

HOUSE OF ASSEMBLY**Friday 26 June 2009****ESTIMATES COMMITTEE B****Chair:**

Hon. P.L. White

Members:

Ms F.E. Bedford
Ms R.K. Geraghty
Mr A.S. Pederick
Mr M. Pengilly
Mr T. Piccolo
Mr M.R. Williams

*The committee met at 10:16***DEPARTMENT FOR ENVIRONMENT AND HERITAGE, \$128,885,00****ADMINISTERED ITEMS FOR THE DEPARTMENT FOR ENVIRONMENT AND HERITAGE,
\$5,014,00****ENVIRONMENT PROTECTION AUTHORITY, \$2,957,00****Witness:**

Hon. J.W. Weatherill, Minister for Environment and Conservation, Minister for Early Childhood Development, Minister for Aboriginal Affairs and Reconciliation, Minister Assisting the Premier in Cabinet Business and Public Sector Management.

Departmental Advisers:

Mr A. Holmes, Chief Executive, Department for Environment and Heritage.

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

Mr A. Gerace, Senior Management Accountant, Department for Environment and Heritage.

Mr R. Denton-Brown, Director, Financial Services, Department for Environment and Heritage.

Mr M. Cooper, Manager, Management Accounting, Department for Environment and Heritage.

The CHAIR: Welcome to today's proceedings. I declare the proposed payments open for examination and refer members to the Portfolio Statement, Volume 3, Part 11.

The Hon. J.W. WEATHERILL: We have decided to dispense with opening statements. We want to get straight into the action.

The CHAIR: I invite the lead speaker for the opposition to open with a question to the minister.

Mr WILLIAMS: I refer to Budget Paper, Volume 3, page 11.4 . The table shows that, for the year 2008-09 in full-time equivalents at 30 June were 1,156.7 for the Department for Environment and Heritage and the budgeted figure of 993.2 full-time equivalents for 30 June—this month; in a few days—a reduction of 163.5 full-time equivalents or 14 per cent. Will the minister detail from where these cuts will be made; will all full-time equivalent reductions be via targeted voluntary separation packages (TVSPs) or through attrition; if any TVSPs are being used, what funding is provided; and is this from within the DEH budget or another agency of government?

The Hon. J.W. WEATHERILL: The starting point is that they are not cuts in the way in which you have described. The essence of it, which I will explain in more detail, is that during the

course of the year we have externally funded projects, largely through commonwealth funded projects which are not necessarily known with the degree of certainty that will allow them to be put into the budget papers. They invariably occur during the course of the year, so we find that during the course of the year we have more people employed by the department than were originally budgeted for as they become confirmed. That is what happened last year, and it will inevitably happen again this year. They do not represent forecast cuts to the budget, but I will take you through that.

Basically, given the nature of the Department for Environment and Heritage and the availability of a variety of funding sources and during the course of the year issues emerging, one finds that the FTEs vary throughout a financial year to ensure that we are able to meet the requirements that people ask us to meet. The FTEs cover a wide variety of employment categories and include the following: the Public Sector Management Act employees—administrative services, operational services, technical grades and professional services; and weekly paid employees covering government services, construction and maintenance workers, building, plumbing and the metal trades grades.

The Department of Treasury and Finance has advised DEH that the FTE cap as at June 2010 is 993. The budget includes a conservative estimate of the externally funded employees and an additional 10 FTEs across the forward estimates for an increased ranger capacity to reduce the impact of bushfires. However, there is an overall net reduction of 164 FTEs from the 2008-09 estimated result from 1,156 to 993.2, and this is primarily due to these adjustments. A 65 FTE reduction in 2009-10 is part of the 2008-09 mid year budget review savings and the 2009-10 savings. There are 94 FTE reductions due to increased external NRM funded projects, including Murray Futures, in 2008-09 and one-off increases in carry-overs from 2007-08 to 2008-09.

It must be borne in mind that the 2009-10 FTE cap is only an indicative figure at this stage, and as additional external commonwealth funded projects are undertaken in 2009-10 the revised 2009-10 FTE cap is most likely to substantially increase. To illustrate, the 2008-09 FTE cap increased by 94 FTEs during 2008-09 due to the new externally commonwealth funded projects and carry-overs. A number of those will be associated with the works in relation to the River Murray. A substantial amount of commonwealth funding is occurring and those projects are being designed and implemented as we speak, so we would expect those changes to occur during the course of the year. Your other question was about TVSPs, and they are paid initially by DEH but reimbursed by Treasury on a monthly basis.

Mr WILLIAMS: How many TVSPs are you expecting to offer?

The Hon. J.W. WEATHERILL: The first step, if employees are determined to be excess, is to find them alternative employment. That occurs by considering the vacancies within government agencies. There is also the capacity to consider vacancies in other government agencies, and in circumstances where it is appropriate TVSPs can be offered to people within the department. That work is going on at the moment and TVSPs will be part of the mix. It is not determined how many of those will be allocated.

Mr WILLIAMS: We are talking about cuts that have already been announced and imposed upon your agencies from last year's budget. We have now had the mid year budget review, where the Treasurer has said that across the public sector he needs to reduce FTEs by a further 1,600. He has also announced that the budget needs to be brought back by another \$750 million per year in the out years. Does the minister believe that the cuts he has outlined for the full-time equivalents within this agency is the end of the story, or is there an expectation that there will be a need for more substantial cuts as we go forward?

The Hon. J.W. WEATHERILL: A range of options will be considered by the Sustainable Budget Commission and that is the work it will undertake to look at that savings exercise. There is a range of options that that Sustainable Budget Commission will consider, and it is has not begun its work yet, but that is the task it is charged with, so it is a little too early to speculate about what that will mean for any one particular agency. It is looking at those budget savings from a whole of government perspective, so there may be different ways in which those savings are shared across government.

Mr WILLIAMS: Will the minister confirm that one of the significant options that has been looked at within his agencies is to amalgamate the DEH and DWLBC agencies?

The Hon. J.W. WEATHERILL: No decisions have been taken about that. The Sustainable Budget Commission, as part of its remit, no doubt will consider the way government is configured, but no specific decision has been made about the environment agencies.

Mr WILLIAMS: I refer to page 11.11. The performance commentary notes that 1,000 hectares were planted in the River Murray forest program. Where were the 1,000 hectares planted: was it on a number of sites or a single site, and what has been the survival rate of those plantings?

The Hon. J.W. WEATHERILL: I will provide the honourable member with the information we have about the River Murray forest. Forest establishment will involve the use of public and private land within a broad corridor along the River Murray. We are seeking investment from community landholders, business and industry on a two-for-one basis. The total area of commissioned and public land plantings is now 1,050 hectares with two tender calls completed. Drought conditions and poor growing seasons have caused some delays with plantings. For 2008-09, in terms of achievements, a tender call for plantings on private land resulted in approximately 750 hectares of private land plantings to be implemented subject to seasonal conditions.

Approximately 85 hectares of plantings were implemented on public land, and the first South Australian Government Forest Property Agreements were developed for registration on private land, protecting plantings and assigning carbon rights for all commissioned private land plantings. The agreements have been signed by landholders and are being prepared for signing by the Minister for Sustainability and Climate Change. Approximately \$1.2 million of expenditure was contracted for plantings to be fully implemented subject to seasonal conditions in 2008-09. That reflects what I know about 2008-09.

Mr WILLIAMS: I refer now to page 11.19 of the budget paper and 'coastal marine conservation'. As you are aware, minister, the marine parks issue has raised a considerable amount of public discussion. On 17 April you established a number of pilot working groups to work on discussions between your agency and the communities over marine parks Nos 1, 2, 6, 18 and 19. Why did you establish working groups for only those specific marine parks rather than for the total 19 marine parks?

The Hon. J.W. WEATHERILL: It was a question of starting somewhere, and those were the particular marine parks where there was the most contention about outer boundaries; so, we sought to engage in that process. It has been a very successful process. We had an evaluation of it just a few days ago, and the feedback was that all the participants found it a valuable process in which to participate.

It would be useful to know the Liberal Party's position on marine parks, because we have had lots of them. In 1999 we had Dorothy Kotz, a former minister for the environment, stating that 'system marine protected areas will be in place by 2003'. Rob Kerin took up an election policy that all the state's marine protected areas would be completed by 2006. By 2006 it had a different policy to implement a marine park system by 30 June 2008, and it criticised us for being too slow. Then we get, of course, the honourable member here, the member for Hammond, telling us that there is no good reason for marine parks.

Mr PEDERICK: I think you need to look at what I said.

The Hon. J.W. WEATHERILL: I am just using your words.

Mr WILLIAMS: Madam Chair, I suggest that, if we are going to have a debate, we may need to extend the time.

The CHAIR: The minister is in order and the minister has the floor.

The Hon. J.W. WEATHERILL: I would just like to find out what your position is.

Mr PENGILLY: Your predecessor stuffed it up properly, Jay.

The Hon. J.W. WEATHERILL: Here we go. The member for Finnis is saying that we will be locked out of half the state's waters. We want to know where you stand on marine parks. Do you support them or not?

Mr PENGILLY: We were the ones who brought them in. You are trying to fix up Gail Gago's almighty stuff up.

The Hon. J.W. WEATHERILL: Are you saying that there is no good reason for it? Are you urging a campaign against marine parks?

The CHAIR: Order! The minister has the floor.

Mr PENGILLY: If he wants to goad us, Chair, we will come back. That is the way it is.

Mr WILLIAMS: I am more than happy to give the minister our position. We have done that a number of times. Our position has always been—

The CHAIR: Order!

Mr WILLIAMS: —that your government has dillydallied on this.

The CHAIR: Order!

The Hon. J.W. WEATHERILL: I think that minister Gago got an extraordinarily good result in getting this legislation through. I must say that the only difficulties we are having at the moment are amendments which were made to the act and which occurred at the behest of the opposition and which were actually promoted in this august chamber. I think that everyone agrees, on both sides (and this is one of the things that has unified the marine world, the environmentalists and the commercial and recreational fishers), that it was not a great idea to consult on outer boundaries before the zones. That was not the government's position, but it was forced on us by this chamber.

Mr PENGILLY: You cannot blame any of us in here at the moment; we do not sit in here.

The Hon. J.W. WEATHERILL: That is true, I must say. I have learnt one thing about the Liberal Party: the Liberal Party in the upper house and the Liberal Party in the lower house are two entirely different political parties. We cannot really blame the people sitting here now for the sins of their upper house colleagues. Anyway, to answer the honourable member's question, really, it is a matter of starting somewhere. We have given a commitment to extend the process if people see value in it, and we will certainly do that across the other parks.

If people see value in taking that process forward—and, I think, what we have heard to this point is that there have certainly been some benefits in that working group process. Some people are calling for certain adjustments to it; that is the process, and we are taking that on board as we speak. These things that are happening are very much a work in progress.

Mr WILLIAMS: Given your comments, minister, and your lauding the success of the pilot working groups that have been in operation, can we take it that significant changes will be declared to the outer boundaries of those parks that have been under discussion before the close-off date when you can readily make those changes, which, I believe, is the end of July?

The Hon. J.W. WEATHERILL: The first thing is that we can make changes at any time. The only difference is that it requires the support of both houses of parliament. One of the points I made earlier was that what we have learnt through this process is that, in a sense, the outer boundaries are something that could profitably have occurred at the end of the process rather than at the beginning of it. If the outer boundaries had been regarded as areas of investigation rather than solid boundaries it might have been a slightly better way of looking at the process.

The working groups were really an initiative of the environment groups, the commercial industries, the recreational fishers and local government. They wanted these working groups. We put them in place, but I think what everyone has found is that they have really only got part way through their work, and they could profitably continue. We do not want to make the end of July an arbitrary barrier on continuing work if it is profitable, so we have said that we are prepared to regard the outer boundaries as something that can, if you like, be altered at the end of the process, after the zoning is settled. There is no difficulty with altering the outer boundaries to represent that result.

I suppose the difficulty with shrinking the outer boundaries too early is that it does constrain the process of zoning. One of the things I have been at pains to say to all the players in the process is that, if they are concerned about where a sanctuary will go, or where a piece of habitat protection will go, and the effect that might have on existing activities, by having a larger marine park it gives the capacity to make choices.

The whole idea of marine parks is that they are multi-use. They are there to represent a whole range of different habitats and protect a whole range of different plant and marine life—and there can be more than one choice about that. The larger the boundaries, the more choices you have and the more flexibility you have to zone. We have to be a bit careful about constraining our options.

However, I think a fair consensus has emerged in a number of areas that will assist us in making some changes to the boundaries. Of course, the working groups are not the only input into the boundary process; there are other industries and interests that have also made submissions that we will have to take into account. I cannot be definitive about what will happen to the outer boundaries before the end of July. There may be some adjustments, but we are very much in the phase of talking to the various players at the moment.

Mr WILLIAMS: On the same point, I think that on 17 April you said that the working groups would report by the end of May, and I think the community (because the establishment of the working groups was caused by a community backlash) expected that there would be some public announcement of the results of their work at the end of May. More recently you extended that point and said that they would operate for two months, which would take it to 17 June, another date which has passed.

Will there be any reporting process before the end of July, so that the community knows whether there has been real dialogue and action based on good faith negotiations or whether they have just been duped and silenced?

The Hon. J.W. WEATHERILL: I doubt whether they feel that. They all met with me; all the representatives from the working group and other interested players were in Adelaide a few days ago and we had a half-day seminar to discuss what was successful and what was perhaps not as successful in relation to the working group process. We have collated all that information. Each of the groups provided us with a communiqué; some groups issued dissenting reports, if you like, while others came up with—

Mr WILLIAMS: Will those reports be made public?

The Hon. J.W. WEATHERILL: I am happy to make them available to anyone who wants to have a look at them. I am happy to make the process open, but we want to consider them first and act on them, and I want to show them to the scientific working group. We have a Marine Parks Council that also needs to be involved. We are very much in the middle—

Mr WILLIAMS: Notwithstanding all the things that you are saying, come the end of July the pressure is off you because the ability to change the outer boundaries falls back to the parliament. At the moment the pressure is on you because you can change them at the stroke of a pen, and you will spend this six-month statutory period (established under the act) fobbing everyone off and saying 'Yes, we're working on it'. No-one will know the outcome of those working groups' discussions until the pressure is off you, and then you can stand outside this place and say, 'Look, it's not up to me; it's up to the parliament.'

The Hon. J.W. WEATHERILL: No; I have undertaken to get back to all the working groups before the end of July. In fact, I have communicated—

Mr WILLIAMS: But what about the community? The working groups were only established in the face of community backlash, and the community has been silenced. They are waiting for the results.

The Hon. J.W. WEATHERILL: I do not accept that premise; I do not think they were established in response to a community backlash. I think the working groups reflect the appetite of all the players to get on with the business of looking at indicative zoning. I think they have been frustrated by the process that this august chamber left us, that is, that we were debating outer boundaries, that it did not really address any of the real issues that they were concerned about. The green groups were concerned about sanctuary areas and the commercial interests wanted to know where they could and could not fish. They were very keen to get an early understanding of what it would look like before the outer boundary process concluded.

I have been very open. I have seen the submissions, and I have given my preliminary feedback to those community groups, the representatives of all the various interests on those working groups, and I have been very frank about what I see as the positives and negatives of what has been put forward. So they have all the information, and I wanted to give them that information well ahead of the end of July so that they could not say that I was running down the clock in the way that you have implied.

The key issue with marine parks is trust. We have given all the commitments that should satisfy all the players about protecting industries; it is a question of whether they actually trust that process. I have been very keen to make sure that at all stages we have been as open and as frank as we can be. I think the one advantage of the marine parks process is that people have had to put their cards on the table, and I think that has taken some of the anxiety out of the process. That is why my present bias is that we should probably continue with that process and not artificially truncate it just because the end of July is coming up.

In a sense, I think we can use some of the things that have emerged as consensus out of the working groups and try to lock them in in terms of commitments or maybe even in terms of some adjustments to boundaries. Some working groups have even suggested extensions to the outer boundaries, because they have not taken in certain areas that are important.

We need to think that through, and that is the hard work that is going on as we speak. I am working on this every day at the moment, and we just have not come to a settled view about that. However, we will make sure that people get plenty of notice about where we have landed, and if they have a problem with that they can make a public noise about it—and I am sure they would, they do not need my permission to do that.

Mr WILLIAMS: Quite frankly, you could reset that six-month clock; you could start it back at zero and then achieve all of the things that you said that you were trying to achieve, and keep faith with the community. However, we will move on because, as I said, we are not getting far on this one.

Minister, can you explain why there is no reference to the Adelaide Coastal Water Study in the performance commentary or the targets for the ensuing year? Does this mean that the government is happy to ignore the recommendations of this study? You will recall that the study was released publicly on the eve of the Clipsal last year at about five o'clock in the afternoon, to try to hide it from any attention whatsoever. We do not seem to have seen anything from your government with regard to that very important study which spanned some seven or eight years. It was a very in-depth study. As a follow-up to that initial question—

The Hon. J.W. WEATHERILL: Can I perhaps just get one at a time?

Mr WILLIAMS: Yes.

The Hon. J.W. WEATHERILL: The first thing is that it is an EPA study so the question is best directed to that budget line. I invite you to do that because there is an implementation plan, but I do not have my briefings about that. I am happy to give you a detailed answer, but it is worth pointing out that the EPA is an independent authority and controls its own processes. If you will permit me to answer that question in the next session, I will give you a fuller answer.

Mr PENGILLY: I refer to Budget Paper 4, Volume 3, page 11.12, program 2, public land visitor management and, in particular, at the bottom of the page it refers to the sale of goods and services, \$8,646,000. I would like to raise the issue of Seal Bay on Kangaroo Island which has had a totally ridiculous increase of nearly 100 per cent in entrance fees, at a time when the Treasurer has indicated that public servants will have only a 2.5 per cent increase in wages. It seems to me that your department is trying to turn Seal Bay into a cash cow. I have already had companies who deal with overseas visitors tell me that Seal Bay is being knocked off the itinerary because it is just too expensive. You are attempting to turn it into an elitist destination. It is being taken out of the reach of ordinary families, with a family pass at around \$80. How on earth can you justify a 100 per cent increase in the entrance fee to visit Seal Bay on Kangaroo Island?

The Hon. J.W. WEATHERILL: I suppose the first thing to say about this is that Seal Bay is, obviously, an internationally recognised tourist icon that provides a unique visitor experience for over 110,000 visitors per year. A strategic review of the facilities and the visitor experiences at Seal Bay was completed by consultants Taylor Cullity Lethlean and Graham Morris. This revealed that the fee structure considerably undervalued the beach experience on offer at the site. The review included consultation with key commercial tourism operators. It was conducted from June 2008.

On 25 March 2009, an increase in fees across all DEH protected areas was approved. The Seal Bay guided tour remains a unique experience on an international level, and viewing Australian sea lions in a guided beach scenario has no direct comparison. The recent price increase aims to better reflect this experience. Experiencing the sea lions at Seal Bay remains available to visitors in a self-guided manner utilising a boardwalk. The price of this option was lifted from \$10 to \$12.50 to maintain an affordable option for those not wishing to or not able to participate in the beach experience.

The Seal Bay guided tour beach experience, at \$27.50, remains very competitive with other marine experiences, such as the Phillip Island penguins in Victoria. Boardwalk style experiences there start at \$20.50, rising to \$36 for a basic beach experience. It can reach \$72 per adult for a private beach tour for groups of 10. The majority of marine interaction tours elsewhere around Australia involve viewing via the water and, therefore, have a cruise component which makes the cost far greater than at Seal Bay. These tours range from \$44 through to in excess of \$200, depending on inclusions.

Tour operators have a moratorium of 12 months—and that is worth pointing out. There is a 12-month moratorium on the price increase for the beach tours, as operators require sufficient lead time to include the increase in their package tour prices. They are communicated to industry wholesalers 12 months in advance. Tour operators were notified of the new price increase via an

email on 1 April 2009. This provided a 12-month notification period. Because of the size of the increase we obviously carried out that consultation and that notification.

It is worth pointing out that a Seal Bay strategic plan has been completed to guide sustainable management and future investment. We are also planning and commencing implementation of the master plan involving significant changes to the visitor experiences on offer. With respect to infrastructure redevelopment, largely boardwalks will better manage visitor impacts and provide proper amenity. We have budgeted notionally \$1 million per annum over the next three financial years for that purpose. There is a substantial re-investment of the additional funds that will be gained.

It is worth pointing out that this does not alter any of the existing arrangements about locals getting access there. There are some arrangements for schoolchildren and parents of children of a certain age to have free access. I think the member for Finniss is familiar with those arrangements.

Mr PENGILLY: Thank you, minister. I hear what you are saying but there is only a very small number of children who go to school on Kangaroo Island. At the end of the day, most locals who have been to Seal Bay do not go back there, quite frankly, because they have seen it once. It is not that they do not like it but there are plenty of other things to do, as well. What the government seems to have forgotten is that it is already an expensive destination to get to. Mum, dad and three kids go to Kangaroo Island and it costs them a lot to get there before they start. Then they get there and they are slugged with nearly \$80 for a family pass to Seal Bay to go on the beach. It is entirely unrealistic.

Tania O'Neil, marketing manager for the Tourism Commission on Kangaroo Island, came out and absolutely slammed it, only to get castigated on radio by the CEO, Mr McEvoy. I find the whole thing ridiculous. The amount of income that comes from Seal Bay is considerable. As the minister has indicated, 110,000 people a year visit Seal Bay. Where is that income going? Does that disappear into general revenue or does it indeed get spent back on the island? I would also note, minister, that down at Flinders Chase there are still roads and things shut from the fires of December 2007, so where is this money disappearing to?

The Hon. J.W. WEATHERILL: Well, I don't think you would want us to only spend the amount of money on Kangaroo Island that we raise on Kangaroo Island. In fact, if you are putting that as an offer—

Mr PENGILLY: No; I just asked the question.

The Hon. J.W. WEATHERILL: The reality is that we spend more on Kangaroo Island through this department than we raise, so there is much more investment through DEH than is raised through fees that come off the island.

Mr PEDERICK: I refer to Budget Paper 4, Volume 3, page 11.46, 2008-09 highlights dot point 10: acquired 50 gegalitres of water for the Lower Lakes. When was the 50 gegalitres purchased, when will it be delivered, and how much did it cost?

The CHAIR: Which budget line is this against?

Mr PEDERICK: Budget Paper 4, Volume 3, page 11.46.

The CHAIR: I believe that that question really should be addressed to the Minister for the River Murray.

Mr PEDERICK: And she will dodge it and say it is for Environment.

The CHAIR: That is not part of the current minister's portfolio responsibilities.

Mr PEDERICK: Pardon, Madam Chair, it is in an environmental water purchase.

The Hon. J.W. WEATHERILL: More fundamentally, it is not an item that is open in this committee. It is beyond the items that—

The CHAIR: I am not trying to cut your questioning, member for Hammond, but you must understand that there is not that line in the budget open and, as chair, I can only accept those questions addressed towards those lines that are currently open.

Mr PEDERICK: Okay, I will have another try. Thank you, Madam Chair. I refer to Budget Paper 4, Volume 3, page 11.29. In the performance commentary, paragraph 2 refers to 'a business case for the action to secure the region's future'. Does securing the region's future involve returning the Lower Lakes to their natural fresh water state?

The Hon. J.W. WEATHERILL: The simple answer is that that is our preferred position. Everything that we are doing is directed at that purpose, but we also have to manage, in an emergency way, the things that are occurring in relation to the lakes at the moment; hence, the contingency measures that are being considered. In relation to the process for the future, the Murray Futures project, which involves the commonwealth commitment of \$200 million, is presently being considered.

We have produced a directions paper that was published in May 2009 which is called 'Murray Futures: Lower Lakes and Coorong recovery: The Coorong, Lower Lakes and Murray Mouth: Directions for a Healthy Future'. That document is being consulted on and there have been a range of sessions that have occurred on that document. That will inform the final plan which is about the long-term future of the River Murray and the Lower Lakes.

The community consultation process has been extraordinarily extensive. There have been targeted consultations with key groups, the lower Murray-Darling local government and the NRM board. We have also had various community information sessions, with something like 212 attendees; listening posts and standing displays at nine locations with 63 separate conversations; an online survey, where 121 surveys were completed; and 71 discrete submissions have been received.

Some of the key themes that have emerged through the process have included: the importance of engaging with the traditional owners, the Ngarrindjeri, which we have taken very seriously; the need to consider all upstream influences including water allocation management actions and the whole of basin approach in developing the long-term plan; the need for a long-term plan to have effective links to the Murray-Darling Basin Authority and basin planning; natural versus engineering solutions to environmental management and the need to incorporate scientific knowledge with local expertise; the importance of bioremediation and revegetation; and links and alignment with the Ramsar agreement.

What has been pleasing is that there has been general support for the directions presented in the document, and of course we will continue to gather that feedback as we ensure that this plan is put in place for the future of this most precious part of our state.

Mr WILLIAMS: I refer to page 11.21 of the budget papers. It is revealed there in the performance commentary that the Botanic Gardens and the State Herbarium are currently not part of the water re-use scheme involving the Glenelg to Adelaide pipeline. Minister, given the importance of the Botanic Gardens, both with respect to their heritage value and as a valuable state resource, was not this a grave oversight, particularly when you consider that the plan to build the pipeline to bring recycled water from Glenelg to be used in and around the city was done by another one of your agencies?

The Hon. J.W. WEATHERILL: There is a range of options being considered about that. As I understand it, we have not presently excluded it. I think it suggests there that we will continue to investigate alternative water sources including the Glenelg-Adelaide pipeline, so I do not quite understand the nature of the question.

Mr WILLIAMS: I understand that the pipeline has been designed with a specific capacity to allow for night-time watering of the Parklands during the summer period. As new users are put on, we are going to stretch the capacity of that pipeline to meet the demand or we will need to carry out watering with recycled water in sub-optimum times.

The Hon. J.W. WEATHERILL: I do not know what the burden of the question is, but the performance—

Mr WILLIAMS: I guess the point of the question is: how in the hell is it that we have a major water user within the city boundaries that has not been incorporated into the initial planning to bring recycled water to use for keeping our city green? Has it been overlooked? Has somebody said, 'Oops, we've overlooked the Botanic Gardens'?

The Hon. J.W. WEATHERILL: I do not think it has. The premise of the question is inaccurate. It has not been overlooked; it is still a possibility.

Mr WILLIAMS: It is a possibility, but has it been incorporated in the original plan?

The Hon. J.W. WEATHERILL: Well, no. The notion, if you like, of that pipeline is that it provides a range of possibilities for taking off water, and this is one possibility.

The CHAIR: The time having expired for the examination of this line, we will move on to the Environment Protection Authority.

Departmental Advisers:

Ms H. Fulcher, Chief Executive Officer, Environment Protection Authority.

Mr J. O'Daly, Finance Director, Corporate and Business Services, Environment Protection Authority.

Mr K. Baldry, Director, Radiation Protection, Environment and Protection Authority.

Mr T. Circelli, Director, Regulation and Compliance, Environment Protection Authority.

Mr P. Dolan, Director, Science and Sustainability, Environment Protection Authority.

Mr WILLIAMS: Minister, I refer you to Budget Paper 4, Volume 3, page 11.74, sub-program 1.1, environment protection, where it refers to activities that have an effect on the environment. I specifically refer to the announcement from the government and Mobil concerning the old oil refinery site. First, what would be the difference between rehabilitating the site to industrial standard compared to rehabilitating it to a residential standard? If the community accepts rehabilitation to an industrial standard only, how will the government guarantee in perpetuity that pollution beneath the site will be contained within the boundaries of the site?

The Hon. J.W. WEATHERILL: The Deputy Premier has been handling questions about that, and all of the decisions about that fall within his province. So, we certainly do not have any decision-making function in relation to that.

Mr WILLIAMS: Are you saying that the EPA does not have a role?

The Hon. J.W. WEATHERILL: No, I am not suggesting that it does not have a role, but the decision-making function about the future of that and any agreements that have been negotiated with Mobil are the subject of a memorandum of understanding between the state government and Mobil that is being dealt with by the Treasurer. I think that, for our purposes, under the terms of the memorandum, Mobil is required to provide updates on its research and remediation activities to the independent environmental auditor and to the EPA. So, that is the sense in which we have an involvement with this matter.

Mr WILLIAMS: On the same matter, on 8 November 2005 (almost 4 years ago), the Treasurer (the minister to whom you refer) told the parliament:

However, I make this point very clear: if it does not soon make a decision to reopen—

he is talking about Mobil—

we will use all our powers, consistent with our agreement, and that may indeed require a legislative approach. We will move Mobil out, clean up the site and ensure that the site is made available for the community.

Are you telling me that, as the Minister for Environment, you have no decision-making power as to whether Mobil will be obliged to clean up the site to a residential or an industrial standard?

The Hon. J.W. WEATHERILL: No.

Mr WILLIAMS: And you cannot—again, as the Minister for Environment—assure the community that in perpetuity that site will not impact on its neighbours?

The Hon. J.W. WEATHERILL: No; what I am telling you is that the Deputy Premier (the Treasurer) has answered questions in detail about the Mobil site and the terms of the memorandum of understanding, which contains all of the obligations that have been negotiated with Mobil. Those matters are within his province. As I understand it, he has answered questions in detail about that matter. We provide advice as an input into those negotiations about remediation requirements to whatever standards have been agreed between the government and Mobil.

Mr WILLIAMS: On a similar matter, minister, has the EPA been provided with a copy of the COFFI environmental report into the old railway yard site? Have you seen a copy of the report, and is the standard of remediation expected at that site going to be to an industrial or a residential standard?

The Hon. J.W. WEATHERILL: I have not personally seen a copy of that report, but the authority may have, so I will take that question on notice and provide an answer once we have had an opportunity to consider the report if, indeed, we have not.

Mr WILLIAMS: I refer you to page 11.77 of the income statement, which shows that salaries and wages, including annual and sick leave, have grown from \$15 million in 2007-08 to \$18.2 million in 2008-09, whereas the number of full-time equivalents has only increased from 231.7 to 235.6. Is it feasible that the four additional full-time equivalents have consumed in excess of \$3 million in salaries, wages and sick leave, or has your EPA staff received a 20 per cent salary increase?

The Hon. J.W. WEATHERILL: This is more of an accounting answer. The actual budget does not relate to FTEs in the way in which you are proposing; carryovers come into it. It might be easier if we provide you with a detailed answer about why there does not seem to be an equivalent increase in FTEs that would account for the size of the increase in the budget line about salaries. The explanation that I have been given is that, in broad terms, it is an accounting question.

Mr WILLIAMS: When you are giving a detailed answer to that question, minister, you might also consider why the same table proposes a reduction in 23 full-time equivalents, but the saving is only \$250,000. Your officers might consider that as well.

The Hon. J.W. WEATHERILL: Certainly; I will consider that as well.

Mr WILLIAMS: We will revert to the question about the Adelaide Coastal Waters Study. Can you explain why there is no reference to the Adelaide Coastal Waters Study in either the performance commentary or your targets for the ensuing year?

The Hon. J.W. WEATHERILL: We do not include all the wonderful work we do in the budget papers; they would be too voluminous, and it has been going on for a long time as well. The target for the 2008-09 EPA portfolio statement was to implement the Adelaide Coastal Water Quality Improvement Plan. The Adelaide Coastal Waters Study final report was released in February 2008, and the community is keen to see the recommendations included in that draft improvement plan and action taken to improve coastal water quality.

The Adelaide Coastal Waters Study (ACWS) was a six-year study that was initiated in 2001 by the EPA in response to concerns about the decline in coastal water quality along the Adelaide coastline and the loss of more than 5,000 hectares of seagrass. The ACWS final report includes 14 recommendations focused on improved environmental outcomes for Adelaide's coastal waters, with the first five focused on the reduction of inputs such as nutrients and sediments.

In terms of 2008-09 outcomes and achievements, considerable work has been undertaken to reduce nutrient discharge to Adelaide coastal waters, including the EPA continuing to work with SA Water on its waste water treatment upgrades and with Penrice Soda on industrial discharge. Much of this work is being achieved under targets set in the improvement plan, which was released in July 2008 to deliver on the strategy. The improvement plan, in relation to the Port, will be incorporated into the broader Adelaide coastal improvement plan. It has identified and committed to a set of management actions to achieve and maintain community agreed environmental values and water quality in the Port waterways.

Further work is being undertaken with key stakeholders, such as the Adelaide and Mount Lofty Ranges NRM board, the Stormwater Management Authority, the Office for Water Security, SA Water and local governments across metropolitan Adelaide, to achieve improvements in stormwater quality and reduce sediment loads to Adelaide's coastal waters.

The next step is that public consultation on the draft improvement plan will take place in spring of this year, and when the plan is developed we will have a clear and transparent understanding of what is required to improve Adelaide's marine environment consistent with community expectations.

Mr WILLIAMS: On the same topic, given the recent announcement from your government that you intend to double the size of the desal plant, which will remove the option of treating stormwater and recycling it for metropolitan use by SA Water, what is your government's strategy to reduce the run-off of stormwater from the Adelaide Plains into our coastal waters?

Information that the opposition has been given suggests that, currently, somewhere between 160 and 170 gigalitres of water runs off the Adelaide Plains into the adjacent Gulf St Vincent under normal rainfall; whereas, prior to white settlement and the development of metropolitan Adelaide, that may have been as low as 20 gigalitres. Therein lies a fair bit of our problem with regard to the degradation of seagrass beds and, consequently, the higher energy of wave action against our coast and the degradation of our beaches right along the metropolitan coast.

All the commentators, including the Adelaide Coastal Water Study, recognise this as a significant problem, and they recognise two significant contributors: one is stormwater run-off and the other is, as you mentioned in your previous answer, the outfall from our waste water treatment plants. The government's actions seem to be limited by other decisions that have been taken.

The Hon. J.W. WEATHERILL: It is a very long question, but part of it proceeds from a false premise: that is, if you have the desal plant you cannot have stormwater schemes. South Australia already has more stormwater recovery than any other state, and it is committed to further stormwater schemes, including in my own electorate of Cheltenham. Further commitments will be undertaken.

The premise of the question is wrong, that somehow the desalination plant precludes the opportunities for further stormwater schemes. If you just see some of the schemes that have recently been undertaken in recent years or are presently under way, there are schemes in the Salisbury area, which are substantial and we have substantial schemes operating on the Glenelg, Royal Adelaide and Grange golf courses, and other opportunities are being explored.

The premise of the question is wrong. Stormwater schemes can be put in place which have benefits not only in terms of water recovery but also in improving the quality of water before it flows out to the sea, thereby relieving the pressures on our marine environment.

Mr WILLIAMS: There is a raft of other questions there, but time dictates that we will not be able to traverse that area any further. I refer to page 11.4 of the budget papers which highlights payments to the Consolidated Account from the sale of surplus crown land amounting to \$10.2 million. Will the minister detail the parcels of crown land involved, and will he further inform the committee of any other agencies involved in the disposal of crown lands, or are all crown lands that are disposed of handled by his agency?

The Hon. J.W. WEATHERILL: That was really about the previous portfolio area of DEH. I am happy to take that on notice and give the honourable member an answer, but it involves the officers who have just left. It is not the responsibility of EPA: crown lands are managed by DEH. I undertake to bring back an answer on that.

Mr WILLIAMS: You are right, minister; I have the pages mixed up, but it is a question I wanted to have answered anyway. I refer to page 11.76, subprogram 1.12 and the table concerning radiation protection. Given the target to register as compliant with regulations all new X-ray machines, why is it that in 2007-08 and 2008-09 only two-thirds of the new machines have in fact been registered?

The Hon. J.W. WEATHERILL: I think the answer to the question is just that the number of applications has actually doubled, and that is what has been capable of being achieved. That has caused the introduction of the third party compliance test to assist us in dealing with that increase.

Mr WILLIAMS: The upshot is whether it causes a risk. Is it normal that these machines are generally compliant, or is there a risk?

The Hon. J.W. WEATHERILL: I am advised that there are a couple of safeguards. One is that by definition the new machines are new; they come with certain standards that accompany their installation, and the emissions in relation to the particular device are low in any event. So, the advice is that they present a low risk; nevertheless, we are taking steps to accelerate the rate at which the new machines are registered.

Mr WILLIAMS: On the same theme of radiation protection, it has been a long running debate in South Australia as to what will be done with the radioactive waste which is housed at a number of sites not just in the CBD and metropolitan Adelaide but across regional areas as well. Has any progress been made in the past 12 months toward finding a repository to place that short life, low level radioactive waste?

The Hon. J.W. WEATHERILL: No; that process is continuing.

The CHAIR: We now turn to our session on Zero Waste.

Departmental Advisers:

Mr I. Harvey, Acting Chief Executive, Zero Waste SA.

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

Mr WILLIAMS: I take the opportunity now to read into *Hansard* a series of omnibus questions and ask the minister to answer these questions for all of the agencies that report to him.

The CHAIR: I will give the minister the opportunity to stop you at any point and answer.

Mr WILLIAMS: My questions are:

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

2. Will the minister provide a detailed breakdown of expenditure on consultants and contractors in 2007-08 for all departments and agencies reporting to the minister, listing the name of the consultant and contractor, cost, work undertaken and method of appointment?

3. For each department or agency reporting to the minister how many surplus employees there will be at 30 June 2008, and for each surplus employee what is the title or classification of the employee and the Total Employment Cost (TEC) of the employee?

4. In financial year 2006-07 for all departments and agencies reporting to the minister what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2007-08?

5. For all departments and agencies reporting to the minister, what is the estimated level of under expenditure for 2007-08 and has cabinet already approved any carryover expenditure into 2008-09? If so, how much?

6. (i) What was the total number of employees with a total employment cost of \$100,000 or more per employee, and also as a sub-category the total number of employees with a total employment cost of \$200,000 or more per employee, for all departments and agencies reporting to the minister as at 30 June 2008; and

(ii) Between 30 June 2007 and 30 June 2008, will the minister list job title and total employment cost of each position (with a total estimated cost of \$100,000 or more):

(a) which has been abolished; and

(b) which has been created?

7. For the years 2006-07 and 2007-08 will the minister provide a breakdown of expenditure on all grants administered by all departments and agencies reporting to the minister, listing the name of the grant recipient, the amount of the grant and the purpose of the grants and whether the grant was subject to a grant agreement as required by Treasurers Instruction No. 15?

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

The Hon. J.W. WEATHERILL: I will take those questions on notice.

Mr WILLIAMS: I refer to page 11.87. Under the heading of 'Highlights' reference is made to funding support for 10 councils 'to pilot the incorporation of domestic food waste with the kerbside green organics bin collections'. It is my understanding that the green organics, certainly in the council area that picks up my garbage bins, are only collected every fortnight, so I assume this is part of the plan to move to a fortnightly waste collection for putrescible waste. If so, can you report to the committee on the outcomes of this pilot program?

The Hon. J.W. WEATHERILL: Again, the premise to the question is false. It is not part of any move to go to a fortnightly collection of waste, but is about getting food waste out of landfill and back into composting where it can be used effectively. A number of councils—three of the 10—are trialling a process of fortnightly collection of the ordinary household waste, but it is not clear whether any of those trials will continue or whether those councils will choose to go down that path because, as has been noted, there has been a degree of community concern about that notion.

It is certainly no part of the state government's requirements that the question of food waste being taken out of landfill be dealt with in that way. Our only interest is in reducing the amount of waste that goes to landfill—waste that could profitably be recycled—and that is certainly

what has happening in the other seven trials where they have used the ordinary process of collecting waste by putting that waste into the fortnightly green bin, and we will be interested to see the results of that process.

The state government has two interests: sanitation and health standards and ensuring that we reduce the amount of waste generally that goes to landfill. The question of the frequency of rubbish collection is a matter for local councils and a matter for them to resolve between them and their ratepayers.

Mr WILLIAMS: I was delighted to hear the minister's comments that it is one of the aims of Zero Waste SA and the government to reduce the amount of waste, particularly that which can be composted to go to landfill and that we may turn what has traditionally been seen as waste into a valuable product that can be recycled and reused, and that leads to my next question.

I have had representations from at least two recycling businesses who do just that. I have written to the minister about one if not both of them. One is in my electorate. It is a business that recycles waste from the wine grape industry, from both the vineyards and the wineries. Because of the logistics of moving around material, the operator was doing this on two separate sites, but complained to me that the excessive increase in licence fees over the last year or two has made his business virtually impossible to operate. I understand he has closed one of the sites and I doubt whether he is still operating the business at all. The outcome is that his clients are most likely dumping this waste, whether they be vine prunings, marc or other waste products from the wineries, somewhere in the local environment.

I have had the exact same complaint from a gentleman who was operating a similar business in the Port Lincoln area. He was receiving waste from fish processing plants and doing the same thing—composting it and turning it back into a usable product—and, again, his complaint was that the licensing fees were putting him out of business. I can only imagine what is happening to that waste now that he has been unable to compost it and treat it; it is probably going straight to landfill. It became obvious through the two complainants I have spoken to that there is a close point of balance between getting the community to do the right thing and getting this sort of waste out of our normal waste stream and landfill and having it treated. The reality is that the problem seems to be that the licence fees, because you are operating a full cost recovery regime, are making it very difficult for this industry to get off the ground. I would like the minister to comment on that.

The Hon. J.W. WEATHERILL: Those licence fees are most likely EPA licence fees, so it is properly a question for that organisation. Recently, the EPA has restructured its licensing fee arrangement which rewards, if you like, the better businesses in terms of pollution. I would be interested to get to the bottom of that, because I would like to understand it. In relation to Zero Waste, we are essentially an incentives-based organisation where we hand out grants. We do not charge anyone anything, in a sense. We are about using funds to encourage activity.

Again, from Zero Waste's perspective, we would be disturbed to hear that businesses were going out of business which were otherwise involved in recycling. It might be a matter about which the honourable member might wish to contact my office and it might be the subject of a representation. We could discuss it.

Mr WILLIAMS: I will certainly bring the details of both examples to your attention. Maybe Zero Waste and the EPA need to get together because something is falling down somewhere. The targets on page 11.87 for 2008-09 include support for the establishment of facilities to accept household hazardous waste and electronic waste in metropolitan Adelaide from the normal waste stream. What initiatives have been in place to date to prevent hazardous waste being disposed of in the general waste stream? Is the minister aware of schemes in other parts of the world designed specifically to collect and recycle E waste, and similarly schemes for used batteries?

I was most intrigued a bit over 12 months ago when I visited a number of sites in Spain with regard to water, power and all sorts of things. Every time I went into a public building or a sizeable office building there was a small bin where people could dump their small batteries out of their Walkman, cameras and things. I have not seen it anywhere here in Australia. It was pointed out to me that it is something that Spain does, and it was obvious that every one of those bins was being actively used.

The Hon. J.W. WEATHERILL: This is an area of real interest for me. I think that the question of hazardous waste, E waste, etc., does need some additional attention. We are doing some important things, and we have also made a very significant breakthrough at a national level on this matter. Many households obviously have hazardous waste stored in cupboards and sheds really without knowing where they can dispose of them. Zero Waste operates hazardous waste

depots at Dry Creek, previously operated by the EPA. As a complementary measure to the hazardous waste depot at Dry Creek we have a program that visits metropolitan and regional areas of the state with the cooperation of local councils to collect and properly dispose of hazardous waste and farm chemicals.

The Dry Creek depot is not easily available to the broader South Australian community, and this program provides a more accessible service for the disposal of hazardous waste. We manage the proper collection and disposal of unwanted chemicals by an EPA-authorized operator. In relation to E waste in particular, South Australia has obviously a long and proud history of product stewardship schemes. I argued strongly at the Environment Protection and Heritage Council meeting in Hobart on 22 May this year in favour of a national system in relation to E waste.

I also said that we would be prepared to go it alone if we could not get that national response. National response is better if we can get it, but we have traditionally seen that it has been difficult to get other states to go along with us. I was pleased to have the opportunity also in the week leading up to that conference to open Australia's only cathode ray tube recycling facility in Adelaide. This facility employs 20 people and takes old televisions and computer screens from both Australia and New Zealand and recycles the glass, copper and other materials.

The actual Environment Protection and Heritage Council meeting supported development of a national E waste product stewardship scheme; so, we got that breakthrough. Council committed to finalising product stewardship arrangements for tyres, computers and televisions at its next meeting in November, and also supported the development of this national E waste product stewardship scheme. One of the things that was quite a breakthrough was the choice modelling study on computers and televisions, which showed that the community had a high willingness to pay for recycling at the end of the life of televisions and computers.

What has been happening up to this point, though, is that, when regulatory impact statements have been carried out on, say, our container deposit legislation or other product stewardship schemes, a very big number is always put around 'inconvenience', which ends up concluding it to be negative in terms of cost benefit. It is not an inconvenience for South Australians, it is actually an ethic. It is not a burden. Some people may even see it as a benefit. If you can incorporate consumer preferences into your regulatory impact statement you get a different result. We saw that for the first time with the computer screens. This is quite a breakthrough and it could lead to other changes across the other areas, such as E waste. Things are moving along nationally now for the first time in a long time and, hopefully, that will lead to a good national scheme for the disposal of E waste.

Mr WILLIAMS: This question is not dissimilar to the one I asked earlier about the recycling of material being compostable and the impact of costs. A number of councils have contacted me highlighting the problems they are having with respect to illegal dumping throughout their areas. It seems that it is creating substantial costs to councils. We are talking hundreds of thousands of dollars a year for some councils simply to go around and pick up material that has been illegally dumped within their council area.

I have argued about this for many years, because we have the same experience in the country. I live near a lot of crown land, Forestry SA land, and a lot of illegal dumping takes place within that land because people will not pay even a few dollars to take their green bin, their waste or whatever it is to the local council tip because they are charged. Do you have any strategy in place to try to overcome the illegal dumping?

The Hon. J.W. WEATHERILL: There is. Obviously, you then get media attention on particular areas, like the recent asbestos issues. It is very patchy and there is little objective evidence of it being widespread, but we are trying to get much better data collection. We have established a database which, amongst other things, enables the input of illegal dumping information by local council officers; so, when they see it, it can be put in. Officers at Mallala and Onkaparinga are already adding information, and four other councils will shortly have officers trained in the use of the database.

Participating councils will also be issued with PDAs to allow photographs, location information and other information to be entered directly into the database. So, we will be able to monitor trends and identify hotspots. At the same time we will fund the development of an information tool box, including a website, for local councils to assist them in combating illegal dumping. Funding for illegal dumping prevention trials, which include surveillance cameras and signage, has also been looked at.

There is a tension here. On the one hand we have the recyclers, who want us to increase the price of levies to landfill to make it more financially viable for their recycling businesses, but the flip side of that is that it increases the incentive for people to escape the system. It is probably impossible to eliminate entirely—there will always be some sort of escape from any system—but we have to make sure that we minimise it. Obviously, it will be easier in some of the more remote areas of the state. However, we are taking it seriously and trying to get the best information about it that we can.

Mr WILLIAMS: I refer to the summary of income statement on page 11.89. It struck me that in every year there is a negative net cost of providing services. Can you explain from where the income comes? In the current budget it will be some \$12 million, and there will be a surplus of \$3.6 million. If you accumulate the surpluses over the three years of 2007-08, 2008-09 and the upcoming year there is some \$11.7 million of unspent funds within the Zero Waste agency. Can you explain what is going on?

The Hon. J.W. WEATHERILL: It is a question of the way it is funded. Zero Waste is funded through a levy, so if the levy raises more than the expenditure authority then there is that difference. It becomes identified as an accounting input. Obviously it affects the cash balance, but to have any effect of that cash balance it would have to have an effect on the budget bottom line. So there is a certain appropriation, but it has not been growing as fast as the levy collections, which are appropriated out of the waste levy—

Mr WILLIAMS: That councils pay.

The Hon. J.W. WEATHERILL: Well, it is not just councils; it is anyone who uses landfill.

Mr WILLIAMS: That was what I expected you to say, minister. I guess the upshot is: why are we not putting more money back into helping councils perhaps reduce their costs to reduce the burden of illegal dumping, and some of these things we have been discussing?

The Hon. J.W. WEATHERILL: It becomes a budget matter; it all hits the bottom line of the budget. In effect, it would be another appropriation—

Mr WILLIAMS: Do those surpluses go back to the consolidated accounts or are they retained by Zero Waste?

The Hon. J.W. WEATHERILL: They are retained in the cash balances of Zero Waste, so they sit in the Waste to Resources Fund.

The CHAIR: I declare the examination of the proposed payments for the Department for Environment and Heritage, Administered Items for the Department for Environment and Heritage, and the Environment Protection Authority completed.

DEPARTMENT OF WATER, LAND AND BIODIVERSITY CONSERVATION, \$88,000,000
ADMINISTERED ITEMS FOR THE DEPARTMENT OF WATER, LAND AND BIODIVERSITY
CONSERVATION, \$10,865,000

Departmental Advisers:

Mr S. Ashby, Chief Executive, Department of Water, Land and Biodiversity Conservation.

Mr M. Brine, Executive Director, Natural Resource Management, Department of Water, Land and Biodiversity Conservation.

Mr T. Goodes, Executive Director, Corporate Science and Information, Department of Water, Land and Biodiversity Conservation.

Mr D. DeCesare, Director, Finance and Organisational Improvement, Department of Water, Land and Biodiversity Conservation.

The CHAIR: I declare the proposed payments open for examination and refer members to Portfolio Statement, Volume 3, Part 11.

Mr WILLIAMS: Minister, my first question is virtually identical to the one I asked when we started on the Department for Environment and Heritage, and is about the numbers in the table regarding cost savings and FTEs. I will not go through all the numbers, but there is a reduction

getting towards 100 FTEs. Am I to assume that the response I will get is the same as the response to the earlier question?

The Hon. J.W. WEATHERILL: It is the same explanation, but it is a slightly different source of funding this time. The National Water Initiative funding and Caring for Country funding will have the effect of increasing the full-time equivalents during the course of the year, but they are not yet known with a certainty that would permit them to be put into the budget papers. So, yes; it is essentially the same answer.

Mr WILLIAMS: I refer then to page 11.45. The 2009-10 targets highlight the need to further develop monitoring and reporting of groundwater resources and the adoption of various water plans and amendments of existing plans. Can you inform the committee of the number of existing water allocation plans whose statutory review has overrun the five-year time frame?

The Hon. J.W. WEATHERILL: I think we will have to take that one on notice and get back to you.

Mr WILLIAMS: Thank you. The reason I asked the question (and from my own experience, being an irrigator in the South-East) was that irrigators right across the South-East were obliged some three years ago, I think, to put meters on all bores because a new water allocation plan was being developed. I think it was supposed to have been published some three years ago with the new requirements.

Ever since then, to my knowledge, every bore has had a meter put on it. However, the NRM board or the department or whoever is responsible, to my knowledge, has not had one of those meters read. They have all been inspected, they have had seals put on them, they have been photographed and they have been allocated a number but they have never been read—whilst we wait until this process is completed. That was done at great cost to the community. I do not think there was any objection to it; everybody agreed that we needed to be metered. However, there are a lot of rumours going around the region (and this is not unique to the Lower South-East of the state; there are other areas where I am getting complaints, even in the Mid North) because water allocation plans have gone past their expiry date and, because they have not been updated, rumours are afoot as to what might happen. Those who are in the market, either selling property and/or selling water rights, are having great difficulty because intending purchasers have no idea what they are purchasing. They do not know whether they are purchasing the original water licence or, if they purchase a property and water licence, will they suddenly wake up next day and receive a letter saying that their water allocation has been halved?

The Hon. J.W. WEATHERILL: These are good points. The reality is, though, that the water plans, in particular in the South-East, are imminent and that various interests who use water in the South-East would want us to get those plans right. However, we also see merit in streamlining some of the water planning processes, and it is important to do that in a timely fashion. We are facing some very big decisions in the South-East. We have done an extraordinary amount of work to make sure that we get the policy right so that we can manage pressure on groundwater resources to make sure that there is a fair allocation as between all existing users and, I suppose, future users, as well as making sure that we protect the environment. The point is well made that certainty is important, but getting it right is important also. We have been putting a lot of effort into that recently.

Mr WILLIAMS: The performance commentary notes reforms to unbundle rights with regard to water licences. Again, this probably impacts more acutely in the South-East but I understand it will have impacts in other regions, as well. The indication is that water access entitlements, water allocations and site approvals for both taking and using water will be a feature of the new management regime. Are you aware of the adverse impact on both water markets and industry of these arrangements? For instance, when someone wishes to undertake a water-using activity they will now need to obtain at least three and, potentially, four separate approvals. From complaints received in my electorate, this imposes both cost implications and, probably more importantly, significant time delays when endeavouring to transfer water rights from one property to another. A person may wish to sell a parcel of water from their land but retain the land, and that is what has occurred since we have unbundled the ownership of land and water title or separated the two titles.

One example brought to my attention some time ago was where a person put a water licence on the market; the water broker handling the deal brought back the best offer to the vendor; the vendor accepted the offer and the intending purchaser then had to go and make sure that he obtained these other approvals; and, from memory, I think it was a \$500 fee. At the end of the day

the buyer could not obtain the suite of approvals that was needed. The word went back to the vendor that he could not purchase it. The water broker then went to the next best offer and had to go through the whole process again. In the particular case brought to my attention, that process was attempted three times before a purchaser bought the water and got on with his business.

Not only was there a cost impost to those who failed to get the adequate approvals but there was also a significant time delay. The intending purchaser quite often loses at least one season (of being able to plant an appropriate crop and utilise the water) purely because of the red tape involved in these transfers. Would you like to comment on that?

The Hon. J.W. WEATHERILL: Absolutely. They are all legitimate concerns, and we share all of them. We are obliged, under the National Water Initiative, to provide for the separation of water rights to facilitate trading of water which is regarded as an important part of the management of water resources in this country. We are presently undertaking that work to separate water rights in the River Murray by July and progressively across the rest of the state's prescribed water resources.

The point that was raised by you concerning other associated approvals that are necessary and then providing, if you like, a practical barrier to that water trading arrangement is something that we are very concerned to streamline so that there is a one-stop shop for the approval of the trading of water rights. All of those concerns are legitimate and they are all being worked on in order to resolve them.

Mr WILLIAMS: I wish you luck with them, minister, and speedy luck. Just on that, at least in the South-East, we are currently going through a process to change from an area-based allocation system to a volumetric-based system. Through that process, I think your agency or the NRM boards are also taking the opportunity to address falling water tables and water shortages, etc. There is talk that licences will be reduced. Is it the intention that you would reduce water entitlement or water allocation?

The Hon. J.W. WEATHERILL: The first thing is to identify the pressure on a particular resource in a particular area and then really establish scientifically whether there is a necessity to provide a reduction in that resource. If the measure to protect the resource is going to be effective, it has to operate on the actual allocation of water, not on entitlement to water, so we need to find a way of achieving that. There are lots of equity considerations that also need to be looked at.

At the moment, in respect of the South-East, you have noted that we have recently announced a high-level policy that seeks to ensure that we have all of the relevant players that are capable of sharing any reduction in the pressure on the water resource, which includes forestry and which is a substantial change in the policy position. That will require legislative changes which have been introduced in the parliament to provide for the licensing of forestry.

Precisely how that occurs in the future will depend on the scientific analysis about the need to reduce allocation, but there is also a range of options short of using licensing to reduce entitlements or to reduce allocations. There are also permanent systems that can be used. So, there is a range of steps that might be considered short of the reduction in somebody's allocation, but it will really depend.

We have laid down a high-level policy framework, we are putting in place the legislative tools and we are going to design a process for implementing that high-level policy, but then it will be a matter for local NRM boards to have discussions with their local communities and industry to apply that policy environment.

Mr WILLIAMS: I refer to page 11.5. The highlights from 2008-09 include discussion on the River Murray forest. We have already noted that the highlights for the DEH Nature Conservation Program No.1 also talked about the River Murray forest. Is it DEH or DWLBC that has responsibility for the River Murray forest program or are both agencies contributing resources to this project, and how can the committee be assured that there is no duplication occurring?

The Hon. J.W. WEATHERILL: It sits within this portfolio area, but the Department for Environment and Heritage contributes to it.

Mr WILLIAMS: So, it sits within DWLBC?

The Hon. J.W. WEATHERILL: Yes.

Mr WILLIAMS: But the DEH contributes?

The Hon. J.W. WEATHERILL: Yes.

Mr WILLIAMS: Is it just financial resources or general resources that are contributed?

The Hon. J.W. WEATHERILL: It is people; it is in-kind assistance. In many issues that concern biodiversity, there is expertise within DEH that is commonly called upon and used to work with people within the Department of Water, Land and Biodiversity Conservation.

Mr WILLIAMS: It gets back to an earlier question I asked the minister about the potential to amalgamate the two agencies. Based on everything that I read in the budget, there seem to be huge crossovers between the two agencies. In practice, certainly, with this program there is obviously crossover and there is obviously cooperation. What is the rationale for maintaining two separate agencies? Why do we have two agencies and not the one?

The Hon. J.W. WEATHERILL: Well, they do very different things. In very broad terms—but this is not entirely the case—the DEH is a land manager and a conservator, and DWLBC has elements of being a conservator but is also a resource allocator between the various users, so in some cases it seeks to balance the various uses of the land including those of the environment as a regulator in that sense. It is about sustainable resource management in DWLBC, in a sense, whereas the DEH is focused more purely on conservation, so they have different roles and functions. While there is a lot of working together, there is not necessarily an enormous amount of overlapping in functions.

Membership:

Mr Goldsworthy substituted for Mr Pederick.

Mr WILLIAMS: I refer you to the summary income statement on page 11.48. Under the income part of that, are the levies received by the natural resource management boards across the state included in any of the figures in this table and, if so, what are they and where would they be included?

The Hon. J.W. WEATHERILL: No; they don't appear in our statements.

Mr WILLIAMS: So, it is completely separate?

The Hon. J.W. WEATHERILL: Yes.

Mr WILLIAMS: I refer to the same table. Why does the other income line show a wide fluctuation from \$17.8 million in the actual to \$11 million in the 2008-09 budget with an estimated 2008-09 result of \$19 million, and then to the 2009-10 budget figure of \$12.6 million? What is the other income and why does it fluctuate so widely?

The Hon. J.W. WEATHERILL: I will invite Tim Goodes, the Executive Director, to answer that question, because it is a technical accounting question.

Mr GOODES: The reduction from the actual in 2007-08 to the budget figure for 2008-09 involved some funding for the Upper South-East Dryland Salinity and Flood Management Program winding down. So, there was \$4.3 million in 2007-08 that was not in the budget for 2008-09. There was a reduction of budgets and actuals for various NRM programs and operations which received other funding between those two years of just over a million; just under a million from some funding received for regional liaison officers for NRM between those two years; and a reduction in the expected interest received on deposit accounts in that year.

During the 2008-09 financial year, there was an increase in funding for the State Complementary NRM Funding program. So that funding of about \$3 million, which was not known at the time the budget was drafted, was received during the year. There were some variations of another \$3 million, which also relate to subsidy payments for an NRM grant and external revenue funded projects. There was also a smaller amount of money for the establishment of the NRM Alliance Fund, which was a fund created during the course of the year, so that was a further budget adjustment.

Mr WILLIAMS: Are all of these payments intra-government payments?

Mr GOODES: Yes, the state complementary funding is an intra-government payment.

Mr WILLIAMS: So, they are all internal South Australian government payments?

Mr GOODES: They come from a Treasury administered item during the course of the year. Similarly, the third step, from \$19.06 million to \$12 million in next year's budget—those

amounts have not yet been confirmed. So, you could expect that (a) they would be and (b) they would show an increase in the revised budget this time next year.

Mr WILLIAMS: Thank you, minister. I can inform you that that may appease one of my colleagues, because those moneys have not been confirmed for NRM works and one of my colleagues—you may have noticed—is very hot under the collar about that.

Can I say, minister, that these tables are always confusing. If we had much more time in these estimates, I might be able to get my head around these tables by asking a whole series of questions on the numbers.

I refer to page 11.49, sub-program 1.1. Under the performance commentary three separate amounts of funding for this program are listed: \$19 million from the commonwealth from Caring for our Country; an additional \$4 million under the Landcare component of Caring for our Country; and \$14.3 million through the state Natural Resources Management Program. It appears that each of these revenue sources are specifically for the 2008-09 year.

My question is: is that the case and where are these amounts accounted for in the summary income statement tabled, because there is no way that I can fit them into the numbers? The relevant number is the estimated result of commonwealth revenue of some \$14 million, and it seems to go well under what the performance commentary suggests should be there.

The Hon. J.W. WEATHERILL: Once again, it is another accounting matter. I will ask Tim Goodes to comment.

Mr GOODES: The \$19 million is passed through DWLBC as an administered item. So, on page 11.67 you will see that large item reflected in the cash flow statement for administered items. The \$4.3 million relating to Landcare shows in the 'Other' income line—in the control line that we were just discussing.

Mr WILLIAMS: So, that money is actually a state government contribution?

Mr GOODES: No; the \$4.3 million is an additional allocation of commonwealth funds, but it is a separate bucket, if you like.

Mr WILLIAMS: But it appears under 'Other'.

Mr GOODES: It does appear under 'Other', which is the same place as the state allocation, the \$14.3 million, which is also shown under that line.

Mr WILLIAMS: Minister, that is why I asked a few minutes ago whether the 'Other' items were all intra-payments. This is where I am getting confused, because it appears that that one, at least, is a commonwealth payment that appears in 'Other'. Then there is the \$14.3 million through the state Natural Resources Management Program. Where does that one appear? I assume that that forms the bulk of the \$19 million figure?

The Hon. J.W. WEATHERILL: We might take that on notice, but I think you might be right.

Mr WILLIAMS: I am quite happy for that to be taken on notice. Is there any funding in 2009-10 for the eradication of branched broomrape?

The Hon. J.W. WEATHERILL: In November 2008, the Primary Industries Ministerial Council supported the branched broomrape eradication program, investing \$2.5 million per year until June 2012, an increase on previous budgets. We provide an additional \$1.9 million. The Australian Weeds Committee, which is responsible for an annual assessment, approved the overall progress of the program against milestones for 2008 and triggered national funding for 2009-10. So, yes, it certainly is funded, and it is the subject of increased effort.

Targets for 2009-10 include improving on-farm control of branched broomrape in pasture and non-arable land to meet the eradication target for these land uses; review the national funding formula to reflect changes in risk associated with shifts in production of susceptible crops; and although new discoveries of weed means the quarantine area increased in size by just under 4 per cent, the additional workload this entails is being accommodated within the agreed budget. It is a national program, it is the subject of national funding, and it builds on our funding.

Mr WILLIAMS: I noted in your answer that the declared area has increased by 4 per cent. Is the advice you are getting that we will be able to eradicate this particular pest in the medium to longer term, or will it merely be a control measure?

The Hon. J.W. WEATHERILL: No. The Australian Weeds Committee commissioned an independent national review of the program that reported in February. The review recommended that eradication be maintained as an objective and that funding be extended for the next triennium to June 2012. So, that remains the objective.

Mr WILLIAMS: Going back to that table, the performance commentary states that the Caring for Our Country Program will be funded by the commonwealth to the tune of \$17.3 million per annum from 2009-10 onwards to 2012-13. Why does the income statement merely show the commonwealth revenues for 2009-10 at \$10 million when it appears that we should be expecting at least \$17.3 million for the Caring for Our Country Program? I am quite happy if you take that on notice with the others.

The Hon. J.W. WEATHERILL: Yes; we will do that, but I think the short answer is that the column in the back of the budget addresses administered items.

Mr WILLIAMS: The performance commentary on page 11.49 refers to the partnership between the NRM council and the Premier's Climate Change Council. Do the two councils contain any members who sit on both, and is the NRM council subject to decisions of the Climate Change Council?

The Hon. J.W. WEATHERILL: No; it is not subject to the direction from the Premier's Climate Change Council, and I am not sure whether there are any members in common. We will check on that; but we do not think there are. Of course, we work closely with them. I meet with the Premier's Climate Change Council, and there is a degree of collaboration between the two areas.

Mr WILLIAMS: I refer to Program 1 (page 11.48): Summary Income Statement. What is the explanation for the 2008-09 estimated result for employee benefits and costs overrunning the budget by almost \$3.17 million (some 10.5 per cent)?

The Hon. J.W. WEATHERILL: It is a misreading of the estimated result. The estimated result is really the estimated revised budget; it is not the actual result for 2008-09. Say, during the course of the year additional appropriation gives you additional staff, the money comes across with it and that then becomes the estimated result for 2008-09. The estimated result should more correctly be described as the estimated revised budget for 2008-09. By definition, it cannot be overrun.

Mr WILLIAMS: Is it our expectation that when we get the actual figures next year they will be closely aligned to the \$34.9 million?

The Hon. J.W. WEATHERILL: If you look at the actual figures and compare them with the \$38 million or the \$646,000, that would give you the capacity to determine whether the result accorded with the budget.

Mr WILLIAMS: The same table shows the budgeted figure for 2009-10 as slightly lower than the 2008-09 figure. We are disregarding that increase, minister. How many FTEs is it planned to cut from the program, and will they be cut from agency staff? Does this fulfil the savings announced in the 2008-09 Mid-Year Budget Review, and it is anticipated that there will be a need for any further cuts to the full-time equivalent numbers due to any further announcements from the Treasurer?

The Hon. J.W. WEATHERILL: No additional cuts are contemplated beyond those foreshadowed in the Mid-Year Budget Review. The sum that we are talking about there has to be considered in the light of that phenomenon I was talking about earlier. That is, during the course of the year when commonwealth money comes in, FTEs are then built into the budget, so there may well be no reduction in FTEs. There may even be an increase, given the amount of commonwealth money coming in to fund various works that have been performed by DWLBC, so you could actually find more people working in the agency as all these new projects that are being funded come on.

Mr WILLIAMS: I want to go back to the question I asked earlier about the NRM levies and where their funds sit in your budget, and your answer was that they do not appear in your budget. Do they appear anywhere in the budget papers, or are their budgets and funding completely separate, apart from the money that is paid from the state government to support those NRM boards?

The Hon. J.W. WEATHERILL: You will find some reflection in the overall budget papers, but they are not indicated in the Department of Water, Land and Biodiversity Conservation. They

would also find their reflection in each of the council's books as they account for the collection of those funds.

Mr WILLIAMS: Are those boards subject to the Auditor-General's audit?

The Hon. J.W. WEATHERILL: Yes; they are a statutory authority, supervised by the Natural Resource Committee.

Mr WILLIAMS: I assume they are included in the Auditor-General's Report that is made to parliament.

The Hon. J.W. WEATHERILL: They are not specifically contained in those volumes, but he does report on the NRM boards.

Mr WILLIAMS: I now refer to page 11.50. The performance indicator highlights the significant environmental benefit payments made under the native vegetation clearance policy and particularly mentions mining operations being approved. Do the significant environment benefit payments reflect the realistic value of the native vegetation being disturbed? For example, in the settled part of the state where there is very little remnant vegetation, say, in the Mid North or the South-East, a small amount of remnant vegetation may be seen to have a very high value whereas, in the Far North of the state with a similar sized proposal to create a mine or something of that sort, it might be thought that, being a few hectares in hundreds of thousands of hectares of not dissimilar vegetation, the native vegetation would have a much lower value. How is this managed?

The Hon. J.W. WEATHERILL: I think that is a reasonable point, and those differences in the qualitative nature of the native vegetation are taken into account and find their expression in the regulations about the nature of the offset. There is a much greater ratio of what needs to be found to compensate for loss of vegetation of a particular type and quality, so those factors are taken into account in calculating the offset.

Mr WILLIAMS: Just on that point, I refer to the bottom line of the table on page 11.50. Under the heading of Performance Indicator is a line specifying 'the ratio of area to be revegetated against area of trees approved for clearance', and the target for 2008-09 is 10 to one, whereas the estimated result is 11 to one, which indicates a 10 per cent increase in the area to be revegetated as compensation for clearance approval. Is that an anomaly or has there been a policy decision by the Native Vegetation Council to increase the area for compensation?

The Hon. J.W. WEATHERILL: I think I had better get a briefing about that before I supply an answer. I will take that question on notice.

Mr WILLIAMS: Again, the performance indicators talk about the percentage of development applications processed within statutory time frames and, similarly, with the percentage of native vegetation clearance applications processed within agreed time frames. It comes to the red tape issue, which your government continually talks about. Does the government believe that it is either fair or reasonable that businesses should be disrupted because of the failure of government agencies to meet with statutory time frames or publish agreed time frames, and would it be reasonable that failure to meet such approvals or disapprovals within the statutory time frames should mean that the application would be automatically granted?

The Hon. J.W. WEATHERILL: Obviously, we are trying to redesign our development system so that more of these applications are dealt with at the front end so that we do not have this question of having to rely upon referrals. The figure there that you are relying upon is annotated, which suggests that the 2008-09 estimated result of 94 per cent is at 15 April 2009. We do not have the final version of that yet.

Obviously, it is desirable that there be the highest possible processing within statutory time frames, but there may be some odd applications which raise complexities which are not able to be dealt with within the guidelines that are set down. Obviously, that is our aim, and the target for 2009-10 is 98 per cent of those applications being dealt with within those time frames.

Mr WILLIAMS: I again refer to the work of the natural resource management boards. I am aware that one of their functions is the management of both pest plants and vertebrate pests, a function that used to be carried out by local government. Is your agency accepting of that function being totally under the control of those boards, or does your agency have an overarching monitoring role to ensure that the NRM boards are fulfilling their requirements under the relevant acts to ensure that both the spread of pest plants and the control of vertebrate pests is being carried out in both an efficient and effective manner?

The Hon. J.W. WEATHERILL: It is a combination of things. We would like to empower the community to deal with this. Obviously, there are a lot of efficiencies associated with people taking steps on their own properties in order to reduce the amount of bureaucratic burden on people by allowing them to do things for themselves. They are obviously on the spot and can take steps. There are officers within the NRM boards who have the capacity to carry out works for themselves, and there are also officers within the Department of Water, Land and Biodiversity Conservation who provide support to the NRM boards and who themselves can act directly to carry out works. Obviously the notion of a pest can be something as small as a weed and something as big as a deer and it is a very different process.

Mr WILLIAMS: We have both, minister.

The Hon. J.W. WEATHERILL: Have you heard of Judas goats? Morally it is reprehensible to have one of your mates hang around so the rest can be shot, but it is very effective. There is a very different array of things, some quite sophisticated and requiring a lot of department support. Others can be dealt with at a local level, and we want to get landowners and community members to participate in some of that activity as they can do an enormous amount of work on the ground with a little support.

Mr WILLIAMS: On that, there is a significant issue across probably the settled areas of the state at least. I am not sure whether it is a problem on the West Coast, but certainly in the Mid North and most definitely in the South-East there is a huge problem with feral deer. Is that management undertaken exclusively by the NRM boards or does your agency have a role there?

The Hon. J.W. WEATHERILL: It is certainly managed by the NRM boards, but with substantial assistance from our department. Again, this provides hunting opportunities, and landowners engage in that as well. I observed firsthand, when travelling in the South-East to look at the drains issues, what seemed to be substantial infestations of deer. Surprisingly, they do a lot of damage to the natural environment.

Mr WILLIAMS: They do if you run into them with your car also, which I have not done but I know people who have. Some of my constituents blame your department for harbouring them in some of your parks.

The Hon. J.W. WEATHERILL: I do not think we introduced them; I do not think we have ever been deer farmers.

Mr WILLIAMS: A fair few live on crown land. I refer to a decision on the Bald Hills/Wimpermerit drains: is that imminent?

The Hon. J.W. WEATHERILL: Soon.

Mr WILLIAMS: It has been imminent for a month at least, minister.

The Hon. J.W. WEATHERILL: Yes, the decision will be made soon.

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

[Sitting suspended from 12.30 to 14.30]

Membership:

Mr Pisoni substituted for Mr Goldsworthy.

Dr McFetridge substituted for Mr Williams.

Mr Griffiths substituted for Mr Pengilly.

DEPARTMENT OF THE PREMIER AND CABINET, \$133,840,000

**ADMINISTERED ITEMS FOR THE DEPARTMENT OF THE PREMIER AND CABINET,
\$12,160,000**

Departmental Advisers:

Ms K. Petersen, Director, Remote Areas, Aboriginal Affairs and Reconciliation Division,
Department of the Premier and Cabinet.

Ms N. Saunders, Executive Director, Aboriginal Affairs and Reconciliation Division, Department of the Premier and Cabinet.

Mr R. Starkie, Manager, Strategic Services, Aboriginal Affairs and Reconciliation Division, Department of the Premier and Cabinet.

Jake Loulas, Principal Financial Consultant, Assistant Manager, Budgets, Aboriginal Affairs and Reconciliation Division, Department of the Premier and Cabinet.

Mr D. Bertossa, Director, Policy & Strategy, Aboriginal Affairs and Reconciliation Division, Department of the Premier and Cabinet.

Ms B. Weis, Director, Operations, Aboriginal Affairs and Reconciliation Division, Department of the Premier and Cabinet.

Mr G. Mackie, Acting Deputy Chief Executive, Department of the Premier and Cabinet.

The CHAIR: I declare open the proposed payment and refer members to the Portfolio Statement, Volume 1, Part 1. I invite the minister to make an opening statement.

The Hon. J.W. WEATHERILL: I think we have agreed to push on with the questions.

The CHAIR: In that case, I invite the member for Morphett to begin.

Dr McFETRIDGE: Thank you, Madam Chair and minister, and welcome to the advisers. I refer to Budget Paper 4, Volume 1, page 1.32: the review of the APY Land Rights Act. This began in 2004. The first stage was completed in October 2005, and at that time the government expected to conclude the second stage in 2006. When does AARD expect to complete the comprehensive review of the APY Land Rights Act, first started in 2005? I am happy to do this in bits, seeing we have the questions.

The Hon. J.W. WEATHERILL: In relation to that question, as you recall, in October 2005 we passed a range of amendments primarily focusing on governance matters to the APY Land Rights Act. Section 32 of the act required the minister to cause an independent report of the operation of the amendments affected by the act and report on the results. The act stipulated that the review, that is, the review the member referred to, must be conducted by a panel of three people, one of whom be Anangu and nominated by the APY Executive Board, and two to be nominated by the minister with the agreement of the Executive Board.

That occurred; the review was conducted by Mr John Thurtell, Ms Mary Anderson and Mr Gary Lewis, reporting to me late last year, and I tabled a copy of that report. That report contains a number of matters that arose out of submissions from a range of parties. Representatives of the APY executive made it clear to AARD that they feel that a number of the recommendations contained in that report have not given them an opportunity to respond to the numerous claims about their activities made by the parties who gave submissions to the review.

In light of this, AARD has been working with the APY executive to enable it to provide further relevant information about the recommendations contained in the report. AARD officers have met with representatives to the APY Executive three times to receive further information from them. Once the views of the Executive have been considered, the minister (that is me, of course) will determine which, if any, matters contained in the report will be progressed.

The reality is that, once again, I think the report contains recommendations that reflect the perspective of one particular set of views in the APY lands and do not necessarily reflect the views of the present APY Executive. That will not necessarily be a barrier to our pursuing them, but it is proper that they be given an opportunity to respond, especially where there have been matters that were critical of the APY Executive.

Having said that, I indicate that there are some changes that we are determined to press ahead with, some of which are agreed and some of which the APY Executive has resisted, including the remaking of the lease in relation to the Mintabie part of the APY lands, that is, the Mintabie lease which contains the precious opal fields in Mintabie.

Dr McFETRIDGE: When do you think we will see that?

The Hon. J.W. WEATHERILL: Very soon. They will involve changes, including toughening up of the alcohol restrictions and also some tightening up of the credit arrangements. These are welcomed by the Anangu APY Executive but are not so welcomed by some of the residents of Mintabie. Nevertheless, they are important measures, which are very strongly backed

by the police. We will also be promoting changes to the permit system, which are supported by many Anangu but certainly not by some sections of the APY Executive. However, I believe they are crucial changes that need to be made to—

Dr McFETRIDGE: Can you provide us with any detail at all on that at the moment?

The Hon. J.W. WEATHERILL: Certainly, we will be providing you with the draft legislation as soon as it is available. In broad terms, consistent with the changes I announced in June last year, it will permit employees and contractors easier access to the lands by not requiring a permit, as they presently do, and also properly credentialed members of the media. Frankly, the reason this has become necessary is the abuse of the permit system.

As the member would be aware, we inquired into the permit system when the previous federal government was seeking to abolish it. I certainly strongly resisted that proposition, and part of our argument for resisting any changes to the permit system at that time was that there were no instances of abuse. Sadly, since that time, there have been many instances of abuse.

As the member has asked about permits, it might be worthwhile to go through some of those things. Permits really affect a number of people. State and federal government public servants and non-government organisations have all been affected by this. Ms Jos Mazel, the former executive director of the Aboriginal Affairs Division, applied for a permit in early 2008. She advised that she would be visiting the lands to meet community councils and to attend a special general meeting, held on 28 and 29 May, to discuss housing, which at that time was an important and controversial matter.

On 19 May, the APY Executive denied Ms Mazel's request for a permit. So, the head of Aboriginal Affairs was denied a permit to go to the APY lands. Worse than that, when she attended, she was, at the urging of Mr Peter Huntington, approached by the police. In our view of the law, she did not need a permit, but we always applied for one as a matter of course. So, we had a situation where a public servant who, in the performance of her duties, had to provide information to the police, at the urging of one of the administrators at the APY administration.

On 3 June last year, Mr Larkins, Manager of CDEP Operations at Indulkana and chairperson of Bungala Aboriginal Corporation, had his permit cancelled, which interrupted the CDEP service for a period. Then, of course, there was the incident you would probably be familiar with. Ms Macklin, the new federal Minister for Aboriginal Affairs, and I were planning to visit the APY lands on 10 and 11 June. We advised the APY Executive of our plans on 22 May, and on 28 and 29 May the APY Executives' special general meeting noted that that was happening. On 2 June, we informed of our impending visit, and on 5 June we sought special entry permits. Again on 6 June we sought the urgent processing of those permits and, despite repeated requests, there was no confirmation we would receive those permits, so late on Friday we had to cancel the trip. It was embarrassing to try to take the federal Minister for Aboriginal Affairs to the APY lands to attempt to persuade her that we should receive the resources we need and she was treated in that fashion. I was not too worried about my inconvenience, but I was extremely embarrassed that it happened to her.

In March 2008 the manager for the DEH lands-based project applied to renew her permit for access to the entire lands, and the permit was granted. On 11 November she reapplied for permits for 12 months, requesting an 'all of lands' permit for a number of staff. In particular, a manager sought access to communities with a doctor and nurse, should her young child get sick. She also made a request to allow access to adjacent communities to get supplies and repair vehicles. In December 2006 the APY wrote to the Director of DEH, declining permits for some staff and indicating she would not have a permit to seek medical treatment for a child if it became sick.

As part of a factional brawl, an APY executive denied AP Services staff a number of permits. That continued again in 2009. Ms Leonie Cameron, the CEO of AP Services, was denied a permit. Tellingly, the APY in the letter also advised that no further permit would be issued for Mr Malcolm's position successor without a resolution of the executive board. So, we had a manager of AP Services, which provides services on the lands, and the APY Executive resolved to deny, even without knowing who it would be, the next person to fill his job, purely because they had a disagreement with AP Services about the way it delivered these things.

Finally, on 3 April this year we were seeking to go to the APY lands to consult on the Aboriginal Heritage Act and wanted to take with us Mr Murray George, who was an Anangu and did not need a permit, but we were told that if we took him with us we would be denied a permit. It is this nonsense at which the changes have been directed. As Mr Yami Lester said on the radio the other day, the permit was knocked back by three white fellas and not Aboriginal people. He

described them as gatekeepers. That is what we are worried about and why we want to change the legislation in the way in which we have foreshadowed.

Dr McFETRIDGE: When does the minister propose to introduce legislation to amend the permit system?

The Hon. J.W. WEATHERILL: Very soon. I do not have the precise date: it will depend on timetabling in the parliament.

Dr McFETRIDGE: Before the winter break?

The Hon. J.W. WEATHERILL: I am not certain about that, but it will be soon.

Dr McFETRIDGE: You will let me have a copy at your earliest convenience?

The Hon. J.W. WEATHERILL: Certainly.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 1, page 1.32. What has prevented the body from keeping its commitment to release six-monthly APY lands reports, and when will the next report be released? Does the minister stand by his earlier statement that these reports tell the whole truth about what is and what is not happening on the APY lands?

The Hon. J.W. WEATHERILL: I certainly receive regular reports. We publish a newsletter which sets out circumstances in relation to the APY lands, so I am more than happy to supply any information the honourable member may seek about the APY lands. We supply information to the best of our knowledge and belief, but if there are any concerns about its accuracy I am more than happy to consider any points the honourable member has. We are conscious of the need to keep people informed about what is happening in this community, as it is very remote and it is difficult for people to be aware of what is happening up there. One of the remedies for that will be to ensure the media have easier access to the APY lands. The other thing is that Ms Petersen is appointed to the position of Manager of Remote Communities and regularly visits the APY lands, and also we have our service co-ordinators. There are two service coordinators, Mr Jackman and Mr Smith. They liaise with all government agencies to make sure that we overcome that issue of service delivery on the ground. That work has been very important but, frankly, we have been obstructed in more recent times by the conduct of the administration.

I want to mention another area of work that is crucial but which has been the subject of some blocking, and that is the court complex. The Mullighan inquiry made some important observations about child sexual abuse on the lands. One of the key elements of our response was the requirement for a court complex that would house specialised services to deal with sexual abuse.

On 25 September, we wrote to the APY executive flagging the importance of this initiative. The regional service coordinator spoke to the APY about this on a number of occasions and raised it at an executive meeting on 4 February. The APY planning officer put the planning aspects of the buildings on the agenda for a two day executive meeting on 3 and 4 March 2009, and a senior police officer and a public servant came to Umuwa for the meeting to give a presentation and answer questions on the facility.

They were made to wait for the duration of the two day meeting, when they were then informed that the matter would not be considered and would be deferred to a subsequent meeting. It was not considered at the April meeting, the May meeting or the June meeting, so I then went up to the lands to raise this, and I impressed on them the significance of this.

I wrote to the executive on the 15th requesting that it be urgently considered, and it was not considered on either 17 or 18 June; it was deferred to the July meeting. So, these are the sorts of obstructions that I have been complaining about. I have made it very clear that we cannot continue to have this on such important items.

Dr McFETRIDGE: Minister, why would the APY release a press release yesterday in which Mr Singer said:

It's completely untrue to say we are obstructing a court. I asked the minister to identify the recommendation in the Mullighan report requiring a court at Umuwa. I cannot see any such recommendation in the Mullighan report.

So, there is still, obviously, some confusion there. It would be great to find out what the heck is going on.

The Hon. J.W. WEATHERILL: It was a key component of our response to the Mullighan inquiry. It was not a specific recommendation; it was our response. We brought down that response

in August 2008. Nobody could seriously suggest that in respect of a courthouse housed in Umuwa away from the communities with associated administrative facilities for specialist support services for victims. Of course, one of the critical issues is having people coming forward to give evidence.

We made that commitment, with dollars attached to it, in August 2008 as our specific response to the Mullighan inquiry. It was brought down within days of the Mullighan recommendations being made. I have just outlined that on all of the separate occasions when we have asked for that to be dealt with—if one cannot conclude that what we are seeing is obstruction then I do not know what obstruction is.

We are also told that it is important that we try to seek agreement and do things in partnership with Aboriginal people. We attempt to do that and we are treated in that fashion. I think that is utterly unacceptable.

Dr McFETRIDGE: I sense there is a lot of confusion there still.

The Hon. J.W. WEATHERILL: I have made that very clear to the administration, and I have made it clear to the APY executive. My view is that these are matters of such importance that I had to raise them directly with the executive, which I did in very clear terms.

Dr McFETRIDGE: Back to my original question: will the division be releasing six monthly reports on the progress of the APY lands publicly?

The Hon. J.W. WEATHERILL: Could you repeat that?

Dr McFETRIDGE: Will the division be releasing six monthly progress reports on the APY lands?

The Hon. J.W. WEATHERILL: Are you talking about the response to the Mullighan report, or are you talking more generally?

Dr McFETRIDGE: No; the reports as to general progress on the APY lands.

The Hon. J.W. WEATHERILL: Material exists, I am advised, on the website concerning the APY lands and the measures being taken. Regular newsletters are published and obligations exist in relation to the Mullighan report which are formally dedicated to the Minister for Families and Communities. There are all those vehicles for information to be accessed concerning the APY lands. There is, I would argue, greater compliance than what you are putting to us.

Dr McFETRIDGE: With respect to the same budget reference, how often has the Aboriginal Lands Task Force met, and when did it last meet?

The Hon. J.W. WEATHERILL: Two task forces operate in relation to the APY lands: the Mullighan inquiry task force, which is more specifically about working on the recommendations; and the APY task force which meets on an irregular basis and which really reviews all the funding that occurs from every agency in relation to the APY lands. I am not certain about the last time that met; I will provide that detail to the honourable member.

Dr McFETRIDGE: I refer to Budget Paper, 4, Volume 1, page 1.32. How much of the \$25 million over five years in funding commitments for the APY lands has been expended in 2008-09 and what programs was it spent on? Of the programs allocated funding in the 2008-09 budget, how many will continue to receive state government funding in 2009-10 and how much funding will each receive? Possibly not today, but can a list be provided outlining which initiatives were funded, for how many years and the total amount of funding expended on each program?

The Hon. J.W. WEATHERILL: I will treat that as a question on notice.

Dr McFETRIDGE: With respect to the same budget paper, what is the cost of administering the Aboriginal Heritage Act and the Aboriginal Lands Trust Act?

The Hon. J.W. WEATHERILL: We do not have a separate budget for the heritage branch; it is contained within the overall budget. We do have a budget for the review of the act. Are you asking for the latter, that is, the budget for the review of the act or the budget for what we do at the moment?

Dr McFETRIDGE: What you do at the moment.

The Hon. J.W. WEATHERILL: That is not separately identified, but it could be calculated. We will take that on notice.

Dr McFETRIDGE: What is the cost of the review, do you know?

The Hon. J.W. WEATHERILL: It is \$300,000 each year over two years (2008-09 and 2009-10).

Dr McFETRIDGE: I refer to the same Budget Paper: Aboriginal Lands Trust. When does the minister expect to release the draft bill to amend or replace the existing Aboriginal Lands Trust Act?

The Hon. J.W. WEATHERILL: Our aim is to produce a draft proposition before the end of the year.

Dr McFETRIDGE: I refer to Budget Paper 6, page 7. What exactly will the \$7.1 million over four years for improved government service delivery in the APY lands cover?

The Hon. J.W. WEATHERILL: Can you tell us which page?

Dr McFETRIDGE: It is Budget Paper 6, page 7. There is only one dot point: \$7.1 million over four years, in addition to \$0.8 million in 2008-09, for improved government service delivery on the APY lands.

The Hon. J.W. WEATHERILL: Are you in the Regional Statement?

Dr McFETRIDGE: Yes; Budget Paper 6, page 7.

The Hon. J.W. WEATHERILL: This is the money that flows from the commonwealth's improved service delivery for remote communities national partnership. It is about the hubs they are choosing in Mimili and Amata, involving interpreters, other cultural training and some additional commonwealth service coordinators. Basically, it is improved service delivery on the ground, building up local administration and its capacity to turn those two centres, if you like, into service delivery hubs.

Dr McFETRIDGE: I refer to Budget Paper 6, page 6. How much commonwealth funding is provided out of the \$124.1 million over four years to address overcrowding and homelessness in indigenous communities?

The Hon. J.W. WEATHERILL: I think that national partnership agreement—if it is a housing national partnership agreement, which I am almost certain it is—comes within minister Rankine's portfolio.

Dr McFETRIDGE: In relation to the funding provided for remote indigenous housing, the footnote indicates that this money is a transfer of commonwealth revenue to SA Housing. Is the state government providing any financial investment for remote indigenous housing? If so, how much will the state government be providing between 2008-13.

The Hon. J.W. WEATHERILL: Once again, that is minister Rankine's portfolio.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 1, page 1.32. How much financial support is provided to the South Australian Aboriginal Advisory Council on a yearly basis and what amount is provided for wages? How many full-time employees are employed by the Aboriginal Advisory Council.

The Hon. J.W. WEATHERILL: For 2008-09 the budget was \$291,700, which includes the cost of travel, expenses and allowances in relation to the committee and a salary for one person.

Mr GRIFFITHS: Minister, I refer to municipal services agreements in place on Aboriginal communities, and the funding situation between federal and state governments. Can you provide an update on that? I am aware that there has been a very lengthy delay and I know that one community in my electorate, and the local government authority that helps to administer that, is very concerned about the delay.

The Hon. J.W. WEATHERILL: This is an area in which there is certainly a difference between commonwealth and state government perspectives, and we have raised our concerns about it with the federal government on a number of occasions. Pursuant to an implementation plan for COAG, the Remote Indigenous Housing National Partnership, the commonwealth will fund an audit to assess the level and need for municipal services. That is one of the things that we were at loggerheads about, what was actually needed.

The results of the audit will inform a report to COAG by December 2009 on a proposal for clearer roles and responsibilities in funding in respect of municipal services and a time frame for implementation of new arrangements, and for those arrangements to be in place by 1 July 2012.

No advice is currently forthcoming from the commonwealth on its intention to disperse the funds to Aboriginal communities for municipal services.

The commonwealth remains responsible for funding municipal services on Aboriginal lands, pursuant to previous arrangements. The policy position is that the commonwealth and the state should collaborate to maintain services for Aboriginal communities as a result of changes to municipal services funding arrangements. So the matters remain unresolved, although the step forward is that an audit is being funded to grapple with the need for, and costs, associated with municipal services.

Mr GRIFFITHS: It is a very lengthy project, though, is it not?

The Hon. J.W. WEATHERILL: It is. The previous government sought to impose it; this government has gone a little slower on it, but it is still unresolved.

The CHAIR: There being no further questions for the Minister for Aboriginal Affairs and Reconciliation, I declare the proposed payment adjourned and transferred to Estimates Committee A.

Membership:

Mr Venning substituted for Dr McFetridge.

DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES, \$2,038,971,000 ADMINISTERED ITEMS FOR THE DEPARTMENT OF EDUCATION AND CHILDREN'S SERVICES, \$179,782,000

Departmental Advisers:

Mr C. Robinson, Chief Executive, Department of Education and Children's Services.

Ms J. Andrews, Deputy Chief Executive, Department of Education and Children's Services.

Ms J. Reidstra, Acting Deputy Chief Executive, Department of Education and Children's Services.

Ms T. Winter, Executive Director, Early Childhood Services, Department of Education and Children's Services.

Ms C. Vetere, Assistant Director, Budget and Finance, Department of Education and Children's Services.

Ms J. Emery, Director OCE, Department of Education and Children's Services.

The CHAIR: I declare the proposed payments open for examination and refer members to Portfolio Statement, Volume 2, Part 9. Minister, do you wish to make an opening statement?

The Hon. J.W. WEATHERILL: I do. We now understand better than ever before the critical role of the early years of a child's life. The experiences of a young child are a key to establishing their future pathway in life. During this time, the foundations of a child's physical and emotional health, their success in education and employment and their ability to contribute to our community are built. These foundations are laid down by a child's familial, social, economic, health, care and educational opportunities. In these years, our children require a safe, loving and stimulating foundation in their family, their culture and their community. This assists children to grow into happy, healthy and successful adults.

The most vulnerable children and families—children with special needs, Aboriginal children and children from refugee families—need special attention as early as possible. A growing body of evidence shows that a difficult and disruptive beginning in a child's life can be alleviated through assisting parents and by providing quality childcare and sound early learning experiences.

The role of parenting in our complex changing society has become more difficult. Government must take a stronger role in helping parents to be the best parents they can. An important initiative to do this in South Australia is Engaging Parents in the Early Childhood Development Story. The Australian government is also pursuing a national reform agenda through

early childhood development. I am particularly pleased that an integral part of that agenda will be the South Australian initiative.

The national reform agenda will transform the existing provision of early learning and care services for young children in South Australia. This new platform will be built through a package of the most significant and ambitious early childhood education and care reforms for decades. It is a welcome development to have the commonwealth involved in early childhood development. Central to these reforms are improved outcomes for children and families through a new quality focused childcare system available nationally. This will include a new rating system, better child to staff ratios, a more consistently trained qualified workforce, and a challenging curriculum and joined up regulatory system.

The new system will be considered by COAG in July. Broader consultation will follow the meeting and a document will then be refined before final approval at the October COAG. Many of the reform activities will be incorporated into the South Australian legislative reform program that is underway.

Reform on the ground will begin shortly with the integration of childcare and preschool. We will implement the Bilateral Agreement on Achieving Universal Access to Early Childhood Education under the National Partnership Agreement on Early Childhood Education. I am pleased to announce that South Australia will spend \$65.1 million over four years to provide access to an early childhood education program for all children in the year before formal schooling begins.

Following my appointment in 2008 as Australia's first Minister for Early Childhood Development, the Rudd government also created a Minister for Early Childhood Education, Childcare and Youth. I wish the new minister (Hon. Kate Ellis, federal member for Adelaide) well in her new position and I look forward to working with her to give South Australian children the best possible start in life.

South Australia has taken quite a lead at the ministerial councils at a national level. Here in South Australia, we are continuing to develop the joined up services model, focusing on the functions of the Department of Health, the Department for Families and Communities and the Department of Education and Children's Services through regular meetings of the Inter-Ministerial Council.

The Department of Treasury and Finance has identified a total of \$924 million in terms of early years expenditure across 62 program areas in the three key agencies of health, education and families and communities, and linking those together and making sure that we get the best possible value out of those services is crucial.

The particular programs for which I have responsibility include the Early Years Literacy and Numeracy Program; support for children with additional needs in their local preschools with bilingual assistants, preschool support workers and regional support services; the development of children's centres; and the trialling and delivery of preschool and community-based childcare centres. As Dr Fraser Mustard said, when he was Adelaide Thinker in Residence:

Early childhood development programs are essential if we are to give future generations of South Australians the competencies they need to become confident, capable and productive members of our communities.

The CHAIR: I invite the member for Unley to make an opening statement if he so wishes.

Mr PISONI: No; I have some questions.

The CHAIR: I remind members that all questions must refer to a budget line.

Mr PISONI: I am here representing the Hon. Michelle Lensink, who is the Liberal spokesperson for this portfolio. I would like clarification or confirmation regarding workforce summary on page 9.2. I had a couple of calls to my office yesterday from people within the Department of Education and Children's Services advising me that they had heard that the chief executive had resigned. Are you able to clarify that, minister?

The Hon. J.W. WEATHERILL: It depends on how today goes, really! Rumours of his demise are, I think, exaggerated. He is sitting right here next to me and he did not seem to have a particularly worried look on his face, so I will assume that those reports are inaccurate.

Mr PISONI: So there is no truth in that whatsoever, then?

The Hon. J.W. WEATHERILL: No.

Mr PISONI: Thank you for clarifying that. I refer you to the highlights on page 9.5 of the budget papers referring to children's centres. Are you able to provide a list of the services which are to be rationalised as a result of the amalgamation of smaller services into children's centres? I want to clarify the reason for that question. The Campbelltown Preschool Centre is to be merged with the Il Nido Centre at Paradise. Parents have been told that, at the end of 2009, they will no longer have access to occasional care at the rates as listed in the fee schedule of the DECS Funded Occasional Care Handbook, which they claim will double the amount they currently pay. Are you able to clarify if services will, in fact, be lost with the amalgamation of these centres, and if fees will increase?

The Hon. J.W. WEATHERILL: Children's centres are quite the opposite to rationalising services; in all respects they are about providing new and additional services. There is no children's centre, of which I am aware, that has been created in a way which sets out to reduce the level of services available to parents. In fact, it is all about expanding the services to parents. The process of collocation of the services on the one site provides a fantastic opportunity for parents, and it is really parent-driven. Most of the children's centres that we are creating are on primary school sites, so that if you have children that are perhaps at child care, preschool and primary school it means one drop-off instead of potentially three, in some cases. It also means that other services can be brought in from other disparate locations, so there might be parenting support, health support or disability services support. It is really about aggregating services in one place, not reducing the amount of services.

The specific question that you asked about increased costs or reduced services in a particular location is one that we will take on notice. I would be very surprised if that was the case, because the whole conception of the children's centre is about increasing the services, not decreasing them. There is no sense in which it is a rationalisation: it is all additional resources. They do not save us anything; they cost us a considerable amount to create. There is no cost-saving element in a children's centre that would imply some rationalisation of services.

Mr PISONI: When you come back with the answer, could you specify the fees that are charged?

The Hon. J.W. WEATHERILL: Perhaps you could be a little clearer about the service you are asking about precisely.

Mr PISONI: Occasional care, in particular.

The Hon. J.W. WEATHERILL: Prices for occasional care in the children's centre, as opposed to the area we are presently—

Mr PISONI: Yes; what they are now and what they will be in the merged sites.

The CHAIR: The minister will take that on notice.

Mr PISONI: Again, referring to the same budget line, can the minister confirm the number, cost and time lines for completion of the children's centres? For example, in 2006-07, the budget listed a total cost of \$13 million for 10 centres due for completion this month, June 2010. The Premier announced on 14 March 2007 that it would cost \$23 million over four years to develop 20 children's centres with up to 600 extra child care places. Then in the 2007-08 budget it was announced that 20 centres will be completed by 20 June 2010 (that is, this month)—

The Hon. J.W. WEATHERILL: No, 2010.

Mr PISONI: I beg your pardon, 2010—at a total cost of \$16.359 million. The sites listed were at Campbelltown, Cowandilla, Gawler, Marion, Murray Bridge, Port Augusta, Renmark, Salisbury, Taperoo and Woodcroft. From what I can gather, only Renmark and Taperoo were opened last year. Then the member for Mawson, Leon Bignell, issued a press release on 22 June 2007 that said it was \$28.8 million over four years for 20 centres and repeated what now appears to be a broken promise for the Woodcroft centre. The 2008-09 budget predicted a total cost of \$26.5 million. The recent budget estimate for the total cost is over \$30 million, with a completion date of July 2010. It appears that only seven have been opened so far and that we have 13 more that have been promised.

Will they be completed at the locations that the minister outlined in a media release on 17 April 2008, and what guarantees can the minister provide that they will be immune from the Treasurer's \$750 million of cuts after the next election?

The Hon. J.W. WEATHERILL: I can confirm that all 20 centres will be completed in the areas where they are announced, and they will be immune from any savings initiative.

The CHAIR: Member for Unley, your final question?

Mr PISONI: So, is that the same type of promise that was given about the underpass on South Road between—

The CHAIR: Order! The member must confine his remarks to the budget line that is open.

Mr PISONI: I am just trying to get clarification of the answer. We have had many promises not delivered previously.

The CHAIR: Have you a question, and to which line does it relate?

Mr PISONI: The question now relates to the same line. Can the minister commit that no services and places will be lost when the children's centres in Mount Gambier, Port Lincoln, Trinity Gardens, Elizabeth, O'Sullivan's Beach, Cowandilla, Salisbury, Murray Bridge, Campbelltown, Marion, Woodcroft, Gawler and Port Augusta become operational?

The Hon. J.W. WEATHERILL: Absolutely, yes. I am advised by my department that children's centres in each of those areas are about adding additional services for the various communities that they serve. In some cases that involves some integration of services, which is only to the benefit of the communities that they serve. So, they are about providing additional support and services in each of those locations, and they cost a considerable amount to deliver. That is why the costs are budgeted to achieve these substantial additional expenditures.

Ms BEDFORD: My question relates to Budget Paper 4, Volume 2, Program 3. What strategies are being put in place to support Aboriginal children and their families?

The Hon. J.W. WEATHERILL: I thank the honourable member for her question. Of course, the Aboriginal communities that South Australia has and the children that they support are a matter of some great focus and study for our department. I must say that, given that the tenure of the chief executive is being raised, this is a particularly strong area of interest for the chief executive of this agency. I must pay credit to the extent to which he pays attention to this question of Aboriginal children in our area.

We are, of course, committed to Closing the Gap for Aboriginal children. A number of measures have been put in place to ensure that Aboriginal children have the best possible educational opportunity in their early years. We do something that very few jurisdictions (if any) do: we have Aboriginal children start preschool when they turn three years old. That is an initiative of this government. That additional year of preschool strengthens children's capacity to develop effective learning relationships with staff and other children. This entitlement has been in place for some time in South Australia.

The delivery of preschool programs to Aboriginal children has been a priority for South Australia. Two of the six trial sites established in 2008 to explore the delivery of preschool in children's centres were established in Aboriginal-focused childcare centres. These programs enable children who are enrolled in child care to access preschool at their childcare centre. It overcomes the need for parents to use multiple services, which is a particular issue for Aboriginal families who might have multiple children. Rather than have to take a child away from child care to access preschool, the preschool is taken to the child. Of the 83 children enrolled in the six trial sites, 36 were Aboriginal.

These strategies are working in South Australia: 100 per cent of all four year old Aboriginal children and 77 per cent of three year old Aboriginal children are enrolled. There is still some work to be done in terms of attendance, but that is a very important first start. Other strategies designed to support Aboriginal children include the Early Years Literacy and Numeracy Program and the Learning Together program, which is where the parents do the literacy training, which becomes a very valuable part of assisting the child to learn.

In 2009, the South Australian Early Years Literacy and Numeracy Program was allocated \$1.14 million to meet three year old Aboriginal children's literacy learning needs, so it is a specific dedicated sum for that relatively small number of children, but children we nevertheless needed to reach. This is in addition to the basic funding allocation provided to all preschools. This funding was used to employ 13.5 extra teachers to support programs for three year old Aboriginal children in 180 preschools.

The Learning Together program also supports Aboriginal children and their families. Seven programs operate in areas of socioeconomic disadvantage, and they have a particular emphasis on supporting Aboriginal families. Eight Aboriginal workers are employed in the program and

81 Aboriginal families with 106 children are enrolled. This represents approximately 20 per cent of all families enrolled in the Learning Together program.

Mr PICCOLO: Minister, in relation to the Learning Together program, you mentioned how it relates to Aboriginal children. Budget Paper 4, Volume 2, Program 9.21 refers to that program. How are parents generally engaging in early childhood development through the Learning Together program?

The Hon. J.W. WEATHERILL: I thank the honourable member for his question. We really are taking a lead nationally in engaging parents in the early childhood development story. We strongly believe that, especially in those early years, a child's development is profoundly affected by the parenting of a child. Learning Together is the Department of Education and Children's Services program for children aged birth to three, and it focuses on early literacy development and parenting. What we know from Fraser Mustard is that language development occurs incredibly early in a child's life. Well before they can speak, the patterning of the brain is occurring through what is said to them.

I think most parents are reading to children from the very earliest time, but we now need to ensure that people have that information to understand how critical it is to ensuring that that child has literacy skills. Of course, if you cannot read yourself, it will be difficult to do that, so this is a program that builds sustainable change for families over time.

The aims of the Learning Together program include improving learning opportunities for both children and adults by focusing on improving both child and parent literacy, assisting parents to take a greater interest in supporting their child's learning and development and promoting positive relationships between families and education services. The results of a recent survey suggest that these aims are being met through families' interactions with the Learning Together program.

Activities include facilitated playgroups; the development of take-home literacy packs, including parents using digital technology to make books for and about their children; parent study groups; and family outings, including library visits and healthy cooking sessions. Each program has developed a range of activities for children in collaboration with other agencies, such as the Child, Youth and Women's Health Service, Community Health and Families SA.

Parents involved in the Learning Together program report improved understanding about children's early literacy development and ways to support children's early learning; increased confidence in their own ability; increased awareness and connections with different services; and improved social networks. An evaluation indicated that about 78 per cent of parents report changes in confidence in behaviour when engaging with their children and their children's teachers.

Parents report they have increased literacy activity at home, including reading and singing to their children and purchasing or borrowing books. Parents report increased literacy behaviours from their children, including requesting to be read to, singing, using computers and drawing. Eight per cent of parents report that their children communicate better, and 87 per cent report that their child is more confident since attending Learning Together.

We have five Learning Together programs, established at CaFE Enfield Children's Centre; Fraser Park Child Parent Centre; Para West adult re-entry campus, Davoren Park; Carlton Aboriginal School, Port Augusta; and Christies Downs and O'Sullivan Beach preschools. Smaller programs have been established in an Andamooka and Point Pearce.

As at May 2009, 434 families and 537 children attend Learning Together, of which 18 per cent are Aboriginal or Torres Strait Islanders and 52 per cent of parents are on a pension or benefit. Only about 2 per cent of the families have had any contact with early childhood services prior to Learning Together, so it is a very important engagement strategy.

Mrs GERAGHTY: I might just say that you get how important it is, minister. Those you have met in my community certainly recognise that, as well. My question relates to Budget Paper 4, Volume 2, page 9.21. Minister, can you tell us what we are doing to support families needing care for their school aged children?

The Hon. J.W. WEATHERILL: One of the strategies the Department of Education and Children's Services has supported for many years is the Out of School Hours Care program, which offers child care and recreational activities for school aged children. It provides a range of developmental age appropriate activities in a recreational and leisure environment that encourage the development of children's physical activity, life skills, solution finding and social and cognitive skills. Services can be offered before school, after school or during school holidays.

The inclusion of children with additional needs or disabilities is supported through the government's provision of Intervac funding. This is targeted at services where there is a need for additional staff to appropriately include a child in this setting. Categories of children assisted through this program include children with disabilities or developmental delay, significant behavioural difficulties, children at risk of abuse or neglect, children from an isolated or rural background, children under the guardianship of the minister, children of culturally and linguistically diverse backgrounds and Aboriginal children.

The department has increased the hourly subsidy under the Intervac program from \$13 to \$15.61 on 21 April. This has reduced the hourly subsidy gap for services to \$2.06 and helps keep the cost of care for families affordable.

In 2008-09, 23,705 hours of care were approved (an increase of 10,000 hours), enabling 281 children to participate (an increase of 87 children). Out of school hours care is the fastest-growing childcare service in Australia. Sixty per cent of the services are operated by independent incorporated bodies, including DECS governing councils that are located on public school sites, further supporting integrated service delivery.

Mr PISONI: On that same budget line, how many of those are actually run by either school councils or governing councils, and how many are running at a loss?

The Hon. J.W. WEATHERILL: We will get the percentage of the those that are run through governing councils. I think most of them are, but we will certainly get that detail. In relation to the extent to which they are subsidised, we will also attempt to find the answer to that question. Although the increase in our funding certainly has reduced, in relation to the Intervac program, it will have reduced any subsidy gap for services.

Mr ROBINSON: If I can just add, the services are run by childcare providers but they are auspiced through governing councils. That is the general way in which they are provided.

Mr PISONI: Yes, I understand how they are provided, minister. I was on the Unley Primary School council for 10 years, and one of the issues that we had to deal with quite early was an insolvent out of school hours care service. The reason I am asking this is that, with the skills that a category 7 school had on its school council—with lawyers, accountants, and so forth—it still took quite a bit to sort it out. It was not until there was a threat of it closing that we actually managed to get parents to sit on the committee to pull it out of the mess that it was in. I imagine that it would not have been a unique situation for the Unley Primary School. I would also be interested to know just how many fees are unpaid by parents for out of school hours care and what processes are put in place to ensure that school communities do not suffer because of unpaid fees.

The Hon. J.W. WEATHERILL: I think there would be some difficulty in providing you with that information, because they tend to be held by individual bodies which are not controlled by us. So, I would be reluctant to give the impression—

Mr PISONI: Well, school councils are answerable to DECS.

The Hon. J.W. WEATHERILL: Well, in this context they are operating as separate corporate entities, as I understand it.

Mr PISONI: Most of them are run by school councils.

The Hon. J.W. WEATHERILL: What I am telling you is that there might be a bit of difficulty in getting the information, but I will make inquiries about it.

Mr PISONI: This question refers to early childhood education. This is on page 9.2 of the same budget paper. It appears that the government delivered only a third of the additional childcare places that it promised in last year's budget. The government set a target of 74,711 places for 2008-09—an increase of 3,160 on the previous year—yet it actually reached only 72,666, which was the 2008-09 estimated result. Can you explain whether that was a demand or supply situation? Did demand drop off or were you unable to supply?

The Hon. J.W. WEATHERILL: The first thing is we do not deliver child care, except in the case of children's centres. We regulate it but we do not deliver it. We have never made a promise to deliver a certain amount of child care and not delivered on it. So, the premise of the question is flawed. It is generally delivered by the community childcare centres or private childcare centres in the order of 60 per cent/40 per cent in South Australia. We have some licensing and regulatory functions but we certainly do not commit to providing a certain amount of child care, so we could not have fallen short on a target concerning it.

Mr PISONI: So, where did the figures come from?

The Hon. J.W. WEATHERILL: What is your question?

Mr PISONI: I think that a lot of people would be very interested to know—

The CHAIR: Order! Member for Unley, to which figures are you referring? You need to assist the minister.

Mr PISONI: I am referring to the budget papers on page 9.22. These are the minister's own budget papers. The target was 74,711 places, yet only 72,666 were reached in the estimated result from last year. If it has nothing to do with the government, why is it in the budget papers?

The Hon. J.W. WEATHERILL: I think the premise of the question is wrong again because you are aggregating all of these services and some children are attending a number of them, so I do not think it reflects reduction in the way in which you are suggesting. I do not understand the point you are making. This number of 70,000 you are talking about seems to be some aggregation from which you are drawing a conclusion that does not follow.

Mr PISONI: Well, we will move on.

The CHAIR: Order! That is three questions, member for Unley.

Ms BEDFORD: I refer to Budget Paper 4, Volume 2, Program 9.24. What is the state government doing to help preschools raise their awareness of water issues?

The Hon. J.W. WEATHERILL: That is a very good question. What we have been doing consistently across both our schools and preschools is treating environmental matters as an important part of the educational responsibility and, in relation to water, all South Australians of all ages want to make positive changes to contribute to our environment. One of the key roles of the government is to engage the community in these challenges. It is never too early to start this message. Educating our youngest about water conservation is a key mechanism of encouraging all South Australians to reduce their water consumption and the amount of water that they waste.

Across South Australia, we are providing preschools with about \$400,000 in funding as part of our Preschool Water Initiative. This initiative has a strong emphasis on student involvement so that even our youngest learn about the importance of water. The Preschool Water Initiative will provide preschools with \$1,000 to invest in a variety of water conservation initiatives, including water efficient plumbing (such as installing dual flush toilets, flow restrictors and spring-loaded taps), the installation of plumbing and rainwater tanks, and waterwise plants for landscaped areas.

As well as increasing awareness of environmental issues, the Preschool Water Initiative will also help us to reduce each preschool's ecological footprint, helping to save not only the environment but our state's resources. We hope that this initiative will help to teach preschoolers and their families the importance of water conservation.

It is very important to educate preschoolers because they are a very powerful form of influence in parents. In fact, if you do something wrong, you can be reminded on 20 or 30 occasions that you are wrong. I do not want to point the finger at any particular four year old but they can be relentless, and it is just easier to give in sometimes, especially if you are doing the wrong thing. They have a point when they know they are right and you are wrong and they can hang on very tight sometimes, so sometimes it is easier just to concede very early on.

Mrs GERAGHTY: I refer to Budget Paper 4, Volume 2, Program 9.21. What is the government doing to integrate early childhood services to provide better support for children and families?

The Hon. J.W. WEATHERILL: This is a really important question. South Australia is doing a number of things in this area, most fundamentally, creating this portfolio. We do a whole range of things with children, and with adults, in fact, which have an enormous bearing on those first five to eight years of life. There are the obvious things that we do in relation to preschool, but then there is a whole range of other services that we might not directly provide, such as child care, which we license and which has a massive role. There is also all of the health services we provide to children both before they are born and in those very early days afterwards.

The portfolio seeks to bring all those things together—health, education, child protection, and some of the adult services that help parents with parenting responsibilities. That allows us to plan in a much more coordinated fashion. Children and parents do not see themselves as having a whole lot of compartmentalised needs. All of their needs usually coincide in one episode of need for help, and we need to make sure the government is able to respond easily to their needs. There

is also no such thing as hard to reach children; there are just hard to reach services, and we have to make sure that our services are accessible.

The provision of integrated early childhood development services to children and families has a range of initiatives. Obviously, our flagship 20 children's centres for early childhood development and parenting is important, and we have discussed that already. The children's centres offer tailored and flexible services that are integrated with what is occurring in the lives of children and their families. It, of course, brings together the sort of child care and early learning in health and family support services that we are familiar with, but it also provides a community hub for people to be a part of.

We see fantastic examples at Cafe Enfield, where parents engage in higher education as they go about looking after their children. There are good examples of some of the additional services that can be brought in around these children's centres. In Gawler, a fatherhood worker is working with fathers in families in a variety of activities designed to reduce social isolation and promote the importance of the fathering role. We cannot forget that fathers are often not necessarily welcomed into certain services, so it is crucial that they be services that attract fathers as well as mothers.

In Taperoo, Aboriginal children are being supported to access child-care and preschool. At Elizabeth Grove, speech pathologists and occupational therapists are working together to improve children's early development and support their learning. In partnership with the Australian government, South Australia is establishing Aboriginal child and family centres, offering integrated care, early learning and health services in four remote regional and metropolitan locations. That is part of an agreement with the national government to also roll-out what we would call 'children's centres' and they call 'Aboriginal children and family centres' in those areas.

Mrs GERAGHTY: I refer to Budget Paper 4, Volume 2, Program 9.24. How is the government supporting literacy and numeracy for children in their early years?

The Hon. J.W. WEATHERILL: I thank the honourable member for her question. The state government has a strong commitment to literacy and numeracy improvement in the early years and has allocated \$11.8 million for central and regional schools and preschool developments in 2009. The program funds a range of initiatives for 305 preschools and 513 schools. The funded components are: teacher release time for professional learning; an allocation to provide one-to-one intervention for year one children requiring extra literacy support; mentor teacher time in disadvantaged schools; and additional resources for three-year old Aboriginal children.

The program is supported by 18 early childhood consultants, appointed in 12 regions. Program development in 2010 will continue to build focus, support and intervention for Aboriginal children and children from non-English speaking backgrounds and low socioeconomic communities.

For Aboriginal children, in 2009 nearly \$1.1 million is allocated to 180 centres to meet the Aboriginal Three Year Old Children's Literacy Learning Needs (which we mentioned earlier) and, of course, that will be an extra 13.5 full-time equivalent teachers. Between 2007-08, this initiative has resulted in a 9 per cent improvement in the participation of Aboriginal children in preschool. The level of child engagement in learning has increased, and individual learning plans for Aboriginal children in preschools and schools has been initiated to strengthen communication with families.

An example of a successful literacy and numeracy program funded through this initiative is that developed at the Riverton Preschool, in association with the Clare Primary School. In 2009, Early Years Literacy and Numeracy Program funding has been allocated to Riverton, \$3,232; Clare, \$10,280. To support literacy and numeracy, these two sites have established teacher professional learning communities to further investigate strategies that incorporate digital literacy experiences into the children's learning programs.

The CHAIR: The time having elapsed for questions for the Minister for Early Childhood Development, I declare consideration of the proposed payments adjourned to 30 June.

At 15:47 the committee adjourned until Monday 29 June 2009 at 13:30.