Living Beaches strategy has resulted in a carryover into 2007-08 of \$0.9 million, as a reduction in expenditure related to the Adelaide's Living Beaches strategy as a result of reclassification of operating expenditure as investment during 2006-07 of \$0.6 million.

**The CHAIR:** Does the member for Goyder have some omnibus questions?

**Mr GRIFFITHS:** Would it be your determination that I need to read them out for every session?

**The CHAIR:** If you read them now they will be all right for the other sessions.

**Mr GRIFFITHS:** I will make sure I have enough time before 1 o'clock. I refer again to page 4.19 regarding the marine parks. The Liberal policy when in government would have been to have all 19 parks declared by 2006. My broad understanding is that it will occur by 2010; is that still the case?

**The Hon. G.E. GAGO:** Yes; I understand we have been quite consistent on the public record about that time frame, and we have not changed from that.

**Mr GRIFFITHS:** Will the minister confirm how the \$1 million which is in the 2007-08 budget for the marine parks will be expended?

**The Hon. G.E. GAGO:** If I could just clarify the question, was the honourable member asking about how the \$1 million will be used in 2007-08?

**Mr GRIFFITHS:** Yes.

**The Hon. G.E. GAGO:** In effect, the funding for marine parks will be about \$3 million. The \$1 million is new money, so in terms of 2007-08 in the policy program area, there will be the Marine Parks Act and supporting regulations, \$87 400. We anticipate and have budgeted for displaced commercial fishing and aquaculture policy and program, \$87 400; communications and planning, communications strategy, \$54 000; statewide advertising campaign, \$80 000; consultation program for the 19 marine park boundaries, \$573 777; the establishment of regional marine park consultative committees, \$11 000; publications, resources, market research and media products to support consultation on the 19 marine park boundaries, \$424 000; science and information technical coordination, \$100 000; marine park boundaries \$250 000; habitat mapping and biological survey, \$500 000; collaboration and review, \$210 000; monitoring and strategy, \$175 000; informing zoning design, \$75 000; and management and coordination, \$373 021, which comes to a total of approximately \$3 million. Of course, I have been advised that at present these are only an early estimate of the funding framework.

**Mr GRIFFITHS:** I thank the minister for her answers and the support provided by her officers. I will now read in the omnibus questions, as follows:

1. Will the minister provide a detailed background 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, contractor, cost, work undertaken and method of appointment?

3. For each department or agency reporting to the minister, how many surplus employees are there as at 30 June 2007? For each surplus employee, what is the title or classification of the employee and the total employment cost of the employee?

4. In the 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 the under-expenditure for 2006-07? Has cabinet already approved any carryover expenditure into 2007-08; if so, how much?

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

(ii) Between 30 June 2006 and 30 June 2007, will the minister list job title and total employment costs for each position with a total estimated cost of \$100 000 or more which has been abolished or 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 recipient, the amount of the grant, the purpose of the grant and whether it was subject to a grant agreement, as required by Treasurer's Instruction No. 15?

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

**The Hon. G.E. GAGO:** I will make two points of clarification. First, the member for Stuart asked a question about freeholding in the transitional zone. The question I have been advised related to the rangeland zone, not the traditional transitional zone where freeholding is permitted. Secondly, the correct figure for expenditure on the River Murray forest in 2006-07 was \$150 000, not \$130 000.

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

#### **Membership:**

Mr Pengilly substituted for Mr Pederick.

#### **Additional Departmental Advisers:**

Mr V. Levitske, Chief Executive, Zero Waste SA.

Mr P. Fioretti, Business Manager, Zero Waste SA.

**The CHAIR:** We now move to Zero Waste.

**The Hon. G.E. GAGO:** I just want to clarify that my understanding of the program plan is that at this point we have both portfolios open, that is, Department for Environment and Heritage and Zero Waste.

**The CHAIR:** Yes, and at 2.30 we will close off and change to the EPA.

**The Hon. G.E. GAGO:** In 2003, the government of South Australia created Zero Waste SA with the primary objective of promoting waste management practices that, as far as possible, eliminate waste or its consignment to landfill. The agency has 16 very dedicated and motivated staff working on a range of issues from kerbside collection of household recyclables to encouraging infrastructure development and hazardous waste disposal. South Australia's Strategic Plan includes a goal to reduce waste to landfill by 25 per cent by 2014. This is obviously an ambitious target.

Zero Waste SA is the key to achieving that target. South Australia's Waste Strategy 2005-10, a five-year blueprint for sustainable changes to South Australia's waste management and resource use, guides Zero Waste SA. The strategy has ambitious targets for each of the core waste streams: municipal solid waste, construction and demolition waste and commercial and industrial waste. The Zero Waste SA Act 2004 provides for an independent board to govern the agency, and sets out the roles of the agencies. These include: provision of assistance to local councils with arrangements for regional waste management, contribution to the development of waste management infrastructure and systems, and provision of advice to the minister.

The act also establishes a fund, the Waste to Resources Fund, which is dedicated to the purposes of Zero Waste SA, that is, the money in the fund may only be used for the promotion of improved waste management practices. It cannot be diverted into general revenue and used for other purposes. Zero Waste SA is fully funded from the Waste to Resources Fund. The Waste to Resources Fund receives 50

per cent of the solid waste levy which, as members are no doubt aware, was increased on 1 July 2007, in part to compensate for the reduction in income as the amount of waste to landfill is reduced and also to assist in correcting the imbalance between the cost of disposing of waste to landfill and the cost of recovering resources from diverted waste.

After peaking in 2001-02, the amount of waste disposed to landfill has declined and is well on its way to target reduction. While we are on target to achieve the 25 per cent reduction by 2014, the challenge for Zero Waste and the government is that the closer we get to the target, the harder it will be for us to make gains. In 2006-07, Zero Waste consolidated its progress in programs commenced in previous financial years. The majority of metropolitan councils have introduced high performance kerbside recycling systems that will—as recent audit data suggests—divert at least half of the material collected at kerbside away from landfill to more beneficial uses.

The successful Zero Waste SA program to engage and assist local councils to implement high performing kerbside recycling systems will be extended to incorporate food waste collection. Implemented throughout metropolitan Adelaide, this could assist in achieving the waste strategy target of 75 per cent of all material presented at kerbside being recycled by 2010, as well as increasing the amount of high quality compost available to improve South Australia's poor soils and reducing evaporation and water use.

The Household Hazardous Waste and Farm Chemical Collection program removed over 92 tonnes of household hazardous waste and farm chemicals from 1 239 members of the public in seven council areas and the Outback Areas Community Development Trust. Since the program commenced in March 2004, and up to December 2006, over 681 tonnes of unwanted material had been received from 12 471 people. The Wipeout Waste Schools waste education program, targeting students in reception through to year 12, was launched in September 2006. Since then, 180 school staff representing 130 schools from around the state have become involved.

Since 2003, Zero Waste has provided grants totalling over \$4.5 million to local councils to improve kerbside collection and adoption of high-yielding recycling services. These improved services have resulted in 25 per cent diversion from landfill in 2003 and grew to 50 per cent in 2006, a doubling in only three years. Throughout Australia, 31 councils now have high performance kerbside collection, servicing over 370 000 households.

Through a three-year service agreement with KESAB, Zero Waste SA has delivered a number of anti-litter, anti-dumping and education programs. The service agreement is valued at \$1.3 million over three years of the agreement. Encouraged and assisted by Zero Waste with grants of over \$250 000 over three years, most local councils in regional South Australia are now cooperating in regional waste management groups to address their common waste programs and collectively find solutions.

Zero Waste SA is now engaged in a program to offer financial and other assistance to regions to implement solutions to their waste management problems. Zero Waste SA is an agency dedicated to changing the way South Australians manage their waste, ensuring that, to the fullest extent possible, recyclable materials are diverted from landfill to beneficial uses. I commend the agency on its work over the four years it has existed.

**Mr GRIFFITHS:** I would like to make some brief introductory remarks. In her opening comments, the minister referred quite often to local government and providing assistance to local government, and grants to local government to assist in things. The local government people to whom I, and certainly members of the opposition, have been talking are absolutely frustrated by the fact that the solid waste levy has doubled this week, which I understand is also a doubling of a previous amount a couple of years ago. These are responsible people who are trying to do the best job they can in managing the waste collected from the areas. The regulations are coming through about landfill requirements, and the minister talked about the fact that regional waste management groups are working together to try to find solutions. In fact, they absolutely have to, because there is no other option for them.

I have previously worked for a council that had four waste disposal sites. The probability is that within one year it might have one, and that is about all. There are enormous tyrannies of distance here. There are costs associated with waste disposal everywhere; we all acknowledge that, but some realistic thinking ought to go into it, too. I want to emphasise that the local government people to whom we spoke are very upset about the increase. Most members in this place would have seen in the media a couple of days ago the reference to a few mayors from the northern areas who did a symbolic march to express their frustration about the increase in the solid waste levy. I support them in their efforts. Let us hope that the South Australian public recognises that local government is again being told to do something that it does not want to do.

I refer to Budget Paper 4, Volume 3, pages 12.76 and 12.77: sub-program information for the environment and radiation protection program of the EPA. I note that the net cost to the subprogram has fallen from \$10.845 million in 2006-07 to \$3.607 million in 2007-08. On page 12.77 it states, under note (a):

The net cost to the subprogram has reduced significantly in 2007-08 in comparison with the 2006-07 estimated result, predominantly due to the doubling of the waste levy commencing in 2007-08.

Does this indicate that there will be a related increased focus within the EPA towards waste reduction and, if so, how will this impact on the EPA's other activities?

**The Hon. G.E. GAGO:** I think the honourable member is confused: we are with DEH and Zero Waste. EPA is next on the agenda.

**Mr GRIFFITHS:** Therefore, the solid waste levy is not part of Zero Waste?

**The Hon. G.E. GAGO:** You have asked a question to do with the EPA, which was the thrust of your question—the impact of that not on Zero Waste but on the EPA; is that correct?

**Mr GRIFFITHS:** I did use that term, which was provided to me by someone else. I refer to Budget Paper 4, Volume 3, page 12.94. I refer to Zero Waste SA and one description of the objectives is 'to eliminate waste or its consignment to landfill and advance the development of resource recovery and recycling, based on an integrated strategy for the state'. Given that statement, will the minister advise, since its inception, what contribution to the reduction of waste to landfill has taken place?

**The Hon. G.E. GAGO:** South Australia's Strategic Plan targets a reduction of waste to landfill of 25 per cent by 2014, compared with a baseline of 2002-03. Zero Waste SA programs aimed at achieving that target include increasing the

amount of recycling infrastructure, assisting local councils to improve their kerbside recycling collections, assisting regional councils with implementation of regional waste plans, diverting hazardous waste from landfill, and education programs to schools and through local councils.

Much of the infrastructure supported by Zero Waste SA grants will come on stream in the coming year, while education programs will take longer to have impact. While waste to landfill has been reducing for several years, the rate of reduction has slowed as programs targeting areas where high diversion rates could be achieved are largely completed. The increase in the solid waste levy announced by the Treasurer in September will serve to make recycling a more attractive option. The decline in waste to landfill to the end of the 2005-06 financial year was 8.19 per cent and, while the data for 2006-07 is not yet available, extrapolation of that data would indicate that a percentage decline in waste landfill for this financial year could range between 1.5 and 3 per cent.

**Mr GRIFFITHS:** I understand that the Zero Waste target for the reduction of construction and demolition waste is 35 per cent by 2008. We are interested in finding out how it intends to achieve that. Can you outline some of the strategies Zero Waste has in place to achieve this reduction?

**The Hon. G.E. GAGO:** I understand that in terms of managing construction and demolition waste, Zero Waste has already put in place a range of strategies, including certain infrastructure to assist in regard to construction and demolition waste, putting in particular grinders and various conveyor belts and such like. Infrastructure has been put in place to assist this program.

**Mr GRIFFITHS:** Therefore, are we on track for a 35 per cent reduction by 2008?

**The Hon. G.E. GAGO:** We believe we are.

**Mr GRIFFITHS:** I apologise for my lack of knowledge on this, but when was the base data taken from? It is a 35 per cent reduction from what period?

**The Hon. G.E. GAGO:** I have been advised that it was from 2004.

**Mr GRIFFITHS:** As an extension of this question, what green waste recycling policies are in place, and does the government contemplate implementing any more in future?

**The Hon. G.E. GAGO:** Our green waste policy is to improve infrastructure and composting, and also the quality of the green matter being collected. We have made significant financial contributions to composting operations and other food waste organisations, as examples.

**Mr GRIFFITHS:** So, are those financial contributions continuing, and is there a greater emphasis on trying to ensure that more green waste is recycled and used for alternative purposes?

**The Hon. G.E. GAGO:** I have been advised that it is part of our grant application program.

**Mr GRIFFITHS:** This is a relatively simple question and, hopefully, the answer is simple as well. Local government has put to us, and we would like to know, the reasons why it has been necessary to double the solid waste levy.

**The Hon. G.E. GAGO:** An increase of approximately \$10 million per annum in the waste levy has been set for 2007-08. As a consequence, the current level of the waste levy will rise from \$11.20 per tonne of waste received at depots from metropolitan sources to \$23.40 per tonne. In regional areas the levy will be raised from \$5.60 to \$11.70 per tonne. The increased levy will provide a greater incentive for waste producers to divert waste from landfill in accordance with the goals of the South Australian Strategic Plan.

The waste levy is collected by the EPA, with 50 per cent distributed to Zero Waste, 5 per cent to the Environment Protection Fund that is managed by the EPA, and the remaining 45 per cent retained by the EPA, thus reducing its call on government appropriation.

The Environment Protection Fund is established under section 24 of the Environment Protection Act 1993. While 5 per cent of the waste levy collected is placed into the fund, approval to apply these funds to programs must be sought through the usual budget process. The EPA has always received funding from diverse sources, including the waste levy (half of the waste levy since Zero Waste was formed), licence fees and other statutory charges.

The model whereby the EPA is funded through charges on activities that affect the environment and require regulation and mitigation is, I believe, a sound model. If you want to pay less, you must affect the environment less—pollute less, waste less. One simple way to reduce the amount that councils are paying in levies is for them to contribute less to landfill. Next financial year, Zero Waste will be able to spend around \$7.4 million. Around \$3 million of this is additional because we are increasing the levy, and the business plan is being finalised at the moment. Approximately \$2 million of that additional levy will be put aside for the Waste to Resources Fund. While Zero Waste is not able to spend that money immediately, it is building capital in the fund to spend on waste initiatives in the future, and this is standard practice to allow funds to build up to allow for future substantial increases. The Waste to Resources Fund cannot be spent on anything else in government. It is a dedicated fund.

Some of the examples of what Zero Waste spends its money on include:

- incentives to councils to improve kerbside recycling, with the new focus being on food waste;
- infrastructure in metropolitan and rural areas (things such as transfer stations, recycling infrastructure, etc.);
- market development for recycled products;
- research and development;
- education;
- the Wipe Out Waste program in schools;
- waste reduction in industry;
- grants to assist in auditing and identifying better processes that reduce waste and, therefore, energy and water consumption; and
- hazardous waste collection for farms and householders.

Zero Waste's total allocation for grants to local government, industry and community groups for the 2007-08 financial year is approximately \$3 million, which is in the Portfolio Statement at page 12.95.

The benefits of increasing solid waste levies have been well documented. A report to Zero Waste in 2004 reported the following:

Landfill levies are perhaps the most prominent market instrument being used for waste management.

The 2004 report suggests:

... a doubling of the current levy rate. ... could promote a 19 per cent reduction in landfill disposal volumes.

So, in summary, the key benefits of increasing the levy are as follows:

- Increased investment in recycling infrastructure.
- Reduced waste to landfill. Current landfill prices and waste disposal costs are not expensive items for most businesses. Increased pricing in this area sends a clear economic signal to reduce waste. Resource efficiency in

industry can achieve better economic outcomes for the company in terms of reduced material use, reduced labour, water and energy costs. These savings will far outweigh any levy costs attributed to waste, which has been estimated to end up costing the average household an additional 15¢ per household per year.

- Reduced consumption is another benefit. One outcome of increased waste disposal costs should be to make manufacturing and other processes more efficient to reduce material consumption.
- More recycling.
- Increased jobs in the recycling industry. The landfill industry is not a large employer of people. However, the growing recycling industry is a significant employer. SA boasts a number of innovative recycling companies that are large employers, and these are likely to grow.
- The other benefit is innovation of new technologies.

**The CHAIR:** I understand that the member for Mitchell has a question.

**The Hon. G.E. GAGO:** Can I correct something? It is an additional 15¢ per week, or \$7.60 per year.

**Mr GRIFFITHS:** I understand the 15¢ per week, but the minister should also recognise the fact that it is the initiatives that are required by local government to meet the regulations for disposal, collection, sorting and recycling. It is an enormous additional impost upon local government and communities: that is the important thing. It is the property owners who have to pay for this. My question would be: is it the council's responsibility to raise that additional cost in revenue and, therefore, leave itself open to enormous criticism from the community, or is it more of a whole of society—and, therefore, a state government—responsibility to try to fund some of these things? At the moment, it appears as though it is only one sector of the government—local government—that is picking up all the costs on this. The key thing I took out of that answer was the incentive for waste producers to reduce waste to landfill. It is an interesting financial philosophy where you want to charge people more to make them dump less. I am quite happy to defer to the member for Mitchell, if he wishes to ask a question.

**The CHAIR:** So, that was not a question but a statement?

**Mr GRIFFITHS:** It was.

**The Hon. G.E. GAGO:** In response to that statement, a recent audit carried out in 2004 indicated that the waste was sourced about one-third commercial and industrial, one-third construction and demolition and only one-third from local government. To keep it in perspective, in terms of the cost of additional levy allowances as a percentage of general local council rates, in the member's area, the waste levy contributed is 0.35 per cent, whereas the local council allowances have increased by 0.49 per cent.

*Mr Pengilly interjecting:*

**The CHAIR:** Order!

**The Hon. G.E. GAGO:** In terms of Kangaroo Island, the waste levy percentage increase is 0.2 per cent, whereas the local council allowance is 0.2 per cent. So, one needs to keep it in perspective.

**Mr GRIFFITHS:** The minister uses this as an opportunity to bash local government elected members, who devote a serious number of hours on a voluntary basis, and she uses it as an example of why solid waste levies are going up.

**Mr HANNA:** Perhaps it is time to change the topic. I regret that I did not have the opportunity to ask a question before lunch, because my question relates to Budget Paper 4, Volume 3, page 12.10, 'Program 1: Nature conservation'. My

concern is about the Field River catchment, which runs from O'Halloran Hill to Hallett Cove. What can the state government do to prevent further degradation of the natural environment and the 19th century heritage buildings in the vicinity, notwithstanding that the Field River generally runs through private property?

**The Hon. G.E. GAGO:** One of the issues involved in that area which affects the quality of the properties and which has been addressed is spillages into the Field River resulting from sewerage pump station failures, mainly due to power outages. An upgrade to 14 South Australian water pump stations in the area was completed in June last year, and it included backup power supplies for those most affected by power shortages. That upgrade followed an audit by the EPA of SA Water's infrastructure and its operations in the Hallett Cove area.

The EPA also recently prepared a draft code of practice for waste water overflow management in consultation with SA Water, United Water and the Local Government Association. This code provides guidance and, in some cases, instructions to assist waste water system operators to prevent overflows where possible and to minimise their frequency and volume. Waste water operators will be obliged to comply with this code. The EPA is also working with SA Water to ensure that overflows of all types are reduced in number and severity.

The second issue with respect to Field River is catchment management. The Adelaide and Mount Lofty Ranges Natural Resources Management Board has been working on a project with Marion council to remove exotic trees from the lower Field River area. A board officer attends most meetings of the Friends of Lower Field River group and provides technical NRM assistance, and the board has approved a project to assist with revegetation in the area. I understand that there has been a proposal by the Marion city council to treat the length of the Field River as southern forest. I believe that that matter is still with the council at this stage. As the bulk of the land is not crown land, this is not a matter that DEH is able to move forward. In terms of the items of local heritage significance, they are appropriately addressed by the Marion and Onkaparinga councils. I will investigate any items of state significance to see whether any action is required.

**The CHAIR:** That concludes the time allowed for this section. There being no further questions, I declare the examination completed.

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Environment Protection Authority, \$4 331 000

**Additional Departmental Advisers:**

Mr J. O'Daly, Director of Corporate and Business Support Division, Environment Protection Authority.

Dr P. Vogel, Chief Executive, Environment Protection Authority.

**The CHAIR:** I declare the proposed payment open for examination and refer members to the Budget Statement, in particular pages 2.21 to 2.22, and Appendix C, and the Portfolio Statement, Volume 3, part 12, pages 12.75 to 12.89. Minister, do you have an opening statement?

**The Hon. G.E. GAGO:** I do have some opening comments. Through the 2007-08 financial year the Environment Protection Authority will continue to progress implementation of the priorities of the government and the board to

ensure that the authority meets key environmental challenges and responsibilities as the state's primary environmental regulator. The EPA's budgeted net expenditure has been maintained at around \$26 million; this excludes the amount transferred immediately to Zero Waste SA from 2006-07 to 2007-08. This expenditure is based on income from statutory fees, fines and penalties, the sale of goods and services, some commonwealth grants, and appropriation from general revenue.

The key targets for the forthcoming year include reviewing the EPA licensing system and processes; developing processes and systems for implementation of a new licence fee structure on 1 July 2008; implementing legislation for the management of site contamination in South Australia, depending on the outcomes of the parliamentary processes; implementing environmental protection noise policy; and the development of a draft South Australian air quality strategic plan.

The targets for the 2007-08 focus will be on the implementation of new as well as improved legislation and policy that will allow the EPA to be a more efficient, consistent and predictable regulator. We are determined that the key strategy for the EPA will be to become a smarter regulator. As part of its reform agenda the EPA will develop more efficient internal systems and a service charter for its clients. While the prevention and control of pollution and waste remains important, the agenda of the environmental regulator in today's society is much broader.

A key element of our role now is in promoting stewardship and resource efficiency to attain sustainability. In many cases the demands for so-called better regulation are more about reducing environmental standards on the spurious grounds that they are the enemy of competitiveness. However, evidence from Australia and elsewhere suggests that good environmental legislation can drive innovation and increase competitiveness. This is the aim of the EPA. This government wants to work with business and industry to ensure we have a robust, efficient regulatory framework that gives them a competitive edge, while enhancing our environment.

It is critical that the EPA programs and priorities support the achievement of the state's objectives and targets as identified in South Australia's Strategic Plan. The EPA's strategic plan will identify the organisational vision and describe the business model of how the EPA intends to achieve its goals, while recognising the many challenges that drought and climate change will bring.

**Mr GRIFFITHS:** In this area I do not wish to make an opening statement but will go straight to questions. In Budget Paper 4, Volume 3, page 12.73, I refer to the 2007-08 targets and 2006-07 highlights. There is a reference in the highlights to 'complete implementation proposal on the interim and long-term storage of South Australia's radioactive wastes,' and a target this year to 'complete scoping documentation for implementation of radioactive waste repository project'. Will the minister advise what sites are under consideration?

**The Hon. G.E. GAGO:** The report on the audit of radioactive material in South Australia 2003 recommended feasibility studies on options for future management of SA's radioactive waste and establishment of an interim store for radioactive waste. The government endorsed a proposal that the EPA undertake a study of the feasibility of South Australia establishing an interim store for radioactive waste. There was a limited study of Radium Hill and Olympic Dam

as options for the disposal of low-level radioactive waste and short-lived intermediate radioactive level waste.

The EPA engaged a consultant to conduct the feasibility study, which was completed in 2005. The study recommended implementing the store and disposal facilities at either site but noted that the Olympic Dam region had a number of advantages over Radium Hill; the main advantages being better security and infrastructure and availability of skilled staff. BHP Billiton was unable to commit locations for the facilities on the mine lease that may be affected by the expansion.

The government has committed to progressing the store and disposal facilities in the Olympic Dam region; hence, it is proposed that the waste interim store and waste repository would be located in the region but off the BHP Billiton mine lease. As the EPA has a regulatory role in regard to radioactive waste, a different government department needs to manage the implementation phase of the project and ultimately be responsible for the management of the facilities. We have met with the Departments of Transport, Energy and Infrastructure, Primary Industries and Resources, Health, and the Premier and Cabinet to discuss the implementation project and the sorts of steps that might be involved, and possible options for its management.

**Mr GRIFFITHS:** I thank the minister for her answer and I recollect the use of the term 'interim storage facility'. Is that going to be something that is existing, or is that a new site and, if so, where is it?

**The Hon. G.E. GAGO:** I am not too sure exactly what the question is. Are you asking whether this is proposed to be an interim facility?

**Mr GRIFFITHS:** No, minister; you used the term 'interim storage site' as part of your answer. I think it was in the first quarter of it. I am interested in finding out more detail on that. Is it an existing site that will be developed or is it a new greenfield site that will be created?

**The Hon. G.E. GAGO:** It is a new site.

**Mr GRIFFITHS:** Can the minister identify where that is, or where it is proposed to be?

**The Hon. G.E. GAGO:** I have answered that question in terms of the information we have available. People will be notified in due course, as further information comes to hand.

**Mr GRIFFITHS:** From the rest of your answer, I took it to be Olympic Dam.

**The Hon. G.E. GAGO:** I went through the two sites we looked at and what was the preferred outcome.

**Mr GRIFFITHS:** I am sorry if I was not listening properly, but I certainly picked up Olympic Dam and Radium Hill (I think) as being the two sites to which you referred.

**The Hon. G.E. GAGO:** The Olympic Dam region.

**Mr GRIFFITHS:** Minister, I know you have referred to negotiations with BHP Billiton, and I know this question was asked of you in parliament earlier, but would you confirm the status of your negotiations with them? Do you expect something to be finalised during the 2007-08 year?

**The Hon. G.E. GAGO:** Because of the proposed expansion, at this point we are not clear on the exact location. Discussions are still taking place, but we believe it is likely to be in that region.

**Mr GRIFFITHS:** Given that a target this year is to complete scoping documentation for the creation of a radioactive waste repository, does that mean that the scoping document will not necessarily include the location?

**The Hon. G.E. GAGO:** We do aim to identify a location within that scoping document; however, the time frame for that is as yet unclear.

**Mr GRIFFITHS:** The target this year uses the word 'complete'; is that, therefore, a correct statement or is it an optimistic one?

**The Hon. G.E. GAGO:** We aim to complete.

**The Hon. G.M. GUNN:** I would like to ask a supplementary question in relation to the siting of any proposed dump. As the minister and her officers would know, a great deal of work was done previously in relation to a site at Arcoona. Has that been ruled in or out in your present considerations? Arcoona Station is just out from Woomera.

**The Hon. G.E. GAGO:** I have been advised that the consultants did not consider that particular site because it did not meet the criteria.

**Mr GRIFFITHS:** I refer to Budget Paper 4, Volume 3, page 12.75, and the line Fees, Penalties and Fines. This line has been relatively stable for three years in that the actual collections for 2004-05 and 2005-06 were \$19.5 million and nearly \$19 million respectively. The estimated result for 2006-07 is \$20.126 million, which is actually less than the budgeted figure for 2006-07 of \$20.7 million—or \$600 000 less. However, in this financial year the budgeted figure is suddenly \$33.017 million—an increase of approximately 65 per cent. What are the reasons for this very significant jump, and is the EPA about to embark on a fining spree on behalf of the government?

**The Hon. G.E. GAGO:** I have been advised that the increase in fees and fines, etc., equals the waste levy plus additional licence fees plus CPI.

**Mr GRIFFITHS:** Is the actual funding received, as part of that \$33 million, directed to the EPA or does any component of it go to general revenue?

**The Hon. G.E. GAGO:** I will ask the Chief Executive to respond to that question.

**Dr VOGEL:** Fees and fines are retained by the EPA, and the EPA's general appropriation is reduced by the same amount.

**Mr GRIFFITHS:** So the Department of Treasury and Finance will guarantee a certain amount of income but, if you do not meet the expected fines, penalties and fees income, you are sure of getting that through Treasury and Finance. I suppose my question is: if you are over your anticipated income, is that amount retained by the EPA or does that go to Treasury and Finance? Can you only go to a certain income figure?

**Dr VOGEL:** The minister is happy for me to answer that question, Madam Chair. If the revenue increases, the EPA retains it, but it needs to seek approval from Treasury to spend that money.

**Mr KENYON:** In the words of Master Cheng, 'If we do not do something meaningful, our life will pass by in vain. But, if we work unceasingly for the betterment of mankind, ours will be a beautiful life.' I just thought I would open with that comment. I refer to Budget Paper 4, Volume 3, page 12.73: targets for 2006-07. What support is the Environment Protection Authority providing to other government authorities that administer the Environment Protection Act?

**The Hon. G.E. GAGO:** I wish that I had a response as eloquent! As South Australia's primary environmental regulator, the Environment Protection Authority is responsible for protecting and enhancing air and water quality, radiation protection, and controlling pollution, waste and environmental noise. The EPA uses a number of tools and

approaches to manage environmental risk and to ensure that business, government and communities consider the environmental impacts of their daily operations.

To protect the community from unacceptable environmental impacts, the state government, through the EPA, concentrates on activities licensed under the EPA Act and develops relationships with other authorities to manage actual and potential impacts from unlicensed activities. Such authorities include South Australia Police, some other state government departments and local councils which have responsibilities for addressing localised issues. In 2002, the EPA, on behalf of the state government, endorsed in principle a preferred model for sharing environment protection services and responsibilities with local government. The model was based on the outcomes of the EPA and Local Government Association working group recommendations and ERD Committee findings and recommendations of a trial program between the EPA and the three councils.

The key elements of the model are the clarification of roles between the state government and local council. Amendments to the act also allow councils, as administering agents, to recover costs associated with issuing EPA orders and the provision of ongoing support. Key elements where the EPA currently supports authorities include funding and relevant training to council officers to enable them to become authorised officers under the EPA Act; providing councils with relevant equipment to assist them in making assessments of potential breaches of the EPA Act; and, on request, accompanying council officers to investigate and assess environmental matters.

The government, through the EPA, will continue to provide ongoing support to officers authorised to administer the EPA Act in councils and SAPOL, as well as within state government departments. The EPA will continue to develop, maintain and deliver training programs to assist officers authorised to administer the act to achieve consistent outcomes for persons undertaking potentially polluting activities and those affected by other activities.

**The Hon. L. STEVENS:** I refer to Budget Paper 4, Volume 3, page 12.73. Can the minister detail what the government is doing to address concerns within the industry that there is interstate rorting of the container deposit refund system and inequitable regulation of industry participants?

**The Hon. G.E. GAGO:** I thank the member for her important question. The container deposit legislation (CDL) within the Environment Protection Act uses a refund model to encourage recycling and reuse of container materials, reduce litter, and reduce the number of beverage containers that go into landfill. Consumers redeem containers for a 5¢ refund at collection depots approved by the EPA. Our groundbreaking refund scheme in South Australia has led the way nationally since 1975, and now other states, such as Western Australia, are flagging that they will follow our lead.

CDL is extremely popular with the general public. In 2006, the government released the draft Environmental Protection (Beverage Containers) Amendment Bill to strengthen the CDL system. The main areas of the draft bill are explained in detail in the explanatory report released for public consultation. The two main proposals in the bill are the regulation of super collectors and offences to address interstate rorting. Super collectors act as agents for beverage manufacturers and product distributors to coordinate, on behalf of manufacturers, collection and aggregation of containers from depots and reimbursement of depots for refunds paid to consumers; payment of handling fees to

depots; and coordination of end recycling market for collected containers. Unregulated super collectors continually exercise substantial power over regulated depots in negotiating contracts, so arrangements between these parties may be inequitable if depots are unable to negotiate effectively.

The second proposal in the bill addresses interstate roting of this CDL system. As beverage containers are labelled for national distribution, it is impossible to distinguish containers sold in South Australia from those sold in other states. Increasing incidences of interstate roting are occurring, with large quantities of containers being brought into South Australia and redeemed at collection depots for refunds. As no deposits or handling fees are paid for these containers, by virtue of their being sold in other states, interstate roting represents exploitation of the system. The draft bill responds to allegations of roting that have been reported where refunds are sought for containers that have not been sold in South Australia. The draft bill proposes to rectify that.

I can inform the committee that the government has received submissions from industry and the community as a result of the public consultation process undertaken on the bill and the adequacy of the refund amount, and the government will make a submission about the adequacy of the refund amount that takes into consideration all the submissions that have been received.

**Mr BIGNELL:** My question relates to Budget Paper 4, Volume 3, regarding the Portfolio Statement, page 12.73. I note that a highlight for the EPA for the 2006-07 budget year was to finalise a penalty calculations policy to guide implementation of civil penalties in South Australia. Will the minister provide more details as to what this entails?

**The Hon. G.E. GAGO:** The Environment Protection (Miscellaneous) Amendment Act 2005 contained a new system of civil penalties that was introduced into the Environment Protection Act 1993 on 1 July 2006. The introduction of the civil penalty system implements the government's 2002 election commitment and the recommendation of the Environment, Resources and Development Committee of parliament inquiry into the EPA in South Australia in 2001. Negotiated civil penalties will be used as an efficient alternative to criminal prosecution in response to certain less serious contraventions of the act. Criminal prosecution will continue to be used to deal with more serious or recurring offences.

In preparation for the reintroduction of the new negotiated civil penalty system, a civil penalty calculation policy has been developed. The policy identifies the factors that the EPA must consider when deciding whether to recover an amount as a civil penalty rather than undertaking criminal prosecution. One of the aims of the policy is to create a transparent and consistent method of calculating a penalty amount for contravention of the act in the negotiation of a civil penalty. In preparing the calculations policy, effective engagement of key interested groups was undertaken to maximise ownership of the policy. This alternative to criminal prosecution will also provide the benefit of freeing up the courts so that they may consider more serious offences, as well as providing the opportunity for quicker resolution relating to offences under the EPA act.

**The Hon. G.M. GUNN:** My question concerns the composition of the EPA board, minister, and I ask you whether you have given consideration to ensuring that the board is more representative and contains input from a broad section of the community. For example, the mining industry is significant to South Australia, with ongoing huge develop-

ments. It certainly needs to have its views taken into consideration on both how the decisions of the EPA board will affect it and any fees that would be applied. The agricultural and pastoral industries also need to be consulted; and there are new controls on the fishing industry, the tourism industry and others.

If you look at the board, some of these industries are not represented and therefore you will get some of these rather disjointed decisions. We have already had a discussion earlier today about the unreasonable fee structure that has whacked local government, and local government needs to have a greater say, because the people on the end of the chain are the ones who are getting their pockets plundered. They need to have an input to make sure that some of these decisions are reasonable, fair and in the short and long term interests of South Australia.

**The Hon. G.E. GAGO:** The EPA board is a skills based board; it is not a representative body. In fact, people with appropriate business and commercial skills are currently represented on the board, as are people with local government skills. They are represented on the board as well.

**The Hon. G.M. GUNN:** Further to that question, perhaps the minister could tell us which members represent the mining, pastoral, agricultural and fisheries industries.

**The Hon. G.E. GAGO:** Again, I emphasise that the EPA board is not a representative body: it is a skills based board. It includes business and commercial skills as well as local government skills, and the presiding member of a major NRM board brings her skills to the board as well. So, a broad based and extensive range of appropriate skills and experience is well represented on this important body.

**Mr PENGILLY:** Madam Chair, let me say that it is a delight to be in this committee, with your affable nature and unbiased approach to chairing. I refer to Budget Paper 4, Volume 3, page 12.87 regarding Income Statement—Controlled and the doubling of solid waste levies. Will the minister please explain why the doubling of the solid waste levy has seen an increase in the budget for Zero Waste SA for half the increase but no increase in budget for the EPA? Where is the state government contribution being directed to? Is this government serious about protecting our environment? If so, why has the EPA budget not increased, despite the extra income to be collected from the doubling of the solid waste levy?

**The Hon. G.E. GAGO:** I have given a comprehensive answer to this question previously and referred to the doubling of the levy results; it all goes into the EPA, but then 50 per cent is retained by EPA and 50 per cent is passed onto Zero Waste. The EPA appropriation has been adjusted in line with the increase in revenue from the doubling of the levy.

**Mr PENGILLY:** It seems to me as though Zero Waste is being under-funded, because the EPA is getting more than its adequate share. I would suggest that, in an effort to assist the general community and particularly local government, Zero Waste would be much more appreciative if they received a far greater share of the levy. Zero Waste is doing a lot of good work, and I suspect that the EPA is seen in somewhat of a different light.

**The Hon. G.E. GAGO:** The EPA income basically remains unchanged, so it is quite outrageous to say that the doubling of the levy has resulted in any under-funding. As I said, we have introduced the doubling of the levy as a really important policy driver to improve and increase recycling. We make no apology for that. Reducing waste to landfill is consistent with our Strategic Plan. It is quite a sound direction

to be taking to say, 'The polluter pays.' Why should the hard-earned taxpayers' money be diverted into paying for these projects? I think it is sound policy that the polluter pays. That is what these changes—the doubling of the levy and the adjusting of appropriation—are doing. There is no reason that general revenue—required to pay for our schools, hospitals, increased police force, and the myriad other really important public benefits—should also be required to fund a regulatory Environment Protection Authority.

**The Hon. G.M. GUNN:** In view of the fact that the minister says that it is a skills-based board—and, obviously, everyone wants to ensure that they are treated fairly—is she prepared to ensure in future that the chairperson of the board is not the chief executive? If you look at governments and at company structures, you will find that this decision is contrary to good commercial governance. As we are dealing with an organisation which has imposed all sorts of restrictions on people—and you know what happened up in your electorate, Madam Chair, with BHP and the difficulties that they have in keeping going—I ask the minister: if she is not prepared to ensure that there is more representation for industries on the board, is she prepared to ensure that the CEO is not the chairperson in the future?

**The Hon. G.E. GAGO:** At this state, the government sees no reason to change the current structure in relation to the presiding member. The government accepts that the structures for the arrangements with the EPA and its independent role and functions in terms of its regulatory capacity are far more complex than that which might occur in the private sector. So, it is not appropriate nor adequate to simply apply the models that occur in the private sector to these complex arrangements.

**The Hon. G.M. GUNN:** I thank you for your indulgence, Madam Chair.

**The CHAIR:** There are issues that concern us as country members.

**The Hon. G.M. GUNN:** At the end of the day, we are elected to do a job. I cannot help it if I upset some people. We are talking about appropriating huge amounts of taxpayers' money, and it is my role to ask questions. I will do so whether or not I am as popular as a pork chop in a synagogue. I come back to the composition of the board. When the next lot of board appointments are made, minister, are you prepared to give an undertaking that there will be a broader group of people put on the board to ensure that wider sections of industry and commerce are represented? At the end of the day, they are the people who bear the brunt of decisions, whether they are fair or reasonable or whether they are in the public interest. There is always a balance, and you make better decisions when you have people who actually know about the laws we make. As I still have some involvement in running a business (a farm), I know how some of the silly laws we make actually affect people, and how those laws unreasonably interfere. I think it is a very important issue, and that is why I again bring it to your attention.

**The Hon. G.E. GAGO:** It is a most important issue and I remind the honourable member that the skills to be covered by board members are prescribed under the act. It is an act of parliament, so it passed both houses. It is a list of skills that were determined, somewhere under 10, and they involve a wide range of skills that were scrutinised carefully by every member in both houses, and those skills are prescribed and determined by the act and we adhere to that and ensure that those skills are represented in the appointment of each board.

**Mr PENGILLY:** I refer to Budget Paper 4, Volume 3, page 12.76, sub-program 1.1. One of the dot points indicates that the EPA's job is to provide support to local government. Given the statements of Mr Fred Pedler, the Executive Officer of the Local Government Association, in March this year that the waste levy proposal came out of the blue and there was no consultation at all, can the minister advise in what way the Environment Protection Authority has provided support and consultation to local government on that issue?

**The Hon. G.E. GAGO:** The proposed changes to the levy was a budget consideration and underwent the budgetary process. With the decision to double the levy, not only local councils but also the general public were given 12 months notice in advance. In 2002, the EPA endorsed in principle a preferred model for sharing environmental protection services and responsibilities with local government based on the outcomes of the EPA and LGA working group recommendations of the ERD Committee of parliament, following its investigation into the EPA, and the findings and recommendations of a trial program between the EPA and three councils.

Elements of the model include the clarification of roles, and the Environment Protection Act 1993 has been amended to identify a participating council as an administering agency for dealing with all environmental matters relating to non-licensed premises. Polluter pays amendments to the act will also allow agencies administering the act to recover costs associated with issuing environment protection orders, investigating complaints and undertaking follow-up investigations. Ongoing support in the EPA unit has been established to coordinate support to councils, to ensure that consistent compliance and enforcement standards are applied.

The EPA currently funds the training of council officers, provides councils with relevant equipment and on request will accompany council officers to investigate and assess environmental matters as well as provide ongoing support to other officers authorised to administer the act in SAPOL, PIRSA, DWLBC and DEH. The 2007-08 targets continue to provide ongoing support to officers authorised to administer the EP Act in councils, SAPOL, PIRSA, DWLBC and DEH, particularly in light of the changes to the act that have been agreed in the passage of the Environment Protection (Miscellaneous) Bill.

Further targets include: to use the formal agreement as a basis for negotiation between the EPA and individual councils that choose to become administering agencies; continue to develop, maintain and deliver training programs to assist officers authorised to administer the EP Act in councils, SAPOL, PIRSA, DWLBC and DEH in achieving consistent outcomes for persons undertaking potentially polluting activities; and, continue to encourage a collaborative approach to the provision of environment protection services using the relevant compliance and enforcement provisions in the act. There are a number of other elements, but that is the thrust of it.

**Mr PENGILLY:** I hear what the minister says, but I am hearing from local government, the Local Government Association, mayors, councillors and officers across the broad spectrum. This was highlighted by the fact that a group of mayors went to Wingfield and this week the mayors in my area have been gathered together by the mayor of Victor Harbor, who will be familiar to you. There is outrage everywhere and they are saying without doubt that there was absolutely no consultation—it came from nowhere, they have been told nothing, and suddenly they have to jam this levy on

their rate notices and the ratepayers are stinking. How on earth has consultation taken place when they are all up in arms over the whole issue? Joy Baluch, who has come in as the president, is a meek and timid woman and I suggest that she may unwind a little on this issue in the direction of the government over the next few days, particularly after some of the statements made in estimates today.

**The Hon. G.E. GAGO:** As stated previously, the decision to double the waste levy was a budget decision and followed budgetary process, with 12 months notice given. The doubling of the waste levy has resulted in what we believe is only a small cost impost. I have already gone through the figures of around an additional \$7 a year per household. The amount picked up by local councils I have given in detail in estimates today, namely, only about one-third with two-thirds going to commercial and demolition wastes. Only a small part is being picked up by local government. The solution is quite simple, namely, a good way to reduce your waste levy is to reduce the amount of waste you are putting into landfill.

**Mr GRIFFITHS:** Can the minister confirm when the last increase in the solid waste levy occurred and what percentage it was on that occasion?

**The Hon. G.E. GAGO:** I have been advised that it is thought that the last increase was in 2002. We are not absolutely sure on that but we believe that is correct. At that time it was doubled, and it was doubled to establish Zero Waste. That is the advice I have received.

**Mr GRIFFITHS:** Given the uncertainty in the answer, and I appreciate the fact that it is somewhat historical, can the minister ensure that that issue is checked and that accurate information is provided to the shadow minister?

**The Hon. G.E. GAGO:** I will take that on notice, and we will give you the correct information. If the information we have given is correct, we will leave it as it is.

**Mr GRIFFITHS:** I refer to Budget Paper 4, Volume 3, page 12.76. Can the minister confirm that the Christies Beach waste water treatment plant is failing to meet EPA standards of less than 10 milligrams per litre of nitrogen compounds in water released into the gulf and, if so, is this the only treatment plant failing to meet this standard?

**The Hon. G.E. GAGO:** I am happy to take that question on notice and bring back a response.

**Mr GRIFFITHS:** So, none of the advisers in the room are in a position to provide any information to the minister on this question?

**The Hon. G.E. GAGO:** As I have said, we are happy to take that on notice to ensure that we give the correct detail and check our facts and figures and bring back a response.

**The CHAIR:** It is quite reasonable for the minister to respond in writing at a later time. We do have that understanding. That is her prerogative. Do you have another question?

**Mr GRIFFITHS:** I do. Again at page 12.76, and the list of performance indicators, the EPA has clearly been monitoring a number of sites in South Australia, including Port Pirie, Whyalla and the Port River. Is there a reason that Kilburn and the Bradken foundry have been omitted from this list?

**The Hon. G.E. GAGO:** I will ask the chief executive to respond to that.

**Dr VOGEL:** We undertook monitoring around the Kilburn area as hot spot campaign monitoring because of concerns the EPA had about regional air quality. Therefore, it was conducted for only a short period of time to understand the problem and devise solutions. So, it is not part of an ongoing monitoring campaign, as some of the other sites are.

We are required under the National Environment Protection Measure for Air Quality to monitor air quality at a certain number of sites for a certain number of parameters, but we use those standards and criteria when we do campaign monitoring, and the Kilburn-Bradken issue was a campaign monitoring exercise.

**Mr GRIFFITHS:** Can the minister confirm when the last monitoring took place in the Bradken and Kilburn area and what the data revealed?

**The Hon. G.E. GAGO:** I will ask the chief executive to respond to that.

**Dr VOGEL:** I think the monitoring was undertaken between 2005 and 2006, and the focus was on a number of air pollutants, but the ones that were of concern following the monitoring were particulate matter, that is, particulate matter less than 10 microns in diameter. That monitoring and that concern was confirmed by the CSIRO when it undertook some work on behalf of, I think, the Port Adelaide Enfield Council. So, the concern for the EPA is fine particles, and fine particles are known to have health impacts, and that is where our focus has been in trying to develop some regional solutions.

**Mr GRIFFITHS:** I refer to page 12.73 under the 2007-08 targets where it states: 'Implement Environment Protection (Noise) Policy'. I understand that is subject to the parliamentary process—I recognise that. Is the minister able to provide any detail on what is envisaged?

**The Hon. G.E. GAGO:** The new noise policy will replace the current Environment Protection (Industrial Noise) Policy 1994 and the Environment Protection (Machine Noise) Policy 1994. These policies are inadequate in that they incorporate outmoded technical criteria. They are reactive rather than proactive in that they do not deal directly with the assessment and management of noise from new developments and create significant uncertainty and lack of predictability when ensuring compliance. In addition to the formal legislative process, to prepare a policy under section 28 of the Environment Protection Act 1993 a working group with key stakeholder representation was established to develop the draft policy.

This involved consultation with key stakeholders, including noise specialists, local government, members of the community and key government agencies. The draft policy and accompanying explanatory report were released for public consultation in March 2003, with submissions closing on 27 July 2003. A second round of consultation on the revised policy was carried out in 2004. In addition to the release of the policy and explanatory report online and in hard copy, numerous public meetings were held to inform the public and to elicit informed comments.

The implementation of the environment protection noise policy will provide greater clarity and certainty for industry developers and the community by setting up procedures for measuring noise to determine compliance with the act and the policy; fixing noise goals for most noise sources to achieve compliance with the general environmental duty; setting criteria for determining what the EPA will do to deal with non-compliance with noise goals; providing a consistent approach to noise issues in development authorisations; providing clearer requirements on certain listed noise sources which are less complex, such as residential noise sources, which may be more easily enforced as mandatory provisions; and incorporating guidance documents. When authorised, it is envisaged that the EPA and councils that agree to become

administering agencies under the act will implement the new policy.

**Mr GRIFFITHS:** It is certainly obvious that this has been in the pipeline for some time. In which session does the minister intend to introduce it into the parliament?

**The Hon. G.E. GAGO:** We certainly acknowledge that it has been a long process. It is most important to get these things right and to ensure that there is extensive consultation. We hope to have it tabled in parliament as soon as possible.

**Mr GRIFFITHS:** I refer to page 12.77, 'Sub-program 1: Environment protection', and the last of the performance indicators on that page, 'Support to local government to deliver local environment protection services'. I note that in the past few years the target and the estimated result has been for 50 councils to be supported by the EPA. Given that there are 68 councils in the state, can the minister explain why 18 are not involved?

**The Hon. G.E. GAGO:** I have been advised that they may not have requested support from the EPA.

**Mr GRIFFITHS:** So, notification of the availability of support is given to all councils, but it is a selective choice they make as to whether they become involved?

**The Hon. G.E. GAGO:** I am advised that that is correct.

**The CHAIR:** There being no more questions, I declare the proposed payments to the Environment Protection Authority completed.

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Department of Water, Land and Biodiversity  
Conservation, \$92 038 000

Administered Items for the Department of Water, Land  
and Biodiversity Conservation, \$15 078 000

#### **Additional Departmental Advisers:**

Mr G. Knezevic, Chief Finance Officer, Department of Water, Land and Biodiversity Conservation.

Mr R. Freeman, Chief Executive, Department of Water, Land and Biodiversity Conservation.

Mr F. MacLeod, Acting Executive Director, Natural Resources Management, Department of Water, Land and Biodiversity Conservation.

Mr K. Schonfeldt, Director, Natural Resources Management Support, Department of Water, Land and Biodiversity Conservation.

**The CHAIR:** I declare the proposed payments reopened for examination and refer members to the Budget Statement, in particular, pages 2.21 to 2.22 in Appendix C, and Portfolio Statement, Volume 3, part 12, pages 12.44 to 12.71. Minister, would you care to make an opening statement?

**The Hon. G.E. GAGO:** I would like to make an opening statement. During 2006-07 there have been some challenging and complex circumstances which natural resources and managers of those resources have had to respond to. The drought has been the most dominant issue over the past year, which has highlighted the need to carefully manage our water resources, ensuring that we get the environmental, social and economic balance right.

Despite this adversity, the Department of Water, Land and Biodiversity Conservation has been getting on with the business. Major projects have continued, a number of natural resource programs have been united, and the long-term vision for the future of the state NRM plan has been developed. The state government is investing in the management of natural

resources and working with partners at all levels of government, industry and the community.

The department has been working with the federal government in developing a new program for natural resource management beyond 2008. One of the key tools for managing our precious water resources is through the process of prescription and water allocation planning. We have continued to extend the prescription of water resources in the state to allow for sustainable use of this limited resource. While these processes have raised some new complexities (such as balancing the needs of all water users including forestry, viticulturists, agriculturalists and the environment), they are necessary to ensure long-term sustainability of our water resources. The River Murray Forest initiative will begin to reconnect patches of valuable ecosystem, sequester carbon and promote sustainable new industries. This will use both public and private land along a broad corridor 20 kilometres either side of the River Murray, initially between Morgan and Renmark.

Seed collection is under way, and with favourable weather conditions the first broadscale plantings hopefully will take place in 2008. Further development of land management programs will occur with the NRM boards over 2007-08, including work to prevent soil erosion, pest, plant and animal control, groundwater planning and investigation, and community engagement.

As part of the Upper South-East Drylands Salinity and Flood Management Program, 24 management agreements have been completed under a levy biodiversity offset scheme. This has secured 1 500 hectares of land under covenant, with a further 148 potential agreements under consideration. Also, in the South-East the refurbishment of earthworks and structures for the existing section of the Diddicoolum drain, the construction of the Rosemary Downs drain and the Wongawilli drain extension are complete.

Work on the new section of the Diddicoolum drain continues. This drain will include smart drain technology that will mitigate floods, reduce salinity and restore freshwater flows to wetlands. The Diddicoolum drain is also a very important part of the REFLOWS project which will provide benefits to the Coorong. This project has recently received funding through the Australian Government Water Fund.

As part of the branched broomrape eradication program, teams surveyed 193 000 hectares within the quarantine zone and an additional 148 000 hectares in the surrounding area. This represented the largest market assurance and discovery survey since the program began in 1999.

A review of the Natural Resources Management Act is being undertaken in parallel with programs to implement the state NRM plan; both are key strategies in relation to the direction for natural resource management in South Australia. During 2006-07 DWLBC has supported the NRM boards in developing their comprehensive regional NRM plans. Some boards anticipate that they will be able to adopt their plans in 2008-09, and the rest in the following year.

In looking towards 2007-08, a number of DWLBC programs will be continued or expanded. The Australian government has extended the Natural Heritage Trust until June 2013, and South Australia is well placed to attract future funding towards the delivery of natural resource projects and initiatives. A science and technology strategy to underpin these investment opportunities has been developed and DWLBC, with a range of research organisations and the NRM boards, will use this to ensure sound decision-making. However, in order to deliver outcomes on the ground, support

at every level of the community is needed. This approach incorporates all levels of government, industry, and a range of community groups and organisations.

The state NRM council has developed two new committees to recognise the input of those who contribute to NRM. The NRM Volunteer Committee aims to support volunteers in their efforts towards NRM, while the Aboriginal Statewide Advisory Committee ensures indigenous issues are considered appropriately within NRM programs. These represent important initiatives that will evolve into 2008-09 and beyond, and illustrates how DWLBC strives to get the balance right across the breadth and complexity of natural resources management.

**Mr GRIFFITHS:** I do have some introductory comments to make. The Natural Resources Management Board concept is a good idea. I know, from working in local government when it was first proposed, that it was seen as being quite attractive because there were significant financial carrots dangled in front of councils when talking about the amount of money that would be available to undertake works, but the implementation really depends on the details. The structure of the new system of integrated natural resource management is a hybrid of a government agency governed by volunteers.

A minute from the chief executive of the department to the former minister for the environment dated 17 October 2005, which was obtained by the Liberal Party under freedom of information, raised the following as clear areas of risk:

Levy payers when they see apparent increases in levies on rate notices—this can be managed by an appropriate education/communication program prior to and at the time that rate notices are issued; disenchantment amongst board members, including presiding members, if they believe they do not have enough funds to appropriately establish their regional NRM board operating frameworks; local government continues to weaken their support for the new arrangements.

In my own electorate of Goyder, which fits in as part of the Northern and Yorke Integrated Natural Resources Management Region, the total NRM levy collections will increase from \$760 402 in 2006-07 to \$2.531 million in 2007-08. This is an increase of 333 per cent, which is being borne through the local district councils. The local NRM board believed that the most equitable method of charging was through a fixed charge levy across the region, but the minister chose to ignore this.

Communities on Eyre Peninsula share these concerns, and the Eyre Peninsula Local Government Association recently passed a motion to the effect of charging the levy on a similar basis. In fact, the EP NRM board has a table listing its funding for 2007-08. As a percentage, its funding is derived from the following sources:

- commonwealth 33 per cent;
- rateable property and water licence holders 39 per cent; and
- state government 7 per cent.

Given that the boards operate under state legislation, yet the vast proportion of their funding comes from commonwealth and local government sources, it makes this hybrid structure even more ungainly.

I am told that there are strict protocols for board members who wish to make media comments—that is, media releases cannot be issued without being approved by the strategic communications unit of the Department of the Premier and Cabinet—and that the government intends to start charging boards for departmental advice. The concerns expressed by

the department's CE in 2005 are likely to come to fruition unless the government considers significant reforms.

Native vegetation has long been an area of concern for landholders. No-one disagrees that we need to preserve as much of our native vegetation as possible, but the behaviour of some of the department's officers and the intransigence of the Native Vegetation Council led a number of Liberal members to sponsor a motion in March this year outlining numerous examples of difficulties brought to us by our constituents.

*Mr Pengilly interjecting:*

**Mr GRIFFITHS:** Gestapo tactics, the member for Finnis says. The Liberal Party was pleased to assist the government to give speedy passage of the Natural Resources Management (Water Resources and Other Matters) Amendment Bill, and we are hopeful this will indeed lead to simpler and faster processing of applications, as South Australia is well behind Victoria and New South Wales in terms of the time it takes to approve new licences and transfers.

The bores of the Great Artesian Basin were audited some three years ago. Funding for the rehabilitation of the bores was in three 5-year lots and we are currently in phase two. The third phase was announced by the Prime Minister in his 10-year water plan as part of the National Plan for Water Security, and I understand that it is under negotiation with an expectation that the state government will match funds. However, there is no allocation in this year's budget. Minister, I understand that the Great Artesian Basin water allocation plan is languishing in your office, but the uncontrolled bores cannot be fixed until the WAP is signed off. We do not have any way to protect the springs until the plan is signed off, and we cannot allocate any more water to mining companies or anyone else until that is done. Given that there is no mention of this in the budget, is the minister proposing to do nothing until 2009?

The River Murray forest has undergone a change in scope. Private landholders are now being asked to lodge expressions of interest in a scheme that will be part of a carbon trading scheme, but how can the government provide a realistic market value before the market has even been established. Furthermore, the budget states that public and private land plantings will have a different focus—the former on achieving a biodiversity benefit and the latter on providing a balance between nature conservation, carbon sequestration and other benefits. The question we ask is: why?

Finally, Waterproofing South Australia seems to have slipped down the agenda with the infrastructure works delayed or not allocated sufficient funding. This is a scandal at a time when we are facing drought conditions and the impacts of climate change.

I refer to Budget Paper 4, Volume 1, page 12.49: Natural Resources Management Services. NRM support includes resource planning, the administration of natural resources legislation, restoration and maintenance of the ecosystems, community capacity building, resource management operations, licensing and compliance. For the Northern and Yorke NRM region the total NRM levy collections will increase from \$760 000 (in round figures) in 2006-07 to \$2.531 million in 2007-08. Again, and as I mentioned before, this is an increase of 333 per cent. Does the minister have any advice to the Northern and Yorke NRM board regarding how it should attempt to justify this increase to the local community?

**The Hon. G.E. GAGO:** To enable the assessment of each of the proposals put to me by the boards, particularly those

that requested an increase above CPI, the following process was undertaken. The Department of Water, Land and Biodiversity Conservation developed a list of assessment criteria which the Minister for the River Murray and I both approved, and advice was then provided by the department for me to actually consider each of the levy proposals given to me by the boards: The assessment criteria included:

- equity of the regional NRM levy within a region;
- equity of the regional NRM levy to the average levy paid across the states;
- the anticipated social impact the levy may have;
- the program delivery anticipated for the region; and
- consultation undertaken by the board.

On the basis of that advice I approved the annual reviews, including Northern and Yorke. In relation to Northern and Yorke, the levy is charged on rateable properties. The board proposed a fixed charge; however, the submission received suggested that the community did not support that.

This is the first time a water levy has been proposed for the Clare Valley PWRA. Licensees in other parts of the state are required to pay an NRM water levy. The levy rate proposed is 1.1¢ per kilolitre, and the levy rate proposed is commensurate with that paid in other wine producing regions, such as McLaren Vale (which is 1.25¢ per kilolitre) and the Barossa (which is 1¢ per kilolitre). In relation to the water levy, I asked the board to conduct a more adequate and reasonable consultation on that part of the levy, as I believed it was important that further consultation occur. As to the consultation that took place in consideration of the Northern and Yorke levy, I was informed that a total of 10 submissions were received; five related to the NRM water levy proposed in the Clare Valley PWRA and expressed opposition to the proposed levy. This is the first time that the Northern and Yorke had proposed a water levy, as it considered that people who benefited from the use of natural resources should make a contribution for their management.

The five remaining submissions related to the regional NRM levy and the proposal by the board to change from a levy raised on property value to a fixed charge. I decided not to change this to a fixed charge on the basis of equity. It has been drawn to my attention that consultation regarding the Northern and Yorke water levy could have been more adequately addressed; so I have amended the plan and not allowed the levy at this time. I have also asked the board to conduct more consultation in relation to the levy, as I believe that it is important that we all take responsibility for natural resource management.

In terms of the NRM program delivery, the increased regional NRM levy income will support additional programs to address NRM priorities and fund the operation of NRM groups to support the board's ongoing operational costs for program delivery. In 2007-08, a number of new programs are planned, including stock and domestic water use investigation and a series of regional and NRM group projects, including strategic engagement of indigenous support, marine planning, a threatened species program, marine habitat mapping, monitoring and evaluation (including community monitoring), and on-ground works, such as protecting and improving the management of water resources and improving management of soil and land and the control of pest animals and plants.

This will build on the work that has been undertaken and continues to be undertaken by the board, which includes focusing on key areas to promote a landscape approach to vegetation management. Several studies on surface and

groundwater in the region are assisting the board to understand threatened species, habitat management and protection and the resource it is managing. It is basically the responsibility of the board to involve the community through its resource management plan consultation and the delivery of those programs on the ground.

**Mr GRIFFITHS:** That was a very detailed and interesting answer, but I have picked up on two points in particular, and one was the use of your term 'of any levy increase that was above CPI'. I hope that you recognise that, in round figures, this is 100 times the CPI increase. Again, I come back to the fact that I asked how the NRM Board can justify it to the community. Secondly, you talk about equity across the state, but state government support to the Northern and Yorke Board was withdrawn (and I think that the round figure was \$1 million, although two figures were mentioned at one stage, and one was given back). Particularly within the region itself, by virtue of the fact that you supported the use of capital values, you are therefore creating a situation whereby, three of the councils contribute 50 per cent of the total levy collected from the 15 councils in the region. Did you understand that these issues would result from that decision?

**The Hon. G.E. GAGO:** Is that the question: do I understand?

**Mr GRIFFITHS:** Yes—at the time of making the decision.

**The Hon. G.E. GAGO:** The consultation that was adhered to is prescribed in the NRM legislation, and the advice was that each of the boards adhered to its statutory requirements in terms of putting its plans together and consulting with local communities. Those levy proposals that were above CPI are required by legislation to then be passed on to the Natural Resources Parliamentary Committee. They all went through that appropriate process, and I understand that the decisions made and approval of those levies as per those decisions were passed without any dissent by committee members, which included government and opposition members, so the opposition was party to those decisions.

In answer to the question relating to the differing impact on different councils, that information was included in the submission. I think the honourable member misunderstands: equity is not the same as equal. With the application of these levies we are looking at principles of equity, and they are not indeed equal. They are based on the principle that those with the highest property values are paying more, so that is the basic premise on which that is based.

**Mr GRIFFITHS:** I will make a comment that leads to a question on this. I think the minister does not recognise the experience I bring into this place, either, when she says I do not understand the difference between equity and equal. For the 15 years that I worked professionally before coming here, I was charged every year with trying to determine a budget that had a lot of priorities but which had to supply services to a full range of people. So, the minister has been doing it for a while, but I have actually done it for a fair while before that, too, admittedly with a smaller budget, but with the same sorts of pressures. If we want to talk about equity, I refer to an article last week in *The Advertiser* and some statistics I have seen about the average income for adults within certain regions of South Australia. It listed all the council areas and broke it down in dollar terms per week.

In the area the minister is talking about trying to raise 50 per cent off \$2.5 million, which I think is not three but four of the councils, my recollection is that the average income per adult was actually less than in a lot of the areas

further north of this Northern and Yorke region which are seen as being harder to earn a living in. That is because the coastal areas of Yorke Peninsula are seen by too many areas of government—federal and state—as being rich because the capital values have increased enormously, but it comes down to the ability of the property owner to pay the bill at the end of the day. Because you are the one who made the decision, minister, you are asking this of those property owners, who in many cases are older people.

It is a bit like the ageing population in the member for Flinders' area: Yorke Peninsula has the same issues to deal with. These people in the main are on fixed incomes. All of a sudden they are being told that a levy that has to go through because you made the decision on it has gone up by 333 per cent. I come back to my original question. How do you justify that sort of increase to those people? Either you have to determine that the state government support which was provided previously and which was then reduced this financial year has to be increased back to its previous level, or you have to tell the NRM board that it has to reduce its scope of works. You do not just tell them they have to pay 333 per cent more.

**THE CHAIR:** Is that a question or a statement?

**Mr GRIFFITHS:** I still come back to my question: how does the minister justify it? How does she tell the Northern and Yorke board to justify it?

**The Hon. G.E. GAGO:** I believe I have answered that. I have gone through the legislative requirements of what is required in the setting the levy; I have gone through and outlined the considerations and principles that assisted me to make my decision; and I have outlined the requirement of the boards to continue to engage with their local communities. The fact is that, with time, we have become increasingly more aware of the importance of natural resource management and that the burden of that is a shared responsibility.

As our science improves, our knowledge and understanding improve, and so too the community's general expectation of the management of these very precious resources I have also raised. The NRM boards are basically made up of local community members. They are designed and required to engage with their local communities in designing their plan and setting their levies. They are required to demonstrate that to me before I approve any recommendation that comes from these boards.

Most of the levy recommendations that came to me from the boards were in fact made by the boards themselves as a result of community consultation and their planning processes. I made some changes to those, of which I have outlined some, and I am happy to go through all of them, but generally I upheld the recommendations that were given to me. The process is a rigorous one; not only does it go through public ministerial scrutiny but also we have a parliamentary committee that involves not only government but also opposition members and Independents. The process that was put in place in relation to deriving these levies was adhered to, so I believe I have answered the question fully.

**The CHAIR:** Yes, minister, I was very grateful for your efforts in my area of the state.

**Mr GRIFFITHS:** The process may have been adhered to, but the fact is that it is 100 times the CPI increase. I can see that I am not going to get an answer that satisfies me in this area.

**The CHAIR:** The minister has answered it.

**Mr GRIFFITHS:** As an extension of this line of questioning, minister, you have talked about consultation. Given

that the NRM board's preference was for a fixed charge, why did you choose to disregard that opinion?

**The Hon. G.E. GAGO:** Again, I have already answered that in terms of the recommendations that I received and what I have already put on the record.

**Mr GRIFFITHS:** I was hopeful that I would leave today's session happy with the result, but I am not quite so sure now. Minister, I would like to ask a question about the collection of the levy, which local government took on. Local government collection actually creates some issues of disadvantage, because rebates and concessions, as I understand it, are potential issues. Has there been any thought in transferring the collection of the natural resources management board levy from local government to some other authority?

**The Hon. G.E. GAGO:** I am advised that local councils were in fact supportive of their role in collecting the levy and, in fact, raised concerns about the lack of appropriate alternatives to that particular structure.

**Mr GRIFFITHS:** I think the only other alternative would have been the emergency services levy collection method.

**The Hon. G.E. GAGO:** Local councils supported the current arrangements, and they do a very good job, I might add.

**Mr GRIFFITHS:** Yes, they do; I commend you for that. It will be interesting to see whether there is a level of default by property owners not actually paying that component of the levy, because councils are still beholden to forward onto the NRM board a levy that has not yet been collected. I will be interested to see what happens. Minister, if I can change tack a little, can you confirm if there are, in fact, strict protocols for board members to make media comment, such as issuing media releases without being approved by the Strategic Communication Unit of the Department of the Premier and Cabinet?

**The Hon. G.E. GAGO:** There is a media protocol in place which provides for NRM boards to make direct media comment with their local media outlets, particularly on operational and other local issues. However, if the board is initiating a decision that involves a strategic issue, it is required to go through the media Strategic Communication Unit. We have spent a great deal of time involving the boards in consultation to develop these guidelines. Indeed, they are encouraged to develop local media and communication networks, as I said, and to make direct contact, particularly on operational and local issues.

**The Hon. G.M. GUNN:** What action will be taken against any board member whose democratic rights are restricted by this requirement? I spoke with the Premier some 12 or 15 months ago, when I raised with him another matter about a bureaucrat trying to gag someone speaking and I said that it was a free country and that you can speak to whomever you want to. Does that still apply in our system? I find it absolutely offensive that people in a democracy are prevented from making what they think are appropriate comments.

**The Hon. G.E. GAGO:** I believe I have addressed those issues. In relation to those matters involving operational and local issues, board members are encouraged to deal directly with local media. When they are dealing with more strategic based issues that impact potentially on other boards, it is considered wise—and the boards I understand supported us on this—that those issues should be coordinated in a more central way to ensure that the possible impacts are recognised fully across all regions and there is opportunity to coordinate

communication across all boards that could be involved. There is no penalty for any breach of protocol.

**The Hon. G.M. GUNN:** I am pleased about that, because I would like someone to tell me that I could not make a comment!

**The Hon. G.E. GAGO:** Given that you are not an NRM board member—

**The Hon. G.M. GUNN:** Not likely to be either.

**The Hon. G.E. GAGO:** —it does not actually pertain to you, sir.

**The Hon. G.M. GUNN:** But it does to other people I know very well. However, we will move on. This morning I raised the question of the intransigent and unreasonable attitude of those in the council who are currently administering the Native Vegetation Act, and I will give two examples. The first relates to the difficulties they are causing to the development of industrial land at Whyalla. When you drive on that road past the BHP Billiton facilities, you see it on the right. There is nothing unique about it, but there is an urgent need in terms of making it possible for hundreds of jobs to be created and for people to invest.

The second is the action taken on Kangaroo Island in relation to the construction of the dam. I suggest that, if the minister could fit it into her busy schedule, she should just go and look for herself. If she did, I am sure that she, like I and other members of the NRM board, would be absolutely amazed and horrified. The people of Kangaroo Island drink water, even if the native vegetation chairman and his group do not want to.

The other matter drawn to our attention was the difficulty in obtaining rubble. At one stage they were going to cart rubble from the mainland. When commonsense goes out the window with these sorts of examples, what action will the minister take to bring reality back to these people and ensure that they understand the feelings and needs of local communities such as Kangaroo Island and members of the Whyalla council who want to create more opportunities for local citizens? I put it to you that it has now got to the ludicrous stage. This is one of the few opportunities we get to raise these issues. I have to say that what I saw at that dam on Kangaroo Island I think would take the cake as being one of the most stupid decisions I have ever seen in my rather lengthy period in public life.

**The Hon. G.E. GAGO:** In relation to the Whyalla native vegetation issues, the Whyalla council is undertaking a major industrial development on the outskirts of Whyalla. I presume that is what the member is referring to. The subject area is native vegetation and is covered by the Native Vegetation Act. The matter came to the attention of the Native Vegetation Council in 2006. Two clearance applications have already been approved. DWLBC officers have been working closely with the Whyalla council in relation to native vegetation issues and have been in contact with the Whyalla Economic Development Board, and this has included on-site visits with representatives of the Whyalla council, most recently in May 2007.

There is potential for a substantial significant environmental benefit adjacent to the Whyalla conservation park that will offset the impact of this and other proposed development around Whyalla. The details of this are currently the subject of ongoing discussions with the proponents. To improve understanding of this development proposal, Whyalla council has been invited to present on this important development to the August meeting of the Native Vegetation Council. To improve responsiveness, DWLBC is exploring with Whyalla

council the delegation of native vegetation decision-making in relation to this and other residential developments, and DWLBC will give a high priority to further applications as they are submitted. The advice that I have been given is that there are no problems with the development of land in Whyalla.

I believe the member refers to the Magill dam on Kangaroo Island. The advice I have been given is that the clearance of native vegetation from land on KI was detected via the analysis of historical satellite imagery. The vegetation was cleared for the purpose of constructing a dam. Since the date of clearance, Great Southern Property Managers Ltd has purchased the land, and Great Southern has entered into an agreement with SA Water allowing the utility to access the dam water to supplement public supply. An investigation is currently being conducted into the activities of the previous landowners at the time of the clearance, and it is anticipated that a brief of evidence will be forwarded to the Crown Solicitors Office for advice as to the sufficiency of evidence to proceed to prosecution and/or civil action. The potential adverse impacts on the interests of an innocent third party which purchased the land in good faith will be obviously a significant consideration in negotiating the terms of any civil make-good order.

Generally, I would like to share some of my ideas about the development of a focused and positive direction for biodiversity conservation in South Australia and how the Native Vegetation Council and the administration of the native vegetation legislation might play an active role in contributing to that direction. I would also like to briefly touch on some of the criticism generally that is levelled at the legislation. We are all aware that South Australia's landscape has been extensively modified over the past 170 years and, while broad-scale native vegetation clearance has effectively ceased, it is evident that many plant and animal species will not be able to sustain viable populations in the limited habitat remaining, possibly leading to extinction of species. This expected loss is in the extinction debt. Our parks and reserves native vegetation controls are now in their 25th year, and the efforts of landholders and businesses, among other things, have significantly contributed to holding the line against further significant habitat loss.

However, unless habitat and ecological functions are recovered on a landscape scale, species extinction will occur. The Premier's Round Table on Sustainability has advised the government that, without significant intervention by the year 2050, South Australia could lose 30 to 50 per cent of its terrestrial native plants and animals, which equates to a potential loss of between 1 300 and 2 200 species. Climate change will also challenge us and will alter the way that we manage our land and seascapes to ensure that biodiversity and ecosystem function services persist into the future. Currently, we have a number of initiatives: 'no species lost'; marine parks legislation; tackling climate change; Nature Links corridors; our regional NRM planning; and a review of the administration of native vegetation legislation.

In relation to native vegetation legislation, continuing to control the clearance of significant native vegetation is an integral part of the program. I certainly do not intend to seek to water down the legislation, but I would like to say at this point that I was disappointed that the Native Vegetation Council was singled out for criticism by various people and groups for doing the job that it is required to do by legislation. I believe that much of the criticism dissipated following the commencement of the review of the administration of the

act, which provided a mechanism for raising issues of concern. Issues raised in submissions covered, amongst other things, support for a merit-based appeals process; timely decision making, including better connection and development decisions; better communication and customer service; clarity of definitions and community input into the development of policy guidelines; support for consistency and transparency in decision-making; resolving conflict between development and native vegetation objections; and support for outcomes that are positive for development and biodiversity conservation.

Divergent views have been expressed on the application of the act in townships and the extent of significant environmental benefit offset requirements. I recognise that there will always be a level of conflict between competing needs for use of land. I make no apologies for the fact that not all people will agree with the advice provided by the Native Vegetation Council or the decisions the council makes in accordance with its functions and legislative requirements. However, I do not believe the public of South Australia wants to see native plants and animals become extinct at the expense of development at any cost. Rather, I think they want a balance between protection and development. I believe it is timely for us to focus our energies on achieving positive outcomes for our biodiversity assets across the whole landscape, rather than focusing only on control mechanisms.

As part of this approach, I think it is important to look for a win-win result that achieves positive environmental, social and economic outcomes for South Australia. Part of this may be achieved by cutting red tape and speeding up the decision process, particularly where multiple decisions are required for development that includes vegetation clearance. I also accept that it is necessary to consider improving the interaction of the native vegetation legislation with NRM and development legislation to ensure that decisions are timely and appropriate. Accordingly, I am currently considering a range of changes to the administrative processes, including the following: separating the functions of establishing policy from the function of considering clearance applications; integrating native vegetation into NRM planning, including integrating native vegetation and biodiversity issues into the state's development planning cycle; improving administrative arrangements; amending legislation; and communicating with and engaging stakeholders and key interest groups.

In summary, I am seeking to: maintain the central purpose of the Native Vegetation Act to control the clearance of significant native vegetation in this state and to ensure, where clearance occurs, that it is offset by significant environmental benefit; change administration to improve responsiveness; and reduce red tape and make minor changes to the legislation.

#### **Membership:**

Mr Pederick substituted for Mr Pengilly.

**Mr PEDERICK:** I refer to Budget Paper 4, Volume 3, page 12.49, sub-program 1.1 relating to the performance commentary and the Natural Resources Management Services. Can the minister assure the committee that any plan to increase the capacity of the Mount Bold reservoir will comply with the native vegetation clearance regulations in the same manner as any other proposal?

**The Hon. G.E. GAGO:** The viability of the Mount Bold reservoir is currently under investigation, and I understand that the Minister for Water Security is committed to conduct-

ing a feasibility study in relation to that. I understand that that feasibility study is likely to look at a number of different impacts, including native vegetation. The outcome of that, no doubt, will be a matter for the government to consider and respond to accordingly.

**Mr PEDERICK:** I refer to Budget Paper 4, Volume 3, page 12.67, 'Income statement—Controlled', and dot point 5, the branched broomrape eradication program. How has the government saved \$0.8 million on this program and how has it saved \$0.3 million more than was budgeted for in the September 2006 budget?

**The Hon. G.E. GAGO:** Some 20 well-managed paddocks containing 1 040 hectares of known infestation have been free of branched broomrape for seven years. On reaching seven years of freedom from broomrape emergence, they attain provisional paddock status, allowing the freeing up of certain quarantine restrictions. They will be eligible for release from quarantine if they remain free for a further five years. The field works fumigation program was completed with a total of 339 hectares treated, despite drought conditions reducing the window of opportunity for effective control. Only 65 per cent of the planned Basamid fumigation treatment was completed because of the dry season. Some pine oil treatment was also able to be carried out. Surveys have identified that the infested area is 7 048 hectares within the broader quarantine zone. Research undertaken during 2006 that was financed using national and state funds has identified a growth model that will identify the optimum time for herbicide application based on the weed's life cycle, and that is a significant step forward.

In terms of the 2006-07 outcomes, survey teams completed the largest market assurance and discovery survey since the program began in 1999. The survey has covered the 193 000 hectares quarantine zone, as well 148 000 hectares surrounding the quarantine area. Landholders with infestations on their land continue to work with the program. Management plans were prepared for all infested paddocks. The dry season meant that it was difficult to undertake on-farm control measures, and these were less successful than desirable. However, the program used the conditions to develop herbicide control measures that are known to work under dry seasonal conditions. The program is providing \$57 000 towards financing a rural counsellor for the Murray Mallee through the Rural Financial Counselling Service of South Australia. The program has requested a carryover of \$320 000 from 2006-07. This can be largely attributed to drought conditions reducing the program's exposure to incentive payments for landholders to develop and then carry out management strategies for infested paddocks.

**Mr PEDERICK:** Will those savings be ploughed back into the program, or will they be taken as a budget saving overall?

**The Hon. G.E. GAGO:** Those 2006-07 savings which were part of the savings initiatives determined for the Department of Water, Land and Biodiversity Conservation for this particular program have been removed from the budget. Targeted savings are being made by re-allocating work within the existing seed destruction project in the branched broomrape program, thereby reducing reliance on alternative and more expensive fumigation techniques. This has been effected by modifying the fumigation program with the use of methyl bromide at \$20 000 a hectare, to be used strategically on critical and small sites, totalling 4 per cent of the seed destruction budget; replacing the relatively expensive pine oil at \$9 800 per hectare with the more cost-

effective Basamid at \$2 200 per hectare on arable sites; and implementing better application technology.

**Mr PEDERICK:** On the same budget line, do you have an outline of what percentage of treated land has been treated with Basamid, Interceptor or methyl bromide which has allowed those savings to occur? How successful are these different methods of treatment on branched broomrape?

**The Hon. G.E. GAGO:** I am able to answer at least some of the questions here today. The reliance on methyl bromide has been reduced to around one hectare treated; however, the fumigation program will be maintained and 344 hectares treated with the cheaper pine oil, and granular fumigants. The fieldworks fumigation program was completed with a total of 339 hectares treated despite, as I said, the drought conditions reducing the window of opportunity for effective control. Only 65 per cent of the planned Basamid fumigation treatment was completed because of the dry treatment. If there is any unanswered component I am happy to take that on notice and bring back a response.

**Mr PEDERICK:** Yes, just the part about the success rate of the different methods.

**The Hon. G.E. GAGO:** That is right; I am happy to take that on notice.

**Mr PEDERICK:** On the same budget line, have there been any new outbreaks of branched broomrape, either in the recognised area or in other parts of South Australia, since the budget has been reduced? Has the minister met with the ministerial advisory committee since 21 February 2007 to discuss the reduced budget and the progress and future of the program?

**The Hon. G.E. GAGO:** I have been advised that there have been no new outbreaks of branched broomrape since the budget was handed down. Was that your question?

**Mr PEDERICK:** Yes, but since the budget was reduced; since the new costings last year.

**The Hon. G.E. GAGO:** Simple savings have been removed so that my advice is no. The ministerial advisory committee has been re-formed and met for the first time on 21 May 2007. Mr John Berger has been appointed as the new chair of the community focus group. John is a former landowner from the Mallee and has chaired the local soil conservation board. He has also worked with the soil conservation council during the implementation of natural resources management reform. They know that I am available if required.

**Mr PEDERICK:** I think that was a community focus group you referred to then. Yes, John Berger, will do an excellent job as chairman of that group. Has the minister met with the ministerial advisory committee, which is the next committee up from that, since February?

**The Hon. G.E. GAGO:** That was only re-formed on 21 May 2007 and I have not as yet met with that committee. But, again, I am available at any time if the chair needs to talk to me. I am always available.

**Mr PEDERICK:** Has the minister consulted with either the community focus group or the ministerial advisory committee about the general acceptability of the branched broomrape eradication program grant agreement, which is an integral part of the cost saving and, if so, when did the consultation occur? That is the grant agreement for the larger areas that need to sign a legal document.

**The Hon. G.E. GAGO:** I understand there was a review of the governance of the whole branched broomrape program and that extensive consultation did occur at that time—that was completed in early 2007. That included consultation with

the community focus group and resulted in a range of recommendations, including the recommendation pertaining to the reform of the ministerial advisory group. They also recommended that the program continue to work closely with the community focus group to ensure that landholders are able to access grants which support control work as efficiently as possible. As part of this program, staff will be working to reduce the level of apprehension surrounding the recent introduction of grant agreements which require landholders to sign a formal agreement with the minister in order to access grants greater than \$5 000 in value.

**Mr GRIFFITHS:** I refer to Budget Paper 4, Volume 3, page 12.15, budget line reference 'Waterproofing Adelaide'. Minister, in a press release of 20 June you stated that South Australia has committed \$66 million to the Waterproofing the South project in partnership with local government, with the state government's commitments being \$46 million, I believe. What specific projects within the Waterproofing the South is the state's \$46 million being directed at; and where, in fact, are these commitments in the budget?

**The Hon. G.E. GAGO:** I have been advised that the figures for Waterproofing the South include a total project cost of approximately \$119 million. The state contribution, involving a partnership of local and state contributions, is approximately \$66 million. The state government's contribution to that is approximately \$48 million, and the rest is private sector funds. Of course, the state government is continuing to negotiate with the federal government, given that it short-changed us \$20 million for that project—a most important project too, I might add. In relation to the state components, they consist of an SA Water component and an NRM Board component.

**Mr GRIFFITHS:** Of the \$48 million coming from the state, can the minister clarify where, specifically, that is in the budget?

**The Hon. G.E. GAGO:** I have been informed that the SA Water component is in the SA Water budget documents; they are not in the papers before us today.

**Mr GRIFFITHS:** I thank the minister for providing the detail from another portfolio. I refer to page 12.51 and the Performance Commentary. What is the capacity of the Glenelg waste water treatment plant to produce B class and A class water, and how much of this capacity is being utilised through water re-use? What quantity of water has been re-used in the 12 month period for which latest figures are available?

**The Hon. G.E. GAGO:** Again, this question is outside the purview of my portfolio responsibilities and really rests with the Minister for Water Security.

**Mr GRIFFITHS:** I was not actually in the other chamber when the question was asked of that minister, but I believe she referred it to your department, minister.

**The Hon. G.E. GAGO:** No; not to our knowledge.

**Mr GRIFFITHS:** I shall move on. I refer to page 12.45, Targets, and dot point 7. What projects are being invested in to recover water for environmental flows in the River Murray?

**The Hon. G.E. GAGO:** Again, issues relating to the River Murray are outside the purview of my portfolio. They rest with the Minister for the River Murray.

**Mr GRIFFITHS:** From the Liberal Party's perspective, we express our disappointment at the confusion reigning within us regarding who has responsibility for what. I refer to Budget Paper 4, Volume 3, page 12.46, Highlights 2007-08, and dot point 4. Are details and application forms

available for the rainwater tank plumbing rebate scheme available at the point of sale for rainwater tanks?

**The Hon. G.E. GAGO:** I am advised that it is part of a government rebate scheme; the rebate is not available at point of sale. It is being processed administratively through SA Water.

**Mr GRIFFITHS:** Madam Chair, I would like to qualify this. I have the *Hansard* from yesterday's Estimates Committee A in front of me when this exact question was asked of minister Maywald. Her reply was:

I need to advise the member that the Waterproofing Adelaide strategy [which this is part of] is the responsibility of the Minister for Environment and Conservation (Hon. Gail Gago).

We have tried it in one area; now we are trying it in this area, where we were advised to ask the question by the other minister.

**The Hon. G.E. GAGO:** Waterproofing Adelaide is generally within my portfolio responsibility; however, there are initiatives within that that belong to other portfolio areas. The questions the member has specifically directed here, regarding the River Murray and the Parklands watering, are both areas that are clearly the minister's responsibilities. Overall, yes, you are right, but there are specific programs that are outside my responsibility. It depends what the question is basically.

**Mr GRIFFITHS:** My specific clarification here, though, relates to the question just asked on rainwater tank plumbing rebate schemes.

**The Hon. G.E. GAGO:** If you look at the specific Waterproofing Adelaide policy document, you can see the lead agency is identified under each of the program initiatives. That is actually documented in our policy paper. It quite specifically designates the lead agency.

**Mr GRIFFITHS:** I think the opposition is going to have to register its frustration at the fact that we asked this question to the minister whom the minister in this committee session is telling us the question was applicable, but that minister has told us that it applies to the minister in this committee session. The confusion existing within the government does not help our cause very much, neither does it help the confidence of the South Australian community to know which minister has responsibility for what.

**The Hon. G.E. GAGO:** I have been advised that the specific questions asked of me today which I have referred back to the water security minister were not questions asked specifically of minister Maywald. The questions that were asked of her relating to this policy area were of a general nature. I suggest that the member refer to our policy document, which clearly distinguishes which lead agency is responsible for which program area. It is a publicly available document which is easily read and understood, and it might lessen his frustration.

**Mr GRIFFITHS:** So is the fact that this question about the rainwater tank plumbing rebate scheme was easily read to the minister.

**The Hon. G.E. GAGO:** I have answered the question.

**Mr GRIFFITHS:** I think you should tell your cabinet colleague the next time you meet that she had responsibility for this question.

**Mr KENYON:** I refer to Budget Paper 4, Volume 3, page 12.51. What are the benefits to South Australia from the work of the Centre for Natural Resource Management, which is mentioned on page 12.51?

**The Hon. G.E. GAGO:** The Centre for Natural Resource Management (CNRM) has the role of coordinating research

projects funded by the National Action Plan for Salinity and Water Quality (NAP). In South Australia the centre facilitates coordination of NRM research, provides strategic advice to the Natural Resources Management Council and connects the regional natural resources management boards with the scientific community. Since the centre's inception in 2003, \$11 million in NAP funding has been invested in 34 research and development projects. The centre has also been successful in securing a further \$15 million of in-kind support from other investors. Projects that the centre is involved in will help in understanding and managing the impacts of climate variability, salinity threats, nutrient movement, grazing systems, social and economic implications, and policy alternatives.

In June 2007 it is anticipated that the centre will complete five key projects with a total budget of \$4 351 500. These projects include: managing horticulture production under a more saline environment; minimising salt accession in the South-East; providing practical land use options for sustaining water quality; establishing commercial aquaculture parks aligned to major saline groundwater interception schemes in South Australia; creating practical land use options for sustained water quality; protecting the Blue Lake from land use impacts; and the Lower Murray Landscape Futures Project (phase 2).

The centre is an important link in providing a collaborative arrangement to deliver NRM science and research that provides clients with access to the best available science. It also provides strategic advice on NRM science and research issues, and it successfully attracts NRM investment funding to South Australia. Some of the 21 projects to be completed by the centre in 2007-08 are: understanding and managing the impacts of climate variability; sustainable production of biodiesel from microalgae; utilising saline waters from the salt interception schemes and saline aquifers in the Lower Murray; assessment of agricultural production to mitigate water quality threats; and regional groundwater dependent ecosystems.

**The Hon. G.M. GUNN:** One of my great concerns is the difficulty land managers have doing productive things to lessen the likelihood of bushfires and their ability to be able to contain them before they get out of control. The minister and others have probably heard my mentioning this before. However, as someone who has had little practical experience in this area, I am concerned that the minister has put in place restrictions that make it difficult for people to put in decent firebreaks at the right time of the year (September and October) and do what we used to do: drop a few matches, cold burn 50 or 60 hectares and put in some great breaks. I ask the minister: is she prepared to take some positive steps to let land managers put in place decent firebreaks and access tracks? You cannot expect people to go in to fight fires and burn back unless they have the ability to get out. Anyone who has driven along a narrow track knows the intense heat, even when you are back-burning. The member beside me understands this.

If I read it correctly, I understand that yesterday the director of the Country Fire Service (an organisation for which I have a great deal of respect and confidence in their judgment and ability) indicated that, unfortunately, there are likely to be more fires. None of us wants that or wants to be on the end of it. However, as someone who has seen big fires and who has, in the earlier part of their life, lit some pretty big fires as part of land development, I have some understanding. Will the minister loosen the restrictions to allow

people to take some sensible, positive and responsible steps to protect the public of South Australia? It is nothing radical; it is just a positive step, minister, and I appeal to your judgment.

Unfortunately, one day there will be a disaster, and I will be able to say with a clear conscience that I warned you. However, I add to the question: who will accept the responsibility for the damage that will occur if people are not allowed to protect themselves against the ravages of fire? Someone will be pinged; whether it will come back on the government I am not sure, but one day someone will get a big bill.

**The Hon. G.E. GAGO:** The provisions pertaining to fire management, firebreaks and so on are defined in the legislation and involve the CFS. More broadly, the inclusion of burning as a definition of clearance under native vegetation recognises the potential impact of unplanned fires on habitat and biodiversity values within an already fragmented and cleared landscape. Native vegetation regulations provide a framework for the implementation of planned fuel reduction and fire protection works. Under native vegetation regulations, planned fuel reduction works can be undertaken by landowners, groups of landowners or under the direction of local bushfire prevention committees.

Under the Fire and Emergency Services Act 2005, works can include clearing around houses and associated buildings, the establishment of fuel breaks, fuel reduction burning clearance for access tracks, and endorsed district bushfire prevention plans. Further amendments to the native vegetation regulations in February 2006 extended these options to permit fuel reduction works to be undertaken within 20 metres of buildings used for tourist accommodation and for the removal of vegetation overhanging buildings. Emergency clearance of native vegetation to control a running fire is exempt, by the native vegetation regulations 2003, from the need to obtain a consent, provided that the clearance is authorised by or at the direction of an appropriate person authorised under the Fire and Emergency Services Act 2005—generally, the person authorised for the control of the fire.

The Native Vegetation Council has established a subcommittee with representation from the council, CFS and the Local Government Association of South Australia to help streamline the approval of bushfire prevention plans and other fire related issues. The Native Vegetation Council has delegated decision-making powers to the subcommittee to enable a rapid response to urgent matters brought before the committee. The DWLBC website includes a page summarising the vegetation clearance measures able to be undertaken for fire protection purposes, and the web page includes a link to the CFS web site. Officers of the native vegetation group in DWLBC continue to work closely with officers from the CFS in the provision of advice to landowners seeking to build within areas of native veg, and advice from CFS has confirmed that the width of a fuel break is dependent upon the assessed risk for an individual property. The native veg regulations provide flexibility to ensure the appropriate level of clearance is in accordance with assessed risk.

**The Hon. L. STEVENS:** I refer to the Natural Resources Management Services program on page 12.49 of the Portfolio Statement. Has the government developed any partnerships with non-government organisations in developing programs in natural resource management?

**The Hon. G.E. GAGO:** The state government has been able to provide new financial assistance to the Conservation Council of South Australia and the SA Farmers Federation.

Over 1½ years to 30 June 2008, \$271 000 will be provided to enable these peak bodies to employ dedicated natural resources management regional planning coordinators. The regional planning coordinator's role will be to facilitate the engagement of the non-government conservation sector and farming organisations in natural resources management. The planning coordinators will actively work to engage the regional NRM boards and their constituent members to deal with local NRM planning matters and to increase the engagement of non-government organisations in the development of regional natural resources management comprehensive plans.

The regional planning coordinators will also assist the peak bodies and other non-government organisations to be well represented in the implementation strategy for the state NRM plan. The support provided to the Conservation Council of SA and the SA Farmers Federation is consistent with the state NRM plan milestone 3.3, which is that by 2010 the connections to drive NRM through institutional, organisational and community arrangements will be stronger than in 2006. The state government has also increased its baseline grant to the Conservation Council from \$65 000 to \$120 000 per annum over the three years from 2006-07. It is anticipated that the stronger partnerships between community and industry groups and the boards will ensure a more coordinated and integrated approach to regional natural resources management. In addition to these positions, four SA Farmers Federation environmental officers are also employed to assess biodiversity assets on properties and assist landholders to develop management agreements in the Upper South-East.

**The Hon. G.M. GUNN:** Minister, I will just come back and ask a further question on a previous point. I have listened very carefully to the minister's answer. If fires were so damaging to mallee scrub and so on, there would not be any left in South Australia; it has all been burnt. You have to understand that you are not hurting anyone by burning; it needs to be burnt to regenerate. Is the minister now prepared to fully accept the responsibility for maintaining what is intransigent, unwieldy and difficult arrangements which are preventing land managers, including farmers and pastoralists, from taking sensible, responsible steps to protect their property against bushfires? I have done the right thing; I have raised it here. I have a clear conscience. But, I say to you, minister, when one of these fires gets going and someone gets hurt, the bureaucrats who are advising you in the background—not the ones sitting here advising you—are the ones who are the architects of these intransigent proposals.

They are holding onto them for dear life to protect their own little agendas. It will not be them but, rather, you and your senior people who have to bear the heavy responsibility. I appeal to your better judgment to put some more flexibility into it and less bureaucracy so that people can put 10 or 12 metre firebreaks around their boundary fences in order to protect themselves.

I will give you an example. Some years ago a fire started in Gawler Ranges park and they raced out there and put down firebreaks in the national park, but if the adjoining landholder had done it he would have been prosecuted. It was good enough for the bureaucrats to do it. In fact, I have photos of it. A person rang me and I went out and took photos. If it was good enough for Sir Humphrey it must be good enough for an average landholder to put in a sensible firebreak so that a fire truck can be driven along it. We are in all sorts of trouble. It is hard enough now to get people to be volunteers, so why not give them a go? I have done the right thing. I have

brought it your attention. It is not the first time. I might not know many things, but this is something about which I know a little. Those who advise you, minister, are sitting back in the department hanging on for dear life. It will not be them in the firing line, so I ask you to reconsider the matter and bring some more flexibility to it.

**The Hon. G.E. GAGO:** I can only reiterate that the provisions outlined are based on advice from CFS. CFS has confirmed that the width of a firebreak is dependent upon the assessed risk for an individual property. Indeed, there is a great deal of flexibility incorporated into that. The native vegetation regulations provide flexibility to ensure that the appropriate level of clearance is in accordance with assessed risk. I can only reiterate the Native Vegetation Council has established a subcommittee, with representation from the council, CFS and Local Government Association. It has a wide breadth of representation to help streamline the approvals for bushfire prevention plans and other fire-related issues. The Native Vegetation Council has delegated decision-making powers to the subcommittee to enable a more rapid response to the matters before them.

**Mr PEDERICK:** I refer to Budget Paper 4, Volume 3, page 12.46, highlights of 2007-08, dot point 11. How long will it be before the Murraylands in the South-East are fully metered?

**The Hon. G.E. GAGO:** The South Australian licensed water use metering policy has been phased in across the South-East region over the past four years. Licensees should have installed meters on all wells that are being used for licensed water extractions. Licensees are not required to install meters on wells that are not being used for the extraction of water for licensed use. As at 30 June 2007 almost 3 500 meters had been installed. The inspection of all meter installations is now being finalised. This will ensure that all meter installations meet the requirements of the state meter specification. A small number of licensees have failed to fit meters as required. A compliance program is now under way to ensure that meters are installed before the commencement of the next irrigation season.

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

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Department of Health, \$1 825 482 000

**Additional Departmental Advisers:**

Dr T. Sherbon, Chief Executive, Department of Health.

Mr C. Bernadi, Deputy Director, Financial Services.

Ms N. Dantalis, Executive Director.

Mr D. Wright, Director, Mental Health.

Mr D. Exton, Director, Asset Services.

Ms M. Mills, Ministerial Coordinator.

Ms B. Mahoney, Adviser to Minister Gago.

**Membership:**

Ms Chapman substituted for Mr Griffiths.

**The CHAIR:** I declare the proposed payments reopened for examination and refer members to the Budget Statement, in particular pages 2.16 to 2.18 and Appendix C, and the Portfolio Statement, Volume 2, Part 7. Minister, would you like to make an opening statement?

**The Hon. G.E. GAGO:** In February 2007, the government tabled the Social Inclusion Board report 'Stepping Up—

A Social Inclusion Action Plan for Mental Health Reform 2007-12.' This was followed up with an announcement of an investment commitment of \$43.6 million as a first step towards major reform of our mental health system. This initial commitment comprised:

- \$18.2 million for 90 new intermediate care beds, 60 at four centres across Adelaide and 30 in country hospitals;
- \$20.46 million for an extra 73 beds in 24 hour supported accommodation across Adelaide;
- \$1.84 million to allow a smooth changeover between the current system and the new five tiers;
- \$1.6 million to place eight mental health nurse practitioners in regional areas over the next four years;
- \$1.47 million to provide priority access to services for about 800 people with chronic and complex needs, including those who also have drug and alcohol problems, a history of homelessness or who may be involved in the criminal justice system.

Additional commitments announced in the budget also demonstrated the Rann government's strong commitment to bolstering mental health by providing additional funding to implement the reforms recommended by the Social Inclusion Board. At the time of making the pre-budget announcement in February, I said that we would consider funding for the other Social Inclusion Board recommendations during the budget process, and we have certainly kept our word.

The 2007-08 state budget brings the funding that has been announced for mental health reforms this year alone to \$107.9 million, of which \$93.5 million will be spent over the next four years. An amount of \$36.8 million has been allocated for non-government organisations to provide non-clinical community rehabilitation and support for people with mental illness through rehabilitation and continuing support packages, day programs, respite places, and other support services. These NGO packages and programs will support our stepped care model for mental health reform by making support and rehabilitation available for clients in the community. This will help reduce hospital admissions and, most importantly, will keep people well.

This budget provides recurrent funding to NGOs of \$5.95 million in 2007-08, building to \$10 million in 2008-09, by which time recurrent mental health funding to NGOs will have almost doubled to over \$20 million per annum. NGO funding was \$3.7 million per annum when this government came to office in 2001-02. I am advised that these budget increases by the Rann government show that recurrent funding support to NGOs by 2008-09 will have increased by over 440 per cent since 2001-02. It should be noted that this does not include the one-off support of \$25 million in 2005-06.

We know that the first symptoms of mental illness can appear during youth and adolescence. In keeping with the Social Inclusion Board's recommendations concerning early intervention support for young people, the budget provided \$1.6 million over four years to allow the establishment of a dedicated team that will act as a network hub for early psychosis. This early intervention network will focus on improving access to services and reducing delays in initial treatment. It will also help prevent relapse by providing a combination of therapies, including psycho-education about illness and treatment for patients and their families and the best practice use of early low dose drug treatment.

One of the key recommendations of the Social Inclusion Board report was to transform mental health services from an unbalanced acute-based service into a system with

community mental health services at the centre. Community mental health will be at the centre of the stepped model, operating the new community recovery centres and the new intermediate care services. Community mental health also needs new bases to conduct clinics and house staff. The budget provides \$12.1 million over four years to commence the building of six community mental health centres across metropolitan Adelaide.

A further \$13.8 million has been provided in the forward capital program to complete the centres at a total cost of \$25.9 million. These centres will provide a range of specialist assessment and treatment for mental health services, offering consulting and rehabilitation space for clients and office accommodation for our community staff. These will be buildings people will want to come to work in—modern clinics in which our staff can practice their profession. I would like to mention that two GP Plus centres were commissioned in 2006-07, one in Aldinga and one in Woodville. Following consultation with GPs, drug and alcohol services are provided from both centres. Mental health services at the Woodville GP Plus centre are provided through the western division of GPs. Mental health services at the Aldinga GP Plus centre are in the planning phase, and I am advised that they will commence in the coming months.

The budget also contains approximately \$20 million in 2007-08 for other mental health capital works projects previously approved. They include:

- consolidation of three clinical substance abuse services at Glenside;
- provision of secure rehabilitation and forensic mental health facilities;
- extension of existing mental health facilities at the Queen Elizabeth Hospital; and
- construction of mental health community recovery centres.

With regard to the forensic mental health facility, design and construction will continue in 2007-08 subject to the outcome of the Glenside master plan that we expect to release shortly. We said previously that \$1.6 million would be spent on planning for this project last financial year, as outlined in the 2006-07 budget papers. I am advised that around \$200 000 was spent on planning for this project last year. This lesser amount is because, as the budget papers note, the scope and timing of the new forensic mental health project may be affected by the public private partnership arrangement being considered for the new prisons and the current work on the Glenside master plan. A decision on the best approach to build this new facility will be made shortly.

In terms of the planned extension of existing mental health facilities at the Queen Elizabeth Hospital, work is currently being coordinated, along with other development works on that site. A 20-bed acute care mental health facility will be built on the site by 2010. I note that, given that the government is currently completing a master plan for the Glenside campus in light of the Social Inclusion Board's recommendation, the timing and scope of some of the capital works projects may be subject to change.

The government's Healthy Young Minds initiative was progressed this year, and I am delighted that 11.5 new mental health workers commenced in Child and Adolescent Mental Health Services recently, including three FTE psychiatrists. The remaining child and adolescent mental health workers, from the total of 26 positions for the program, will be recruited over the next three years. This will mean that 1 000

more children and adolescents will receive treatment each year.

It was anticipated that the GP Shared Care program would commence in April this year. However, discussions with the South Australian Divisions of General Practice on this service delivery model has taken the Department of Health longer than anticipated. After consultation with general practitioners, and in line with their recommendations, we have adjusted the original proposal and have arranged for these mental health workers to now be employed through SADI rather than as part of the community mental health teams. This change in approach has delayed the process by a few months so that we can get the model right to ensure that both GPs and mental health consumers get the best possible service from this program. SADI has already advertised for expressions of interest for these positions and I am advised that the contract with SADI will be completed shortly and these positions will be able to commence quickly. It is anticipated that the GP Shared Care program initiative will enable an extra 3 000 South Australians to receive services by 2010.

The 2007-08 budget has built on the already considerable funding injections by this government to improve our mental health system, with the Margaret Tobin Centre and Repatriation General Hospital, and 100 additional mental health workers across the system as a result of the \$10 million investment in 2005. Our reform agenda is putting people with mental illness at the centre, and I look forward to working with consumers and mental health sector workers to implement these important plans.

**The CHAIR:** The minister has had almost 15 minutes. Can she wind up?

**The Hon. G.E. GAGO:** I will conclude.

**The CHAIR:** Does the lead speaker for the opposition have an opening statement?

**Ms CHAPMAN:** I have a brief opening statement. I thank the minister. I have listened attentively to her contribution on what her government is doing and everything seems so fabulous I wonder why I have to ask any questions. Last year I told the committee that Dr James Hundertmark, the South Australian Chair of the Royal Australian and New Zealand College of Psychiatrists (who is eminent in this state in his commitment to public health) as a psychiatrist employed by your department told us what a missed opportunity it was last year, what a failure the budget was in relation to the provision of services for health workers who are out there working every day and what a failure there had been to make a commitment to inject substantial funding into the operation of mental health. He lined up this week with 50 other psychiatrists in this state and tendered his resignation. The truth of the matter is that we are in a seriously dangerous situation in South Australia with regard to mental health patients in South Australia.

**The Hon. L. STEVENS:** Thanks to you.

**Ms CHAPMAN:** I hear the former minister for health interject. She at least had the decency to put on the agenda in her time three very important mental health projects, which her successor axed, at the children's hospital and the Noarlunga Hospital, and she instigated a significant reduction at the Lyell McEwin Hospital. She can interject all she likes: she had a good idea, but her successor soon got rid of it. The minister may have inherited it, but the situation is very serious.

Omnibus questions have been presented to the minister, and I seek an acknowledgment that it will not be necessary to re-read them. I understand they have been read to her and,

if she has accepted them for all of the agencies and departments for which she is responsible, I will not repeat them.

**The CHAIR:** Are you happy with that, minister?

**The Hon. G.E. GAGO:** Yes, Madam Chair.

**Ms CHAPMAN:** I refer to Budget Paper 4, Volume 2, page 7.10, and the minister in her opening statement mentioned Commissioner Cappo's report, *Stepping Up*. Recommendation 21 states:

The Department of Health must immediately commence structured workforce planning that is geared to sustaining staff levels in specialist services to support a stepped system of mental health care.

Now that more than 50 psychiatrists employed in the public health system have resigned, effective from 16 July, will the minister explain how minister Wright's statement to the effect that, if they leave, it will be hard for them to get back is reconcilable with the government's commitment to the Cappo recommendations?

**The Hon. G.E. GAGO:** In relation to the resignations which we have received, the member is quite misleading when she says there are more than 50. In fact, we received 43, of which two have been withdrawn, so we are now in receipt of 41 resignations. I will ask the Chief Executive Officer to outline the workforce planning strategies that we have in place.

**Dr SHERBON:** The health department released a workforce strategy in April this year, part of which referenced the need for mental health workforce reform. We have established a range of structures to move our workforce initiatives forward, one of which is dedicated to mental health. We will be working with mental health psychiatrists, GPs, nurses and allied health professionals, as well as some new professions which we expect to create over the next three to four years, to develop a mental health workforce fit for the next 30 years. So, the matter has been acted upon in light of the SIB report.

**Ms CHAPMAN:** I thank Dr Sherbon for that contribution, because my further question is: if this workforce strategy that has been announced is progressing, how is it that only two trainee psychiatrists in the first year of psychiatry intake are now left? Usually, this attracts 12 to 15 students a year but this year the intake was five. Two already have dropped out and one has moved interstate and, over the last three years, 25 trainee psychiatrists have dropped out, leaving us clearly with a perilously low number of trainees to fulfil those workforce obligations.

**The Hon. G.E. GAGO:** Firstly, I would like to point out that South Australia has had one of the highest proportions of psychiatrists employed in its public health system compared with other jurisdictions, and we are obviously very hopeful that the current dispute will be resolved quickly. The second point, in relation to the implementation of the Social Inclusion Board's *Stepping Up* reform strategy, is that we believe that will provide an environment that is conducive to training and will turn around some of those trends.

**Ms CHAPMAN:** Minister, I appreciate that answer as to the strategy, but it does not appear to be working. My question is: are you even aware that one of the precious few trainees whom we have has moved interstate? Have you done anything about trying to keep them here or get them back?

**The Hon. G.E. GAGO:** I will seek clarification. Are you talking about trainees or psychiatrists generally?

**Ms CHAPMAN:** Medical students who are trainee psychiatrists. We have had five for this year and two have disappeared.

**The Hon. G.E. GAGO:** As I have answered that question, the Social Inclusion reform agenda is just being implemented now. It is a new reform agenda which we are rolling out. We have a very clear blueprint and vision for our mental health system. We have committed finances to achieve that, and we believe that will provide a training environment that will be conducive to the retention and attraction of trainees.

**Ms CHAPMAN:** I think the minister must have misheard my question. I did not ask for a repeat of the last answer: I asked whether she knew of the trainee who had gone interstate and whether she had done anything to get him back.

**The Hon. G.E. GAGO:** I will ask the Chief Executive to provide details in relation to this question.

**Dr SHERBON:** I do not know the particular details of individual trainees, and I am not sure it is appropriate to discuss them publicly. People move for various reasons. Clearly, we seek to attract trainees both nationally and internationally. The minister has outlined a government reform process that is designed to place South Australia at the centrepiece of international mental health. Certainly, the Social Inclusion Board report provides that sort of direction. It is fair to say that there is a problem now with trainees, but we are turning the situation around through reform of the system, not relying upon simply requesting trainees to come back into an unreformed system.

As the minister has outlined, the emphasis is on reform. Clearly, the current dispute needs to be resolved. No trainee wants to work in a system where their senior colleagues are considering resigning. We are working very hard to turn that dispute around and build a better environment for senior specialists and trainees. We expect that, once that dispute is out of the way, we will then be in a position to move through trainee issues, which centre upon availability of specialists. We are ensuring that that takes place, along with the training environment, which, as the minister outlined, needs to be improved through fundamental reform of the system.

**Mr KENYON:** I refer to the Portfolio Statement, Budget Paper 4, Volume 2, page 7.9, which states that in 2007-08 the government will commence the implementation of the government's agenda for mental health reform. Will the minister outline what this statement covers?

**The Hon. G.E. GAGO:** In August 2005, Monsignor David Cappo and the Social Inclusion Board were asked to advise the state government on the process for reforming South Australia's mental health system. The Social Inclusion Board consulted widely with more than 1 400 people. The report '*Stepping Up—Social Inclusion Action Plan for Mental Health Reform 2007 through to 2012*' was released in February 2007. The board's report found that there was a gap between community care and hospital care and that too many people were falling through the cracks.

When the report was released in February this year, the government committed \$43.6 million over five years as the first step towards a major reform of the state's mental health system. A further four recommendations have subsequently been funded in the 2007-08 budget. The funding package we announced in February 2007 included: \$18.2 million for 90 new intermediate care beds—60 at four centres across Adelaide and 30 country beds; \$20.46 million for 73 supported accommodation beds; \$1.84 million to allow a smooth transition between the current system and the new five tiers; \$1.47 million to provide priority access to services for approximately 800 people with chronic and complex needs; and \$1.6 million to place eight mental health nurse practitioners in regional areas over the next four years.

The funding for the current four-year budget cycle is \$43 million, the difference being \$600 000 to complete the remaining country intermediate care facilities in 2011-12. The 2007-08 state budget has provided a further \$50.5 million over four years, which includes:

- \$36.8 million for non-clinical community-based support services to be delivered through NGOs, which is a direct response to the two recommendations of the Social Inclusion Board.
- \$12.08 million to commence construction of the six community mental health centres across the metropolitan area, and a further \$13.84 million has been provided in the forward capital program to complete these centres, at a total cost of \$25.9 million. This funding is a direct response to two recommendations in the Social Inclusion Board report (recommendations 10 and 11).
- \$1.6 million for early intervention for young people with a mental illness.

The government has adopted a new 'stepped care' model as the centrepiece of mental health reform. The new model of care will provide more support at earlier stages of mental illness to ease pressure and help people avoid hospital care. It includes 24-hour supported accommodation, community rehab centres, intermediate care beds, acute care beds and secure beds. There will be about 76 more beds across all levels of care, bringing the total number of adult mental health beds across the system to 506.

Clinical service models will be developed for each element: the stepped system of care, including client pathways; steps include 24-hour supported accommodation, and so on. A 20-bed community recovery centre has opened recently, and a further 40 beds will become operational during 2007-08 in the northern and southern suburbs. Negotiations with the commonwealth around mental health care for older people is commencing, and a service model will be designed for psycho-geriatric services to benefit the wider aged care sector. The recommendation of the report regarding the Glenside master plan is still being considered. When that has been finalised and considered by the government, we will be able to provide information about the configuration of those services.

**Mr KENYON:** I move:

That the sitting of the committee be extended beyond 6 p.m.  
Motion carried.

**The Hon. L. STEVENS:** I preface my question with congratulations to the government. There is no doubt that since 2002 there have been massive positive changes, in terms of government commitment to mental health reform. One only needs to refresh one's memory by reading some of the statements in the Peter Brennan report in 2000, which was commissioned by the former government and looking at where we are now, to see what our magnificent effort has achieved. There is still more to be done; nevertheless, it is a magnificent effort.

**Ms CHAPMAN:** Madam Chair, I have a point of order. Regrettably, the member is not the current minister, and she does not have an opportunity to make an opening statement. I ask her to get on with her question.

**The CHAIR:** Can the member please get on with the question.

**The Hon. L. STEVENS:** Certainly, Madam Chair.

**The CHAIR:** I am sure that you were leading into it.

**The Hon. L. STEVENS:** I was—and I will go slowly into it. I refer to pages 2.16 and 2.17 of the budget papers, in which it is stated that \$5.95 million has been allocated to the non-government organisation sector to provide non-clinical mental health community-based support people to patients discharged from facility-based care. Can the minister confirm whether this is part of a trend by the government of increasing funding to non-government organisations that provide vital mental health services? And I would love to hear this in great detail, minister, please.

**The Hon. G.E. GAGO:** I thank the honourable member for her most important question. I also recognise and acknowledge the former minister for health's important work and her contribution to the reform agenda. Her very important contribution has enabled us to build onto this reform agenda, so her contribution is indeed a very valuable one, as is her question relating to NGO funding, which is insightful as always. Mental health funding to the NGO sector in South Australia has more than tripled since 2002-03. The government also provided \$25 million one-off funding in the 2005-06 budget to strengthen community support services. NGOs are funded to provide care and support, training, accommodation and counselling for people with mental illness and their carers and families. More specifically, examples of NGOs' services include: assistance to obtain or maintain accommodation; teaching household management, life skills and income management; employment and training assistance; and help with the re-integration into the community through rebuilding links with family, social and community networks.

The state budget provides a further boost to NGOs, and I am advised that the Rann government has significantly increased ongoing NGO funding over the past four years from almost \$3.5 million in 2002-03 to around \$11 million last financial year. Funding in 2002-03 was \$3.43 million; 2003-04, \$5.47 million; 2004-05, \$9.55 million; June 2005 allocated grants funding, \$25 million; and 2005-06, \$10.79 million.

To address the Social Inclusion Board recommendation in relation to non-clinical community-based support, an increased investment of \$5.95 million in non-clinical services through non-government organisations will be provided in 2007-08 to top up remaining money from the \$25 million one-off payment. As the \$25 million is fully expended, NGO funding will rise to \$10.6 million in 2010-11. The total budget package to NGOs is \$36.8 million over four years. These packages and programs support the stepped model recommended by the Social Inclusion Board to ensure that people discharged from facility-based care can be supported in the community and to reduce the number of unplanned or emergency re-admissions to hospital.

It should also be noted that the increases in NGO funding are exclusive of the \$25 million one-off funding announced in 2005-06, which is being spent over three financial years from 2005-06 to 2007-08. Existing service agreements expiring in June 2007 will be extended for a further 12 months. This will allow a major service planning and funds allocation process to be undertaken in consultation with the NGO sector to ensure the services they deliver are integrated with the stepped care model recommended by the Social Inclusion Board.

**Mr BIGNELL:** I refer to Budget Paper 4, Volume 2. Pages 2.16 and 2.17 of the budget papers indicate that in the coming four years \$12.08 million will be spent on developing a number of community mental health care facilities. Can the

minister please advise the committee what these facilities are and what services they will deliver?

**The Hon. G.E. GAGO:** I thank the member for his important question and ongoing interest in this very important policy area. The Social Inclusion Board's report 'Stepping Up'—a social inclusion action plan for mental health reform for 2007-12—stated that, while there has been a significant investment by the government to build the capacity of community mental health services, community clinical health has not yet been positioned to ensure that its full potential is realised. A key focus of the board's advice to the government was to situate community mental health services at the centre of the system. The board's view is that community mental health services should become the cog driving the system, and they should have responsibility for managing the partnerships with primary health care, private specialists, and other government sectors and the non-government sector.

Community mental health services should also have responsibility for all mental health services outside of acute in-patient services and long-term care. In South Australia, Community mental health services are provided by the public health sector, general practitioners and the non-government sector. The Department of Health is working closely with general practitioners and other services, and it is also working in greater collaboration between state and federal government-funded agencies to better respond to the mental health needs of local communities.

Community mental health centres will assist in the identification of risk factors affecting the immediate and long-term mental health of an individual; assist in the management of patients with chronic and complex mental illnesses by coordinating care; provide health promoting activities for the local community in partnership with other primary health community agencies; provide a community resource for self-management groups and other mental health and wellbeing activities; develop integrated community-based clinical networks; increase after-hours access to community and mental health care; increase training opportunities for mental health professionals; make it easier for GPs to provide better services to their patients; and increase access to mental health services.

The key outcomes anticipated from community health care centres include increased availability of early intervention and recovery services at a community level; decreased numbers of consumers requiring referral to hospital; and early intervention in the management of risk factors affecting the mental health of an individual.

The Department of Health is still considering potential sites for the community mental health centres, and I will be pleased to provide further advice when the final decisions have been made. The 2007-08 state budget has provided \$12.08 million over four years to commence construction of six community mental health care centres; funding commences in 2008-09; and the total cost will be \$25.92 million. It is anticipated that all six centres will be operating by 2013.

**Ms CHAPMAN:** I refer to Budget Paper 4, Volume 2. You have indicated that your department received some 43 resignations, although one or two have withdrawn theirs. Whilst we are in the grip of this there is the question as to who will be qualified to attend to the review of detention orders under the Mental Health Act. There are some 10 a day which need to be reviewed in the public health sector. These reviews make important decisions about whether someone who is detained under one of these orders, having been assessed that they are not going to cause harm to themselves

or others, are able to resume life in the community, with or without other supervision.

There will be only a handful of psychiatrists left in the department in 12 days. Is it the intention of the government to amend the Mental Health Act so that overseas doctors—who are currently in training (41 who, to my understanding, are here from India, and other undergraduates in the sense of not being currently qualified)—can carry out these assessments and make the determination as to whether those patients are able to be released or not?

**The Hon. G.E. GAGO:** We believe that the remaining psychiatrists will be able to manage those functions. Obviously, it will be difficult but we believe it can be done. It will involve some salaried specialists as well as VMSs. We are going to prioritise emergency and critical care and our focus is obviously on safe quality care for all patients. I just need to reiterate that we are very hopeful that this dispute will be resolved. SASMOA has indicated that it is likely, or there is a possibility that those psychiatrists who have passed in their resignations may withdraw. We are hopeful that, as I said, we can resolve this dispute and the matter can be avoided.

**Ms CHAPMAN:** Do I take it then, minister, that you are saying that the 30-odd visiting medical specialists will be able to take up this responsibility (as they are defined as urgent) and will be able to change the limitation currently on their capacity to undertake more than half of their private practice formula in order to take up the slack on all this extra work?

**The Hon. G.E. GAGO:** As I have stated in my answer, some salaried specialists will remain in their position as well as VMSs and, as I have said, we have already had two resignees withdraw their resignations. SASMOA has indicated that there is some chance that others will also, if not all. We are hopeful that we will resolve this dispute so that this matter will not come to a head.

**Ms CHAPMAN:** I ask the minister to clarify her answer. You are hopeful that some, if not all, of the rest of them are going to resign, or you are hopeful that those who have currently resigned will come back?

**The Hon. G.E. GAGO:** As I have stated, SASMOA has indicated that there is a likelihood that some of the resignations may be withdrawn. Two have been withdrawn already. Negotiations are continuing and we are hopeful that this dispute will be resolved.

**Ms CHAPMAN:** Minister, you would also appreciate that if the dispute is not resolved you might lose the rest of them.

**The Hon. G.E. GAGO:** We have 41 resignations before us.

**Ms CHAPMAN:** And you have a workforce of about 90 salaried psychiatrists. My question is: given this dispute and as your colleague minister Wright is attempting to negotiate, one of the important aspects that are sought by this workforce, half of which have resigned and half of which are still there, is that they want to be able to have some case load limits. They are looking for some clarity in relation to the case loads that they are expected to carry in addition to the training work obligations that they undertake in working in the public sector, which is an important role in itself. At this stage, as I think is evident from Commissioner Cappo's report as to the question of pay and the like, does the minister understand that the poor rate of pay relative to the situation interstate and in the private sector, coupled with the refusal to provide some relief on the case load, is exhausting the workforce and exacerbating the problem? Commissioner Cappo identified this issue when he said at page 59 of his report:

Recruitment and retention are key challenges and the mental health system must increase its labour market competitiveness.

**The Hon. G.E. GAGO:** I am advised that currently there are 74 FTE psychiatrists employed in our public mental health system. Originally, 43 resigned and that, in effect, resulted in an impact of 33 FTEs. Not all those resignees are full-time equivalents—so the effect is 33 FTEs compared with 74. I have outlined some of the measures that we have put in place to manage the unfortunate scenario if those resignations are continued with. However, I remain hopeful that this dispute will be resolved. Negotiations are continuing and they are clearly at a very sensitive stage, but I am hopeful that the dispute will be resolved in relation to the matters before the commission that are currently being negotiated in terms of wages and other conditions. The lead minister for that is the Minister for Industrial Relations, the Hon. Michael Wright; he has responsibility for those negotiations. I do not think it would be helpful, and it is not my place, to comment on those matters here today.

**Ms CHAPMAN:** Minister, you are a former head of the Nursing Federation. You know what negotiating with governments is all about, and you understand the importance of securing a resolution of these matters. You are now a minister who is responsible for a workforce, half of which, on your own full-time equivalent assessment, has resigned—yet you are telling me that it is not something for which you are responsible or in which you have any interest! Minister, what have you really done in relation to minister Wright's negotiation of this matter? Have you had any discussions with him? You are an experienced negotiator yourself and yet you are telling me that this is not your problem.

**The CHAIR:** Member for Bragg, you made some remarks earlier about the member for Little Para commenting in one of her questions; it seems to me that you are doing an awful lot of that yourself. Can you restrict yourself, or ask a question on this particular issue?

**Ms CHAPMAN:** With respect, Madam Chair, I can make comment within the question. The member for Little Para was actually making an opening statement, self-aggrandisement, about what the government was doing. It had nothing to do with the question. However, my question is: will the minister do anything to try to bring this matter to a resolution? I fully understand that minister Wright is directly negotiating this matter, but it is her staff in her department as well as the public out there—for whom she has responsibility—who need to have a resolution on this.

**The Hon. G.E. GAGO:** I have given the details of the figures of the resignations involved. I am not sure whether the Deputy Leader of the Opposition has not heard or whether she is just being mischievous. The 74 FTEs currently employed in the system and the 43 resignations involving 33 FTEs is, in fact, considerably less than half. As I said, the information the member is quoting is incorrect.

I was very pleased to be the secretary of the Australian Nursing Federation in my former job, and I do indeed appreciate the importance of negotiation and dispute resolution. Parties disagree. That is what industrial relations is all about; it is about parties with different positions coming together to resolve those differences, and they are often very sensitive negotiations that need to be conducted and managed very carefully. The Minister for Industrial Relations is responsible for the matters before the commission. Those negotiations are at a very sensitive stage and it is not my

place, and it would be most improper, to comment on those matters in this place.

**Ms CHAPMAN:** Thank you for that contribution, minister, but it needs to be clear that 33 of your psychiatrists have resigned, the nurses are out there on strike—

**The Hon. L. STEVENS:** I have a point of order. The member for Bragg has not asked a question or referred to a budget paper.

**Ms CHAPMAN:** I refer to Budget Paper 4, Volume 2. Still on workforce—that is, the paramedics, nurses and psychiatrists who treat, look after, and transport the patient group for whom the minister is responsible—

**The Hon. L. STEVENS:** Madam Chair, that is not a question.

**The CHAIR:** Could you get to the question, member for Bragg.

**Ms CHAPMAN:** Minister, in saying that it is not your place and you are not responsible (to quote you), do you propose not to do anything to assist the resolution of those disputes? Is that your position?

**The Hon. G.E. GAGO:** I have answered the question, Madam Chair.

**The CHAIR:** Yes, and I do not think your comments were as the member for Bragg put them. I do not think you did say that.

**Ms CHAPMAN:** I wrote it down but, if I wrote it down incorrectly, I will be corrected in due course. It is all right. We will see what it says in *Hansard*. My question relates to my having asked the Premier and ministers Hill and Weatherill a question that has been outstanding since February about the Glenside Hospital and which portion of it is to be sold. They all have referred these matters to you, as they say it is your responsibility. Before you raise your eyebrows further, minister, I hasten to add that I am not going to ask you about the snazzy, brand new announcement you have to make about how you will redevelop part of that site, because I know you have that under wraps and you have told us that you will advise us in due course, conveniently after estimates and after the parliament has finished. Nevertheless, we will wait for it. I note that that part of it is a secret and that you will not tell us; I understand that. My question is: now that the project for redevelopment has been confirmed and that it is ready to be announced in due course, which part of the Glenside Hospital site is now to be sold and what is the current valuation that you have on the value of that asset? For your reference, Madam Chair, that is in the central northern region section of the budget paper's balance sheet.

**The Hon. G.E. GAGO:** The Social Inclusion Board has identified that a number of mental health services and facilities are to be retained on the Glenside campus, and these are currently being reviewed. I stress that no decision in relation to that review has been made. Other services will include supported accommodation and intermediate care housing. As previously announced, drug and alcohol treatment services will be consolidated and delivered from the Glenside campus, and rural and remote services will be retained on-site. The principles for the development of the Glenside Hospital campus reflect the principles for the redevelopment as recommended by the Social Inclusion Board. The development will be designed to enhance the movement and integration of persons through the site—importantly, the integration of mental health clients—and local community open spaces will embrace environmental initiatives. Design and development of the campus will be in

accordance with crime prevention environmental design principles.

We are currently undertaking a master planning process for Glenside and, when this has been considered by the government and a decision made, I will be able to provide final advice about any final decision made in relation to those outstanding aspects of the development plan. I stress that no decision has been made in relation to any component of that development plan, other than those initiatives that have already been announced and put on public record, such as the consolidation of DASSA, etc.

**Ms CHAPMAN:** As to the valuation, minister, my understanding is that three years ago the valuation of the site was \$80 million. I wonder whether you would answer in respect of the value of the site now.

**The Hon. G.E. GAGO:** I do not have that detail with me today. I will have to take that on notice.

**Ms CHAPMAN:** Minister, you would be aware that the property known as the Glenside Hospital orchard property, which is adjacent to the senior aged members of the patient cohort still at Glenside, has been earmarked by your colleague minister Weatherill for a three-storey Housing Trust development. That is a matter that has been the subject of Supreme Court proceedings, which you may or may not be aware of, and it is a project which is now not progressing. The minister told us in estimates this week, when we asked whether that is going to be sold off after having been transferred to the Land Management Corporation, that this is a matter that you are dealing with. What is the future of that site, minister?

**The Hon. G.E. GAGO:** I have already answered this question. The finalisation of the development proposal for the Glenside campus site has not been completed. A decision has not been made, I should say. When a decision has been made and is ready for public announcement, the member will know then the proposal for that and any other aspect of the campus.

**Ms CHAPMAN:** Bearing in mind that, on the front page of *The Advertiser*, minister Hill's preferred option for the site of the Royal Adelaide Hospital North Terrace campus was to convert it back to the Botanic Gardens and do other things, and he would put that matter to cabinet, I ask you, minister: what is your preferred option, as the Minister for Mental Health, for the Glenside campus?

**The Hon. G.E. GAGO:** I have already answered that question. I am here in my capacity as Minister for Mental Health. As to the outcome of the planning process for the master plan for the Glenside campus, no decision has been made. When the decision has been made, the member will be informed in due course.

**The Hon. L. STEVENS:** I refer to Budget Paper 4, Volume 2: new money and services for young people. Will the minister give some details about precisely what they are? There is certainly a need in the northern suburbs, where I am, and I would be very pleased to hear what some of these new programs are.

**The Hon. G.E. GAGO:** In terms of youth being able to access mental health information and services, work in this area includes school programs about mental health, improving responses to people of all ages who may be at risk, and increasing services on the ground. For example, the expansion of CAMHS workers—that is, part of the Healthy Young Minds program—includes 22 extra CAMHS workers and four extra psychiatrists. Two of the workers and the equivalent of one FTE of the new psychiatrists' time will work in the area of dual diagnosis of both mental health and substance misuse. The other two positions are currently in the recruitment selection process, with staff anticipated to commence work in August this year.

Work in the youth mental health area is undertaken by many departments and agencies, who work together in the state government and the federal Department of Health and Ageing in particular. This is noted in the Social Inclusion Board's report, which recommends that a specific partnership group be established for child and adolescent mental health. This will be done. The board wants a properly integrated system for children and young people with serious mental health or behavioural problems that crosses between departments of education and health. This will be our priority, with both the redesign of existing services and the roll-out of the new 26 Healthy Young Minds positions.

Information is available on the links between service-specific programs that provide mental health education in schools and the expansion in CAMHS services. There is already a strong collaboration between the Department of Health and the Department of Education and Children's Services in relation to protecting the psychological health and wellbeing of young people in South Australia.

We are also co-signatory, alongside the Department for Families and Communities, SA Children's Care and Education Forum, the Association of Independent Schools SA and Catholic Education SA in the Department of Education and Children's Services led child health and education support services (CHESS) initiative. This supports safe and non-discriminatory education care for children and young people with physical and psychological health care. There is a Beyond Blue schools initiative. There are 20 additional outreach workers located at Child and Adolescent Mental Health Services. There is a wide range of South Australian mental health first-aid services. There is a wide range of services currently available to address this important policy area.

**The CHAIR:** That is the end of this session and so I will not take any further questions.

**Ms CHAPMAN:** I would like to thank the advisers for being in attendance today, and, for what answers we have had, I thank the minister for her contribution.

**The CHAIR:** Thank you, member for Bragg. There being no further questions, I declare the examination completed. I lay before the committee a draft report.

**Mr KENYON:** I move:

That the draft report be the report of the committee.

Motion carried.

At 6.32 p.m the committee concluded.

#### *Corrigenda*

Page 32, column 2—Line 34, for '\$300 000' read '\$12.3 million'.

Page 37, column 2—

Line 34—After Finfish insert Farmers.

Line 57—For 'form' read 'reform'.

Page 107, column 1—Line 4—For '2009' read '209'.