

HOUSE OF ASSEMBLY
Wednesday 29 June 2011
ESTIMATES COMMITTEE B

Chair:

Hon. M.J. Wright

Members:

Hon. M.J. Atkinson
Mr J.A.W. Gardner
Ms R.K. Geraghty
Mr S.P. Griffiths
Mr L.K. Odenwalder
Ms R. Sanderson

The committee met at 09:00

DEPARTMENT OF TREASURY AND FINANCE, \$78,634,000

**ADMINISTERED ITEMS FOR THE DEPARTMENT OF TREASURY AND FINANCE,
\$1,932,688,000**

DEPARTMENT FOR TRANSPORT, ENERGY AND INFRASTRUCTURE, \$692,780,000

**ADMINISTERED ITEMS FOR THE DEPARTMENT FOR TRANSPORT, ENERGY AND
INFRASTRUCTURE, \$13,704,000**

Witnesses:

Hon. P.F. Conlon, Minister for Transport, Minister for Infrastructure

Departmental Advisers:

Mr M. Buchan, Chief Operating Officer, Land Management Corporation.

Mr W. Gibbings, Chief Executive, Land Management Corporation.

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

Changes to committee membership will be notified as they occur. Members should ensure the chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the committee secretary by no later than Friday, 30 September 2011. This year, the *Hansard* supplement, which contains all estimate committee responses, will be finalised on Friday, 14 October 2011.

I propose to allow both the minister and the lead speaker of the opposition to make opening statements of about 10 minutes each, if they so wish. There will be a flexible approach to giving the call for questions, based on about three questions per member, alternating each side. Supplementary questions will be the exception rather than the rule. A member who is not part of the committee may, at the discretion of the chair, ask a question. Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced.

Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion in the House of Assembly *Notice Paper*. There is no formal facility for the tabling of documents before the committee; however, documents can be supplied to the chair for distribution to the committee.

The incorporation of material in *Hansard* is permitted on the same basis as applies in the house, that is, that it is purely statistical and limited to one page in length. All questions are to be

directed to the minister, not to the minister's advisers. The minister may refer questions to advisers for a response. I also advise that, for the purposes of the committees, television coverage will be allowed for filming from both the northern and southern galleries. I declare the proposed payments open for examination and refer members to the Portfolio Statements Volume 4. I call on the minister to make a statement.

The Hon. P.F. CONLON: Thank you. I will not make a statement, to save the committee's time.

The CHAIR: Does the shadow minister wish to make any opening remarks?

Mr GRIFFITHS: Not at the moment, Mr Chair.

The CHAIR: Any questions for the minister?

Mr GRIFFITHS: Yes. Minister, I will start by referring you to Budget Paper 3, page 53. Right down the very bottom it talks about lower than forecast revenues and deferral of some commercial property sales. Minister, can you give the details of those sales that were deferred from 2010-11 to the 2011-12 year and why they were deferred?

The Hon. P.F. CONLON: The chief executive will tell you what they were.

Mr GIBBINGS: The two properties at Technology Park, the Optus building and the BAE building have been on the market, but at this stage we have not received a satisfactory offer from the market that we would be prepared to accept or recommend to government.

Mr GRIFFITHS: To clarify, how long have they been on the market and are they still in the hands of the same agent?

Mr GIBBINGS: The BAE building has been on the market for about 12 months and we have just taken it off the market because we are looking at making some adjustments to the property. With the Optus property, we are currently negotiating with the existing tenants some potential changes that we are hoping will make it more attractive to the market.

The Hon. P.F. CONLON: It has been a difficult time though.

Mr GRIFFITHS: I understand, minister. There have been some challenges, indeed, and trying to get commercial interest in a lot of properties is not easy. I refer to the same budget paper, but page 81 on this occasion. Minister, can you confirm the details of the LMC's anticipated Land Release Program for 2011-12?

The Hon. P.F. CONLON: Do you want me to confirm the intended land sales?

Mr GRIFFITHS: Yes, the Land Release Program for the 2011-12 financial year.

The Hon. P.F. CONLON: Wayne will cover that.

Mr GIBBINGS: The parcels that we are intending to release over that period are the Evanston Gardens and Evanston South land that we hold, which is about 109 hectares. We would hope that that would be released towards the end of this calendar year.

Mr GRIFFITHS: Sorry, if I may just interrupt. I appreciate that detail, Mr Gibbons, but as part of the answer—and I should have asked this at the start—can you tell me the anticipated number of allotments in each of those developments too, if you can?

Mr GIBBINGS: Yes, I can give you that information. The two parcels at Evanston we estimate will be about 1,630 allotments all up. The other parcel that we are hoping to release during the 2011-12 year is at Hackham. That is 66 hectares, which will produce about 790 allotments. The third parcel that may be released during that year is also land at Aldinga that would produce about 1,200 allotments.

Mr GRIFFITHS: Minister, in the 2010 estimates session you also referred to Penfield as an area where the LMC was looking to do some developments, and I have here in my notes some 1,900 allotments. Is that still programmed?

The Hon. P.F. CONLON: If it is the land I think you are referring to, it was sold to AVJennings during the calendar year. Was it 1,600 allotments?

Mr GIBBINGS: It was 107-odd hectares of land. I am not exactly sure how many allotments they are planning.

Mr GRIFFITHS: I refer to page 84 in the same budget paper. Minister, are you able to give me some details on what urban sprawl planning has been undertaken to ensure the future protection of primary production land, particularly in relation to the proposed releases in the Evanston area and in Aldinga?

The Hon. P.F. CONLON: Clearly, we have an urban growth boundary and we have a 30-year plan, so I doubt that there has ever been better spelt-out protection than we have at present. The 30-year plan, underpinned by a massive investment in public transport, looks to some 70 per cent, from memory, of our growth occurring through urban renewal. That is a very big target, and we think it is achievable, but it will be achievable only through major investment in public transport.

In relation to the two other factors, it is not my responsibility, but I understand that the planning minister has legislation to protect the McLaren Vale and Barossa regions; I think that is very wise. In terms of Aldinga, it is no surprise that we would be doing this, and one of the things we are doing in our current public transport investment is to purchase a corridor for a potential further extension down there.

It is entirely appropriate that we would seek to develop around current and future public transport corridors. In short, I doubt there has ever been a more comprehensive or better spelt-out plan for development that directs more of our investment internally. We have certainly put our money where our mouth is in that regard, in particular, the purchase of the former Clipsal site. Expressions of interest are going out now and we are seeing very keen interest in it.

We have done all that a government could do, in my view, to promote the notion of urban infill over sprawl. In fact, the member for Little Para was recently overseas with the Hon. David Ridgway looking at these sorts of developments around the world; we think it is very important that we do as well as we can. In short, I do not think this state has ever had a better spelt-out plan for the protection of lands for the prevention of urban sprawl for the direction of urban infill, which is the future.

Mr GRIFFITHS: Minister, are you able to indicate to the committee the area of land controlled by the LMC and how much of that land is within the 30-year growth plan boundary?

The Hon. P.F. CONLON: The Land Management Corporation now has remaining only 344 hectares within the urban growth boundary, and that is 4.2 per cent of land available for development within the urban growth boundary. The truth is that the LMC will have to re-examine the roles it plays in future, because it is simply not a land bank anymore and there is not a great deal left.

Mr GRIFFITHS: I would have assumed that the LMC had control over a greater percentage of land available for development than that, so that is an interesting detail. As an extension of that, then—

The Hon. P.F. CONLON: One of the reasons for that is that, in response to industry, we increased the release of land a couple of years ago. That demand has fallen off, so they are not at our door anymore. We took the view that having a land bank is not necessarily a great thing and that, if the industry wants to develop, we should make available the land. The truth is that, with the opportunities created on the public transport corridors, I think you will start to see a very different focus for the LMC in the future, and facilitating the development of that transport-oriented, high-density urban infill will be a very important role.

Mr GRIFFITHS: Minister, as an extension of that, I am interested: does the LMC, or certainly do you, review figures that identify, in relation to the investment undertaken by the LMC and the assets that it holds, what the return is each year—I note that in the forward estimates the returns fluctuate somewhat—to determine not only the profitability of LMC operations but how that compares to private development that is undertaken too, because I would presume that you have fairly high standards on what you want to receive from LMC activities.

The Hon. P.F. CONLON: I will let the guys talk about it, but we have an annual performance statement. The LMC has a charter, and I think Treasury signs off on rates of return that are required. It is not, and should not be, the same as the private sector, where the objective is to maximise commercial return on all occasions, but there are Treasury-agreed rates of return required of the corporation, from memory. Do you guys want to talk about that?

Mr GIBBINGS: We have an ownership framework with Treasury that is negotiated each year, and that sets out the returns and the internal rate of returns that we attempt to achieve. We

certainly compare ourselves with other like organisations, government land organisations, around Australia as well.

The Hon. P.F. CONLON: It is important to note that, while the LMC has a commercial charter, there will be occasions, as there should be, where cabinet will sign off on a project that has, if you like, other social returns that would see us take less than an ordinary commercial return. There is a requirement that all land we sell has 15 per cent affordable housing, but, for example, on the former Clipsal site, because we are trying to do something that has not been done before, there is a major investment by us in the public domain in public space in making it high quality that we probably would not expect the private sector to do, but we want to make sure that it is a very high quality development that attracts people to do it again in the future. So, it is quite possible to modify those rates of return for a particular project with a sign-off from cabinet.

Mr GRIFFITHS: Minister, I respect there are social needs sometimes that do create that need to distinguish between high levels of profitability and lower levels and, indeed, the location of the land and its desirability, but can you give me some figures on the range of percentages in relation to an investment made on a property and what you would expect between that social responsibility and that high end return option?

The Hon. P.F. CONLON: Probably the ordinary rates of return.

MR GIBBINGS: I can disclose that our target internal rate of return for the organisation is 16 per cent. Some of our projects will earn significantly more than that, some less, but that is the target we have set in conjunction with Treasury and that has been approved.

The Hon. P.F. CONLON: I do not think it has really varied very much over the years.

Mr GRIFFITHS: That was going to be my next question: does that match up historically and is that what you are expecting to gain in the future too?

The Hon. P.F. CONLON: I cannot recall there being a change all the time I have been here.

Mr GIBBINGS: The internal rate of return that we set with Treasury was initially benchmarked with the private sector about five years ago, and the benchmark is reviewed every five years so that we can see what changes there are in the private sector and we can try to align ourselves as much as we can with their performances.

The Hon. P.F. CONLON: Plainly, if you were selling land three years ago, you were getting a better return than you are probably getting now, because the market was a bit hotter. That is the nature of this sort of business. The benefit of it being Land Management Corporation is that we can take the position that the private sector would not, for a longer view. If we did not do that, there would not be any point in having a Land Management Corporation; we would let the private sector do it.

Mr GRIFFITHS: Again referring to Budget Paper 3, page 84: I am interested if you can provide details to the committee of how much was spent in the 2010-11 financial year on remediation costs of the Port Adelaide Waterfront Redevelopment project?

The Hon. P.F. CONLON: That is a bit more complex than simply setting out a cost. The method of dealing with remediation was, in fact, under a contract that was put out to tender by the previous Liberal government in 2001, and it was one of the key features, I think from memory, of the contract for the development if there was a risk on remediation. I will let Wayne explain to you how it works.

Mr GIBBINGS: We do not have that exact figure for what was spent during the year. We can get that to you. It was not significant down at Port Adelaide during this current financial year because, as I am sure you would be aware, there has not been significant development undertaken and, therefore, we have not had to spend a lot of money on remediation during this current financial year, but I can get the specific figure to you.

Mr GRIFFITHS: I would appreciate that, Mr Gibbings and, indeed, if you are able to provide to the committee details of what the total potential liability rests at in remediation, too. You do not have that figure available to you?

Mr GIBBINGS: As part of the Port Adelaide Waterfront Redevelopment, the remediation cost to LMC and the government was capped and it does not change, irrespective of the amount of the remediation. I would have to check the exact figure, but I think it was in the order of \$32 million or \$33 million that it was capped at.

The Hon. P.F. CONLON: I think the cap on remediation was a key factor of the original contract and a very major consideration in choosing the winner. The point was made that that number is indexed, but it is capped.

Mr GRIFFITHS: Given that it goes back to 2001, has there been the identification of any other issues that have impacted upon the remediation work? I am assuming that it is all soil contamination from a pre-existing industry that occurred there, but has there been anything else discovered in the 10 years since that gives rise to—

The Hon. P.F. CONLON: In terms of remediation, about the only thing I can say is that it was probably less bad than we feared. We make the point that the thing about remediation is that it is really an unknown risk and so as we go forward we will find out. The truth is that many years ago the private sector and governments did things that they would never be allowed to do now. I know that in my electorate, for example, under the old planning system along South Road (and probably Michael would have something similar) businesses put in underground fuel tanks without any approval at all, then closed down and left them there and no-one knows where they are.

You know they are there because every now and then you find diesel leaking into the groundwater. That is the sort of surprise you can have when you start doing something. However, can I say that, before anyone gets scared, the council and the government have done a lot of work since then mapping out those former underground fuel tanks. It is incredibly irresponsible to put in a fuel tank, close it down and leave it there, but that is what people did.

Mr GRIFFITHS: There is no doubt we are certainly a far more environmentally responsible society now, as we should be, too.

The Hon. P.F. CONLON: You should see my carbon footprint! It is tiny.

Mr GRIFFITHS: Is it?

The Hon. P.F. CONLON: Yes; I walk to the shops. I have a nanna trolley and I walk to the shops. People point and stare and laugh, but I do not care because I have a very small carbon footprint.

Mr GRIFFITHS: You are leading the way, minister. Congratulations. My wife has one, too.

Ms SANDERSON: I have a question regarding the Bowden Urban Village. With an estimated 3,500 residents expected to move in there, what provisions will be made for schooling, both primary and secondary and both public or private?

The Hon. P.F. CONLON: We have certainly taken that into account and had discussions with the education department. We have had a survey done that shows there is sufficient primary education in the area and we have ongoing discussions with them about secondary to determine what might be required in the future.

Ms SANDERSON: So, at this stage, there is no land being allocated for a public high school on the site?

The Hon. P.F. CONLON: There is no specific site, but we have a lot of land that can be allocated, and the entire program will roll out over a large number of years—about 10 to 12 years. It was something that was taken into account in the master planning process. As I said, in terms of primary education, the survey indicates that there is sufficient capacity, and it is something that we will continue to talk to the education department about. Should that need emerge, then we will certainly have the capacity to do it there; in fact, we can probably do something innovative that we have not done before because that would be consistent with what we are doing there in other areas.

I invite the member for Adelaide, if she hasn't, to have the LMC give her a briefing on what we are seeking to do there because I think it is a very good development. I think it will set the way. In fact, we were talking the other day that, if you look at the way we started to do Port Adelaide in 2001 and the way we are doing this, I think you can see the real difference in quality and approach to what we are seeking to do.

We believe that this will be the start of something very big in the precinct and, therefore, we want to make sure that every service and amenity that should be there is there to make it as attractive as possible—in particular, the public domain and open space, including millions of dollars to be spent on existing Parklands. We are going to do everything we can to make this the best development in Australia and, if it needs a school, it will get one at some point. And reopen Barton Terrace? Was that your question?

The Hon. M.J. ATKINSON: And access to western North Adelaide, the part they can see from their homes.

The Hon. P.F. CONLON: I note that the member for Croydon has a proposal to rename North Adelaide as East Croydon, is that it?

The Hon. M.J. ATKINSON: Upper Brompton.

The Hon. P.F. CONLON: Upper Brompton, sorry.

Mr GARDNER: Budget Paper 3, chapter 3, page 53, going back to that table 3.17: I am wondering if the minister can advise which year includes the proceeds from the land sale at the Magill Training Centre and the Black Hill Pony Club land at Woodford.

The Hon. P.F. CONLON: I think, as to the lands you refer to, the proceeds do not accrue to the LMC. That will be in the DFC budget line, so if you have the opportunity to sit on that committee you would need to address that. That will be with the Department for Families and Communities. I think we act as agent in the sale, but that is the extent of the role.

Mr GARDNER: So, acting as agent, is there an opportunity to ask questions about the sale in this committee?

The Hon. P.F. CONLON: You can. If you want to ask questions about the merits of the sale or the decision—

Mr GARDNER: Not the merits of the sale.

The Hon. P.F. CONLON: —that is not for us. If you are selling your place and engage someone to sell it, that is about the extent of our role.

Mr GARDNER: I am interested in knowing the number of allotments expected to be sold and the proceeds they expect, so would you prefer I ask that in DFC or is that something the LMC are able to help with?

The Hon. P.F. CONLON: No, I am quite happy to tell you. We are open and transparent. We are trying to make five hours pass. There must be some hard questions coming. Did you see the people who have just filed in? Wayne is saying that there are some initial plans; he cannot remember them off the top of his head, but he is quite happy to give you a briefing on it. He could not provide the information today.

Mr GARDNER: I am very glad of that. I have requested one before, so I am very happy to take up that opportunity.

Mr GRIFFITHS: I refer back to page 53 of Budget Paper 3. Minister, are you able to provide details on the concept plan that has been developed to accommodate significant potential growth in the LMC land that is to the west of the Elizabeth railway station?

The Hon. P.F. CONLON: What do you want to know about it?

Mr GRIFFITHS: Details of the concept plans that have been prepared for that area that LMC control.

The Hon. P.F. CONLON: We are in very early stages of discussions with Playford and Salisbury councils. We, of course, have a very substantial investment in the upgrade of the railway station and the upgrade of rail. We believe there is very significant potential. It is probably too early for much detail.

Mr GRIFFITHS: Conceptually what are you looking at at the moment?

Mr GIBBINGS: We have about 153 hectares to the west of the Elizabeth Railway Centre. It is part of the Edinburgh Parks development. There is an opportunity to develop that land and create connectivity across to the Elizabeth Regional Centre as a major mixed use precinct, with quite substantial residential development that would, over time, reinforce Elizabeth as the central regional centre of the north, given all the development that will occur up there.

We see opportunities for a mixed use medium density development, housing potentially 5,000 to 10,000 people, with significant opportunities for commercial development, mixed use retail, etc. We are currently doing a bit of work on that, and we will be putting something to government about a way forward in the next few months.

Mr GRIFFITHS: So the City of Playford is involved in all those discussions and is aware of what is happening?

Mr GIBBINGS: City of Playford and City of Salisbury.

The CHAIR: We are due to swap over to Office of Major Projects and Infrastructure at 9.30.

Mr GRIFFITHS: I am happy to change.

Departmental Advisers:

Ms T. Meakins, Acting Chief Executive, Office of Major Projects and Infrastructure Development.

Mr M. Delgado, Project Officer, Office of Major Projects and Infrastructure Development.

The Hon. P.F. CONLON: I am not sure what questions you will be asking, of course, but the way the structure of the agencies is now, public transport and major road projects you are better off pursuing later, one in Transport Services and the other in Transport Planning. The only reason I say that is that different public servants will be around at different times.

The CHAIR: Minister, will you introduce your advisers?

The Hon. P.F. CONLON: Trudi Meakins on my left is Acting Chief Executive and Mr Manuel Delgado is acting head of OMPI. Rod Hook is overseas on holiday. Every now and then he sends me an email to tell me what he is doing, as opposed to what I am doing. His looks far preferable.

Mr GRIFFITHS: There are options for you to consider pursuing the same lifestyle.

The Hon. P.F. CONLON: Given how much some people seek to retire me, I think I will do it when I choose rather than when you choose if I have an option.

Mr GRIFFITHS: I refer to Budget Paper 3, page 31. It is probably no surprise to the minister that we have questions about Adelaide Oval, so it is interesting that Mr Delgado is sitting next to you first up.

The Hon. P.F. CONLON: We can talk about Adelaide Oval for hours, I guarantee you, because we have.

Mr GRIFFITHS: I understand that. It is regrettable that we do not have much time allocated for this area. There are a lot of interesting points in other areas I would like to ask questions on. The \$535 million grant: can you give us details on the breakdown of when that grant is intended to be paid out?

The Hon. P.F. CONLON: That is an interesting question, because we are in discussions at the moment with SACA, because of course there is an amount of money that goes to SACA to compensate for existing assets. There is also a handover to a stadium management authority at some point. When that occurs it is a matter of some discussion. All It has been made more difficult by the nature of some of the amendments that we saw only yesterday.

I can probably give you a better answer on when the actual timetable for payment of that money is. In my view, of course, we cannot contemplate it until legislation passes both houses. I make the point very strongly that what was said by a number of opposition members, that we could do this project without the legislation, is simply not true. If the legislation fails, we will not be seeing football at Adelaide Oval, probably not in my time, anyway. So, that legislation has to pass before we can proceed, and it has to pass in the form that looks something like the bill we started with. I would be very keen on that.

That being said, my view is that, once it is an obvious and a concluded thing, I would see no reason why that 85—it would certainly be before we start construction that they would receive that. As for the rest of it, I am not going to talk too much about what we hope to spend on individual items until we finish the tendering process so as not to prejudice the capacity to get a good outcome. We have been very plain with the potential bidders that we expect a good, sharp pencil when they come to the table.

Mr GRIFFITHS: No doubt. Minister, can you give us some details on how the process of the transfer of funds is going to be controlled and, indeed, the level of control that the government will have in SMA Operations, in the building of the structure?

The Hon. P.F. CONLON: The government will let this as if it were a government project. Once we build it, the SMA will run the stadium and sport; but we will run the process of building the stadium. We have always taken the view that this would be a project that the Auditor-General would look at as a government project; therefore, when we go to the market, we will do it using the processes we would use in any other government project, and the office of infrastructure will, in fact, control that process.

Mr GRIFFITHS: Of the \$535 million, how much will the SMA have access to for the purposes that it needs, and how much is going to be devoted to construction and fit-out needs?

The Hon. P.F. CONLON: I am not quite clear on what you mean. The SMA does not get the funds, other than SACA getting its compensation for assets, there being a budget for design and build.

Mr GRIFFITHS: The SMA has been advanced in the range of, I believe, \$10 million.

The Hon. P.F. CONLON: That is to pay for design work but, in terms of the next step of letting a contract, that would be something we do, and I assume that we would pay the head contractor like we would on other jobs. I certainly do not believe that we would transfer funds to the SMA for the SMA to then pay the head contractor. We will engage the contractor directly, and the payments will come from us. If it is too much money, we will keep what is left. Just in case the SMA does not understand that: if there is too much money, we will keep it. Just confirming what I said, if, in fact, more money is needed, it will not come from us, and decisions would have to be made by those people. If more money is needed on construction, it will not come from us.

Mr GRIFFITHS: Minister, are you prepared to take questions on the \$30 million SACA guarantee?

The Hon. P.F. CONLON: No; that was being done before we got it. Treasury handles it. I find it quite a bizarre model, but Treasury does those things. It would be best to put those questions to the Treasurer.

Mr GRIFFITHS: Minister, can you give an update on any ongoing discussions and how fruitful they are proving to be with the federal government about an opportunity to invest in the project?

The Hon. P.F. CONLON: I would not put it at the level of formal discussions. I have had informal discussions with a number of federal MPs who are sympathetic to the outlook. While not having had discussions directly with Mr Arbib, I know that he has made it plain that they have not ruled out a contribution. The federal Treasurer has made it plain that they do not rule it out. I know that, for example, Don Farrell—who is Simon Crean's parliamentary secretary, I think—is an enthusiastic supporter. I know that Kate Ellis, the former minister for sport—now doing employment, I think—is a supporter. So, we believe that there is ground there but the approach has been that, until we get the legislation, we do not have a project. As soon as people in this venerable place send us back a bill, I will be off to Canberra to have more formal discussions about those things.

In fact, I will be in Melbourne this Friday for some discussions with Mr Demetriou on a range of matters. I might just ask him how much money he has got left from that television deal. With all these players lining up to take it all, I am a bit worried—that is me. It is a terrible thing to announce that someone has given you a lot of money and everyone wants it.

Mr GRIFFITHS: That is why I am surprised. I take your point about the legislation, but I would presume that, being a proactive seeker of funds from the feds and the AFL at the moment and the ability to announce some level of contribution would help in the processing of that legislation.

The Hon. P.F. CONLON: I understand my federal colleagues very well. I understand when to ask and when not to ask. I do point out—I shouldn't—that I do hate the word 'proactive'. I think it was Isaac Newton. He did not develop the principles that for every pro-action there is an equal and opposite reaction. In fact, I think all actions are proactive; that is why they are actions. So, therefore, no-one in my office is allowed to put the word in a letter that I have to sign. I will leave that there.

I also do not like the words 'simplistic' or 'stakeholder', if you like, because simplistic is a word that was invented by journalists as well. A simplist is a person who makes things out of infusions of herbs. The word is a nonsense but, really, I think I have probably wasted enough time on that.

Mr GRIFFITHS: I was going to say that, actually. I enjoyed the education and I will make sure I do not use the word 'proactive' in your presence again. Use any word you want to think about it—

Members interjecting:

The Hon. P.F. CONLON: We particularly do not like split infinitives either, do we, Michael?

Mr GRIFFITHS: —but it stems back to a commitment given at election time of \$450 million and 'not a penny more' and the later revelation of the increased \$85 million. I can appreciate what that is for too, but there is a responsibility to actually be in there in the marketplace seeking any option for funding sources.

The Hon. P.F. CONLON: Here is the thing: I am going to take the approach of maximising our chance of success rather than being seen to do it from some other perspective. Can I humbly say—I am not sure I can humbly say anything, it is not in my nature—that I have demonstrated the capacity to understand my federal colleagues and win funds for the state. We, in the department, were the most successful per capita in the original Infrastructure Australia bids. South Australia has never done better out of capital funding from the commonwealth. I understand what their needs and concerns are.

The point is that there was going to be no prospect, in the run-up to their last budget, particularly after some of the tragedies that occurred in Australia, of funds that were not for their key priorities. I think the prospect now is much better than it would have been a year ago. So, while I appreciate that you think that perhaps I should have been doing something more publicly, I am taking the approach of maximising our chances of success. We have done that in the past, and I think our track record shows that we know what we are doing when we deal with Canberra.

Mr GRIFFITHS: Minister, my question is not necessarily about public activities but, indeed, any level of effort that goes into—

The Hon. P.F. CONLON: I am not going to tell you everything I do, Steven.

Mr GRIFFITHS: No, but you referred to 'publicly'.

The Hon. P.F. CONLON: As I said to you, I have had very encouraging discussions with a number of senior colleagues in Canberra. In fact, most recently, we had Simon Crean at dinner at Enzo—the most wonderful Italian restaurant. I saw a lot of people at the opening of Enzo, so I know that people like it.

The Hon. M.J. ATKINSON: In the Croydon electorate.

The Hon. P.F. CONLON: In the Croydon electorate. Of course, Michael has never eaten there because he is too mean, but that's another matter.

The Hon. M.J. ATKINSON: That's simply not true; and I have paid.

The Hon. P.F. CONLON: We have had many encouraging discussions. When the time is right we will formalise and ask.

Mr GRIFFITHS: Minister, can you give me a time line when the design work will be completed and when there is an expectation of going to tender and then hopefully construction commencing?

The Hon. P.F. CONLON: We have actually been out for an original—I think expressions of interest we would call it, so that came back. We have reduced that down to three, and I think we are in the tendering process now. We would be hoping to actually let a contract by October-November. We really do want to build as quickly as possible because of what we see coming in a couple of years' time, particularly in the mining sector, and we are keenly aware of cricket's desire to play cricket while the stadium is being built. So, the sooner we can get out there the better.

We have been running the process, not taking it for granted, but as if we are certain we are going to get the legislation through, so it would be really nice if we do get it through. That would be very helpful, if you have any influence on your colleagues. I do note that your speech in the lower house was a little more gracious than some of the speeches we heard in here last week.

Mr GRIFFITHS: Yes; that's one of my great failings.

The Hon. P.F. CONLON: Being nice? I know; there's no place for it in this business, mate. I have laboured under that myself for years.

Mr GRIFFITHS: Minister, I will ask a serious question. Are you disappointed that a South Australian business was not given the opportunity to do the design?

The Hon. P.F. CONLON: No. You touch on a subject that you hear some nonsense on. In particular, I heard this morning—not in my area, but criticising the government for giving bus contracts to an interstate firm. This is absolutely flat earth, snake oil politics. We have major firms in South Australia that win interstate work. Breaking news for people: Victoria, New South Wales and Queensland have more people than we have and bigger economies, by their size. If we were to shut out South Australian firms from seeking to win work in those states, we would do an enormous disservice.

If you disqualify interstate firms from South Australian work, you will get what you give, and that would be disastrous. I cannot fathom someone in the modern world suggesting that we should have tendering processes that exclude interstate firms. Apart from anything else, you would get a hiding at your next COAG meeting, I can tell you, because we have intergovernmental agreements about that. I find this notion that a Victorian firm should not have won bus contracts just plain dumb.

Mr GRIFFITHS: There would be many small family businesses that have operated buses for up to 50 years who would have a different position on that, minister.

The Hon. P.F. CONLON: You may well take that, but I tell you this: if you come to government and you go out to tender for something and say, 'Only South Australian firms are going to win it,' you are not going to be the government for very long. I give you a guarantee, and I look forward to your first—

The Hon. M.J. ATKINSON: I know you won't do it.

The Hon. P.F. CONLON: No-one would do it, because it is so dumb, and I look forward to the first COAG meeting you have with your colleagues interstate; that would be most interesting.

Mr GRIFFITHS: I will tell you about the discussion after it happens, minister.

The Hon. P.F. CONLON: I may be well advanced before you get the opportunity to have that discussion; that is all I can say.

Mr GRIFFITHS: We will see, minister.

The Hon. P.F. CONLON: I could well be in my dotage before you guys win government, let's face it. I did note on the radio that one of your colleagues declared that you were going to win in 2014, but I would wait. I am not seeing much at the moment. Maybe if they brought you back into a senior—

The Hon. M.J. Atkinson interjecting:

The Hon. P.F. CONLON: They called that one from New York: 'We have won Frome.' Doh! Doh!

Mr GRIFFITHS: We are not talking about elections. The member for Adelaide has a question regarding Adelaide Oval.

Ms SANDERSON: Can the minister guarantee that there will not be any pokies in the Adelaide Oval complex once it is completed?

The Hon. P.F. CONLON: We certainly have none in the plans. I am not quite sure how you could get them in there, to be honest. You need a licence for those sorts of things, don't you? We do not have anyone telling us they want to get pokies into Adelaide Oval. The truth is that they do not need pokies there and I cannot imagine that it would be a good site for them. You would probably want them where people go every day of the week and not on sports days. I certainly cannot guarantee it—it is not my area—but I can tell you that there will not be any pokies in the stadium that we build.

Mr GRIFFITHS: Minister, I refer to Budget Paper 4, Volume 4, page 85. Can you confirm whether the footbridge linking Adelaide Oval and the Riverbank precinct is part of the Convention Centre budget?

The Hon. P.F. CONLON: It is part of the precinct budget from the Adelaide Convention Centre, yes. The footbridge is in the budget for the Adelaide Convention Centre and the money is for the precinct, so there is not a defined amount. There is an amount of the construction money that goes to the precinct and that is obviously larger than for the footbridge. I do not think we have

divvied up the numbers—again, because we do not tell people what we expect to pay them for construction. But, yes, it is funded out of the precinct moneys.

Mr GRIFFITHS: As an extension of that question, minister, does the master plan for the Riverbank precinct include the Casino expansion or, indeed, a new facility?

The Hon. P.F. CONLON: The master plan does not incorporate all the things that people might do. Obviously, the Casino, if it spends \$250 million, will have its architects design what they want and it will have discussions with people around them. The master plan for the precinct does not go into the fine detail of everyone's finished project, but it gives you a helicopter view of what should and should not happen in certain places.

The master plan is a couple of months away. We do have discussions with the Casino about the proposal, but the nature of the master plan is more of a helicopter view of the precinct rather than the fine detail, because, obviously, there will be a number of private sector people participating. Incidentally, I see that my colleague has called on me to rule out any commercial activity in the precinct as a result of the Convention Centre. I do not actually know where Mr Ridgway has been for the rest of his life, but there are commercial endeavours in the precinct already—the Intercontinental does not give its hotel rooms away and, can I tell you, Bert Newton actually makes money when he does one of those dreadful musicals at the Festival Centre.

Mr GRIFFITHS: *Wicked*, yes.

The Hon. P.F. CONLON: So, if you are passing Mr Ridgway, can you just tap him on the shoulder and tell him that they do commercial things in the precinct already.

Mr GRIFFITHS: I will talk to my colleague. Minister, there has been some conjecture about the area between Parliament House and the Festival Theatre.

The Hon. P.F. CONLON: With no disrespect to the artist or his family, a central part of what we seek to do there is to improve that plaza. I have a view of it from my office, and if I see people there I know exactly what they are: they are lost, because there is no reason to be there. I do not want to bag the art because I will get into trouble, but it looks like a badly painted tank trap to me.

Mr GRIFFITHS: So, what are you considering for that site, then?

The Hon. P.F. CONLON: Obviously, we would consider proposals. I stress that my view is that there will be a number of proposals from the private sector about areas once Adelaide Oval is signed off on, and we will look on them fairly, but we do have a master planning process and we would expect the proposals to meet our requirements in master planning. I also stress that the Festival Centre has a very, very keen interest in the precinct, because they have car parking underneath. Whoever is there will be in discussion with the Festival Centre.

I know that one private party is already in discussions with the Festival Centre. That was the subject of a story, I must say, that says we have signed off on a deal with the party. We have not. In fact, I stressed to that party that they have to have very compelling reasons if we were to deal with them alone instead of going to the market. They can feel free to produce those compelling reasons, but they would have to have them and that is the status of that.

Make no mistake, we firmly believe that the space behind the parliament is one of the most under-utilised pieces of very good public domain and we would want to see something much more done with it than it is at present. I cannot fathom that not only is there not a great deal to do there—it is too hot in summer and too cold in winter—but it does not actually even join up to anything. There is not even a reason to go through it. We are very keen to do better than we have done.

Mr GRIFFITHS: No doubt the city fathers saw merit in it at the time when they allowed it to proceed. What is the mixture of uses that you envisage occurring on that site?

The Hon. P.F. CONLON: I am just trying to cast my mind back to some of the things that I have seen. There is no doubt that underneath there will be a demand for car parking well into the future, and if there is more development there may be more car parking underneath. It is an area we would see people being more able to walk through and connect up with the river proper, and there is no reason why you could not have food and beverage or retail through there as well to attract people.

We do not get into the specifics, but we do see a few key points: you should be able to move through it and it should be attractive and invite people to the riverfront, and there is an opportunity to put things there that people like, like food and beverage and maybe some retail. We

have not done it more specifically than that at present. You did not think I knew any of this, did you? You thought these people tell me everything.

Mr GRIFFITHS: The LMC questions were referred to Wayne Gibbings all the time. I do respect your detail on this.

The Hon. P.F. CONLON: You asked me about the number of allotments. My eyes were glazing over.

Mr GRIFFITHS: I refer to Budget Paper 4, Volume 4, p. 65. It is about the State Aquatic Centre. Can you confirm what the final state government contribution was to that project and the GP Plus Health Care Centre?

The Hon. P.F. CONLON: No, I cannot, because we are at present in negotiation with the main contractor about what they believe they should get and what we believe they should get. There is a process in the contract for doing that and it is ongoing so, until that process is concluded, I will not be able to tell you where we are. Sufficient to say that there is a difference of opinion about some costs for delays associated with variations.

There were major variations in the project because, of course, we added the medical GP Plus centre. Incidentally, I think it was opened on the weekend: terrific outcome, can I say, because my electorate used to house the former medical facilities and they were awful. That was a very good outcome, but I cannot tell you until we conclude those discussions with the main contractor.

Mr GRIFFITHS: Therefore, minister, I am presuming that the local government contribution, as I understand it, was land; the federal government contribution is fixed at a certain amount—

The Hon. P.F. CONLON: I think local government stuck in some money too. Local government stuck in some money, the feds stuck in some money, we stuck in the rest. This has an extraordinary history. This was originally, from the former government, going to be a PPP that paid for itself. That did not quite stack up once we got into it.

Mr GRIFFITHS: Therefore, regarding the amount being asked for by the prime contractor, has the state fully acquitted itself based on the commitment it made as part of the budget processes previously and this is only an amount above that, or has the state withheld some payments?

The Hon. P.F. CONLON: I would have to get detail and come back to you on it. The project has had major variations in that it started out as a pool and became, from memory, a pool and a GP Plus Centre. I would have to get details. What I will say is that there is a disagreement about moneys due to the lead contractor. It probably would not be wise to talk about that until we conclude the process that is set out in the contract for dealing with disagreement.

Mr GRIFFITHS: I know it is a sensitive subject, minister. My understanding is that some other subcontractors have not been paid, according to press reports.

The Hon. P.F. CONLON: I have heard that. Our problem is that those subcontractors are engaged with the main contractor who has the responsibility for it. We would not know the detail and I do not think we are entitled to know the detail, except that we are concerned if people are not paid, obviously. However, because there is a dispute I am at arm's length from the process. I will not be involved in the detail—

Mr GRIFFITHS: I understand that.

The Hon. P.F. CONLON: —of resolving the arguments between us and the main contractor because there are people who are actually nominated, as I understand it, in the contractual process to do that. They will be doing it without any interference from us.

Mr GRIFFITHS: No, and I expected that, too. However, there must be a time line that you have set for finalisation of these claims to be—

The Hon. P.F. CONLON: There are time lines in the actual dispute resolution process in the contract. There are stages where people are nominated to deal with a dispute and then, if they are unable to resolve it, I understand there is some provision for arbitration or suchlike. I cannot recall, off the top of my head, what they are but there would be time lines written into the actual dispute resolution process. Can I also say that one of the things that we have done, out of concern for some of the issues raised, is that, even though we have been in dispute, I have asked our people if there are any clearly identifiable amounts that we believe are due, to forward those in the

process so that our dispute does not hold up the capacity for people to be paid by the main contractor. I will probably get into trouble for that one, though.

The CHAIR: Are we ready to go to the next section?

Mr GRIFFITHS: I have a lot more questions but I have run out of time.

The CHAIR: Okay. We will now go to ICT Land Services and Building Management.

Departmental Advisers:

Mr A. Mills, Chief Information Officer, Office of the Chief Information Officer, Department for Transport, Energy and Infrastructure.

Ms J. Carr, Executive Director, Building Management, Department for Transport, Energy and Infrastructure.

Mr K. O'Callaghan, Executive Director, Land Services, Department for Transport, Energy and Infrastructure.

Mr GRIFFITHS: I refer to Budget Paper 4, Volume 4, page 87. It would be negligent of me as a regional member not to ask a question about the regional broadband project. Is that something you have responsibility for?

The Hon. P.F. CONLON: Sorry, a regional broadband project?

Mr GRIFFITHS: Yes. I am looking for an update on it.

The Hon. P.F. CONLON: I do not think we have any. Yes, we do—there you go! That is something I did not know. What is our regional broadband project?

Mr MILLS: Basically, we are putting in higher capacity for government with commercial partners which also allows the community to then sell commercial capacity to all the regional centres.

Mr GRIFFITHS: Can the minister give some detail on what infrastructure has actually been constructed in the last 12 months and what is intended to roll out over the next 12 months?

Mr MILLS: The last 12 months has mainly been to Murray Bridge and to the Riverland. Prior to that we finished Port Lincoln, Port Augusta, Whyalla and parts of Mount Gambier. The last 12 months has been connecting up to Berri and putting in wireless capacity in the Riverland.

The Hon. P.F. CONLON: Ours is not quite as big a project.

Mr GRIFFITHS: No; not \$42 billion or whatever it is—\$50 billion. I have not caught up with the increase. Referring to page 88 of the same book, are you able to provide details of the work undertaken on the commencement of tranche 3 of strategic ICT procurements?

The Hon. P.F. CONLON: Some of it is ongoing and commercial in-confidence, but otherwise Andrew can reply. Regarding the procurement approach, I was very surprised to find that your leader did not know we had a chief information officer, because it is something that a number of states have and it has proved to be very important.

Mr GRIFFITHS: She does possess an enormous amount of information on a variety of subjects, though.

The Hon. P.F. CONLON: No doubt. You might point out my lack of knowledge of a regional broadband project. In fairness to me, we did take it over from someone else. This is what they do when they want you to work: they do not tell you. I started getting these letters about people's valuations. I said, 'Why are they writing to me?' They said, 'Because we moved the Valuer-General into your department.' They did not ask for my approval: they just did it.

In short, our procurement in ICT has been very successful in reducing the costs. You have to understand that the nature of ICT procurement in governments around the world has not been as good as it can be. The truth is that the internet and the world wide web we all deal with now are relatively recent, and the rate of change in ICT services is dramatic. The only constant is change.

Governments started procuring from a very traditional viewpoint of the departmental silos, and one of the first things we sought to do was break down those departmental silos and having 26 different government networks that are protected from each other in terms of information

sharing, which is very strange, and everyone procuring their own products and people writing their own programs, which was a very bad thing to do.

We set out to reduce the number of networks and to procure more wisely. There has been a dramatic reduction in the actual unit cost of most of the things we procure. The problem in this area is that every time you get a saving on a unit cost the volume of what you purchase goes up because everyone wants to do more and more.

It has been very successful in driving efficiencies. We took direct savings to budget out of the procurement process, continue to do that and, in terms of reducing our number of networks and becoming more savvy in what we do, I can say that I met the head of Microsoft in this region, who was off to Singapore for a conference to talk about how governments have rationalised their networks. I said to him, 'Who is doing this best in your region?' and he said, 'Well, you are'.

That is a very big pat on the back, but it probably indicates how poorly these things are done in government too, that there should be so many networks that do not communicate with each other all in the same government all having their own procurement program. It has been very successful, but for the finer detail, other than my support of what we have done, I will ask Andrew Mills to comment.

Mr MILLS: Basically we have completed internal consultations with government. We are currently in a consultation round with industry associations and individual companies. The strategy is in draft and is about to go to cabinet for approval.

Mr GRIFFITHS: I will change over to Land Services now. Budget Paper 3, Budget Statement, page 23: I am aware that there is a \$15 transaction levy to be introduced in the 2011-12 financial year to help fund a new IT system for land administration functions.

The Hon. P.F. CONLON: I think we are part of a national agreement on this, too.

Mr GRIFFITHS: Indeed, as I understand it, that levy is in place for a certain period of time to fund this upgrade. Is it intended to remove that levy once the upgrade is funded?

The Hon. P.F. CONLON: Yes, but you know that treasurers are very forgetful when it comes to removing levies in my experience. We would intend to remove the levy once it is paid for.

Mr GRIFFITHS: So, I can hold you to the record for that?

The Hon. P.F. CONLON: Yes. I do not get the money. Someone else gets it, so it does not worry me. I am very generous with other people's money.

Mr GRIFFITHS: I am also interested in property settlements.

The Hon. P.F. CONLON: The fee is expected to remain until 2014-15 financial year.

Mr O'CALLAGHAN: And then it will be subject to whatever the Treasury decides at that point in time, because the system will be in by that stage and funding will no longer be needed.

The Hon. P.F. CONLON: So if you are as certain as you say you are about winning in 2014, you can decide what to do with it. In the meantime, we will make sure that we have a plan for that time as well.

Mr GRIFFITHS: Done. This is Budget Paper 4, Volume 4, page 97, about property settlements that occur within the Lands Titles Office and, knowing that when delays occur, it causes a lot of concern to intending purchasers of land. Does the Lands Titles Office keep statistics on successful settlement dates on how they are matching up to what commitment is given and what is actually achieved?

Mr O'CALLAGHAN: We have turnaround times for transactions which come into Land Services, whether that is for division of properties or registration of documents. The turnaround times at the moment are tracking extremely well, and that is partly because of reforms that we have undertaken in Land Services over the last few years.

The Hon. P.F. CONLON: Were you asking about records of successful settlements? Do you mean successful transfer of title?

Mr GRIFFITHS: Yes, for the freehold transfer that occurs—and, indeed, is it 90 per cent of achievement on the date identified for when settlement is meant to occur?

The Hon. P.F. CONLON: I have two copies of this now: 100 per cent of land documents have been registered within 15 working days; 97 per cent of subdivisions with less than five

allotments have been processed within 15 working days; 99 per cent of subdivisions with six allotments or more have been processed within 10 working days. They are pretty good numbers, aren't they?

Mr O'CALLAGHAN: Yes, it is fair to say that over the last few years we have restructured within Land Services. We have been moving to a model of what we call lean service provision which allows us to take documents in and turn them around very quickly for industry. The feedback we have from industry is that they are very happy with our performance.

The Hon. P.F. CONLON: Those figures are well above what you would expect to be the national targets or targets for these sorts of agencies.

Mr GRIFFITHS: I was going to ask: how does that compare to other states?

The Hon. P.F. CONLON: I think for those figures I gave you of 100 per cent and 97 per cent, the targets would ordinarily be about 90 per cent.

Mr O'CALLAGHAN: They are certainly well within the industry average that is sought. For the last three years in particular the turnaround times have been very good.

The Hon. P.F. CONLON: In fact, since I took over as minister it has been transformed.

Mr GRIFFITHS: Minister, can you give me some detail on the completion date for the Land Services Business Reform project?

Mr O'CALLAGHAN: The estimated time frame for the implementation of the new system is December 2013. That is when the new system will be in, and we will be winding down the legacy systems which are in place, which are over 30 years old, up to about June 2014. So the intention and the target are December 2013.

Mr GRIFFITHS: And the impact of that change will be measured in what ways?

Mr O'CALLAGHAN: What we will be looking at is that the system itself will provide improvements in accessibility in terms of web interface, because it is using new technologies, so we should see an increase in the flow through of documents in electronic form through our system. Also, there will be an increase in the range of information that is available, which at the moment we have to work on manually, but that will be available electronically. So, the new system will certainly enhance the capability for response back to industry and also position us very well for electronic conveyancing, which will be coming nationally.

Mr GRIFFITHS: I indicate that I am finished with that section. I will now go on to building management. I refer to Budget Paper 4, Volume 4, page 91, the relocation of the rail yards project. Can you confirm what the total cost is expected to be and what issues have been accounted for?

The Hon. P.F. CONLON: I think you will need to get that from the Public Transport Division, if you want to ask later, because that project is handled by them, not Building Management.

Mr GRIFFITHS: I refer to Budget Paper 4, Volume 4, page 63, under Existing Projects, 'Accommodation—77 Grenfell Street'. Are you able to confirm the total cost of the fit-out and lease over the term of the departmental move to that site, including annual increases, rent and GST, and what term that is for?

The Hon. P.F. CONLON: We will have to take it on notice and bring back the numbers.

Ms CARR: Related particularly to the GST, did you say?

Mr GRIFFITHS: Well, factor that into it, but, primarily, what the annual increase is expected to be as part of that agreement, what the term of it is and, therefore, what the total cost is going to be over the period.

The Hon. P.F. CONLON: We will have to come back with that.

Mr GRIFFITHS: So, there is not much detail held within the collective group about that building's lease?

The Hon. P.F. CONLON: Well, you want the total cost.

Mr GRIFFITHS: Well, no, I am interested in how it compares per square-metre costs.

The Hon. P.F. CONLON: We can tell you that it is very comparable to any other city development. There is nothing unusual in a square-metre cost—what was it, 447.

Ms MEAKINS: Yes, 447 per square metre, and it is typical for an A-grade building in the city.

The Hon. P.F. CONLON: It is just an ordinary commercial deal. I am not sure what you are driving at.

Mr GRIFFITHS: It appears as though the property sold quite recently—a couple of years ago—for a figure considerably less than what it is expected the government will spend over the period of the lease on it. So, I suppose my next question was always going to be: when was the building on the market and did the government express any level of interest in purchasing it?

The Hon. P.F. CONLON: We have not been in the business of buying buildings.

Mr GRIFFITHS: It has been the reverse for a while, I understand that, but when economic rationale comes into it—

The Hon. P.F. CONLON: It was not on the market when we moved. I am not sure that we want to purchase buildings anyway; we would prefer to lease them, I think. In fact, we have had an assets sales program. I can tell you that we are still losing money on the EDS building. This one is just an ordinary commercial deal, unlike the EDS building.

Mr GRIFFITHS: I want to talk about current transactions, minister. I suppose it comes down to the way in which costs are managed when there is an opportunity to purchase. I understand an agreement is in place that goes out into the future years. Does your department challenge any person who works within it to actually look at the opportunity to say, 'This is a better deal for us. If we go into the market and buy this, there are savings in the long term for South Australian taxpayers'?

The Hon. P.F. CONLON: As Judith says, we look at that in the business case, but I think where you are struggling is that this is a pretty ordinary commercial deal to re-lease a building. I am struggling to understand what is wrong with the deal that we have done. We had the building under lease for SA Water and they moved out, and we took advantage of that. I am kind of struggling, because this is a pretty ordinary commercial lease of the building. I am struggling to understand what is wrong with it.

Mr GRIFFITHS: My question relates to: when opportunities arise, does flexibility exist when the department talks about options?

The Hon. P.F. CONLON: Yes. You have to do a business case. You have to benchmark the costs, and all of that. That is what these people do.

Mr GRIFFITHS: That would have been when the lease was first entered into. Minister, if the option to purchase the building has arisen during the early stages of the lease, is that when the department also shows the flexibility to look at options instead of a lease arrangement, such as, indeed, an outright purchase, and, over the period that you would have leased it and into the future, saving funds for taxpayers?

The Hon. P.F. CONLON: If someone had it at a bargain they would look at it. You have got to understand that the current context has been a decision not to own those assets but to lease them. It would have been running against the considered approach to seek them, but if somebody wants to sell us a bargain we will buy it. We are not actively going out and looking for buildings to buy. It is not on our program.

Mr GRIFFITHS: I am rather interested, minister. I am trying to put a position and I am gathering you are not grasping my position.

The Hon. P.F. CONLON: What you are suggesting is that we might have had an opportunity to buy the building at some point, if we had foreseen that we were going to lease it, and that would have been a better deal.

Mr GRIFFITHS: No. After the lease was taken up, the opportunity to purchase presented itself. It has been purchased by a private party who, because they have got you as a secure tenant, and, no doubt, looking at the revenue streams in the forward year, sees it as a very good purchase option for them.

The Hon. P.F. CONLON: People are in that business. That is what they do.

Mr GRIFFITHS: I understand that.

The Hon. P.F. CONLON: We are not in that business.

Mr GRIFFITHS: No, but the government is in the business of providing services at the best possible price to them, isn't it?

The Hon. P.F. CONLON: Yes.

Mr GRIFFITHS: The occupation of premises for staff is a necessary cost of operation. I understand that, but where, over the longer-term vision, you have got an opportunity to create savings and to retain an asset at the end of that too, is that something that you look at?

The Hon. P.F. CONLON: Again, I would say that, if a good deal presented itself, we would. We are not actually in the business of doing that, but somebody coming and saying to us, 'You are paying all these lease moneys; we are going to give you a bargain' I don't think is likely because, if they have got somebody with a lease to sell, they are not going to sell it back to us at a bargain.

Mr GRIFFITHS: Okay. I will give up and move on, because I have only got nine minutes left, minister.

The Hon. P.F. CONLON: Anyway, I am more than happy to get full detail of everything on it for you.

Mr GRIFFITHS: I would appreciate that. Thank you. Minister, with the Building Education Revolution, I know I benefited from a briefing from Mr Hook and the project manager who was engaged to undertake that. Can you give me the details on the number of projects that are yet to be completed?

The Hon. P.F. CONLON: Very few. We have certainly, in terms of the timing of this, done better than anyone. Credit to Judith's team. Judith, in fact, was hands-on manager of this program. There are 31 projects, or 4 per cent, still under construction.

Mr GRIFFITHS: Sorry? Thirty-one projects—

The Hon. P.F. CONLON: —which is 4 per cent of the original build, are still under construction. That is government-only projects. For private ones, we would have to get some detail. That is an extraordinary outcome from, I think, 725 individual projects originally with a heroic timetable. It is an extraordinary outcome. The fact that we had so few problems speaks volumes, not only for the people within the department who managed it, but also for the relationship with the private sector. This could not have been achieved without strong relationships with the private sector. I do not think you will ever see a program done as successfully as this again, anywhere in Australia. This was an outstanding outcome for local management and local business.

Mr GRIFFITHS: Minister, are you able, therefore, to provide any details on benchmarking figures that you might have undertaken of South Australia's performance per square metre of build, compared to other states?

The Hon. P.F. CONLON: There was federal work done on that which was a little misleading, because it showed a higher square metre cost than actually occurred, for a very good reason. What we did—I am not sure that we actually asked the commonwealth if we could—was, where we saved money on a particular project, we gave it to the school, if they had a library, to purchase books and things they wanted for the building. The commonwealth put that into the square metre cost. I think they had a view that maybe they should have got the money back. I am advised that we did get agreement from them. I think, ex post facto, we got agreement from them. So, the square metre costs that appear in the commonwealth document are actually inflated by the moneys given to the schools for purchases, and yet they still benchmark more than satisfactorily.

Mr GRIFFITHS: So South Australia was the lowest published cost per square metre?

The Hon. P.F. CONLON: No, we were not the lowest published cost. Again, I stress that the published costs in the commonwealth report are inflated by moneys that we gave to the school. They attributed that to the square metre cost, but we can break it down into our numbers. I think we did that for the commonwealth, but it preferred to publish the numbers the way it did. We have those numbers and we can give them to you.

Mr GRIFFITHS: Is it possible to provide me with a copy of that?

The Hon. P.F. CONLON: Yes, we can do that for you. We are absolutely happy to talk about the BER at great length because it was an outstanding job. Honestly, I cannot think of anyone who has ever done 700 builds with fewer complaints.

Mr GRIFFITHS: Yes. What was the management cost that DTEI actually—

The Hon. P.F. CONLON: Tiny. If you compare us to New South Wales, I think we took 1.5 per cent; I think lead contractors in New South Wales would have taken 10 per cent. We had Judith, Rod Hook and—we were criticised for the cost of Bob Borman, who was working three days a week on it. We did it with virtually no new resources. I think Bob Borman got a three-day-a-week contract or something like that. Given he used to run Baldies, it was not a bad deal.

Mr GRIFFITHS: Balderstones?

The Hon. P.F. CONLON: Yes; so he knows his business. Start a fight in an empty room, mind.

Mr GRIFFITHS: I have met him, yes.

The Hon. P.F. CONLON: We took no management costs out of the project at all. That management cost was a direct payment by the commonwealth. I think you will find in New South Wales a lot came out of project costs. Nothing came out of project costs here. The payment for management came directly from the commonwealth as a separate payment. I do not know if any other state took anything out of project costs, but certainly the lead contractor arrangement they used in New South Wales took a heap of dough out of the project costs. So, you are better off living in South Australia than New South Wales, in case anyone has not got the message.

Mr GRIFFITHS: For a lot of reasons.

The Hon. P.F. CONLON: They have a Liberal government there, so you would not want to live there.

Mr GRIFFITHS: No, not that one.

Mr GARDNER: I am pretty sure they were not responsible for those project costs.

Mr GRIFFITHS: No, but anyway.

The Hon. P.F. CONLON: No; I am not sure anyone was over there. I think that was the problem.

Mr GRIFFITHS: Minister, I hope you are willing to accept this, but I will just jump back to the State Aquatic Centre, if I may, just briefly.

The Hon. P.F. CONLON: Yes.

Mr GRIFFITHS: Was there a requirement for the prime contractor to sign off on any form of documentation that identified that they had paid all subcontractors in full at the time of the government making its last payment?

The Hon. P.F. CONLON: Yes, there is. A statutory declaration is provided with each payment.

Mr GRIFFITHS: Therefore, if that is in place, why are there questions now about additional payments?

The Hon. P.F. CONLON: Our additional payments are not to the subcontractors. There is an argument between us and the lead contractor about payments that the lead contractor believes it is due, and we do not believe that amount of money is due. The area of dispute is not between us and subcontractors. I do not know if there is a dispute between the lead contractor and subcontractors. The area of dispute is the moneys due. The lead contractor believes we should pay a certain amount more and we do not believe that we should, and there is a dispute resolution process that is ongoing.

Mr GRIFFITHS: While I understand the prime contractor has costs involved in managing the project too, the majority of their outgoing costs would be based around subcontractor payments. So, there is a stat dec in place, signed off by the prime contractor, saying that they paid everybody in full?

Ms CARR: What the statutory declaration says is that they have paid all moneys due and owing. This is always an ongoing issue in the construction industry, because the interpretation of what is due and owing by one party may be different to the other party.

The Hon. P.F. CONLON: As we are undergoing with the lead contractor.

Ms CARR: Yes, so there can be a level of disputation between the head contractor and the subcontractors.

The Hon. P.F. CONLON: But make no mistake, even if people may criticise it later, it was my advice to our people—to the extent I can advise them—that any moneys that we are clear are due to the lead contractor should be paid ahead of resolving any dispute. If we are clear that we believe that this money is due then the contractor got that, so that we are not causing any difficulty for its relationship with subcontractors.

Mr GRIFFITHS: Mr Chairman, I realise I am at the edge of my time, but I just have one question, if I may, about government employee housing. This is on page 63 of Budget Paper 4, Volume 4. I do have some more, but I will just ask the one. I note that for the 2010-11 year there was an allocation of \$7 million, but that was unspent.

The Hon. P.F. CONLON: Sorry?

Mr GRIFFITHS: Government employee housing, allocation of \$7 million for the 2010-11 year, but no moneys were spent.

The Hon. P.F. CONLON: Yes, it is an allocation for housing at Roxby, I believe, which is conditional upon timing with BHP. So, it is carried forward. That timing is conditional upon discussions with BHP, as I understand, about their project. That money remains there; it will be brought forward for housing at Roxby when it is needed.

The CHAIR: Thank you, minister, members and advisers. We are due back at 10.45.

[Sitting suspended from 10:31 to 10:45]

Membership:

Mr Venning substituted for Ms Sanderson.

Mr Marshall substituted for Mr Gardner.

Departmental Advisers:

Mr P. Doggett, Chief Operating Officer and Rail Commissioner, Public Transport Services.

Mr T. Crackett, Acting Executive Director, Public Transport Services.

The CHAIR: We will now go to Public Transport Services.

The Hon. P.F. CONLON: There are some changes afoot in the department, of course, as the former chief executive, Rod Hook, who has been on leave, will become Chief Executive of the Department of the Premier and Cabinet, and we have to make some re-arrangements. In fact, as soon as I have finished here, I am going to see Rod, who has returned from a fabulous overseas trip, so that we can discuss some of those things.

Mr GRIFFITHS: Minister, I will start off with a nice easy one, and it relates to buses. I refer to Budget Paper 4, Volume 4, page 82. In about the middle of the page, I note that, in relation to the number of buses used for Metroticket services, the 2009-10 actual figure was 848, you had a target for 2010-11 of 884, and the estimated result is 864. Why was that target figure not met in relation to the number of buses in the system?

The Hon. P.F. CONLON: There is a dispute here; they say that they achieved their target.

Mr GRIFFITHS: Well, you might have to reprint the budget papers, then, because they do not say that.

The Hon. P.F. CONLON: Treasury, mate—these Treasury people. It's hard to get good help! The truth is that we have more buses now than we have ever had before, and we have been rolling out additional kilometres and additional buses in the budget—20 each year—on an ongoing program. In fact, I would have thought that the figure should be inflated, because one of the things we have done is maintain some older buses longer in service to cover some of the rail closures we have had to deal with the electrification and resleepering. So, I would be surprised if we did not actually have more buses than we thought we would have in service. Can you explain those Treasury numbers, please?

Mr CRACKETT: The bus replacement schedule is on target. The only remaining buses that were required were the 20 additional buses to deal with the outer north and outer south; they

have been acquired and are ready for bringing into service on 24 July. We have our bus replacement program for 2011-12 on schedule for the delivery of another 28 buses in 2011-12. All the other buses that were scheduled to be acquired have been acquired and, in 2010-11, we have actually delivered significant savings against the acquisition cost of those buses which, given the exchange rates that have occurred—

The Hon. P.F. CONLON: Yes, the exchange rate has been handy if you are buying things from overseas. I find the numbers a bit hard to read. I will get the details—I do not understand them, either, to be perfectly frank—and bring them back for you.

Mr GRIFFITHS: Supplementary to the answer provided by the minister—and I understand the exchange rate issue—is a proportion of buses purchased from Australian manufacturers and a proportion from overseas, or do you just put it out to tender?

The Hon. P.F. CONLON: We tender for them. Scania has been the supplier for some time, and I am quite happy to take you down there for a look. If you go down to Royal Park, while we import the Scania—I am not sure what you call the component really, you have the chassis and the engine and all that—the entire frame or the cab is built at Royal Park. They have been doing it for years. They employ heaps of people and do a very good job.

Mr GRIFFITHS: That is Custom Coaches, is it?

The Hon. P.F. CONLON: Custom Coaches, certainly. If you go down and have a look, it is a state-of-the-art facility, very good. A great deal of the work is local component.

Mr GRIFFITHS: Is that the situation for every bus that is in the fleet, that the chassis either is Australian made or imported, and the cab itself is built in South Australia?

The Hon. P.F. CONLON: Yes, they build the cabs on every single bus. It is a very good business. You should go down and have a look.

Mr GRIFFITHS: I am not sure if Mr Crackett gave this answer, but page 63 is the reference page for this same budget paper. How many of the new buses have been purchased to date—you have said about delivery of buses for 24 July, commencement of the services? Can you give me details of what their total cost was? Were they purchased through a short-term capacity measure or part of a regular replacement program?

The Hon. P.F. CONLON: We have a regular replacement program, but we have additional buses as well, so I think we replace about 20 a year, from memory, and there are an additional 20, with extra kilometres. Can I say that one of the reasons I find those figures hard to understand is that we have had no delays in any rolling out of those new kilometres, so I am not quite sure what those figures mean. So you would see 40 new buses in the fleet each year, I think over the next four years.

Sorry, the fleet replacement one does bounce around: it is 45 for this financial year of 28, 20, 40, 42, and that is a factor of the ageing of the buses, but there are an additional 20 that are for new services and new kilometres.

Mr GRIFFITHS: Minister, in your first answer in this area you referred to the fact that some of the older buses have been rolled out as part of the rail electrification process and the need to do that. They are meant to be pensioned off at 25, aren't they?

The Hon. P.F. CONLON: There is nothing wrong with them or we would not be using them, but we simply do not have the capacity to close rail lines and use our existing fleet. We want to add capacity. We do not want people missing out, so we add capacity through them. There are 60 of those I think we are using in service. The primary issue with them is that they are not disability compliant. All our new buses are, so the vast majority of the fleet now is disability accessible, but we believe it is better to do that, to use these buses, than actually to reduce services by having to replace the rail services with our ordinary fleet. I am not going to buy new buses just for rail closures. That would be somewhat wasteful.

Mr GRIFFITHS: I appreciate there is economic necessity in the place here. What is the age of the oldest bus that is currently in the fleet and operating as part of this?

The Hon. P.F. CONLON: Nothing older than 28 years. They are 25 to 28. Most of my cars were older than that when I was growing up.

Mr GRIFFITHS: Minister, just so I am sure: they are only being used as part of the electrification project?

The Hon. P.F. CONLON: They are only being used, yes, as part of the rail revitalisation, for extra services when we have to shut a section of rail. That is all that they are used for. Even then, only in peak load, because we have lots of capacity when we are not in peak.

Mr GRIFFITHS: You might have answered this, but the new services to northern and southern outer metro that Mr Crackett was talking about: how many new buses was that for each of those?

The Hon. P.F. CONLON: It was 20 in total. I do not know how they are split up, but it was 20 in total.

Mr GRIFFITHS: In relation to the contracts to operate those, are they going to be an extension of the contracts that have just been awarded in April to those suppliers?

The Hon. P.F. CONLON: Yes.

Mr GRIFFITHS: And the per kilometre costs in comparison to the other contracts?

The Hon. P.F. CONLON: I do not think they would be any different. We can get the details. I do not know how much of that is commercial in confidence either, but what we found on this round of contracts was that far more competitive industries emerged in bus services. We had a lot of tenderers. We can get that. We were not disappointed with the rates we were able to achieve in the new contracts. I think we did not use all the money that we had set ourselves to use. We did not use the contingency, that is. It does not mean we get to keep it; you know those mongrels in Treasury!

Mr GRIFFITHS: No; true. My understanding is that it was a \$1.6 billion contract that was just let with the three contractors to provide the services in those different areas. Is it eight years initially?

The Hon. P.F. CONLON: I will get you the details of that.

Mr CRACKETT: It is an eight-year initial contract with a four-year extension on the end of it.

Mr GRIFFITHS: So the \$1.6 billion relates to the eight years or the 12 years?

Mr CRACKETT: It relates to the 12 years.

Mr GRIFFITHS: Okay.

Mr CRACKETT: If you like I can get the specific contract values provided afterwards. Within the five-year contract period in the forward estimates it is \$674 million.

Mr GRIFFITHS: Okay; over that four-year period?

Mr CRACKETT: Yes.

Mr GRIFFITHS: Right, so it would have been under \$1 billion to then go out for the next eight years. Okay.

The Hon. P.F. CONLON: It will be forecast growth. We have made it plain that we believe public transport is where you need to be now. The motor car is not going to be as dominant as it has been in the past—cost of fuel, cost of carbon, cost of everything—therefore, when we complete the rail services (hopefully I will be around to do it) we would be looking at changes to bus services to connect better with our new rail services, and I would expect continued growth in those areas. Public transport is one of the most important things any government in Australia can do now.

Mr GRIFFITHS: I agree.

The Hon. P.F. CONLON: The world is changing.

Mr GRIFFITHS: The challenge is to do it well and give confidence to the consumer of the service.

The Hon. P.F. CONLON: We are doing it very well. One day it will be appreciated.

Mr GRIFFITHS: I saw that wink! I am also interested in how reviews are undertaken on routes that are taken by buses and, indeed, how you identify demographic changes, age profiles and the mobility of people to determine it and how that process is undertaken. Can you give me some detail on that?

The Hon. P.F. CONLON: We do. The contractor has a major role. What I will say is that we were, I think, the first government to have the courage to do this, because in the first round of these changes a few years ago there had not been service changes in years and years and the place had changed dramatically. The problem with service changes is that very few people are falling over themselves about new services, but every one that you take away really upsets people.

In fact, there is still a fellow at Mount Barker who is going to hate me until he dies because I took his bus away. Unfortunately, I think he was the only bloke who caught it. Anyway, we work with the contractors, and there are incentives written into the contract to make sure that they are carrying as many people as they can. They have an incentive to get their routes right. We get a lot of customer feedback.

Mr GRIFFITHS: I was going to ask that. How does that work: is it telephone, email, website based?

The Hon. P.F. CONLON: All of that. The main one is the telephone.

Mr CRACKETT: We take feedback that comes through via our telephone service. We take any feedback that comes via the minister's office.

The Hon. P.F. CONLON: We still do the secret shopper.

Mr CRACKETT: We do the secret shopper. We ensure that the service contractors do their surveys of the number of passengers that are on the lines.

The Hon. P.F. CONLON: Of course, we talk to local government. As a former chief executive you will appreciate how necessary that is.

Mr GRIFFITHS: Living in a regional area that does not benefit from public transport I have never engaged in that conversation.

The Hon. P.F. CONLON: I am sure we do other things for you.

Mr GRIFFITHS: I am interested in the total number of passenger journeys for the 2010-11 financial year for buses, trams, trains and the O-Bahn. Do you have those figures available? I know we are not finished and at the end of the year yet, but do you have the anticipated figures?

The Hon. P.F. CONLON: Yes, we do. We can give you the stuff in writing, but you have to be a little careful about the figures during the rail revitalisation program as we have some significant stoppages. For example, on trains this year you have a 10.281 million estimate as opposed to 11.744 million last year.

Mr GRIFFITHS: It is down 1.2 million then? What is the reduction figure?

The Hon. P.F. CONLON: A reduction of about 1.5 million estimated. There are a number of factors that go to work: one is shutting rail, obviously, but the other you will find is that the cost of fuel drives behaviour on public transport like nothing else. The high dollar has probably given relief from fuel prices, which hovers around \$1.40 or something. A few years ago, when prices were up to \$1.80, we did not have enough capacity to meet demand then. You will find the public transport figures will bounce around fuel prices. The news for the future is that fuel prices are never going down again—this is probably as cheap as it is ever going to be.

Mr GRIFFITHS: Peak oil is upon us, that is for sure.

The Hon. P.F. CONLON: People have to understand about world demand. You have to go to China and India and see these places to understand where the demand for resources is. It will never be cheaper than it is now.

Mr GRIFFITHS: I appreciate that it is difficult to benchmark our effort on public transport against other states with density of populations, infrastructure that is already in place, and that sort of thing, but do you do that? Do you look at, based on population, what the South Australian take-up rate has been on public transport?

The Hon. P.F. CONLON: We know what it is. At the moment we are offering quite a few interruptions because of upgrade works, and that puts people off, there is no doubt about it. The problem with public transport is that, if you put them off for a week, you might put them off for a month. We do benchmark. In terms of customer satisfaction, we are probably the second highest in the country. We tend to take a local view, but the difficulties people talk about here have been

much worse. I think Victoria has had some real difficulties in recent years with its public transport system.

Everyone experienced a big surge in demand a few years ago when fuel prices went up. Victoria has had very significant growth into the burbs—I think they are out at Werribee by now. They have had a number of issues. We do benchmark. Our customer satisfaction rate is the second best in the country and we believe that, at the end of the investment program, we will have the best public transport system in South Australia. We have to finish the program. It is an awful lot of money we are spending—it is \$2.6 billion in total. That is a lot of money.

Mr GRIFFITHS: I have heard you mention it quite often, minister. I believe that on a question asked two questions ago about the figures on the various public transport options you gave the rail one. If you can table those, I am happy with that. Are you prepared to table the estimates for the usage for the 2011-12 financial year? Do you do figures on them?

The Hon. P.F. CONLON: Yes, we will get them for you. It is very hard to make accurate estimates over a future year. The major factor is the cost of fuel, and if you know what that is going to do, you could make yourself a lot of money and you would not have to be in here.

Mr GRIFFITHS: I believe the member for Schubert has a question to ask.

The Hon. P.F. CONLON: Is this about a train or about a hospital?

Mr VENNING: I can always change the words. I refer to Budget Paper 4, Volume 4, page 84, sub-program 5.2, Passenger Services. Will the minister explain why the target for 2011-12 for the number of passenger trips in regional areas has been revised downward from the target of 2010-11? The target for the number of passenger journeys in regional areas in 2010-11 was 1.57 million; that target has been reduced down to 1.48 million for the coming financial year. The regional areas continue to be disadvantaged, as you would know, compared to their city and metropolitan counterparts when it comes to public transport services.

Many areas of South Australia do not even receive any government subsidy or funding for the bus services offered, and the Barossa Valley is but one example. Is the reduction in the target for the number of passenger journeys demonstrating that the state government has no plans to increase services or subsidies offered in regional areas in the next financial year?

The Hon. P.F. CONLON: No. I will get the actual detail and the figures. In fact, you would know that we have had many meetings with the member for Hammond about regional bus services, as we attempt to make sure that there is someone offering a service. The truth is that with many of the regional services it is very hard to find people who want to do it, and that is an ongoing issue. In fact, we had to step in and replace the contractor down around the Coorong recently when they fell over and we had to find someone at short notice.

So, there are definitely challenges in providing regional public transport services. Ivan, I would ask you to accept that they are no different challenges to those that your government had when it faced the same issues when you were last in government. These are sometimes long, quite marginal routes. We are only able to get them by offering exclusivity, otherwise people would not be interested, and that in itself creates issues. I know that the member for Hammond has had a series of meetings with me about that. There are challenges in providing regional public transport services. It is not because of any reduction of effort on our part or a reduction of funding; there are other factors that influence it.

Mr VENNING: Can I ask a supplementary to that? I accept the answer. Is there any consideration of extending the metro ticket further out, say, to the Barossa and then linking the buses with the trains?

The Hon. P.F. CONLON: It is our firm plan to have the buses and trains linked. The issue about metro services in the Barossa is about volumes, of course. You would predict that at some point the train could run to Roseworthy because of the 30-year plan and the growth there. We have had this meeting, in fact, with the mayor up there and some of your students and we went through the issue of running train services to the Barossa. What you have to understand is that you have to be very careful what you ask for because, if you put metropolitan train services into the Barossa, people will want to develop it with more residential development around the rail services.

So, if you want the Barossa to be preserved, as we do, as primarily an agricultural and wine setting, then you are not going to plan to improve services that rely on volumes because then you will have to have more people there. As I said, you have to be careful about what you ask for. I think the plan is for development to be around Roseworthy and to protect the Barossa. You know

that I am very fond of the Barossa. My wife's uncle is one of the Barons, as you well know. He's very respected—Mal Whyatt. I can say, too, about the last time I drove up there that the quality of the trip on our new road infrastructure is absolutely transformational.

Mr VENNING: Gomersal Road—a good Liberal initiative.

The Hon. P.F. CONLON: They are good, aren't they? We built you an entirely new 23-kilometre freeway, then we duplicated the Sturt Highway all the way up to Gomersal Road so that you do not have to stop for something like 30 kilometres, and the first thing Ivan did was come back and complain about the quality of Gomersal Road.

Mr VENNING: It needed to be fixed up, didn't it?

The Hon. P.F. CONLON: It was a bit harsh.

Mr VENNING: You fixed it.

The Hon. P.F. CONLON: You may have missed out on services but for the important reason we have pointed out. I think the Barossa has done very well out of road infrastructure under this government.

Mr VENNING: You could do better, especially on the main road up there.

The Hon. P.F. CONLON: You did get the most expensive road South Australia has ever built for you.

Mr VENNING: Thank you.

Mr GRIFFITHS: Page 83: specifically, I am interested in the review that DTEI undertakes when it considers claims for passenger travel summary sheets when submitted by bus contractors that are providing public transport options as to what level of checking occurs in that. You might recollect a question that I asked last year. I have had some subsequent discussions with Mr Hook. Some level of answers were provided.

The Hon. P.F. CONLON: We took a hard look at that, didn't we?

Mr GRIFFITHS: Yes; I still have concerns. I am just interested, for the record, in what checking is taking place on audit claims.

The Hon. P.F. CONLON: With any contract we write, we are required by the Auditor-General to be, if you like, a commercial exemplar—I think was the phrase used. So, in any contract we write, the Auditor-General would take an interest that we are protecting the public interest, to a very extreme extent in some cases. Would you like to talk about the standards that we check? The information that is provided to us by a bus driver is audited in—

Mr DOGGETT: We have our own internal departmental auditing. As returns come in from bus contractors, we check things like concession reimbursements. Then there is the wider department auditing program and, as the minister said, there are also auditing provisions in the contracts themselves. So, there is a high degree of auditing into the processes before any claims are made to contractors.

Mr GRIFFITHS: So the internal audit process involves people other than those who would normally handle the claims, like someone completely removed from it?

Mr DOGGETT: The first level is the people who handle the claim, but then there is the removal. The department has an auditing section that then comes in and audits, separate from the PTS division.

Mr GRIFFITHS: Is there a certain level of those sorts of transactions where a detailed audit is undertaken—where contact might be made with schools that might be involved in that service—to determine the provision of the service? I am interested in the level of thoroughness that goes into the checking because of some information that has been provided to me. I just want to be totally sure that it goes to the degree to ensure there is total confidence in the fact that no false claims can be submitted, processed and paid and only checked off by one person, for example. I am just interested to find out if you do that, if you go to that next level of audit.

Mr DOGGETT: I would have to get the full details. We are comfortable with the level of auditing. We could not guarantee that there is—we do not check every single piece of paper.

The Hon. P.F. CONLON: You have to put the risk in context. In regional services that are quite marginal, you would not expect the audit to be as rigorous as it is in a large contract merely

because of that. But what you do have is not just an audit, you have an ability—as you know from your experience—to investigate claims when they are made. You may continue to have doubts about that issue, but there was a very thorough investigation. We are very open in talking to you about how it was done. You have to do audits according to the actual risk. There is no use in having a \$2 million audit process on a \$500,000 contract.

Mr GRIFFITHS: I understand that—unless the potential exists for that same area to be multiplied in many different locations.

The Hon. P.F. CONLON: Yes, that is right. In all of the processes that we have been through, there is no indication of any sort of systemic problems in the area. There is no indication of that at all.

Mr GRIFFITHS: It is interesting because I have lodged an FOI request for data related to it and I have had to have it extended.

The Hon. P.F. CONLON: I do not do FOIs personally.

Mr GRIFFITHS: No, I understand that.

The Hon. P.F. CONLON: You will find that, whenever you go into contracts, what we release would have to be checked with the contracting parties. That is the nature of the relationship. It is not simply our decision. These people do have a degree of concern about the protection of their business information because it is a very competitive industry.

Mr GRIFFITHS: Still on page 83 of the same budget paper, I am interested in the Belair and Dry Creek train stations. I am advised that they are being monitored by security guards throughout the day, and one of the purposes is to prevent people from crossing the tracks. Now, at one of these stations, being Dry Creek, there is a large security gate, in part, for the same purpose of stopping people from crossing. We are also told that the gates are not working at the moment, so the security guard's job is to lift the gates. Is that actually correct?

Mr DOGGETT: There is a security guard at Dry Creek but it is not to stop passengers crossing the line. There is an issue with the gates. We are up there under early occupation at the moment and there is an issue with the gates that is still being resolved by the contractor that built the facility.

Mr GRIFFITHS: So, the gates are not working then?

Mr DOGGETT: They are working, but not as we would like them.

Mr GRIFFITHS: Okay. So, you have the human backup option?

Mr DOGGETT: We do not want the vandals to get in and paint our tracks.

Mr GRIFFITHS: That is understandable.

The Hon. P.F. CONLON: That is what we do. I tell you what, people do some crazy things too that do not bear talking about. I can tell you privately some of the things people do with trains—crazy.

Mr GRIFFITHS: Minister, referring to security guards, there is a lot of concern—and it has been in the press recently—about safety on public transport. I am aware of the Victorian proposal and what they intend to bring in. Can you actually outline to the committee what is being undertaken to ensure, as much as is humanly possible, the safety of public transport users?

The Hon. P.F. CONLON: I will get you the details, but we made a very significant increase, not through us, but through discussions with the police commissioner on the police effort on rail lines. We examined a number of issues about security, but what we landed on is we believe that the police themselves doing more patrols, and having more capacity particularly for the rail service is the best approach for the police. We have a very good police force and they are more effective than any option that we have found.

Of course, we have to do that by discussion with the police commissioner because, at the end of the day, you will find that our police commissioner is very clear about the fact that he runs the police service under the act and we do not, but I can certainly say that we have had (seeing my briefing note) excellent cooperation between us and the Transit Services Branch. One of the other things, of course, we have done is the continued rollout of CCTV stations and that will continue with our station upgrades. Just today, we announced Elizabeth, didn't we?

Mr Odenwalder interjecting:

The Hon. P.F. CONLON: There will be CCTV at Elizabeth. We take a range of approaches. We have security guards present on all trains that depart Adelaide from 6pm.

Mr GRIFFITHS: Sorry? What was that minister about security guards?

The Hon. P.F. CONLON: There are security guards present on trains leaving Adelaide after 6pm. That is, in fact, a 57 per cent increase since 2001, in the presence of security guards.

The Hon. M.J. ATKINSON: Since 2001?

The Hon. P.F. CONLON: Yes, since 2001.

The Hon. M.J. ATKINSON: You should travel on trains more often.

The Hon. P.F. CONLON: So, it is a very significant improvement. The truth is though that it is impossible to be everywhere at all times. I would say that one incident is too many and is regrettable, but I think our performance on security would stack up with any state. We could benchmark that for you, if you like.

Mr GRIFFITHS: No, I was not going to ask a question about benchmarking on that one.

The Hon. P.F. CONLON: Those Victorians might have to do that because people do not behave as well in Victoria as they do here.

Mr GRIFFITHS: Minister, I respect that it is a great challenge to provide—and society's change in attitude in the last generation has created part of the problem in many ways, there is no doubt about that. I think there are 78 transit police officers who are fully equipped with all operational equipment that police officers also have?

The Hon. P.F. CONLON: You have to understand that what transit officers can do and what police can do is very different.

Mr GRIFFITHS: They can still arrest though, can't they?

The Hon. P.F. CONLON: Just reading this, anyone can arrest under the appropriate circumstances, but they do not have the power of arrest that the police have. They do not have an exceptional power of arrest. What is very clear is that we would want our security officers to be circumspect about the sort of powers they exercise. The truth is that the police are uniquely trained to deal with circumstances. Our view—and we have been up and down all sides of this—is that the best approach to security is for our security people to be overlaid by the police, where the police are necessary, and we would prefer those things to be done by the police.

Mr GRIFFITHS: If there is a level of police effort that goes into it now—

The Hon. P.F. CONLON: There is an increased level of police there. As I said, there was a 57 per cent increase in security over that period, but there was also an increased police effort. You would know that we have the record highest number of police the state has ever seen. It is the best per capita in the country.

Mr GRIFFITHS: Forty-four hundred, yes, and a commitment for another 300 over the next term of government.

The Hon. P.F. CONLON: Yes; it is very, very good.

Mr GRIFFITHS: I understand that.

The Hon. P.F. CONLON: We had a lot to undo from those vandals in the previous Liberal government.

The Hon. M.J. ATKINSON: More police than ever before, and as a proportion of the population.

Mr GRIFFITHS: As part of the efforts being made with the commissioner, what is the hope? What is the claim or the request that you are going in there with and actually saying?

The Hon. P.F. CONLON: What we hope for is that no-one suffers an unfortunate incident on public transport.

Mr GRIFFITHS: I understand that.

The Hon. P.F. CONLON: We cannot guarantee that, but that is what we would hope for. What we aim at is to protect people and make them feel comfortable about public transport. One of the most important things we did—I remember on the tram project when we had some money left

over—is put in more lighting. I can tell you, for many people, the quality of lighting around stations is very important.

In fact, the feedback we have had on many occasions is that the thing that people ask for is improved lighting. So, we have improved lighting and CCTV. You take a broad approach. You try to respond intelligently to incidents that have occurred to make sure they do not occur again. I would have thought the Gawler line has probably improved and that incidents have dropped on the Gawler line, and that was, I think, traditionally our worst line.

We can demonstrate improvement but, if you have one serious incident, the person involved is not going to be happy, and that is a fact. It would be good if we could get every member of our society to behave in a decent way but, while we have made dramatic improvements in crime statistics, I noted the other day we simply cannot get everyone to behave. We cannot even get all members of parliament to behave well.

Mr GRIFFITHS: From both sides!

The Hon. M.J. ATKINSON: A 40 per cent reduction in crime on the Gawler line.

The Hon. P.F. CONLON: And re-opening Barton Terrace.

Departmental Advisers:

Ms T. Meakins, Acting Chief Executive, Department for Transport, Energy and Infrastructure.

Mr M. Elford, Acting Executive Director, Road Transport Policy and Planning, Department for Transport, Energy and Infrastructure.

Mr A. Milazzo, Executive Director, Transport Services Division, Department for Transport, Energy and Infrastructure.

Mr GRIFFITHS: Minister, I will refer back to a question that I tried to ask in an earlier session about the relocation of the rail yards. Can you give information to the committee about what the total cost is expected to be and what issues have been encountered in that project?

The Hon. P.F. CONLON: The bloke that just left was the person. You just had the guys here.

Mr GRIFFITHS: I thought you said Transport Planning Services, so that is why I saved it for this.

The Hon. P.F. CONLON: No, public transport. Do you want a total cost of everything with the rail yard's relocation?

Mr GRIFFITHS: It was budgeted a couple of years ago at \$157 million.

The Hon. P.F. CONLON: The problem is that what it was budgeted for will be dramatically different, because when we originally did it we had not secured the funds for electrification from the Treasurer. It is a very different build from a rail yard for conventional trains to a rail yard for diesel trains that are going to become electric trains. So, there will be significant departures from the original budget, I would imagine. The revised budget approved by cabinet in 2010 was \$171 million. I cannot remember what the original was. But you are not comparing apples with apples.

Mr GRIFFITHS: I think \$152 million initially, it might have been, minister. So, since 2010, there has been no further submission to cabinet?

The Hon. P.F. CONLON: There is no issue with the budget. The electrification costs were simply added on top of the original budget—I think the original was \$157 million or something, and the electrification costs were added to that. If you move to electrification, you have additional costs, and that is the truth of the matter. If you go out there now (and you should go out and have a look; it is a very nice facility), they have diesel trains running in there that, in the future, will be electric trains. So, you have fuelling capacity for diesel trains, but you have to build capacity for catenaries and such like for the future. The only issue with the rail yards was increased costs as a result of the decision to electrify—a very good decision, I must say.

Mr GRIFFITHS: Minister, part of your answer referred to the refuelling needs out there now. Has the department done an assessment on the increased travel time for trains going out to Dry Creek to refuel and the impact of that upon motorists at rail crossings along the route?

The Hon. P.F. CONLON: I am not sure that that is the only place we fuel diesel trains, anyway, but when we are electrified, we will not be going there in the future. I do not have that information; I do not know that there is any significant increase. We will have significant increases at crossings in future from increased services, but that is a good thing to have because there will be more services. We will check, but I do not know that there is an issue about it.

Mr GRIFFITHS: I am presuming that, if trains are going out there to refuel, there is more holding up of traffic at crossings involved.

The Hon. P.F. CONLON: You have the wrong bloody advisers, mate. You wait until they are up there, and then start asking these questions. We will get the details from them for you.

Mr GRIFFITHS: I refer to page 76. Minister, I am interested in how many power substations there are throughout Adelaide to operate the tram network.

The Hon. P.F. CONLON: We have six and we are going to seven.

Mr GRIFFITHS: How much is copper cable as opposed to the steel cable that remains within that network?

The Hon. P.F. CONLON: Which cables?

Mr GRIFFITHS: For the electricity supply. All the problems you have been having—six incidences since, I think, February—

The Hon. P.F. CONLON: You have dressed it up a bit; you have made them all sound like the one serious one. There was a problem with a cable. I think all of our cabling is copper, isn't it?

Mr GRIFFITHS: A lot of work has gone into identifying and rectifying the problem. What has been the outcome of that: what has been determined?

The Hon. P.F. CONLON: They are still investigating. The problem with electric cables is that it is very hard to identify precisely where a fault is because it is a flow of electrons. My understanding is that that investigation is still ongoing. They are doing forensic testing of the cables in Melbourne. I do not know what that means, but it sounds good, doesn't it?

Mr GRIFFITHS: Is it in the new system, or is it in the older infrastructure that existed from South Terrace through to Victoria Square?

The Hon. P.F. CONLON: There was an incident in the old infrastructure, which is not that old because it was redone at some time, but there was one on the new cable. It is the new cable that they are investigating; I think we determined what had been the problem with the old one.

Mr GRIFFITHS: Is the cost of that being absorbed by the department at this stage?

The Hon. P.F. CONLON: If, in fact, it is an issue from its installation and purchase, we have obvious warranty rights, but before you can exercise or answer that you have to determine what it is. No-one can insure you against somebody else doing something wrong, no matter how well you contract. I do remember poor old Phil Baker at the Adelaide Airport building—what I think is the best airport in Australia—not being able to open because a subcontractor put a faulty fuel line in.

Mr GRIFFITHS: Yes, very concerning for a long time.

The Hon. P.F. CONLON: Can I assure you that if Phil Baker had been allowed to hang that subby up by his feet he would have. As soon as we know, we will tell you.

Mr GRIFFITHS: I appreciate that, minister. I will wait for your telephone call then.

The Hon. P.F. CONLON: It may not be me personally, but I will get something for you.

Mr GRIFFITHS: I understand. On the basis that you have referred in answer to a previous question that a week lost from public transport might mean that they jump ship for month and use other options—

The Hon. P.F. CONLON: Yes; we are very concerned about interruptions to services.

Mr GRIFFITHS: Exactly, so my expectation of you would be that you would be fairly demanding in the department and say, 'I want this problem fixed. I want to know what it is, I want to know what it takes to fix it and I want it done as soon as possible.'

The Hon. P.F. CONLON: Yes, that is pretty much the message now.

Mr GRIFFITHS: With maybe some more adjectives in it?

The Hon. P.F. CONLON: Well, no; as you can see, my ordinary default setting is to be courteous and kind to everyone unless provoked by people on the other side. Some might say that I do not take a lot of provocation, but it has been good today: a very peaceful—

Mr GRIFFITHS: It has been.

The Hon. P.F. CONLON: —sharing of information. We do not want to have problems. What I will say to you is that the public transport system now is vastly superior to when we came to government. The underinvestment in TransAdelaide was chronic. In my view there was a culture within the organisation of hopelessness because of ongoing underinvestment.

Can I say, Bob Stobie was there for a while and did a very good job. We have given them the greatest single investment the state has ever seen in revitalisation of rail, and the culture has transformed in the organisation; we are training new drivers, lots of women drivers. What I would say is that we would expect an opposition to focus on the difficulties—

Mr GRIFFITHS: I would prefer if there were some positives.

The Hon. P.F. CONLON: —and the government to focus on the achievements, and the truth is that the public transport service is vastly improved. I know that Ivan is a huge supporter of the tram service, because he in fact seconded the motion to extend the tram to North Terrace. Unfortunately then your party changed on you and opposed it, but you were right and they were wrong, Ivan.

Mr GRIFFITHS: Your research is very good, minister.

The Hon. P.F. CONLON: Can I say, I was at the Entertainment Centre yesterday, in discussions with Bob Ford and the fellows that run the restaurant there. The other thing that we were told would not succeed was the extension to the Entertainment Centre, and the park-and-ride there is so full that everyone is contemplating the need to increase parking around the Entertainment Centre. A lot of good things have happened in that time. I will do a deal with you: you concentrate on the bad ones and I will spend some time concentrating on the good ones.

Mr GRIFFITHS: I would rather it was the other way around, but okay. One would therefore assume that additional parking options are going to come to a bit more than the \$2 per day that it currently is at the Entertainment Centre?

The Hon. P.F. CONLON: No; I would not think so. The discussions are in very early stages, but the parking pays for itself in other ways. Getting people to the venue is very important. What we have in the Entertainment Centre: I think they got a great return for a \$53 million investment. The high Australian dollar means we can get acts that are hard to get, so there are a lot of factors there other than the \$2 in the car parking.

Mr GRIFFITHS: I am going to jump to a different area now.

The Hon. P.F. CONLON: You are done with public transport?

Mr GRIFFITHS: I am not fully sure, but we will see. We will talk about something else for a while. I refer to Budget Paper 1, Budget Overview, page 11: there are references through the budget papers about \$54.8 million over four years to improvements in regional roads and freight routes. Is that new money, or is it just a continuation of the rural freight improvement program and the rural road safety program?

The Hon. P.F. CONLON: Those programs had a lifetime and it came to an end. This is a new program, if you like, but if you want to call it an extension of the old one that is fine. Whatever you want to call it, it is \$54 million for regional roads.

Mr GRIFFITHS: And I respect that. It featured in the Treasurer's speech, certainly, the money being there, and it immediately led me to be overjoyed with the thought that there is more money for regional areas, but are you able to confirm that it is just an extension of an existing program and it is not fresh cash?

The Hon. P.F. CONLON: If you want to call it an extension of the program—that program had concluded and we would have thought that this was a different one but if you want to call it that I am not going to argue with you. There are additional funds there, of course. One of my personal initiatives, with which I am very happy, is an extra \$2 million a year ongoing for Kangaroo Island and its roads. Can I say that the local council is overjoyed—and that is entirely new money. What we are hoping is that it will allow KI to grow perhaps to the extent that, at some point in the future, it will have a rate base that can pay for its roads, and then we could use that money somewhere else—perhaps Goyder or somewhere like that.

Mr GRIFFITHS: I stick my hand up many times over to get a slice of that.

The Hon. P.F. CONLON: You might call it a continuation of a program but there is some entirely new money there and KI is the big beneficiary. Can I say I think it is a really wise investment. The island struggles because of its size with roads and, as a result of that, we have not been able to realise the full potential of the island. I think this will really help.

Mr VENNING: A good local member.

The Hon. P.F. CONLON: The local member had nothing to do with it, Ivan.

Mr GRIFFITHS: The member for Finniss is grateful for it, anyway; I know that—he has told me that himself.

The Hon. P.F. CONLON: That is because he drives on those roads.

Mr GRIFFITHS: But that money, in fact, comes from an additional cost on vehicle registration fees, too.

The Hon. P.F. CONLON: Yes. What is it?

Mr GRIFFITHS: One per cent.

The Hon. P.F. CONLON: Yes, but the actual dollar effect in a year is tiny—\$1 a year.

Mr GRIFFITHS: So Kangaroo Island is going to be the focus for as long as it takes to improve the road network. Is there a time limit in place? Have you done an audit?

The Hon. P.F. CONLON: There is no time limit. We have been talking to people on the island about a number of other initiatives. In fact, I have written again to minister Albanese, even though he is opposed to freight subsidies, stating, 'Look, this is what we're doing as a state government. Can you reconsider the issue of the cost of moving freight?'

The other thing that we have just commenced (but have not got very far with) is discussions with the council about the Kangaroo Island airport and the need to accommodate larger jets if it is really going to thrive. In fact, I am going to be on the island in July and going back again in August. We have talked to Adelaide airport about whether there is any interest there. I am not suggesting I will do a deal—

Mr GRIFFITHS: Take over a couple of regional airports, I think, minister.

The Hon. P.F. CONLON: I have to say I would really like it if the Eyre council got in an airport operator, too. I think there is a lot of untapped potential. This is a very tiny impost on car rego but it has a huge impact for the island. It is a recognition that the island is, in a sense, unique. It has unique challenges. I think only 4,000 people live there but it has a lot of roads and enormous tourist potential. If you go to the Ozone Hotel on any given day, half the people there will be speaking Italian. I do, too, but that is only quite badly.

Mr GRIFFITHS: What is your estimate at this stage of how long you will need to focus on Kangaroo Island before—

The Hon. P.F. CONLON: As long as it takes. If the island population grew dramatically and it had a bigger rate base and was making more money, we would review it. However, it is going to be there as long as it takes. There is no point in doing it unless we are prepared to do it for the right reason and for the right amount of time.

Mr GRIFFITHS: Again, referring to road maintenance—

The Hon. P.F. CONLON: Apparently we are doing some of your roads out of this program.

Mr GRIFFITHS: Out of the \$54.8 million?

The Hon. P.F. CONLON: Shoulder sealing. It is a separate program.

Mr GRIFFITHS: I have some terrible shoulders in my area, as there are in many parts of the state. As an extension of that, the RAA had a report out in 2005 that talked about a \$200 million backlog. It put out a press release and I think at some time in 2009 it talked about a doubling of that. Obviously, within the department you have identified an enormous list of works that would be, in an ideal world, undertaken.

The Hon. P.F. CONLON: Yes.

Mr GRIFFITHS: Do you have an estimate on the cost of that work?

The Hon. P.F. CONLON: I do not think we have ever sought to articulate costs of all the work we would like to do, given that it would be fruitless and the Treasurer will never give me all the money I want.

Mr GRIFFITHS: Not even as part of the transport plan?

The Hon. P.F. CONLON: If the point you are making is that if I had more money would we spend it on roads: absolutely, we would. The challenge every transport minister in this state has ever faced is that we have a small population and it is a very big place. If we can grow the population over the next few years, we will still have that challenge. We spend more than your former government did on road maintenance. Could we spend more? Yes. Will that be the position if you guys are right and became the government in 2014? I do not think you will, I stress again. Will you face the same issue? Yes, you will. It is a big place, but with a small population.

Mr GRIFFITHS: I respect all those things and look at the historical aspect of it and the number of priorities that exist and the many areas they could go.

The Hon. P.F. CONLON: I have been asking for traffic lights in my electorate since I got elected. He says that I am No. 98 on the list of priorities.

Mr GRIFFITHS: He won't tell you what are the other 97? Is it part of a grand vision, part of your transport plan, that you project a date into the future—2020 or 2025—where the condition of our road network is to a standard where that level just does not exist and the capacity exists to provide for roads that will suit all purposes?

The Hon. P.F. CONLON: I am not sure I understand the question.

Mr GRIFFITHS: I can give you examples of roads where the undulations make it dangerous.

The Hon. P.F. CONLON: You are talking about 2020—that is a long way away. You will find in South Australia in my view in coming years the most rapidly growing economy the state has seen. You will have population increases and a mining boom and increased capacity. How that all plays out, I am not sure, but I will tell you that the equation gets much easier with greater population and with economic growth.

We have a number of new road projects we are doing now and will do in future that will transform how we get around. What will happen in 2020 is a bit Nostradamus for me. You will see dramatic economic growth and growth in the population and that makes the equation much easier—all those lovely royalties.

Mr GRIFFITHS: I will come back to a question that is hopefully a bit easier to answer and is not visionary. It is on page 63 and is about new projects. The member for Morphett has asked me specifically about this one. Can you advise whether Diagonal Road at Glenelg East will be included in the school pedestrian crossing safety program as there has been a number of vehicles running the red light at that crossing and in one recent incident a child was hit by a car?

The Hon. P.F. CONLON: You will need to address that question to the Minister for Road Safety, who operates the program. They will be here on Tuesday next week.

Mr GRIFFITHS: I refer to page 63, Budget Paper 4, which relates to flood damage. I note that you have \$4.1 million allocated for regional roads to repair flood damage in the 2011-12 financial year.

The Hon. P.F. CONLON: Yes. It is a tiny percentage of what we have spent in recent years. We have spent a lot of money on flood damage in recent years.

Mr GRIFFITHS: I have seen figures from local government authorities that were affected by the December and January floods.

The Hon. P.F. CONLON: I have had meetings with them, as I was minister for local government for a gloriously brief period, and we discussed the disaster fund with them.

Mr GRIFFITHS: How close are they to getting the funds available to repair the road network?

The Hon. P.F. CONLON: One of the things I asked people to do was to make an initial allocation. The big problem is that the damage was so severe in so many areas that the ask from councils exceeds the amount in the funds. That is a problem. What the committee has to struggle with is how you prioritise it. One option is that you give everyone a share. My view is that what we would do in those circumstances is to have our people prioritise it according to the actual need in terms of the damage. I am no longer responsible for it, so it is a bit of an academic discussion. What occurs there will be for the new minister and the committee. What I can say is that I think all the parties, including the Local Government Association who were there, think that they need to review how that fund actually works.

Mr GRIFFITHS: My understanding is that there is a review about to be undertaken (or that was undertaken) on the rules.

The Hon. P.F. CONLON: Yes, I understand that. That is not for me anymore, but I understand that they are seeking a review of how that operates, but we have asked them to allocate as they can from it. One of the things that we know from flood damage is that the sooner you start the work, the cheaper it is; the roads will continue to deteriorate if you do not.

Mr GRIFFITHS: Indeed then minister, is the \$4.1 million allocated this year for state roads sufficient to restore them to the previous condition or improve them? All of the liability is gone from the flood damage on state roads with the expenditure of this money?

The Hon. P.F. CONLON: It is 4.1 in 2011-12; and the total budget, because it was 5.5 in 2010-11, is 9.6. Yes, that is enough for the damage but you have to take into account that I think we spent something like 30 about three years ago on flood damage as a consequence. In fact, one of the great ironies of this job is that in the middle of the worst drought we have ever seen, we had to spend \$30 million on flood damage in the Far North. It did not seem very fair, but that is this country.

Mr GRIFFITHS: That is the nature of that area, yes.

The Hon. P.F. CONLON: That is enough for flood damage on state roads. Now, is it enough for what everyone would like us to do? Probably not, because of particularly the unincorporated areas. Can I say, this state has a larger responsibility than any other. They would like the roads not just fixed but changed in standard. I know that Mr van Holst Pellekaan was in to see me about that recently, but I do not think we are going to make everyone happy.

Mr GRIFFITHS: Minister, I am not sure whether it is your area of responsibility, but it relates to—

The Hon. P.F. CONLON: I will talk about it anyway.

Mr GRIFFITHS: I am sure you will. You will have an opinion on it, I have no doubt about that. It is about financial assistance from the federal government towards local government roads. Is that something that your department is involved in?

The Hon. P.F. CONLON: No, the local government minister takes care of that usually. We would work with them. I, in fact, signed a letter to Simon Crean as local government minister last week on some of those grants. They pass through the office of local government. But no, that is something you need to discuss with that minister.

Mr GRIFFITHS: But at least your glorious one month in the role would have allowed you to understand that there is an underinvestment from the feds to South Australia, and there have been top up moneys in the past.

The Hon. P.F. CONLON: There is no doubt, and that has been the situation that every government in this state has raised with every federal government no matter who is in the respective chairs. The underinvestment from the commonwealth in South Australian roads has been around for a very long time. In fact, what we have got out of Infrastructure Australia was the first time this state has ever done better than others in terms of funding, but of course that is for new projects and not ongoing maintenance. We did get an improved performance out of the commonwealth in maintenance recently—

Mr Venning: The formula is wrong, isn't it?

The Hon. P.F. CONLON: Let's be absolutely blunt: when you are dealing with a conservative government, national parties run it. They run roads and road funding. National parties do not have a lot of National Party members in this state in marginal electorates, so we do not do as well.

Mr GRIFFITHS: Your blokes have been there for four years. Haven't you had your chance?

The Hon. P.F. CONLON: We got a bit extra out of them, and we did better out of IA. You have to say that in terms of the capital funding, we have done better than any state government has ever done from the commonwealth government in terms of new roads funding. With South Road, the Superway, the Northern Expressway, we have done very well.

For the first time since Federation, we got a \$600 million contribution out of the federal government to public transport. That has never happened before. I am not going to complain about what they have done. I would love them to give us more for road maintenance and I would love them to give more to the councils, but I think that Anthony Albanese made the councils very happy a little while ago when he called them up to Canberra and gave them all a big bucket of money to spend in the stimulus. I think if you scored the success of federal governments, we have done a lot better in South Australia with this one than we have with previous ones.

Mr GRIFFITHS: History records interesting facts sometimes, I suppose.

The Hon. P.F. CONLON: Personally, I put it down to my great persuasive charm.

Mr GRIFFITHS: Now that you have handed over local government to the Hon. Mr Wortley—

The Hon. P.F. CONLON: With alacrity, I might say, not that I have anything against him.

Mr GRIFFITHS: And he is the fourth minister in four months, too.

The Hon. P.F. CONLON: Well, it shows you how popular the portfolio is; everyone wants it.

Mr GRIFFITHS: I am not sure if the 68 councils see it the same way.

The Hon. P.F. CONLON: I am being flippant, but the truth is that I do not think that the roads minister should be the local government minister as well. The truth is that I think I know nearly every person in local government around the place, and that is because they always deal with us on roads issues. It is very hard for the road minister dealing with councils to be their advocate as well as the person who decides on what they are asking for. So, I think it is far more structurally appropriate for the local government minister to be more of an advocate for local government.

Mr GRIFFITHS: I refer you to page 65, in regard to the Roadside Rest Areas Strategy.

The Hon. P.F. CONLON: We have spent a lot more money than previous governments in this area.

Mr GRIFFITHS: Yes, but you underspent this year on the budget figure by more than half. You had \$9.5 million in the budget and you spent \$4.3 million. Why that underspend?

The Hon. P.F. CONLON: There is one big one being delayed, but it will be carried over and done. I will tell you where it is—Yamba. That is all down to one large project because of a delayed tender process for the quarantine inspection building. It was a combined project with the commonwealth. We do get money from the commonwealth for this, but there is also, I think, a commonwealth component in what we are doing out there, and they are not as quick as us.

Mr GRIFFITHS: I note that the 2009-10 actual figure was actually \$2.8 million. If the 2010-11 budget figure was a bump because of this additional project—and there is some carryover this year—what are the forward projections for money on roadside rest areas? Is it just an improvement on the \$2.8 million in the 2009-10 year, or is an effort being made to put a lot more dollars in there?

The Hon. P.F. CONLON: Again, we did quite well out of the commonwealth on a share of some funding that it gave us for this. Of course, a lot of the improvements that we have put in are a result of the new fatigue management rules. We have spent \$10 million since 2007-08. You are not going to see this as an ongoing program because these are upgrades. You are not going to see the same amount of money every year because doing up rest areas is not like maintenance. It is

capital projects on rest areas. There is \$6.9 million in 2011-12. This was never intended to be an ongoing program. This is a significant investment in new areas, but it will not go forever.

Mr GRIFFITHS: I note that people from other states or people who travel through other states have told me that New South Wales especially appears to have a large number of rest areas that have toilet facilities. Is that going to be a focus? Is that something you will look at in South Australia?

The Hon. P.F. CONLON: We do that, but we do it strategically, looking at high-volume areas—the South Eastern Freeway, for example. New South Wales carries greater volumes of people—it has more people—so it is not surprising that they might have more rest areas with toilets. However, we do it strategically. There is an issue with toilet areas if you do not have high enough volumes in the way they are looked after.

Mr VENNING: Can I just ask a supplementary to that question? In relation to the inspector people, are they allowed to set up the scales and vehicle inspections in these new rest areas?

The Hon. P.F. CONLON: They can if they choose to, but it is not their policy.

Mr VENNING: I got complaints, because these areas are chiefly set there to allow the drivers time out.

The Hon. P.F. CONLON: Our policy is to allow them to rest, not to do that.

Mr VENNING: You don't expect them to drive in there when they know the scales are in there, do you?

The Hon. P.F. CONLON: That is why it is not our policy. Technically, they are certainly allowed to do it, but it is not our policy to do it in rest areas, because we want people to go there and rest.

Mr VENNING: And the shaker too. Unless it is a brand new truck, you would not go near a shaker.

The Hon. P.F. CONLON: Can I say, this is the biggest program we have ever done in rest areas. We have done 34 new rest areas and completed 31 rest area upgrades. That is the biggest program we have ever had. We just keep delivering.

Mr GRIFFITHS: Thank you, minister. I will read into the record the omnibus questions, so I will do that right at the end. I just have a couple of quick questions and wonder if the minister is prepared to provide this information afterwards. With the rural freight improvement program, what projects were completed in 2010-11 year and what will the priorities be for the 2011-12 year?

The Hon. P.F. CONLON: Yes, we can get that for you.

Mr GRIFFITHS: One question is on the wire barriers. This might be a road safety issue also, but there is a wire barrier in my electorate just on the southern side of Port Wakefield. Have you done some studies about the relative safety of that, compared to the more fixed ones? I know there is a story in my local press about a motorbike rider.

The Hon. P.F. CONLON: It is precisely a road safety program, but Andy knows about it and I do not mind if he tells you.

Mr MILAZZO: The matter was raised by the Public Works Committee when we took the Dukes Highway project to them. There has been quite extensive research done on that and there is no evidence to indicate that the wire rope safety barriers are any more dangerous to motorcycles than other forms of barriers. In fact, they are slightly safer.

Mr GRIFFITHS: Look, I respect that, if you come off your bike, you are going to get hurt no matter what happens or what is there on the side of the road—tree, post, wire safety barrier or whatever.

The Hon. P.F. CONLON: Even the road hurts.

Mr GRIFFITHS: True. No matter how good the leathers were.

An honourable member: It depends whether you are drunk or not.

Mr MILAZZO: That research was provided to the committee and is on the record as part of the report, I understand, to the Public Works Committee.

Mr GRIFFITHS: So, is there an expectation that that will form the basis of barriers to delineate different roads in the future? Are you going to have an increased focus on that type of barrier compared to the other ones?

Mr MILAZZO: In general, because they deflect more and absorb more energy, the wire rope barriers are safer. However, if there is an obstacle closer behind, then they are not appropriate because, obviously, if you deflect and hit a solid object, you are in strife. So, we will use the W beam or other forms of barriers where the circumstances permit and we will use the wire rope safety barriers where it is more appropriate to use those.

Mr GRIFFITHS: A final question before the omnibus questions just relates to the Safe-T-Cam system, if I may.

The Hon. P.F. CONLON: Yes, that is not me.

Mr GRIFFITHS: My understanding is that, in the 2011-12 year, you are going to install the Safe-T-Cams on the Dukes Highway.

The Hon. P.F. CONLON: You are going to have to ask the road safety minister.

Mr GRIFFITHS: Okay. The omnibus questions:

1. Will the minister provide a detailed breakdown of expenditure on consultants and contractors above \$10,000 for the 2010-11 financial year for all departments and agencies reporting to the minister—listing the name of the consultant, the contractor or service supplier, cost, work undertaken and method of appointment?

2. For each department or agency reporting to the minister—

The Hon. P.F. CONLON: I might say that stuff is in the annual report, if you want to grab it.

Mr GRIFFITHS: We would like you to give it to us also.

The Hon. P.F. CONLON: I will get you the annual report.

Mr GRIFFITHS: Not all of these might be in the annual report.

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

3. In financial year 2009-10 for all departments and agencies reporting to the minister, what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2010-11? How much was approved by cabinet?

4. Between 30 June 2010 and 30 June 2011, will the minister list the job title and total employee 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?

5. For the 2010-11 year, 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 Treasurer's Instruction No. 15?

6. For all capital works projects listed in Budget Paper 5 that are the responsibility of the minister—

—and obviously many are—

will the minister list the total amounts spent to date on each project?

7. For each department or agency reporting to the minister, how many targeted voluntary separation packages (TVSPs) will be offered for the financial years 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15? Thank you.

The CHAIR: I would like to thank the minister, thank the members and thank the minister's advisers. There being no further questions, I declare the examination of the proposed payments adjourned until Friday, 1 July 2011.

[Sitting suspended from 12:00 to 12:45]

DEPARTMENT OF PLANNING AND LOCAL GOVERNMENT, \$14,692,000
ADMINISTERED ITEMS FOR THE DEPARTMENT OF PLANNING AND LOCAL GOVERNMENT,
\$2,313,000

Membership:

Mr Goldsworthy substituted for Mr Griffiths.

Mr Treloar substituted for Mr Marshall.

Witness:

Hon. R.P. Wortley, Minister for Industrial Relations, Minister for State/Local Government Relations.

Departmental Advisers:

Mr I. Nightingale, Chief Executive Officer, Department of Planning and Local Government.

Mr M. Petrovski, Director, Local Government and Regional Communities, Department of Planning and Local Government.

Mr A. McKeegan, General Manager, Corporate, Department of Planning and Local Government.

The CHAIR: I declare the proposed payments open for examination and refer members to the Portfolio Statements, Volume 3. I call on the minister to make a statement, if he wishes.

The Hon. R.P. WORTLEY: The Office for State/Local Government Relations in the Department of Planning and Local Government is a small unit responsible for providing advice to the Minister for State/Local Government Relations on the following:

- the constitution and operations of the local government system, including the statutory authorities for which the Minister for State/Local Government Relations is responsible;
- whole of government policy and legislative frameworks as they affect local government; and
- the constructive relationship between the state government and councils and other associated representative groups.

These statutory authorities are the Local Government Grants Commission, the Outback Communities Authority and the Boundary Adjustment Facilitation Panel. I will briefly outline several key priorities that have been progressed through 2010-11 and will be a focus of further action in this financial year.

Accountability and audit framework reforms: the Local Government (Accountability Framework) Amendment Act 2009, containing a range of amendments designed to ensure that councils meet the standard of accountability appropriate for public administration, came into effect on 1 July 2010 and is being progressively introduced.

During 2010-11, the Office for State/Local Government Relations developed a number of policy discussion papers regarding regulatory frameworks for implementing amendments to various provisions of the Local Government Act, as provided for in the Local Government (Accountability Framework) Amendment Act 2009. This included policy papers regarding procedures for review of decisions and requests for services in local government, a regulatory framework for local government procurement and tendering and a regulatory framework for local government prudential management, with a view to implementing amendments to section 48 of the Local Government Act.

The office also conducted work exploring options to establish regulations or mandatory provisions regarding council codes of conduct. That work will resume in the coming year, in tandem with work to further the Attorney-General's proposal to establish a public integrity commission, as the two projects are closely related.

Finally, the office developed a draft regulatory framework to prevent councils from imposing a service rate or annual service charge, or a combination of both, in relation to land where a service is not provided. During 2011-12, the Office for State/Local Government Relations will finalise and consult on regulatory frameworks for mandatory provisions in these areas.

The legislative change will also be accompanied by non-legislative guidance and support. The Office for State/Local Government Relations and the Governance Unit of the Department of Planning and Local Government will continue to support council compliance and provide governance advice to councils.

The public integrity review: the Attorney-General's 2011 review of the public integrity institutions in South Australia recommends ways of enhancing the current system for dealing with corruption and other criminal matters and, more broadly, for setting and enforcing official standards of conduct for public officers, including those in local government. The Office for State/Local Government Relations will contribute to the development of reforms under the public integrity review as they relate to the local government sector.

The Burnside council investigation: the investigation of the previous Burnside council has been, as honourable members would be aware, the subject of a judicial review, sought by six former councillors. On 27 May—

Mr Treloar interjecting:

The Hon. R.P. WORTLEY: Can I finish my opening statement? You can ask me questions afterwards.

The Hon. M.J. Atkinson interjecting:

The Hon. R.P. WORTLEY: That's right. On 27 May 2011, the Full Court handed down its judgement on the judicial review. The court found that the then minister was justified in initiating the investigation, although it did find that some of the terms of reference were invalid.

Yesterday, the Full Court handed down its decision on costs with respect to the judicial review action. The court ordered that the government pay the costs of five of the plaintiffs and pay 20 per cent of the costs of the sixth plaintiff. The quantum of the costs payable by the government with respect to the court action is still to be confirmed. It is already a matter of public record that the cost of the investigation to date is approximately \$1.3 million.

The Full Court yesterday also maintained the suppression order applying to the draft provisional report prepared by Mr MacPherson in 2010. As the new minister, I will be considering the outcome of the court's decision and will be taking advice to determine the appropriate course of action from this point. I anticipate making a ministerial statement on this matter in the near future. However, in relation to the costs associated with the investigation date, these were extraordinary and unbudgeted for at the time.

Funds for the investigation during 2009-10 and 2010-11 were from the appropriation of the Department of Planning and Local Government, which placed pressure on the department's operational budget. As a result, an additional appropriation was sought to compensate the shortfall, and DTF approved an increase in the budget of \$730,000 for reimbursement of costs associated with the Burnside investigation.

The Outback Communities Authority: the Outback Communities Authority (to be called the 'authority') was established on 1 July 2010, pursuant to the Outback Communities (Administration and Management) Act 2009. The functions of the authority are to manage the provision of and promote improvements in public services and facilities for outback communities and articulate the views, interests and aspirations of these communities.

Highlights of the first year of the authority's operations include: the development and adoption of a community engagement policy that outlines the process and procedures to be followed by the authority to involve the outback community in planning and decision-making, and the development and adoption of the 2011-15 strategic management plan, incorporating the 2011-12 annual business plan and budget.

Outback communities now have a greater say in decision-making and in setting long-term strategic directions in the authority's five-year strategic management plan and its annual business plan and budget.

Local government elections: in November 2010, the election for all South Australian councils took place. A record 1,134 candidates contested the election for 609 positions, and a

further 100 candidates were elected unopposed. A total of 32.88 per cent of the eligible voters cast their vote in the 2010 election, a small increase in voter turnout from 2006, when 31.6 per cent of eligible voters cast their vote.

While it is disappointing that there was not a greater increase in participation, we will continue to work with local government to encourage more residents and ratepayers to vote in their local council elections. As is the case after each round of local government elections, the Office for State/Local Government Relations, the Electoral Commissioner and the Local Government Association are currently reviewing and evaluating the voter turnout and the operation of relevant legislative provisions that came into effect in 2009. Following that review, the government will consider whether any further reforms are necessary or desirable.

State/local government relations agreement: the Premier signed a new state/local government relations agreement with the president of the Local Government Association in February 2011. This followed a review of a previous agreement by the government and the Local Government Association and this resulted in a simplified document focusing on a clear statement of principles, commitments and mechanisms. An annual schedule of priorities will be negotiated with the LGA and recognised as part of the agreement.

Regional planning: in the coming financial year the Office for State/Local Government Relations will be coordinating work, while the Department of Planning and Local Government reviews and updates regional planning strategies which form part of the state planning strategies. Regional forums will be held in 2012 to update the regional planning strategies, in collaboration with councils, regional local government associations, natural resource management boards and Regional Development Australia boards.

The updated regional planning strategies will represent practical blueprints for managing and planning for population, housing and employment growth in regional areas. The Office for State/Local Government Relations is also taking on a broader liaison role to provide closer links between the Department of Planning and Local Government and regional councils, regional local government associations, NRM boards and RDA boards.

Local roads funding: finally, I would like to refer to a significant funding outcome for local government confirmed in the May federal budget. I acknowledge the strong representations made by the Local Government Association to the Australian government, which the state government was pleased to support and reinforce. Supplementary local roads funding has been provided to South Australian councils over the past seven years in recognition of a significant inequity affecting this state and the basis of local road funding. Supplementary funding has been extended to 2013-14, bringing a further \$50.9 million to South Australia over the next three years. I would just like to commend these initiatives to the committee.

The CHAIR: Does the shadow minister wish to make an opening statement?

Mr GOLDSWORTHY: Not particularly, Mr Chairman. I extend a very special welcome to the newly appointed minister, it appears straight off the government's interchange bench in relation to the state/local government relations portfolio. If our calculations are right, I think you are the fourth minister in about four months, so hopefully you will spend a bit more time in the job than some of your predecessors, minister.

The Hon. R.P. WORTLEY: Thank you for your good wishes.

Mr GOLDSWORTHY: It's my pleasure. I will go straight into the questions, Mr Chairman. I refer to Budget Paper 4, Volume 3, page 69, Program 2: Financial Commentary. In relation to the point, the \$8 million decrease in expenses is primarily due to the completion of the Burnside council investigation and the \$0.7 million increase in expenses is due to the City of Burnside investigation.

By anybody's assessment, the Burnside council investigation is an absolute debacle. Initially it was to take 12 weeks, and here we are more than two years down the track and there has been no resolution in relation to a report being prepared and able to be released. So far, as you have stated in your opening remarks, there has been a cost to the taxpayer of \$1.3 million and the meter is still ticking. Has Mr Ken MacPherson (investigator) recommenced his duties on rewriting his report based on the corrected terms of reference?

The Hon. R.P. WORTLEY: I think I made it quite clear in my opening statement that I am considering the judgements and I will be making a ministerial statement in the near future.

Mr GOLDSWORTHY: That is all very well, minister. You can consider the judgements all you like. I have a copy of the judgement for myself from the previous court hearing a number of

weeks ago, where the court said that the terms of reference were incorrectly drafted. They were actually at odds with the act. I know you have said you were going to make a ministerial statement, but we are here at the estimates committee, and I know you have only been on the job for about a week, but you have all your advisers here and Mr Petrovski, I would imagine, would be across the issue completely, so we need some answers. Has Mr MacPherson gone back to work on the report?

The Hon. R.P. WORTLEY: I will give you the answers in my ministerial statement and not before.

Mr GOLDSWORTHY: I have to say that is just unacceptable.

The Hon. R.P. WORTLEY: Next question.

Mr GOLDSWORTHY: How long do you think it will take to finalise the report?

The Hon. R.P. WORTLEY: I will outline that in my ministerial statement.

Mr GOLDSWORTHY: The court actually urges: if we look at some of the transcript from the media yesterday it actually says—

The Hon. R.P. WORTLEY: I advise you to look at the judgement. Do not look at what the media have said. Do your research properly and look at the judgement and then make your comments. I am not going to comment on media comments.

Mr GOLDSWORTHY: Minister, I do not need your guidance on what research I undertake.

The Hon. R.P. WORTLEY: I am not going to comment on media comments. I will make a ministerial statement—

Mr GOLDSWORTHY: This is a quote—

The Hon. R.P. WORTLEY: —under a considered response—

Mr GOLDSWORTHY: —from the judge.

The Hon. R.P. WORTLEY: —not quoting from the media.

Mr GOLDSWORTHY: This is a quote from the judgement.

The Hon. R.P. WORTLEY: A quote from the media.

Mr GOLDSWORTHY: 'It is in the public interest that Mr MacPherson complete his inquiry as soon as practicable.'

The Hon. R.P. WORTLEY: I will give a considered ministerial statement—and it will not be based on media articles, either.

Mr GOLDSWORTHY: That is straight from the judgement. That is a quote from the judgement and it has nothing to do—

The Hon. R.P. WORTLEY: You have been around long enough to know.

Mr GOLDSWORTHY: That has nothing to do—

The Hon. R.P. WORTLEY: Have you read the judgement? You have come in here asking me questions about decisions. Have you read the judgement?

Mr GOLDSWORTHY: We are the ones that ask the questions.

The Hon. R.P. WORTLEY: Because if you have not—

Mr GOLDSWORTHY: All right?

The Hon. R.P. WORTLEY: But I am asking you to do it with a little bit of research. Do not come in here asking me questions that you get from media statements. I have much more responsibility for that when I make my final decision, and I will make that decision and I will release it in a ministerial statement. That is all you are going to get, so we can keep spending this hour on it.

Mr GOLDSWORTHY: Yes, I have lots of questions on Burnside. We are not going to be put off because you are going—

The Hon. R.P. WORTLEY: And you will get the same answer.

Mr GOLDSWORTHY: Good on you!

The CHAIR: Order! Let us have the next question.

Mr GOLDSWORTHY: What is the anticipated cost to date? We had some evidence at the Budget and Finance Committee a number of weeks ago putting it at \$1.3 million. The court has awarded the plaintiffs costs estimated to be about \$200,000. So that puts it about \$1.5 million. Where is the bill going to finish? What is the cost today?

The Hon. R.P. WORTLEY: The cost to date is \$1.3 million. The costs that have been awarded to the plaintiffs is still to be confirmed. I am not going to make statements based on what you have read in the media. Once the bill has come in I will be able to make a statement, and that may be in my ministerial statement. Was that Rob Lucas texting you for the next question?

Mr GOLDSWORTHY: What are the court-related costs concerning crown law work? I presume that the work crown law has undertaken will be charged back to the Office for State/Local Government Relations. Do you have any idea—because it does not seem like you have much idea at the moment—what the crown law related costs are?

The Hon. R.P. WORTLEY: In regard to your comment that we do not have much idea at the moment, it would be irresponsible for me to pluck figures out of the air and base them, as you do, on media comments. At the moment we are waiting for the accounts to come in. Once they come in we will have a very good idea of what the costs will be. We will also have a very good idea of what the costs to the Crown Solicitor's Office will be, and we will make that public. If you have any questions that are based on proper research, by all means, but I think there are other questions and other issues we really should follow that are not based on media speculation.

Mr GOLDSWORTHY: I do not want you to pluck figures out of the air, minister.

The Hon. R.P. WORTLEY: Well, obviously you do.

Mr GOLDSWORTHY: You have your advisers here—

The Hon. R.P. WORTLEY: Because I told you that the costs are still to be confirmed.

Mr GOLDSWORTHY: You have your bank advisers here.

The Hon. R.P. WORTLEY: And you are saying we do not have much idea.

Mr GOLDSWORTHY: Tell me what it is.

The Hon. R.P. WORTLEY: I am not going to just pluck them out of the air.

Mr GOLDSWORTHY: You have your advisers here; surely you have some idea—

The Hon. R.P. WORTLEY: Some of the bills have not come in yet. Actually, all the bills have not come in yet with regard to the court case.

Mr GOLDSWORTHY: I am sure you have some idea of what the crown law costs will be.

The Hon. R.P. WORTLEY: I will not speculate. When I make a statement it will be based on fact.

Mr GOLDSWORTHY: It is a continual shambles.

The Hon. R.P. WORTLEY: Is that a shambles, is it, wanting to base my answers—it is a shambles to you.

The CHAIR: I am going to the member for Little Para and will come back to the shadow minister.

Mr ODENWALDER: I offer the minister my sincere congratulations on his appointment.

The Hon. R.P. WORTLEY: Thank you very much.

Mr ODENWALDER: You are welcome: I am sure you will do a bang-up job. I refer the minister to Budget Paper 4, Volume 4, page 156. Can the minister provide an overview of the government subsidy funding provided for the construction of new Community Wastewater Management System schemes across South Australia?

The Hon. R.P. WORTLEY: It is good to see that someone is actually interested in the real work out in the community. The committee may be aware that the Community Wastewater Management Systems are common effluent management systems installed by 48 councils in areas of South Australia not serviced by SA Water sewerage systems. Community Wastewater Management System provides approximately 10 per cent of all public wastewater management

services in South Australia. They were installed mostly in rural and regional areas and are an extremely important form of infrastructure for regional communities.

The installation of these systems can assist economic and population growth within the regions. These management systems also protect water and land resources from pollution and reduce drawdown from existing water supplies, including the Murray River. I am pleased to advise the committee that the state government has provided a subsidy to the installation of Community Wastewater Management Systems since 1972. The Local Government Association manages the distribution of this subsidy.

Back in July 2008, the then minister for state/local government relations, the Hon. Jennifer Rankine MP, and the then president of the LGA, mayor Joy Baluch, signed a nine-year funding agreement for Community Wastewater Management Systems. In 2010-11 the state government provided \$3.53 million in subsidy funding for the construction of new management systems schemes across South Australia. I am pleased to advise that in 2011 the state government provided \$3.627 million in subsidy funding for the construction of a new management system scheme across South Australia.

By way of background, the agreement continues until 30 June 2017 and is expected to be used to fund 39 management systems. It has been reviewed in 2011 to ensure that the program operates smoothly and agreed milestones for the installation of new schemes are being met. In accordance with state government policy, the subsidy amount provided to councils is equal to any shortfall between the lifetime cost of the scheme and the revenue that can be raised from the application of the SA Water country sewerage rate to its users over this time. It is intended to provide equity between users of Community Wastewater Management Systems and users of the SA Water sewerage systems.

The state government will continue to subsidise those schemes identified as a priority by the Community Wastewater Systems Management Committee, comprising representatives of the Local Government Association, the Office of State/Local Government Relations, the Environment Protection Authority, the Department of Health, the Department for Water and councils. Additionally, members may be interested to know that the state government funding complemented \$20 million in commonwealth funding announced in June 2007 for the wastewater management systems in South Australia. This worthwhile subsidy has brought approximately 60 existing wastewater management system schemes in 30 councils up to reuse capacity, thereby improving environmental and health standards in South Australian communities.

Mr GOLDSWORTHY: I will put these questions in relation to the Burnside council investigation on the record anyway, whether you can or cannot, or are not prepared to answer them. When will the minister lift the FOI exemption status on any agency, which includes PIRSA, OSLGR and the Department of Planning and Local Government in the context of the investigation and report into the Burnside council?

The Hon. R.P. WORTLEY: That will be part of the advice I receive.

Mr GOLDSWORTHY: Crown law and the Office for State/Local Government Relations drafted the terms of reference, yet the terms of reference have been found to be outside the scope of the act. What explanation can the minister provide for this significant error?

The Hon. R.P. WORTLEY: Could you repeat the question please? I very often can lip-read better than I can hear, so if you want to turn I can actually read your lips.

Mr GOLDSWORTHY: Crown law and the Office for State/Local Government Relations drafted the terms of reference for the investigation, yet the court has deemed that the terms of reference were drafted outside the scope of the Local Government Act. What explanation can you provide for the significant error?

The Hon. R.P. WORTLEY: This is the first time this has been enacted and those terms of reference framed since the act was enacted, and quite a bit of advice was sought. The minister approved those terms of reference at the time.

Mr GOLDSWORTHY: But they were wrong.

The Hon. R.P. WORTLEY: I will also hand you over to Mr Petrovski.

Mr PETROVSKI: What we will be doing as a result of the judgement is reviewing the terms of reference and where the interpretation of the provisions might have been wrong. Certainly, at the time that the terms of reference were constructed, crown law advice was sought and

provided, and the minister of the day made the decision based on the crown law advice—and that was the best advice that we had at the time.

Mr GOLDSWORTHY: Clearly, not very sound advice.

Mr PETROVSKI: Certainly, I might add that one of the issues that arises as a result of the judgement is that we will be considering these provisions in the context of the public integrity review that the Attorney-General is conducting and, in all likelihood, we would expect some amendments to be made as a result. We would certainly be advising the government at the time.

Mr GOLDSWORTHY: Well, you have explained, Mr Petrovski, that you are conducting a review as a consequence of the judgement. Once that review has been completed, will Mr MacPherson go back to work and redraft the report?

The Hon. R.P. WORTLEY: I will make a ministerial statement in the near future.

Mr GOLDSWORTHY: When do you anticipate making that ministerial statement, minister?

The Hon. R.P. WORTLEY: When I get the appropriate advice, I will tell you.

Mr GOLDSWORTHY: Next week? The end of July?

The Hon. R.P. WORTLEY: When I get the—

Mr GOLDSWORTHY: After the winter break?

The Hon. R.P. WORTLEY: I can promise you one thing.

Mr GOLDSWORTHY: A week before Christmas?

The Hon. R.P. WORTLEY: I will not base my ministerial statement on media articles: I will base it on the facts, on proper advice, and then I will make my ministerial statement.

Mr GOLDSWORTHY: Well, we will see how we go. Minister, in relation to the Burnside council investigation, are you aware of any cases of alleged corruption being referred to the Anti-Corruption Branch or the government's internal investigation unit?

The Hon. R.P. WORTLEY: I don't, and it really would not be appropriate for me to know the goings-on of the Anti-Corruption Branch, so I have no knowledge of any allegations.

Mr GOLDSWORTHY: So you or the agency—the ministerial position or the agency—are not aware of any referral.

The Hon. R.P. WORTLEY: I am not aware of any instances of any allegations of corruption.

Mr GOLDSWORTHY: Being referred to the Anti-Corruption Branch.

The Hon. R.P. WORTLEY: Is this in relation to Burnside?

Mr GOLDSWORTHY: Yes.

The Hon. R.P. WORTLEY: No, we do not have any knowledge. The investigator did his full investigation at arm's length from the department, as it should have been.

Mr GOLDSWORTHY: Does the minister understand that, under section 272 of the Local Government Act, when an investigation is instigated by a minister, there is a responsibility for the minister to receive a report?

The Hon. R.P. WORTLEY: I think you would be aware that the report is not finalised and that there is a suppression order. How can I possibly receive a copy of a report that is not finished and that has a suppression order on it?

Mr GOLDSWORTHY: That is in black-and-white in the Local Government Act. You say you are going to make a ministerial statement, you are getting advice, and so on, but, surely, if you are going to follow the law, you will receive a report. So, doesn't Mr MacPherson have to go back to work and rejig?

The Hon. R.P. WORTLEY: I do not know what your understanding of the act is but, at the end of the day, I have sole discretion on whether or not I release a report. I am getting advice. I am going to consider that advice and I will make a ministerial statement in the near future, as a responsible minister would.

Mr GOLDSWORTHY: We are not getting very far. I am still on page 69, under Program summary—expenses and income, employee benefit expenses. The figures vary from year to year, being \$1.948 million for the 2009-10 actual, increasing to \$1.62 million in the 2010-11 budget, then increasing to \$1.892 million in the 2010-11 estimated result, then decreasing to \$1.577 million in 2011-12. The notes state that it is due to the Burnside council investigation, but my reading of this is that the Office for State/Local Government Relations' contribution is \$0.8 million. The total cost is \$1.3 million to date—that is the information that you have provided—so where is the remaining half a million dollars coming from? Is that still out of Oz Lager or from a different line?

The Hon. R.P. WORTLEY: It is all coming out of the department's budget. I will hand you over to Mr Andrew McKeegan.

Mr McKEEGAN: The Burnside investigation costs referred to are split across the supplies and services line and the employee expense line. So what you are reading—the variance—in relation to employee costs is only part of the costs. The rest sit within the line below that, which is supplies and services. It is all within this program budget, but it is just across the lines of employee costs and supplies and services.

Mr GOLDSWORTHY: You might have thought that the investigation had been completed when the budget was printed, but it is a long way off. The Financial commentary, 2010-11 Estimated Result, states, 'The \$0.8 million decrease in expenses is primarily due to completion of the City of Burnside investigation.' However, it is pretty evident that it is far from completed, minister. Can somebody provide an explanation for that statement when the investigation has not been completed?

The Hon. R.P. WORTLEY: I will hand you over to Mr Petrovski.

Mr PETROVSKI: The reference in the budget papers to the 'completion' of the City of Burnside investigation is actually a reference to the fact that the investigation was suspended due to the court proceedings. So, Mr MacPherson finished his work. He did not complete the report—but he certainly finished working on the investigation—as a result of the court proceedings. That is what that reference means.

Mr GOLDSWORTHY: I understand what you are saying, but you cannot actually say that the whole thing is completed.

Mr PETROVSKI: That is correct.

Mr GOLDSWORTHY: Okay. So that statement is not quite right.

Mr PETROVSKI: In a budgetary sense, it is correct because the costs for the Burnside investigation for this financial year were complete. It was closed.

Mr GOLDSWORTHY: Okay, thanks. How many FTEs are there in OSLGR?

The Hon. R.P. WORTLEY: There are 16.4 full-time equivalents for the Office for State/Local Government Relations.

Mr GOLDSWORTHY: Was that 16.4?

The Hon. R.P. WORTLEY: Yes.

Mr GOLDSWORTHY: Has that figure gone up or down from last year?

The Hon. R.P. WORTLEY: It is the same.

Mr GOLDSWORTHY: Are there any planned reductions in the FTEs?

The Hon. R.P. WORTLEY: One.

Mr GOLDSWORTHY: Over the next twelve months?

The Hon. R.P. WORTLEY: Yes; one over the next twelve months.

Mr GOLDSWORTHY: At what level will that be? What sort of classification?

The Hon. R.P. WORTLEY: Level 8.

Mr GOLDSWORTHY: ASO8. So, that is up around the \$90,000 mark? Around \$95,000?

The Hon. R.P. WORTLEY: Around that way.

Mr GOLDSWORTHY: Bumping up to \$100,000. Are there any plans for the office to undergo a restructure?

The Hon. R.P. WORTLEY: I will hand you over to Mr Ian Nightingale.

Mr NIGHTINGALE: It needs to be understood that, from a structural sense within the department, the Office for State/Local Government Relations is one business unit. We have got the Outback Communities Authority staff and we have got people working on the Local Government Grants Commission. I have made a decision with the previous minister that the division where OSLGR sits will now be called the Local Government Regional Communities. It will have the same number and same staff but there will be a focus on a greater level of engagement with regional communities, as it quite obviously states. So, that is the structure, if you like, in the broader departmental structure. Then, the Office for State/Local Government Relations, because there is an ongoing commitment to that, will still be a business unit within that division.

Mr GOLDSWORTHY: Can you expand on some of the other benefits? I know you spoke about improving engagement with regional communities. Can you expand on the other benefits that are expected from the restructure?

Mr NIGHTINGALE: Of those staff who we were accounting for before, 16 of them will play a more direct liaison role with local councils. Local councils and their regional LGAs will have regular contact, so any of the issues concerning councils can be fed back into the department more broadly. Whether it is planning matters, whether it is planning policy matters, whether it is natural resource management policy matters and the interest that councils obviously have in progressing their development plan amendments, the staff will be addressing that and then really using the broader resources of the department to deal with it. That will be one.

The other one will be, importantly, facilitating and assisting the regional LGAs and those other regional bodies that the minister mentioned in his opening statement, such as the Regional Development Australia boards, NRM boards, tourism boards and regional LGAs. At the point of mid-term reviews around the planning strategy, that group will help those regional organisations bring that together, deal with those priorities for the regions and look at how that can be integrated into a review of a planning strategy, for example. So, it is just providing a greater level of interface, if you like, with regional councils and regional LGAs.

Mr GOLDSWORTHY: Thank you, Mr Nightingale. You said in your answer to the previous question that this was in consultation with a previous minister. Which minister was that? Was it minister Gago? We had four in four months.

Mr NIGHTINGALE: I had the discussion with minister Gago and minister Finnigan. I have since had the discussion with minister Gago with a new portfolio with regional development, and other departments as well, to understand how this can work more effectively across government.

Mr GOLDSWORTHY: Thanks. I refer to page 70, under Highlights 2010-11. The fifth dot point states:

- Completed the first phase of a new local government database system to support the work of the Local Government Grants Commission, and to inform broader analysis of local government performance and statistical indicators.

Can the minister advise if this work will also be used to implement recommendation 25 of the Sustainable Budget Commission's second report? It states:

Services or programs best delivered by local government should not be provided and/or duplicated by state government agencies.

The Hon. R.P. WORTLEY: A local government information systems project was initiated on 9 August 2010 with a view to developing a new database to support the work of the Local Government Grants Commission and the Office for State/Local Government Relations. The grants commission currently stores financial data for all councils using the Focus database. I understand this database has been superseded by newer software programs.

I am advised, therefore, that the information systems project aims to create a database to store data for the grants commission and the Office for State/Local Government Relations. The initial stage of the database project saw four IT masters students from Carnegie Mellon University working closely with the grants commission, the Office for State/Local Government Relations and the DPLG Information Systems Branch to develop the initial structure of the database.

The second stage of the project, currently underway in-house, involves extension of the table structure to incorporate a greater multiplicity of databases. The completed system will include an SQL database that will store data and be able to adapt to changing conditions, a data loading

mechanism, a user-friendly interface for easy checking and look-up of data, user security, and a reporting system that will allow extraction of data for routine and ad hoc reporting.

After completion of the second stage sometime in the financial year 2011-12, the DPLG will explore options for opening up parts of the database for external access—for example, to councils and the LGA—through a specially created web portal. In regard to the second part of your question about the Sustainable Budget Commission, there is no connection between the two.

Mr GOLDSWORTHY: What is an SQL database? What does that mean?

The Hon. R.P. WORTLEY: I actually thought the same when I read it. It is the IT platform. It is a specialised pack. We will get it to you. We will put it on notice and we will send you the full wording of the system.

Mr GOLDSWORTHY: If you had a question about it, I would have thought you would have got the answer.

The Hon. R.P. WORTLEY: I just had the question then when I read it.

Mr GOLDSWORTHY: So haven't you read that?

The Hon. R.P. WORTLEY: I have not read that particular brief, no.

Mr GOLDSWORTHY: Right.

The Hon. R.P. WORTLEY: Did you read the judgement before you started asking questions?

Mr GOLDSWORTHY: Can the minister advise what other work is being undertaken to identify and to address the duplication of services across both state and local government sectors?

The Hon. R.P. WORTLEY: I will hand you over to Mr Petrovski.

Mr PETROVSKI: There is a working group that was established between the LGA, the Office for State/Local Government Relations, representatives from DPC, I believe DTED, and Treasury and Finance to actually have these discussions. In fact, the next meeting of that group is scheduled for sometime in the next week or so.

Mr GOLDSWORTHY: I will go back to page 69—and I think this question was answered previously by Mr McKeegan. In terms of expenses under Supplies and Services, the 2010-11 budget figure of \$181,000 increased to \$639,000, and then back to \$178,000 in the 2011-12 budget. Am I correct in saying that you advised us that that was also to do with the Burnside council investigation?

Mr McKEEGAN: That is correct.

Mr VENNING: It seems to dominate, doesn't it, the Burnside council?

Mr GOLDSWORTHY: We are waiting with bated breath to hear the pearls of wisdom coming out of a ministerial statement, whenever that happens. Maybe we will not hold our breath for that, though. Still on the same page, under the heading of Description Objective, it states:

The role of the Office for State/Local Government Relations is to provide policy and other advice to the government on a constructive relationship between the state government and councils and other associated local government representative groups.

Given the Minister's State/Local Government Forum will play a key role in meeting this objective, can the minister advise the committee how many times this forum has met over the past two years?

The Hon. R.P. WORTLEY: The last forum was held in March and previous to that was 12 months prior to that.

Mr GOLDSWORTHY: A long time between drinks, minister. So, in March 2011 and then in March 2010?

The Hon. R.P. WORTLEY: That would be correct.

Mr GOLDSWORTHY: What about back in 2009—did it meet in 2009?

The Hon. R.P. WORTLEY: We will take that on notice.

Mr GOLDSWORTHY: And advise in due course?

The Hon. R.P. WORTLEY: We will take it on notice; we will get the question answered.

Mr GOLDSWORTHY: Maybe you could put that in your ministerial statement as well.

The Hon. R.P. WORTLEY: Why would I want to do that? Why would I want to put an issue about the forum in a ministerial statement about Burnside council? Can you give me some assistance on how I should write my ministerial statement?

Mr GOLDSWORTHY: In relation to the minister's forum, what is the date and the venue for the next forum?

The Hon. R.P. WORTLEY: I am yet to meet with the new president, and I would like to put on the record that I congratulate the new president of the LGA. I will be meeting with the him shortly, and that will be one of the items on our agenda.

An honourable member interjecting:

The Hon. R.P. WORTLEY: Mr McHugh from the Alexandrina Council.

Mr GOLDSWORTHY: To set a date, time and place for the next forum?

The Hon. R.P. WORTLEY: No, there is no time and place yet. I have yet to speak to Mr McHugh, but one of my priorities will be to meet with the new president of the Local Government Association—and I am looking forward to meeting him.

Mr GOLDSWORTHY: You have not met him before—you do not know him?

The Hon. R.P. WORTLEY: I probably have, but I cannot put a face to the name. So, I will put the name to the face when I meet him.

Mr GOLDSWORTHY: So when you meet him, you will make those arrangements?

The Hon. R.P. WORTLEY: I will discuss a meeting of the forum; of course I will. I am very interested to actually attend the first forum.

Mr GOLDSWORTHY: That's very encouraging, minister.

The Hon. R.P. WORTLEY: Well, I am glad I have encouraged you, but that will be one of the questions on our agenda, amongst many others.

Mr VENNING: Congratulations on your portfolio. I do not expect you to know everything in those few days you have had the job, but the issue I raise—because I am a strong fan of local government; I have been a member myself for 10 years—is the accountability of local government. In recent days, as you would know, we have had investigations into Burnside—we heard about that—and we also have issues at Light council and now Gawler, public issues. Minister, are you convinced that we have enough checks and balances in the system to allow local government itself to stop these things from happening?

The Hon. R.P. WORTLEY: That will be one of the responsibilities of the Office of Public Integrity and we can look forward to, hopefully, a lift in standards of behaviour of some councils. We have to bear in mind that nearly all councils behave in a very responsible and ethical way. We have a few instances where that is not the case, but in general I am pretty confident most councils behave in a very responsible way. Those which do not have reason to fear, because this new office of public integrity will be on their case.

Mr VENNING: Minister, I think you could stamp your authority on this as new minister. You could go down in history saying that you are moving on this. I think every minister leaves their mark. Most of these issues are in relation to the planning area, and that is a key area of local government. I also note now that the Deputy Premier and Minister for Planning is putting these strict controls in relation to the Barossa Valley and indeed the southern vales. Are you, as Minister for State/Local Government Relations, working with him in that? There is going to be some conflict there in relation to the council's development plans in relation to this act, which is going to be an act of this parliament.

The Hon. R.P. WORTLEY: I have a very good relationship with the Attorney-General and the Minister for Planning, so I am sure that any area under his responsibility—very good question, by the way—that actually overshadows or overcuts mine, or impedes on my areas we will be talking about. I have a good relationship with the planning minister, and if anything overcuts or overlaps with the local government we will be certainly getting together and talking those issues through, as with the departments.

Mr GOLDSWORTHY: Thanks, Mr Chairman. On page 70, one of the highlights of the 2010-11 year was the signing of the State/Local Government Relations Agreement, and I

understand that took some time to come about. Can the minister advise which elements of the agreement he will place particular focus on?

The Hon. R.P. WORTLEY: This agreement is all about establishing a very cooperative relationship between the state government and local government and also ensuring that we continue ahead of the pack of other states. I do not really think I can sit here and say which particular area I will be focusing on. I think they are all priorities, and I am looking forward to discussing these issues with Mr McHugh, the chair of the Local Government Association.

Mr GOLDSWORTHY: Having a look at the agreement, minister, signed by the Premier and the then president, Mayor Felicity-ann Lewis, and one of the last four ministers, the Hon. Bernard Finnigan, one of the commitments in the agreement says, 'State and local government jointly commit to regular and effective communication.' Those are the first words under point (a). What is your opinion on the Minister's State/Local Government Forum only meeting once in a 12-month period? Do you think that is 'regular and effective communication'?

The Hon. R.P. WORTLEY: I am not here to give any statement about what happened with previous ministers. I can assure you right now that I will be having very effective communication with all levels of local government regardless of size—from the smallest to the largest of councils—and the communication between the department, myself and local government will flourish.

Mr GOLDSWORTHY: How often do you think you will meet with them?

The Hon. R.P. WORTLEY: How long is a piece of string?

Mr GOLDSWORTHY: Once every three months? Can you give us any indication, seeing as you only met once in 12 months?

The Hon. R.P. WORTLEY: I have not met with them yet.

Mr GOLDSWORTHY: The government's minister has met once in 12 months.

The Hon. R.P. WORTLEY: When I do meet with them, I will set out a program.

Mr GOLDSWORTHY: Do you have any idea of what the program might be—once every three months, once every six months, once every 12 months?

The Hon. R.P. WORTLEY: I will talk that over with the President of the Local Government Association. I had regular talks (even before I became minister for local government) with many mayors of councils and with the head of the Local Government Association so I am looking forward to continuing and augmenting the relationship that I have now.

Mr GOLDSWORTHY: Back to page 69, I note there are no performance commentary or performance indicators listed in this year's budget compared to last year's budget. Can you give us any reason why the Office for State/Local Government Relations has not provided any performance commentary or indicators?

The Hon. R.P. WORTLEY: That is a change in format in the budget papers. It has nothing to do with me or my department.

Mr GOLDSWORTHY: I think it might be, because when I look at other budget papers for other portfolios which I have responsibility for on this side of the house, they do have performance indicators and performance commentary. It is not a change right across the board in terms of the preparation of the budget papers.

The Hon. R.P. WORTLEY: We do have a list of highlights of 2010-11 and targets for 2011-12. Is that what you are referring to?

Mr GOLDSWORTHY: No. I know there are highlights and targets but we are talking about performance indicators and performance commentary. If you have a look at page 68, under Urban Development and Planning—and I know you do not have any responsibility for that—it talks about highlights and targets, and then it has a performance indicator table. I understand there was a performance indicator table and performance commentary in last year's budget papers for State/Local Government Relations but there are obviously none this year. What I want to know is: is a performance commentary not important any more?

The Hon. R.P. WORTLEY: We are a policy agency basically; we do not build widgets. They have targets and performance key indicators and that sort of thing. We have highlights, targets and the like. We will look into that and take it on notice. We really do not understand the question but we will put it on notice, look into it and get back to you.

The CHAIR: We are nearly out of time.

Mr GOLDSWORTHY: We have some omnibus questions.

The CHAIR: Do you want to read them in now?

Mr GOLDSWORTHY: Yes, the member for Flinders.

Mr TRELOAR: These are to be read in today:

1. Will the minister please provide a detailed breakdown of expenditure on consultants and contractors above \$10,000 in 2010-11 for all departments and agencies reporting to the minister, listing the name of the consultant, contractor or service supplier, cost work undertaken and method of appointment?

2. For each department or agency reporting to the minister, how many surplus employees will there be or were there as at 30 June 2011 and, for each surplus employee, what is the title or classification of the employee and the total employment cost of that employee?

3. In financial year 2009-10, for all departments and agencies reporting to the minister, what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2010-11, and how much was approved by cabinet?

4. Between 30 June 2010 and 30 June 2011 will the minister list the 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?

5. For 2010-11 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 purposes of the grants and whether the grant was subject to a grant agreement, as required by the Treasurer's Instruction No. 15?

6. For all capital works projects listed in Budget Paper No. 5 that are the responsibility of the minister, please list the total amounts spent to date on each project.

7. For each department or agency reporting to the minister, how many targeted voluntary separation packages will be offered for financial years 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15?

The CHAIR: Thank you to the minister, to the members and to the minister's advisers. There being no further questions for the Minister for State/Local Government Relations, I declare proposed payments for the Department of Planning and Local Government and Administered Items for the Department of Planning and Local Government adjourned until 8.30pm.

Membership:

Hon. I.F. Evans substituted for Mr Treloar.

Witness:

Hon. R.P. Wortley, Minister for Industrial Relations and Minister for State/Local Government Relations.

Departmental Advisers:

Mr E. Brooks, Executive Director, Public Sector Workplace Relations.

Ms J. Lovatt, Acting Executive Director, SafeWork SA.

Ms M. Boland, Director, Policy and Strategy, SafeWork SA.

Mr S. Bruggemann, Senior Management Accountant, SafeWork SA.

Mr P. Lambropoulos, Principal Financial Consultant, Department of Premier and Cabinet.

Ms T. Bowe, Director, Workforce Wellbeing, Public Sector Workplace Relations, Department of Premier and Cabinet.

Ms J. Byrne, Deputy Chief Executive, Attorney-General's Department.

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

The CHAIR: I declare the proposed payments open for examination and refer members to the Portfolio Statements, Volume 3. The member for Davenport replaces the member for Flinders. I call on the minister to make a statement if he wishes and also to introduce his advisers before calling upon the shadow minister.

The Hon. R.P. WORTLEY: Over the past year the South Australian government has progressed significant legislative reform relating to the national harmonisation of occupational health and safety laws and child employment to ensure that all South Australian workers continue to enjoy safe, fair and productive working lives. In July 2008 the South Australian government signed an intergovernmental agreement, along with the commonwealth and other states and territories, that commits all jurisdictions to implementing uniform occupational health and safety legislation, regulations and codes of practice by 1 January 2012.

The development of the Model Work Health and Safety Act, the model act we refer to, followed a comprehensive review by an independent panel of experts and an extensive public consultation process with stakeholders, including both employer and employee organisations. The model act provides for the first time that work, health and safety laws that are the same in each jurisdiction, thereby giving all Australian workers the same work and health safety standards and protection wherever they work. This will also reduce confusion and compliance costs over time, particularly for businesses that operate across state and territory borders.

The model act was developed at a national level by SafeWork Australia, a tripartite body including representation from the Australian Chamber of Commerce and Industry and the Australian Industry Group. In December 2009 the final form of the model act was agreed to by the Workplace Relations Ministers' Council to operate nationally from 1 January 2012.

On 19 May 2011, the South Australian government introduced into parliament the South Australian Work Health and Safety Bill 2011, which enacts the model act in this state to fulfil South Australia's commitment to adopting nationally consistent model occupational health and safety legislation by the start of next year. The bill was subject to extensive consultation with the SafeWork SA Advisory Committee, which includes both employer and employee organisations. Other employer and business organisations were kept actively involved at all stages of the drafting process.

The model act will be complemented by nationally harmonised model Work Health and Safety Regulations (referred to as 'the model regulations' from now on), which will be made in a substantively identical form in each Australian jurisdiction. This will ensure that, for the first time in this country, the same standards of safety will apply to all workers irrespective of their geographic location.

On 10 March 2011, the South Australian government introduced the Child Employment Bill into parliament. This bill displays the government's commitment to ensuring safe, fair and productive working lives for all South Australians, including young workers. The introduction of child employment laws will complement existing workplace legislation and enhance the protection of children in employment.

The bill was developed following significant consultation with interested groups, including the Industrial Relations Advisory Committee (IRAC), a statutory committee established under the Fair Work Act 1994, whose functions are to assist and advise me on policies and legislation affecting industrial relations and employment in this state. The bill provides broad protections for child workers, and it enables regulations and codes of practice to be developed to supplement the bill and provide more specific protection.

This government's commitment to safe, fair and productive working lives in South Australia is demonstrated through our participation in a range of strategic interventions, projects and compliance activities supporting state and national targets surrounding occupational health and safety and industrial relations.

Injury data shows that these strategies are achieving results, with the nationally comparative performance measure showing that South Australia achieved a 36.5 per cent reduction in the income maintenance claim rate to June 2009—and this is the latest available data—for all employers and leads all other states and territory jurisdictions in progress towards the national injury target.

SafeWork SA has continued to implement proactive programs that operate in conjunction with other core business compliance activities undertaken by occupational health and safety inspectors to improve safety outcomes in workplaces across all industry sectors within South Australia. One example is the successful Industry Improvement Program—a strategically targeted program to assist employers in reducing the number and cost of work-related injuries that occur in the state.

Independent evaluation outcomes indicate a significant improvement in injury data statistics within the initial targeted group, while recent analysis by WorkCover has indicated that significant reductions in injury—and, therefore, costs to the workers compensation scheme and South Australian business—are being achieved as a result of the program.

In addition to the Industry Improvement Program, SafeWork SA has also consulted with peak bodies responsible for the regulation and administration of occupational health and safety in Australia and New Zealand through the Heads of Workplace Safety Authority and participated in a number of targeted activities covering key hazards, including manual tasks and forklift safety, and key industry sectors such as retail, wholesale, transport and storage. South Australia's participation in these projects supports the National Occupational Health and Safety Strategy as well as our own strategic plan targets.

Another key initiative in the quest for safer workplaces is the SafeWork event, which is South Australia's annual major occupational health, safety and welfare event that presents an opportunity for SafeWork SA to provide information and promote safe practices aimed at reducing work-related death, injury and disease in South Australia. Proactive programs, such as the Industry Improvement Program and the SafeWork event are important to ensure that workplace health and safety is made a top priority to make sure that every worker returns home safely to family and loved ones—a key theme of SafeWork SA's recent awareness-raising campaign.

In relation to management of the South Australian public sector workforce, a range of industrial relations and wellbeing initiatives and programs were implemented by public sector workforce relations during 2010-11. This included successfully negotiating major enterprise agreements for SA government wages parity weekly paid employees, nurses and midwives, police and assistants to members of parliament.

In July 2010, the government adopted the Safety and Wellbeing in the Public Sector 2010-15 strategy that was developed by Public Sector Workforce Relations. That is a whole-of-government strategy that built on the previous 2007-10 strategy. The new strategy enables government to continue to monitor performance against the strategy's targets and supports further improvement of workplace safety, wellbeing and injury management across government.

Public Sector Workforce Relations implemented a whole-of-government system for reporting hazards and incidents using the Hazard and Incident Reporting Management System. It also managed Crown and self-insured employer requirements; provided strategic risk-management interventions for whole of government in occupational health, safety and injury management; provided injury management services; and supported agencies to build the capability of injury management and injury-prevention practitioners, which led to a further 25 practitioners achieving nationally accredited qualifications.

The CHAIR: Thank you. Does the shadow minister wish to make an opening statement?

The Hon. I.F. EVANS: No, other than to congratulate the minister on his meteoric rise.

The Hon. R.P. WORTLEY: Thank you.

The Hon. I.F. EVANS: We from the humble lower house do not get to congratulate the upper house ministers all that often.

The Hon. R.P. WORTLEY: Make the best of it while you can.

The Hon. I.F. EVANS: I thank our guest speaker. I refer to Budget Paper 3, Volume 3, page 155. In your introductory remark you mentioned the new legislation regarding the national harmonisation of safety (OH&S) laws. Are you aware of the concern being expressed by many employer groups about the government's Work Health and Safety Bill and are you prepared to go back to meet with those employer groups and other interested parties prior to proceeding with parliamentary debate on the legislation?

The Hon. R.P. WORTLEY: Yes, we are aware and we are meeting with them.

The Hon. I.F. EVANS: With which groups are you meeting?

The Hon. R.P. WORTLEY: Business SA, HIA, MBA, MTA—a whole range of employer associations.

The Hon. I.F. EVANS: Given that the minister is meeting with those various associations, is it fair to assume that the minister is contemplating changes to the legislation?

The Hon. R.P. WORTLEY: I have not met them in person. The department has been meeting with them, but we are listening to their concerns and trying to work our way through it.

The Hon. I.F. EVANS: Is the government open to amending the legislation to cater for its concerns, or is the government locked in to the position that it is uniform legislation and therefore cannot be amended?

The Hon. R.P. WORTLEY: Well, it is a national agreement, so our capacity to make changes is quite limited, as you would know. Our concerns will definitely be related to the appropriate authorities but, South Australia being a small state, we might push our weight in most instances but, when it comes to new national laws, we can express the views of our employer associations, and we will put a very strong case for them.

The Hon. I.F. EVANS: Hasn't your government already agreed to implement the legislation?

The Hon. R.P. WORTLEY: The previous minister looking after this portfolio (minister Conlon) met with Peter Vaughn, and the government would only accept national changes.

The Hon. I.F. EVANS: So, the purpose of meeting with the HIA, the MBA and Business SA as the minister is to tell them what?—'Thank you for your concerns but I can't change them because it is a national agreement.'

The Hon. R.P. WORTLEY: I haven't met with them—the department has.

The Hon. I.F. EVANS: You said that you were intending to meet with them.

The Hon. R.P. WORTLEY: I will meet with them all eventually, and I will hear these concerns.

The Hon. I.F. EVANS: And then what?

The Hon. R.P. WORTLEY: I will do what I can in the context of what I can do as a minister in South Australia. What I will be making quite clear to all the employer associations would be that I am happy to put their concerns. They have to then do the same as what they are doing to me in Victoria, New South Wales, Queensland and all the other states and make any change on a national basis. It is no good for the MTA, for instance, talking to me in South Australia if the MTAs in Victoria, New South Wales, Queensland, Tasmania and Western Australia are not doing anything. They need to do it as a national approach and, that way, if there is going to be change, we will accept it.

The Hon. I.F. EVANS: When does the legislation have to be passed by under the agreement with the commonwealth government? Is there a date that it has to be passed by?

The Hon. R.P. WORTLEY: It has to take effect on 1 January.

The Hon. I.F. EVANS: So, six months. It is possible then for changes to be made in those six months. Is that your advice to the committee?

The Hon. R.P. WORTLEY: On a national basis, anything is possible.

The Hon. I.F. EVANS: But if you cannot achieve the changes the industry wants, is the government prepared to walk away from the legislation?

The Hon. R.P. WORTLEY: No; we are committed to a national framework and national legislation.

The Hon. I.F. EVANS: Right. Have any of the industry groups, such as the HIA, raised concerns about the increasing costs for their industry participants as a result of this particular legislation? I think, when this was first floated, the Housing Industry Association were talking about a \$12,000 extra cost per household because of the new height requirements, and \$21,000 extra per household due, again, to the scaffolding requirements for a multi-storey home. Have they raised those concerns with you or your department?

The Hon. R.P. WORTLEY: I will hand you over to Ms Juanita Lovatt.

Ms LOVATT: They have raised those concerns with us over a number of years, and there has been some extensive dialogue between the department, through SafeWork SA and the associations. The HIA, in particular, is the one that has raised this concern.

Falls from heights in the construction industry are regulated by the national code. There are three parts to that. There is the Residential Falls Code, which is the one of particular interest to the housing industry and the Housing Industry Association. Those codes and, in fact, the whole package of regulations under the model work, health and safety laws are currently still under consideration at the national level. So, SafeWork Australia, which is the tripartite body with representation from the Australian Chamber of Commerce and Industry, the Australian Industry Group and the Australian Council of Trade Unions, as well as the nine jurisdictions—has a standing group called the Strategic Issues Group-OHS or SIG-OHS, as it is known.

SIG-OHS is currently—in fact, even today—engaged in a lengthy series of meetings. They are in Melbourne for three days this week, but they are in a regular fortnightly and, on some occasions, weekly series of meetings to deal with the volume of public comment on the regulations, of which this issue is one, which came through a four-month public consultation period which started in the first week of December and finished on 4 April this year. The public comments on that, including many submissions from associations such as the HIA and others, are being considered as part of that process.

So, the aim and the timetable are for the SIG-OHS group to finalise a final draft of the regulations, incorporating the public comment, put that up through SafeWork Australia—which is the peak council and, again, a tripartite organisation and statutory body—then to what is now known as the Select Council on Workplace Relations, which, at the national level, has replaced the workplace relations minister's council, which was the previous body.

The Hon. I.F. EVANS: I will take that as a yes. What is the department's estimate of the increase to the cost of construction of houses, based on the model legislation? Are you disputing the HIA's figures or do you accept that there is going to be an increase in the housing costs as a result of this regulation?

Ms LOVATT: I would want to take the exact dollar amount on notice, but the department did obtain some data on that from some industry experts a couple of years ago. The order of magnitude—and I will give a range for the sake of accuracy—was quite substantially lower than what the HIA had indicated. It was something of the order of a quarter of those costs but, for the sake of accuracy, I would prefer to come back with the actual figures.

The Hon. I.F. EVANS: So, a quarter of the costs would be \$3,000, rough enough, on a single-storey home and \$5,000 on a multi-storey home?

Ms LOVATT: I would have to take that on notice to be exact about it but, from the media reporting over the last two years or so of the HIA's concerns, and from our dialogue with them, in fact, their cost estimate has also fluctuated. I suppose that is due to the fluctuating cost of building materials, etc. The association has had fluctuating costs over the years, so to equate a proportion of that I would want to see their figure and then I would want to take our figure from the report, but I would need to take that on notice.

The Hon. I.F. EVANS: Is it the intention of the minister to continue with the debate in the lower house on that particular bill or, given that he is now meeting with the industry groups, does he intend to discharge the bill from the lower house and introduce it in the upper house so he can handle it as a minister?

The Hon. R.P. WORTLEY: I am still considering my options. I really have not put a lot of thought into that at this moment, but I will make a decision on that very shortly.

The Hon. I.F. EVANS: I am just wondering how you expect the lower house to debate the legislation if the government is still actively talking to industry groups about possible amendments.

The Hon. R.P. WORTLEY: These are things I must consider. The process that Ms Lovatt was talking about were the regulations; what is in the lower house is the act.

The Hon. I.F. EVANS: Yes, and my question earlier was: are you open to amendments to the act? You said you were going to meet with the industry groups, they could go to Canberra, it had to be a national thing, and there was a six-month time frame before the act had to be signed off in January.

The Hon. R.P. WORTLEY: At the end of the day, with regards to the act, we will support changes nationally, but I think it is really up to the business community and their counterparts in

other states to be lobbying their ministers, and we then may make some headway. I will put the concerns forward, but South Australia has one voice out of a number and we will only support national changes.

The Hon. I.F. EVANS: On the regulation, has the government agreed to further amendments to the draft regulations under the Work Health and Safety Bill? If so, when will the final regulations be released?

The Hon. R.P. WORTLEY: They are not finished yet and the process will actually go right through to the ministerial council in August.

Mr ODENWALDER: I refer to Budget Paper 4, Volume 3, pages 154 and 155. As we work towards the targets outlined in the strategic plan, can you outline what performance targets SafeWork SA has achieved for 2010-11?

The Hon. R.P. WORTLEY: I thank the member for his question. I am very pleased to inform the committee that SafeWork SA made significant progress during 2010-11 towards meeting the following three South Australia's Strategic Plan targets:

- Industrial Relations: to achieve the lowest number of working days lost per thousand employees of any state in Australia by 2014;
- Greater Safety at Work: achieve the nationally agreed target of 40 per cent reduction in injury by 2012; and
- Work-Life Balance: improve the quality of life of all South Australians through maintenance of a healthy work-life balance.

SafeWork SA undertakes a range of strategic industrial relations interventions, projects and compliance activities to ensure that fair workplaces exist for all South Australian workers and contribute to efforts to meet this target. The industrial relations target is measured using data reported by the Australian Bureau of Statistics. I am delighted to inform the committee that, based on that data, the overall trend over the last decade has been one of extremely low levels of industrial disputation in South Australia.

The 2010 calendar year comparative performance data published by the Australian Bureau of Statistics shows that South Australia has yet again recorded fewer working days lost per thousand employees than any other mainland state.

An honourable member: Excellent.

The Hon. R.P. WORTLEY: Indeed. South Australia recorded 5.8 days lost per thousand employees, which was almost half that of the next lowest state, which was Queensland with 10.9 days. SafeWork SA continues to deliver a range of programs aimed specifically at reducing the number and costs of work-related injuries amongst employers.

The Greater Safety at Work target is measured using WorkCover SA claims data; specifically, the rate of income maintenance claims per million dollars remuneration. In order to reach the 40 per cent injury reduction target by 2012, South Australia needed to achieve the injury reduction target of 29 per cent by September 2009. I am delighted to inform the committee that South Australia exceeded this expectation and achieved a reduction of 32 per cent for all employers. While there is still more work to do, the programs undertaken by SafeWork SA to provide greater safety at work are delivering improved and sustained safety outcomes for this sector. SafeWork SA's work-life balance strategy is addressing the target through three main work areas, as follows:

- promotion and development of minimum standards and legislation that supports flexible leave and work arrangements;
- public awareness-raising events and research on the social and economic arguments for work-life balance; and
- partnership projects with other organisations and government departments addressing the work-life balance target.

The Australian work and life index (AWALI) has been adopted as the measurement tool for the work-life balance target. The AWALI is a unique national benchmarking tool to compare and contrast work-life outcomes across various groups defined by geographic location, employment characteristics and social demographics. AWALI is scaled from 0 (lowest work/life interference) to 100 (the highest).

In 2010, the score for South Australia was 42.3, slightly lower than the comparative national score of 43.3. Results from the 2010 report 'Juggling work life balance in SA' show that the majority of South Australians continue to be satisfied overall with their work-life balance. South Australia continues the trend of improved satisfaction with work-life balance in this state and, in a competitive labour market, the SafeWork SA work-life balance strategy is working to assist the promotion of South Australia as an attractive place to live and work.

The Hon. I.F. EVANS: In regard to SafeWork SA and its inspections, can the minister advise what was the SafeWork SA's role in inspecting the asbestos find at the Inverbrackie Detention Centre?

The Hon. R.P. WORTLEY: I will hand you over to Ms Lovatt.

Ms LOVATT: The two SafeWork SA inspectors did attend and inspect the Inverbrackie Detention Centre facility in the Hills. The premises are commonwealth property, so the jurisdiction belongs to ComCare, which is SafeWork SA's commonwealth counterpart agency and which regulates OH&S in the commonwealth public sector and commonwealth properties. So, we have had close liaison with ComCare about that. In order to provide advice and information—we do have some expertise in that area—we visited, I would say, on at least two occasions; I can come back with some exact figures on how many visits we have made to the Inverbrackie site.

The Hon. I.F. EVANS: But SafeWork SA had to approve the removal of the asbestos, as I understand it. According to the freedom of information documents that were released, SafeWork SA approved the removal of the asbestos. Can the minister confirm that the asbestos was disposed of in accordance with the law?

Ms LOVATT: I would need to take that on notice, but there is now, under improvements that SafeWork SA has made over the last 12 months, a very good degree of information exchange between the Environment Protection Authority and SafeWork SA and, as a result of that, we obtained what is called the waste tracking certificate. So, when people dump asbestos at a licensed asbestos receiving dump, they are provided with a waste tracking certificate to prove that they have properly disposed of it, and we record that licence number in our system. I can certainly take that on notice and come back with the relevant particulars.

The Hon. I.F. EVANS: A question, again to the minister, as a follow up. The asbestos was found at the Inverbrackie Detention Centre—

The Hon. M.J. Atkinson interjecting:

The Hon. I.F. EVANS: That as well. On the basis that there was an incomplete asbestos register, can the minister confirm whether any asbestos was taken out of the properties and disposed of before the asbestos register was complete and therefore would not be subject to the tracking system just outlined by the departmental officer?

The Hon. R.P. WORTLEY: We will take that on notice and get back to you within the time limit.

The Hon. I.F. EVANS: Was SafeWork SA involved, minister, with any of the testing of the employees who were exposed to asbestos at the detention centre, and do you agree with the commonwealth officer's response that the persons concerned who were exposed had been tested and therefore cleared? It is the opposition's understanding that asbestos diseases are long-tail diseases and take many years to form, so do you or do you not agree with the commonwealth's assessment that the workers who were exposed are clear of any asbestos-related disease?

The Hon. R.P. WORTLEY: I was not aware of the commonwealth minister's finding, so I will take that on notice.

The Hon. I.F. EVANS: If it were a commonwealth jurisdiction, as the officer outlined to the committee, and considering the SafeWork SA four-page report on its investigation into the asbestos at the detention centre, I am just wondering on what basis it was conducting the investigation if it was a commonwealth jurisdiction and not in their power; and were they asked to leave at the request of the commonwealth?

The Hon. R.P. WORTLEY: I will hand you over to Ms Lovatt.

Ms LOVATT: The officers, to the best of my understanding, Chair, were not asked to leave. Our officers have, broadly speaking, at all times, and certainly in that specific example, a very good working relationship with ComCare, our counterparts. We provided, as I indicated earlier, information and advice. There was no need to invoke our coercive statutory powers to do so. We

were invited onto the premises by the commonwealth and allowed to provide the information, help and assistance that we did provide.

It is my understanding—and again I would want to confirm this properly for the sake of accuracy and I am happy to do so on notice—that some of the employees were in fact employed by a company that is registered under the state WorkCover insurance system, the state workers compensation system through WorkCover SA. Whilst they are walking around on commonwealth land, they are in fact insured under the South Australian compensation system and are what we call for shorthand purposes 'state-based contractors'.

In that respect we are happy to deal with those people. We are of the view that we have a jurisdiction to deal with that, but my understanding is that on this point it was a moot issue, given that we were freely welcomed and in fact invited on by the commonwealth and allowed to give the advice and assistance that we rendered.

The Hon. I.F. EVANS: Minister, is it the officer's understanding that the site had an incomplete asbestos register and that led to the exposure?

Ms LOVATT: Through you, Chair; yes, that is my understanding.

The Hon. I.F. EVANS: So, minister, what role does SafeWork SA now play in ensuring there is a completed asbestos register so that more state-based contractors who are subject to our WorkCover scheme are not put in the same circumstance as those who have been exposed to the asbestos?

Ms LOVATT: The requirement to have the asbestos register completed was incumbent upon the Department of Immigration and Citizenship (which is a commonwealth department), and my understanding is that ComCare, the commonwealth OH&S regulator, is following that up against the duty holder, the DIAC.

The Hon. I.F. EVANS: Minister, what is your department's understanding of how many workers were exposed?

Ms LOVATT: I would want to take that on notice.

The Hon. I.F. EVANS: Budget Paper 4, Volume 3, page 157, lists various targets, including:

Complete implementation of an across government complex claims management program to reduce the government's outstanding workers' compensation claims liability.

Can the minister please release the cost of this particular program, what has been done and what has been achieved?

The Hon. R.P. WORTLEY: The Premier has committed the South Australian public sector to a vision of zero harm and a 100 per cent return to work. In line with this vision Public Sector Workforce Relations initiates and undertakes significant improvement projects involving whole-of-government outcomes which focus on safety and return to work in the South Australian public sector.

On 6 September 2010, Public Sector Workforce Relations initiated across the government strategic intervention to improve return-to-work outcomes of up to 100 complex workers compensation claims. A procurement process to engage the services of an organisation that could apply a biopsychosocial approach to the management of this group of claims was undertaken. This approach is considered the emerging best practice approach in the management of complex workers compensation claims.

As this is an across-the-government initiative, the project involves close consultation and partnering with public sector agency staff. This intervention, which is being undertaken in a staged approach, is proposed to be completed by May 2012. The expected outcomes of the strategic intervention are designed to achieve earlier and more durable return-to-work outcomes for work injured public sector employees.

The object is to achieve better outcomes for injured employees and, in due course, financial savings to government by reducing weekly income maintenance payments and liabilities for the claims of this intervention. In addition, injury management practitioners in the public sector will develop capability and understanding of this emerging best practice approach to incorporate into the management of complex workers compensation claims. Public Sector Workforce Relations will be monitoring progress and outcomes achieved throughout this project. A budget of \$300,000 has been allocated to this project over the two-year period of 2010-11 and 2011-12.

The Hon. I.F. EVANS: Thank you, minister. Prior to the last election the then treasurer stated that the government would have to find \$150 million and then \$250 million and then \$350 million in savings, and most of those savings would come from a 2.5 per cent cap on public sector enterprise bargaining arrangements. Will the minister advise us what wage negotiations have been finalised within government over the past 12 months and how they fitted into the 2.5 per cent cap, and what enterprise bargaining agreements are targeted to be finalised in the next 12 months?

The Hon. R.P. WORTLEY: The South Australian Government Wages Parity (Weekly Paid) Enterprise Agreement 2010 covers 4,936 full-time equivalents and was approved in the Industrial Relations Commission of South Australia on 1 September 2010. The significant elements of this agreement are: wage increases of \$25 per week from 1 October 2009, 2010 and 2011; new classification structures for health ancillary employees and Department of Further Education, Employment, Science and Technology childcare workers; and the flow-on of outcomes from the South Australian Government Wages Parity (Salaried) Enterprise Agreement 2010, such as increases to paid maternity and adoption leave, on-call and night shift penalties.

The Assistants to the Members of the South Australian Parliament Enterprise Agreement 2010 covers approximately 290 assistants employed by the crown to assist members of parliament in their electorate offices and the Legislative Council and was approved in the Industrial Relations Commission of South Australia on 6 December 2010. The significant elements of this agreement are a one-off payment of \$600 upon approval, with general salary increases of 2.5 per cent per annum from 1 October 2009, 2010 and 2011, and improvements to paid maternity leave and adoption leave.

The Nursing/Midwifery (South Australian Public Sector) Enterprise Agreement 2010 covers approximately 15,500 nurses employed in the state public health sector and was approved in the Industrial Relations Commission of South Australia on 9 December 2010. The significant elements of this agreement are a general wage increase of 2.5 per cent, plus \$600 in the base from 1 October 2010; a revised salary structure from 1 December 2011; and a general wage increase of 2.5 per cent from 1 October 2012. In addition, the agreement contains improvements to paid maternity and adoption leave and professional development.

The South Australia Police Enterprise Agreement 2011 covers approximately 4,600 employees within South Australia Police and was approved by the Industrial Relations Commission of South Australia on 18 May 2011. The significant elements of this agreement are: a wage increase of 3.5 per cent, inclusive of 2.5 per cent general and 1 per cent interim police specific on 1 July 2010; a police specific adjustment on 1 October 2010 of 3.5 per cent, inclusive of 2.5 per cent general and 1 per cent police specific on July 2011; a police specific restructure on 1 October 2012 of 3 per cent, inclusive of a 2.5 per cent general and a 0.5 per cent interim police specific on 1 July 2013; and, a police specific adjustment in January 2014.

In addition, the agreement provides for the development and implementation of service delivery improvements and workforce reform consistent with the objective of the South Australian Strategic Plan and also consistent with the South Australian police force future direction strategy 2010-13 and the strategic and operational objectives of the Commissioner of Police for the South Australia Police and local service areas.

The SA Water Corporation Enterprise Agreement 2010 covers approximately 1,285 employees and was approved by the Industrial Relations Commission of South Australia on 29 February 2011. The significant elements of this agreement are a single integrated classification structure as at 8 May 2010, and general salary increases of 2.5 per cent per annum from 7 May 2011 and 5 May 2012. In addition, the agreement contains improvements to paid maternity and adoption leave.

A number of other enterprise agreements have recently been negotiated. The state government has established an Enterprise Agreement 2010, Adelaide Cemeteries Authority (Weekly Paid) Enterprise Agreement 2010, Adelaide Festival Centre Trust (Professional and Administrative) Enterprise Agreement, 2010 and the South Australian Citrus Industry Development Board Enterprise Agreement 2010. The significant elements of these agreements are one-off payments of \$600 upon approval, with general salary increased of 2.5 per cent per annum and improvements to paid maternity leave and adoption leave.

For major workforce groups enterprise bargaining negotiations are progressing for South Australian Ambulance Service employees and wage parity, building/metals/plumbing trades employees, and have commenced for the South Australian Metropolitan Fire Service firefighters

and salaried medical officers. During 2011 enterprise bargaining negotiations are expected to commence for clinical academics, visiting medical specialists, wage parity salaried group, school and preschool employees and TAFE lecturers.

The Hon. I.F. EVANS: In the budget speech the Treasurer outlined the government's commitment to maintain the cuts to the public sector long service leave and in the speech he outlined his intention to negotiate an inducement payment to try to offset some of the losses that the Public Service was going to suffer as a result of the long service leave. Will the minister advise the house what will be the construction of that sort of inducement payment, how it will be established and what level it will be set at, given the vast variety of skills and times of service within the Public Service?

The Hon. R.P. WORTLEY: That is basically a matter for the Treasurer and we do not have any details of that.

The Hon. I.F. EVANS: But will it be something that ultimately falls to your public sector workforce relation area to negotiate and implement during the EBs? How will it actually be brought into play? What instrument will be used?

The Hon. R.P. WORTLEY: Those matters have to be discussed with the Treasurer in the course of negotiations.

The Hon. I.F. EVANS: In regard to the future EBs that you outlined in your previous answer that are going to be negotiated over the next 12 months, what is the advice to the minister from the agency regarding any likely pressure from the public sector to try to gain higher wage outcomes as a result of the cuts to the long service leave provisions, and how is that going to be managed?

The Hon. R.P. WORTLEY: There has been no advice on that up until now, but that may depend on the outcome of the Treasurer's negotiations.

The Hon. I.F. EVANS: Minister, currently in the Public Service there already are, as I understand it, attraction allowances being used. That is, the public sector is paying extra moneys to people in both the private sector and the public sector to take certain positions. I am wondering whether your agency is familiar with the practice. I will read to you from a letter I have:

Attraction allowances are generally in the vicinity of \$5,000 to \$40,000 above the employee's stated classification level—

This may be of great interest to the public servants in the room—

and are often paid in perpetuity. For example, an employee who occupies a position which has an annual salary of \$90,000 at the position's stated classification level, but has an attraction allowance of \$15,000, will actually be paid \$105,000 for as long as they remain in that position.

I am wondering whether your agency, which is the agency which negotiates all these enterprise bargaining agreements, is familiar with this practice, and how is that covered in the enterprise bargaining agreement? I will be interested in the agency's response.

The Hon. R.P. WORTLEY: Those matters are within the confines of the chief executives of the various agencies.

The Hon. I.F. EVANS: You are in charge of public sector workforce relations. Do you think it is appropriate, minister, that public servants get paid an attraction allowance to come from another position in the Public Service to a new position in the Public Service?

The Hon. R.P. WORTLEY: We do not get involved. We get involved in the enterprise agreements. We do not get involved in these arrangements with the chief executive officers.

The Hon. I.F. EVANS: So you don't think that the enterprise agreements should cover the payment of such allowances? Not only are there attraction allowances being paid, but also there are retention allowances being paid, and there are also relocation allowances being paid. I think the relocation allowances would be covered under certain agreements with the government, and I am just wondering whether there is an increased cost to the taxpayer. The government sets a classification at \$90,000 and the chief executive says, 'We will slip you another \$20,000 a year for a retention or an attraction allowance.'

The Hon. R.P. WORTLEY: I will hand over to Mr Brooks.

Mr BROOKS: Matters of attraction/retention, except where there are specific provisions in enterprise agreements—and one that occurs to me is the medical specialists—generally in terms of

any particular position are matters for the chief executive's discretion of the particular agency and come within determinations made by the Commissioner for Public Sector Employment in relation to general public sector management matters.

The Hon. I.F. EVANS: Back to SafeWork SA. Page 155, Budget Paper 4, Volume 3, sets out the performance indicators for SafeWork SA. All of the investigative targets are below last year's results. So, last year's result for workplace intervention activities is estimated to be 30,000. You are hoping to do 27,000 this year. The number of OHS investigations finalised were 4,800 last year; you are targeting 83,000 this year. The number of IR investigations finalised was 426 and you are targeting 300. All of those are footnoted that you are waiting on the implementation of the federal legislation. Why would we adopt a federal system if it is going to lead us to do less?

The Hon. R.P. WORTLEY: SafeWork SA has seven key performance indicators and targets with four measures that relate to occupational health, safety and welfare, two that relate to industrial relations and one for the help centre phone service. These performance indicators are measures of quantity and quality of service. These indicators more accurately reflect the breadth of activities that SafeWork SA undertakes, and performance can now be assessed beyond volume. The aim is to improve the measure of effectiveness in the service delivery of South Australian workers and the community.

A review of data capture processes in 2009-10 ensure that targets better reflect relevant activities being countered and improved data measurement, with quality and quantity being assessed. Outcome and achievements—SafeWork SA's expected performance against each of the seven targets listed in the table is provided in chapter 1. I think you have just read through that; is that right?

The Hon. I.F. EVANS: I think so.

The Hon. R.P. WORTLEY: Performance summary—in summary, SafeWork SA's performance for 2010-11 is expected to meet or exceed in six out of the seven targets relating to the number of occupational health and safety workplace intervention activities: quality adjustment performance indicator on investigations; the number of OHSW workplace investigations delivered; quality adjusted performance indicator of investigations (IR); the number of industrial relations investigations finalised; and the number of prevention initiatives delivered.

SafeWork SA's performance for 2011 is expected to be low in one target, relating to percentage of advisory service telephone calls responded to in less than three minutes, owing to technology associated with the transfer of calls to the Fair Work Ombudsman.

The Hon. I.F. EVANS: With due respect, what is the point of setting the targets so low? For instance, take the investigations finalised target, in 2009-10, the agency did nearly 4,300; this year its estimated result is 4,800. So, you set the enormously hard target of 3,000. They have exceeded that by near enough 50 per cent each year for the last two years. The target is worth nothing.

The Hon. R.P. WORTLEY: In the footnote, there is a target of 3,000 retained in anticipation of work health and safety legislation implemented on 1 January 2012; an estimated result of 4,800 expected due to increased audit activity and complaint resolution.

The Hon. I.F. EVANS: But is that not my point? My point is that you are targeting less activity under the new legislation. Your own footnote states that you have increased the auditing and complaint resolution. You have achieved 4,800 and, on the back of this new national legislation—which I would have thought needed more input to explain it, not less—it then dives down to 3,000.

The Hon. R.P. WORTLEY: I will hand over to Ms Lovatt to explain this.

Ms LOVATT: The auditing and prevention work—the increased audit activity and complaint resolution referred to in the footnote—is separate to investigations. So, the investigations undertaken, which we are looking at exceeding the target again in this financial year, if you like, are the reactive types of the work that SafeWork SA does. What we have consciously tried to do is invest more into prevention-type activities and to work more proactively with workplaces to help them to prevent injuries in their workplace. Those prevention activities, which are an audit activity, for example, are not counted as investigations. The investigations are the reactive type of work that we do, whereas the audit and compliance work is more of the education focus and preventive focus that we have consciously worked on increasing.

As the question relates to the work health and safety implementation, we do anticipate that, in the first year of operation of the new national model laws, there will be a large need for education of the business community and workplace community about the changes to the laws. So, we are anticipating and intending to provide a lot more education in that respect as well. From our capacity, that would then suggest to us that it is reasonable to maintain the target of 3,000 and, given that our FTE numbers are static, apply the resources to an increased educational focus and increased injury prevention focus, and educate people on the new work health and safety laws. That would then leave a capacity in the order of that target in the budget papers for investigation and reactive work.

The Hon. I.F. EVANS: Through you, minister: under the new OH&S laws, how much are you expecting to raise through the introduction of a \$65 licence fee for the height licence? What is the expected income to government?

The Hon. R.P. WORTLEY: We will take that on notice.

The Hon. I.F. EVANS: I assume, minister, that every person who has to conduct work above a certain height now has to go and get trained in the new height licence requirements. Has the agency got any numbers on how many people are required to be licensed? I assume it is every plumber, every builder, every roofer, every painter.

The Hon. R.P. WORTLEY: My advice is no, it is not.

The Hon. I.F. EVANS: Who requires the licence then?

The Hon. R.P. WORTLEY: I will hand you over to Ms Lovatt.

Ms LOVATT: I think the member is referring to the National Standard for Licensing Persons Performing High Risk Work. That relates to matters such as operating load shifting equipment, cranes, lifts, hoists, building and maintenance units—

The Hon. I.F. EVANS: Scaffolds?

Ms LOVATT: —scaffolding, but it does not relate to working at heights, as I drew from the question.

The Hon. I.F. EVANS: But under the new occupational health and safety, is the scaffolding requirement changing so that you now have to use scaffolds where, previously, you could use ladders? Isn't there a fast, more stringent requirement for scaffolding that, therefore, then flows on to requiring this licence fee?

Ms LOVATT: The national regulations are not finalised yet, so we do not know what their requirements will be.

The Hon. I.F. EVANS: Okay. Through you, minister: when the HIA complained to your agency two years ago about the cost of housing going up \$12,000 a house and \$21,000 for a double-storey home, it was based on the increased costs of scaffolding that was going to be used. The last significant increased cost was due to the need for scaffolding that was not needed before. Isn't that accurate?

Ms LOVATT: The scaffolding is only one of a very wide range of prevention measures—fall arrest mechanisms, harnesses, static lines and so on—that can be used. So, in OH&S literature and practical application, there is actually a huge range of control measures that a duty holder can implement to mitigate against the risk of someone falling from a height. Scaffolding is one of them, absolutely, but there is a very wide range.

The national standard which requires that has actually been in place in other Australian jurisdictions for some years now and there is a wide range of tools and fall prevention control measures in place—scaffolding is only one of them. In Victoria, for example, they use a number of different methods, some of which I just mentioned. Around Australia, they use a lot of different OH&S control measures to prevent the risk of falling.

The Hon. I.F. EVANS: I refer to page 126. The office relocation of SafeWork SA to World Park: 01 is estimated to cost some \$7.383 million; the budget was \$6.818 million. Why the \$565,000 blowout and what are the annual rent costs at World Park: 01 compared to the previous rental costs?

The Hon. R.P. WORTLEY: There is no blowout, apparently; it has come in under budget, but I will just read my brief here. On 7 December 2009, cabinet approved capital expenditure of \$7,728,000—\$5.478 million government funds and \$2.250 million building owner incentive funds

for the World Park project to enable SafeWork SA to relocate three existing locations into a five-star green office building at World Park Keswick by 20 November 2010. SafeWork SA met this time frame and successfully relocated to World Park on 22 November 2010. Anticipated recurrent savings from reduced energy costs at World Park cannot at this stage be determined until a full-year comparison of energy data between the World Park site and SafeWork SA's previous three locations is completed.

At this stage, the fit-out project, which was forecast to cost \$7.468 million, is expected to be under budget by \$950,000, as at 24 May 2011. However, there are a number of post-occupancy variations, such as air conditioner modifications, ceiling tile modifications, etc., to the value of approximately \$110,000 outstanding. It is anticipated that a nominal recurrent savings of \$350,000 may be realised from the 2012-13 financial year from a change of corporate services practices, including centralised stationery ordering, reduced paper usage from the new printing service and reduced travel costs due to the provision of video conferencing facilities at World Park.

On 6 April 2009, cabinet approved a pre-commitment of leasing up to 4,500 square metres in stage 1 of the proposed World Park: 01 development at Richmond Road, Keswick. SafeWork SA was recommended because the available lease area aligned with SafeWork SA's requirements, SafeWork SA's lease was due for renewal in June 2011, SafeWork SA was seeking new accommodation to bring together disparate business units and, very importantly, parking arrangements are compatible with SafeWork SA's needs.

It is a condition of taking the World Park: 01 lease that the building is to achieve a five-star green rating. There are some highlights in this project, and the following were considered as highlights of the project: use of an integrated project team (this approach ensured better consultative and reporting outcomes); increased meeting spaces for staff; increased technology to support staff; modern, light, clean facilities; the establishment of new multifunctional devices that follow new security; delivery of fit-out on time; and achievement of a significant and modern facility well under the allocated budget.

The CHAIR: Thank you, minister. I remind members of the time. I am not too sure whether there is one last question or any omnibus questions you want to read in.

The Hon. I.F. EVANS: Just one last question. What is the latest estimate of the public sector workers compensation liability?

The Hon. R.P. WORTLEY: The gross South Australian public sector workers compensation outstanding liability as of 30 June 2010 was \$324.5 million before third party recoveries, which is \$3.6 million, 1 per cent more than the June 2009 assessment of \$317 million. The relatively modest increase in liabilities was expected and is lower than inflation over the period.

The increase has arisen due to revised economic assumptions and the impact of additional claims arising from the 2009-10 financial year. Claims experience, on the other hand, has generally improved. Over the last seven years, the rate of increase in gross outstanding liability has declined from 20 per cent (in June 2003) to 1 per cent in June 2010. This positive trend reflects genuine improvements in claims performance of crown self-insured agencies achieved in the context of the safety in the public sector 2007 to 2010 strategy.

The CHAIR: I thank the minister, members of the committee and also the advisers. There being no further questions to the Minister for Industrial Relations, I invite the Minister for Workers Rehabilitation to the table.

Witness:

Hon. J.J. Snelling, Treasurer, Minister for Employment, Training and Further Education, Minister for Workers Rehabilitation.

Departmental Advisers:

Mr R. Thomson, Chief Executive, WorkCover SA.

Ms G. Fraser, General Manager, Strategy and Policy, WorkCover SA.

Mr W. Potter, General Manager, Regulation and Education, WorkCover SA.

The CHAIR: Does the minister have an opening statement?

The Hon. J.J. SNELLING: I have no opening statement, and I am happy to go straight to questions.

The CHAIR: Thank you, minister. We will go to the shadow minister.

The Hon. I.F. EVANS: Minister, the Cossey report into WorkCover was released over the last week or fortnight. Has the minister received advice from WorkCover yet as to its response to the report and, if so, what is WorkCover's initial response?

The Hon. J.J. SNELLING: The thrust of the Cossey review is that it is still early days with regard to the effectiveness or otherwise of the legislative changes that were made in 2008. The review is still being examined by WorkCover, and WorkCover will be providing me with a more fulsome advice in due course.

The Hon. I.F. EVANS: What was the total cost of the Cossey report, minister?

The Hon. J.J. SNELLING: It was administered by the Department of the Premier and Cabinet, rather than WorkCover. It was \$149,000 apparently, so I am advised.

The Hon. I.F. EVANS: Minister, do you agree with the Cossey finding, which I think is on page 7 of the report, that the key data, which is essential to determining trends, are either not being routinely collected or available only with considerable effort and, if so, what action is the agency proposing to take to correct that problem?

The Hon. J.J. SNELLING: The initial response is that WorkCover believes that it does collect enough data to determine the trends that Mr Cossey is referring to in the report, but that is just an initial response. We will have a look at the recommendation and see if there are things which WorkCover needs to improve.

The Hon. I.F. EVANS: Did Mr Cossey show WorkCover a draft of the report before it was released to government, to get any comment?

The Hon. J.J. SNELLING: No, apparently not.

The Hon. I.F. EVANS: Okay. So the process from here is that WorkCover is now going to respond to the cabinet, I assume, through you, and they will dispute this claim that it does not collect enough information to monitor the trends. Is that what we are being told?

The Hon. J.J. SNELLING: The process will be that WorkCover will provide me with advice on the outcomes outlined in the report. That is one of the things that they will have a look at and provide advice to me on, but the initial response, because you are asking, is that they are not entirely supportive of that observation of Mr Cossey.

The Hon. I.F. EVANS: So we spent \$150,000 and got it wrong?

The Hon. J.J. SNELLING: That is two lines of a report that comes to some 100 and something pages, and it was not really the purpose of the report, either. It is simply a side observation that Mr Cossey is making.

The Hon. I.F. EVANS: Is the minister still confident that the amendments made in 2008 to the legislation will result in significant reduction in employers' levies, especially as Mr Cossey has commented on page 10 that WorkCover actuaries have assessed that there be 'no material difference yet to be seen between the hindsight levy rates before and after the implementation of the amendments'?

The Hon. J.J. SNELLING: There has been a substantial reduction in the unfunded liability. I think it would be overstating it to put that down to the legislative changes. The true effect of them is still working its way through the system, but there is no doubt that as the unfunded liability reduces, it will create capacity in WorkCover for it to reduce the levies.

The Hon. I.F. EVANS: So, what is the latest estimate of the unfunded liability?

The Hon. J.J. SNELLING: \$865 million as of December last year.

The Hon. I.F. EVANS: And even though the unfunded liability was higher than that, weren't the WorkCover rates reduced in the last two years?

The Hon. J.J. SNELLING: They were reduced from 3 per cent to 2.75 per cent as of June last year.

The Hon. I.F. EVANS: So what criteria were used then to reduce the levy rates? You are saying now, minister, that you cannot reduce the levy rates because the unfunded liability is sitting at \$865 million?

The Hon. J.J. SNELLING: I didn't say that.

The Hon. I.F. EVANS: Well, you are essentially saying there is not yet the capacity. You said there might be capacity in the future, but—

The Hon. J.J. SNELLING: No, I didn't even say that.

The Hon. I.F. EVANS: I think you did, if you look at your transcript.

The Hon. J.J. SNELLING: That is not what I was saying. I was simply pointing—

The Hon. I.F. EVANS: Then what were you saying?

The Hon. J.J. SNELLING: Your question was: do we expect that there will be a decrease in the levies that will be payable by employers because of the legislative changes? My response to that was that we have seen a substantial reduction in the unfunded liability but it would be overstating it to put that down to the legislative changes. The effect on the unfunded liability from the legislative changes we are still yet to see but, as the unfunded liability reduces, then there will be capacity to reduce the levies.

The Hon. I.F. EVANS: That is what I thought you said. What criteria is then used to reduce the levies?

The Hon. J.J. SNELLING: I will hand over to Mr Thomson.

Mr THOMSON: The assessment on the levy rate going forward is based on the future estimated costs of what the current benefit structure within the scheme is going forward. The deficit is based on a point of time assessment, based on all the previous aspects of the scheme, but the break-even rate and, therefore, the collection rate is assessed based on the future estimated costs by the actuaries of what it will cost to fund the scheme for the forthcoming 12-month period.

The Hon. I.F. EVANS: So when the WorkCover levy rate was reduced previously (from 3 down to 2.75), given that the minister has stated that the legislation has not had an effect on reducing the unfunded liabilities, on what basis was the levy reduced on the judgement that what was going to reduce the unfunded liability because the legislation has not?

Mr THOMSON: The legislation was not aimed per se at reducing. It was aimed at affecting the unfunded liability but, really, what the actuaries do is assess the benefit structure based on the new benefit structure, not the previous benefit structure that applied before 2008, and they determined the costs of the scheme based on that. So there is a difference between the future cost of the scheme, which is based around the benefit structure. The deficit picks up the current benefit structure plus previous older claims in the scheme, so it is an amalgam at a point in time. The benefit structure is the determinant of what the future cost of the scheme will be, and that is the new benefit structure and not the prior one.

The Hon. I.F. EVANS: But the new benefit structure is still in place and the actuary will assess the future benefit going forward, so exactly the same criteria that was used when you last reduced the rates will be used this time. There was enough evidence, you were saying last time, to reduce the rates; there is not enough evidence this time to reduce the rates, even though the benefits paid are exactly the same.

Mr THOMSON: The new benefit structures have only been in for two years so it is very early days, in a sense, because the new changes—

The Hon. I.F. EVANS: But you did it previously—they had been in less time previously. When they first came in they were brand new. They had not been in for any time period at all and the WorkCover board miraculously made the decision to reduce the levy rates. It seems to me that your evidence to the committee is that you had enough information when it first came in to make the decision to reduce levy rates, but now that it has been in two years it has not been in place long enough to actually make the judgement about reducing levy rates again.

Mr THOMSON: No, there are two things. When the changes came in, in 2008, the actuaries made an assessment based on the new benefit structures that this is the likely cost of the scheme for that 12-month period and it was 2.75 per cent. What we have seen is that there has not been sufficient improvement in the scheme performance to actually allow for any further reductions in the performance in the levy rate and what we have are inconsistent performances. There are two

things: you have the previous costs and the future costs. The future costs are still being assessed as being a similar cost now as they were in 2008. The legislative reforms have not improved the ongoing performance enormously at this point.

The Hon. J.J. SNELLING: I should also add that some of the legislative changes came into effect later on in the process so some of the legislative changes have only recently come into effect. You cannot make an assessment upon the effect of the legislation, given that some of those legislative changes have only been in place for about six months.

The Hon. I.F. EVANS: The government and WorkCover have adopted a policy position to stop the offering of redemptions to injured workers. Mr Cossey's review finding on page 10 indicates that most of the improvements in the financial health of the fund have been due to the use of redemption. Is the minister going to review this policy in relation to redemptions?

The Hon. J.J. SNELLING: I will invite Mr Thomson to answer.

Mr THOMSON: The board's position at this point of time is that for workers of employers within the registered employers scheme, because there are two parts—the self-insured and the Crown, the registered employers—there will be no redemptions because the focus should be on injured workers remaining at work where possible, or returning to work.

The Hon. I.F. EVANS: Can I stop you there: does that mean that redemptions are available to the public service, the Crown scheme?

Mr THOMSON: Yes, it does.

The Hon. I.F. EVANS: So public sector people can get redemptions and the self-insured can get redemptions, but all those locked into WorkCover cannot?

Mr THOMSON: Correct, and that is within the confines of the legislative provisions: there are three tests to be passed: a person has to be over 55, earning less than \$30 a week income maintenance, or have psychological or social factors that need to be taken into account.

The Hon. I.F. EVANS: Minister, do you accept Mr Cossey's remark that redemptions have been one of the main reasons that the improvement to the financial health of the fund has actually occurred—through the use of redemptions?

The Hon. J.J. SNELLING: I will need to get some advice from WorkCover about that. That will be part of WorkCover's report to me or the advice they will provide to me in due course.

The Hon. I.F. EVANS: What advice do you have for the committee, minister, in relation to improving the scheme? We have the worst performing workers compensation scheme in Australia by a street, we have the highest WorkCover levies in Australia by a street and, if you believe Janet Giles, we have the worst return-to-work rate in Australia. These reforms in 2008 were going to fix up the scheme. What advice does the minister have for the committee as to what policy the government will change to improve WorkCover's performance?

The Hon. J.J. SNELLING: There was substantial legislative reform in 2008. As I have already said to the committee, it will take some time for the effect and effectiveness of that legislative reform to become apparent. I am confident that with that legislative reform we will see improvements in the performance of WorkCover, but there are other things we can do.

One of the things we are examining at the moment is change to the premium payment system to provide greater incentives to employers to assist in return to work and prevention, so having less workplace accidents but when a workplace accident happens providing an incentive to employers to have their employees return to work quicker. Undoubtedly, return to work is probably the biggest single driving factor in improving the performance of WorkCover. If we can get better rates of return to work and get injured workers to return to work quicker, that will drive the improvement in performance of the scheme.

The Hon. I.F. EVANS: What criteria are EML required to use by WorkCover in judging which rehabilitation service providers are awarded contracts?

The Hon. J.J. SNELLING: WorkCover does not direct EML as to which service providers it uses; EML does that using their own criteria.

The Hon. I.F. EVANS: But WorkCover does not require standard criteria so it can measure how the rehabilitation service providers are going? You have just sat here and told us that return to work is the great panacea of WorkCover, so I am interested in what WorkCover demands

of EML by way of standardising the criteria so that rehabilitation service providers can be compared.

The Hon. J.J. SNELLING: I will hand it over to Mr Thomson.

Mr THOMSON: There are 43 providers currently within the scheme that are contracted through WorkCover. EML makes the choice of who they use. There has been some base criteria out there about some self-reporting by the rehabilitation providers.

The Hon. I.F. EVANS: So it is all self-reporting, is it?

Mr THOMSON: No, but there is additional reporting that EML can do in assessing that, but they can assess the provider that they use (or even the potential consultant within the provider they use) based on the individual performance or the previous performance of those providers. We are currently in discussions with the rehabilitation industry, including EML, about going forward—and that comes out of the Walsh review that was done—whereby we are assessing whether there should be a procurement process undertaken for EML to assess who they use and how they use them in assisting them in the management of the claims.

The Hon. I.F. EVANS: The Walsh report was quite scathing on the way that the rehabilitation service was being measured. You mentioned earlier about self-assessment. Minister, can you or your agency confirm that return-to-work figures collected by WorkCover are assessed independently, or are they largely self-assessed and reported by the rehabilitation service provider?

The Hon. J.J. SNELLING: I will invite Mr Thomson.

Mr THOMSON: We can assess the performance. There is degree of self—

The Hon. I.F. EVANS: Sorry. You can or you do?

Mr THOMSON: We can and we do assess the performance of the various providers operating in the marketplace.

The Hon. I.F. EVANS: All of them?

Mr THOMSON: All of them. There are 43—and those that are utilised. If they are not utilised by EML in the process, then we cannot assess them, but those that are utilised we can assess because the data that is provided through the system EML has access to, as do we.

The Hon. I.F. EVANS: Does WorkCover collect figures to demonstrate which rehabilitation service providers have the best return-to-work performance figures? Can WorkCover confirm if those companies which receive the most work are the companies which have the best return-to-work figures?

Mr THOMSON: We can and we do. I guess the issue is that it is not just about return to work; the rehabilitation providers provide services about return to work but they also assist in other aspects of the scheme. They are not involved in just one aspect of the scheme; they are involved in various aspects of the scheme. Certainly, return to work is a key aspect, but they are involved in others as well.

The Hon. I.F. EVANS: Is the work allocated to the rehab providers on the basis of their return-to-work performance? Surely—

Mr THOMSON: Yes, but can I come to another—

The Hon. I.F. EVANS: The minister is saying that return to work is the key. Surely, if you have return-to-work performance indicators that show that one company is doing a better job than the other, you would think they would be the company that would be attracting the work.

Mr THOMSON: There is one other factor which is involved, and that is the market forces because employers do have choice of rehabilitation provider as well so that they can actually request and seek EML to use a rehabilitation provider of their choice. Within the allocation of work within the marketplace, EML may make the choice in relation to about 50 per cent of that market. Fifty per cent is actually driven by the employers who say, 'This is our preferred provider and we want to utilise them for the services being provided.' It is EML's choice to determine that.

The Hon. I.F. EVANS: But it is ultimately up to WorkCover, is it not, to decide whether they think the rehabilitation providers are doing a good job and whether the model needs to change?

Mr THOMSON: I guess the issue, as I see it, is that WorkCover's role is to be the regulator and accredit the providers to make sure that they are meeting the standards which have been agreed nationally through all the workers comp jurisdictions and they get assessed on that basis. So they are assessed under national requirements.

The Hon. I.F. EVANS: If the standards are consistent Australia-wide, why is our return-to-work performance the worst in Australia?

Mr THOMSON: We are talking about the accreditation and the like. The actual performance of the providers may differ in relation to that. The return to work results of the state are not just singly based about rehabilitation. It is the overall implications of the culture within the scheme, the performance of the agent and case managers, as Walsh highlights; it is the performance of rehab providers and also the judicial system within the scheme as well. It is a combination of all those factors.

The Hon. I.F. EVANS: Given the Supreme Court decision on medical panels, does the minister propose any further amendments to the legislation relating to the questions of medical panels?

The Hon. J.J. SNELLING: I am in the process of getting advice on that decision and seeing what impact it might have on the operation of the scheme.

The Hon. I.F. EVANS: Is one of those changes the minister is considering picking up the Cossey suggestion of having the medical panels reporting to the minister on an annual basis to improve accountability?

The Hon. J.J. SNELLING: It would not have any bearing on the decision of the Supreme Court. I do not think it would have affected the Supreme Court's decision one way or the other, but it is certainly something that I will be looking at and taking advice on, whether it is a better way or whether it would be an improvement.

The Hon. I.F. EVANS: Last question, minister: the Cossey report found that the average time for an opinion to be provided from a medical panel has increased from 53 days to 74 days. Is the minister concerned about the significant extra delay, and does WorkCover have any proposal to improve the efficiency of medical panels?

Mr THOMSON: The issue about the timely referrals: there was a spike in referrals at one stage during the last 12 months. That has now reduced, and I think the timings are very much up to date but, to deal with any potential peaks that they may get, there is a proposal forward to get some additional specialists to assist the panel to achieve the time frames and outcomes required.

The CHAIR: Thank you, minister. Thank you members of the committee, and thank you to the advisers. There being no further questions on workers rehabilitation, I declare the examination of the proposed payments adjourned to committee A.

[Sitting suspended from 15:15 to 15:30]

ATTORNEY-GENERAL'S DEPARTMENT, \$137,204,000

ADMINISTERED ITEMS FOR THE ATTORNEY-GENERAL'S DEPARTMENT, \$42,833,000

Membership:

Ms Chapman substituted for Hon. I.F. Evans.

Mr Gardner substituted for Mr Venning.

Mr Marshall substituted for Mr Goldsworthy.

Witness:

Hon. J.R. Rau, Minister for Justice, Minister for Urban Development, Planning and the City of Adelaide, Minister for Tourism, Minister for Food Marketing.

Departmental Advisers:

Mr J. Maguire, Chief Executive, Attorney-General's Department and Department of Justice.

Mr A. Swanson, Director, Business and Financial Services, Attorney-General's Department.

Mr T. Anastasiou, Manager, Business and Financial Services, Attorney-General's Department.

Mr D. Romeo, Chief of Staff, Attorney-General's Department.

Ms V. Santo, Principal Advisor, Budgeting, Attorney-General's Department.

Ms T. Brooks, Manager, Portfolio Financial Services, Attorney-General's Department.

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

Ms CHAPMAN: As published.

The CHAIR: As published, okay. Changes to committee membership will be notified as they occur. Members should ensure the chair is provided with a completed request to be discharged form. If the minister undertakes to supply information at a later date, it must be submitted to the committee secretary by no later than Friday, 30 September 2011. This year, the *Hansard* supplement, which contains all estimate committee responses, will be finalised on Friday, 14 October 2011.

I propose to allow both the minister and the lead speaker for the opposition to make opening statements of about 10 minutes each, if they so wish. There will be a flexible approach to giving the call for questions, based on about three questions per member, alternating each side, if required. Supplementary questions will be the exception rather than the rule. A member who is not part of the committee may, at the discretion of the chair, ask a question. Questions must be based on lines of expenditure in the budget papers and must be identifiable or referenced.

Members unable to complete their questions during the proceedings may submit them as questions on notice for inclusion in the House of Assembly *Notice Paper*. There is no formal facility for the tabling of documents before the committee; however, documents can be supplied to the chair for distribution to the committee.

The incorporation of material in *Hansard* is permitted on the same basis as applies in the house, that is, that it is purely statistical and limited to one page in length. All questions are to be directed to the minister, not to the minister's advisers. The minister may refer questions to advisers for a response. I also advise that, for the purposes of the committees, television coverage will be allowed for filming from both the northern and southern galleries. I declare the proposed payments open for examination and refer members to the Portfolio Statements Volume 1. I invite the minister to make a statement, if he so wishes.

The Hon. J.R. RAU: I do not propose to make a statement.

The CHAIR: Do you have an opening statement?

Ms CHAPMAN: No, Chair, I am happy to proceed straight to questions.

The CHAIR: You have the call.

Ms CHAPMAN: Thank you. Most of these questions will relate to Budget Paper 4, Volume 1, but I will indicate page numbers and any other volume being referred to. I refer to Sub-program 1.4: Solicitor-General, page 22. Attorney, on 22 June, the Legislative Council passed a resolution calling on:

...the Attorney-General to move at the next meeting of the Standing Committee of Attorneys-General that the Standing Committee commission an assessment of the value of the national Criminal Cases Review Commission empowered by the legislation of participating jurisdictions.

My question is: has or will the Attorney-General act to put a national criminal cases review commission on the SCAG agenda?

The Hon. J.R. RAU: I recall a letter being delivered to me last sitting week. It may or may not be on this topic, but I have not turned my mind to it.

Ms CHAPMAN: In the debate on the motion, the now minister (Hon. Russell Wortley) referred to events in New South Wales in 2003 where the New South Wales government suspended the administrative Innocence Panel because it did not consider that, 'there were sufficient checks and balances to protect anyone other than the applicant.' That means the victim, their family and the wider community.'

'The Balding family has simply suffered long enough. I can't stand by and let other families suffer this too.' Minister Wortley stated: 'I wholeheartedly echo these sentiments. I cannot stand by and let other families suffer this too.' My question, Attorney, is, and it was the same reference point: does the Attorney-General support minister Wortley's view that a criminal case review process is inappropriate because victims just want a guilty verdict and do not care about the innocence of the convicted person?

The Hon. J.R. RAU: Mr Chairman, I do not believe that question has anything in particular to do with the item that we have been talking about. It seems like a question that might be quite reasonable at question time perhaps, but I do not see that it has any relationship whatsoever to the budget.

The CHAIR: You may well be right.

Ms CHAPMAN: I will just put 'decline to answer' then, shall I, Attorney?

The Hon. J.R. RAU: That is fine by me.

Ms CHAPMAN: Thank you. I have a third question. Page 12, on the Attorney-General savings initiatives: my question relates to the objectives of the Attorney-General's Department which include ensuring, 'public confidence in the protection of people's rights'. In response to a question from the Leader of the Opposition about the Premier's confidence in the Minister for Police, during question time on 18 May 2011, the Premier said:

I love the fact that she relies on the testimony of Martin Anders, who does in fact have a law degree, even though he is not... quite up to the standard of 'The Mullet', or bokie lawyers like Craig Caldicott or David Edwardson.

Such attacks on the profession, Mr Attorney, degrade the important work of the defence lawyers in fighting for the rights of their clients through the court system. So, I ask the Attorney why he has remained silent, thereby implicitly endorsing the Premier's attacks on the legal profession, particularly against the criminal defence counsel named, who are merely acting within their professional duty to protect the legal rights of clients?

The Hon. J.R. RAU: Mr Chairman, can I just, in a shorthand way to save time, repeat the answer I gave to the last question?

The CHAIR: You may.

Ms CHAPMAN: Supplementary.

The Hon. J.R. RAU: Supplementary to a non-question!

Ms CHAPMAN: Could the Attorney-General then suggest what he is going to do in his objectives, if it is not to ensure that the legal profession is treated in a respectful manner by speaking to the Premier about making sure this does not happen again?

The Hon. J.R. RAU: I repeat my earlier contribution.

The CHAIR: The shadow minister needs to draw a line to the Budget Papers.

Ms CHAPMAN: I did. I gave the quote. It was page 12 and the quote was: 'public confidence in the protection of people's rights'. I think I have made my point. My next question is at page 20 of Budget Paper 3. Here, there is a reference to the delay in the 2010-11 budget measure of 'court-awarded costs against police' which will result in the estimated \$1.6 million in savings not being realised.

The Hon. J.R. RAU: Yes.

Ms CHAPMAN: Was the Attorney-General aware that the changes to the criminal proceedings in the Magistrates Court would be included in the Statutes Amendment (Budget) Bill 2011?

The Hon. J.R. RAU: Yes.

Ms CHAPMAN: Did you, Mr Attorney, apply for that to be in the bill, or request the approval for that to occur, or did it come from another minister? If so, who?

The Hon. J.R. RAU: This measure was a budget measure from the last budget. As I understand it, it was there for a matter appropriately contained within the budget this year.

Ms CHAPMAN: My question was: had you asked for this measure to be in there or had it come from another minister and, if so, whom?

The Hon. J.R. RAU: I did not ask to have the matter placed anywhere in particular, to the best of my recollection. It was a matter which was a SBC recommendation at the last budget. It was a matter which became a measure in this budget. I do not know exactly how it wound up anywhere in particular, but there was no question but that the matter was going to be legislated for at some point after it was announced in last year's budget.

Ms CHAPMAN: In last year's budget there were a number of measures from the Sustainable Budget Commission, some of which have been reviewed and reversed; this is one which has continued. In fact, we have some legislation in the parliament at the moment. If you cannot recall where it came from, other than that it was in the Sustainable Budget Commission report, are you able to identify whether it came out of your department?

The Hon. J.R. RAU: I think what you are asking me to do is basically to explore the process of the sustainable budget process and various cabinet meetings that were occurring as a result of that, and I do not think it is appropriate that I explore that matter.

Ms CHAPMAN: I am very happy for you not to tell me what happened in cabinet or whether you agreed with what was put in cabinet or any of those decisions. I hear what you are saying, that is, the sustainable budget recommendation had come forward and it has been adopted. I am not undermining that or asking you to say that you did not agree with it, even if you did not, or anything else. What I am asking is whether it was a recommendation to the Sustainable Budget Commission that emanated from your department.

The Hon. J.R. RAU: I think it might be helpful for me to explain that I became a minister in March of last year. As I understand it, the SBC process had been underway, or was in the process of going on before that time. I do not have any recollection of contributing to this matter after I came in but, by the same token, it was probably already in by the time I came in. So, I am not sure I can help you much on that.

Ms CHAPMAN: So, at least to your recollection, it was not a matter that you were aware of that emanated from your department, but it could have? Is that what you are saying?

The Hon. J.R. RAU: Given my state of knowledge presently, I am not able to give you any more answer than I have already given. If you are asking: do I have a direct recollection immediately between the time that I was sworn in and the time the budget process began (which was within a matter of weeks) of bringing this forward myself, the answer to that question is no. But, whether it was already in the process and, if so, from where it came is a different matter that I presently do not know the answer to.

Ms CHAPMAN: I understand that, minister. Given that you have the senior people in your department next to you, do you think that you could inquire and advise the committee as to whether they have any understanding or knowledge of whether your department had presented this as a proposal?

The Hon. J.R. RAU: Would you like me to speak to them now?

Ms CHAPMAN: That would be helpful.

The Hon. J.R. RAU: I am advised that to answer that particular question would involve me in getting into cabinet issues and therefore I decline to answer it.

Ms CHAPMAN: Concluding on this issue then, minister, does the \$1.6 million net result include an allowance for additional costs that will be incurred by the Legal Services Commission?

The Hon. J.R. RAU: Can I take that on notice?

Ms CHAPMAN: Just so that we are clear about that, minister: obviously, if the initiative is introduced and the bill is passed and there is not an opportunity to recover costs, a very significant number of those cases will involve Legal Service Commission representation, which will then not be recovering that revenue back into its revenue stream.

The Hon. J.R. RAU: I understand your question. Exactly how many of them that might be and to what extent that is contained within that number, I cannot say, which is why I said I would take it on notice.

Ms CHAPMAN: I appreciate that, minister; thank you. I now move back to Budget Paper 4, Volume 1, page 80. There is an increase of inflows (or income that is going to come in) to the fund from the victims of crime levy. Is the government planning to increase the payments to crime victims and, if so, by how much?

The Hon. J.R. RAU: Do you mean on an individual basis or in total?

Ms CHAPMAN: On an individual basis.

The Hon. J.R. RAU: There is no current proposal to change individual payments. However, the numbers of payments fluctuate from year to year, and the aggregate payments, I believe, are expected to increase in the forthcoming year.

Ms CHAPMAN: As you know, minister, there is a \$50,000 cap on the individual entitlements. If there is going to be an increase in the levy, thus a greater amount of accumulated funds, you may say that it is necessary to retain that extra funding on the basis that there are going to be more claims. Equally, even though statements have been made by your department, particularly in *The Advertiser* on 30 September 2010, when the department confirmed that it would not consider raising the maximum, are you saying now that you may consider it or that it is still clearly excluded: there will be no change to that \$50,000 cap?

The Hon. J.R. RAU: I can say this: there is no contemplated change in that cap in this budget or contained within the forward estimates. If there are proposals about ways in which that fund might be applied in other ways (and you would need to recall that the fund is not only expended on those individual payments: there are other matters), those would be things that would be considered on a case-by-case basis.

Ms CHAPMAN: Apart from the current calls on that fund, of which there are a number and of which you are aware, is there any other proposed new feature or call on that fund by any other proposal in the next 12 months?

The Hon. J.R. RAU: Again, I am sorry to rephrase your question, but if it is, do I have a proposal to amend the act to broaden out, change or in some way modify the scope, there is no such proposal presently. I think the point needs to be made that there are indications that more people are becoming aware of the opportunity of making applications, and I have been advised that it is likely that there will be an increase in the claims on the fund in the year to come, but I emphasise that is within the current envelope; it is not a change of the arrangements.

Ms CHAPMAN: Where does the \$2.65 million inflow to the fund, listed under 'Other receipts', come from? We are still on page 80.

The Hon. J.R. RAU: I am advised that this item represents the amounts recovered from offenders in respect of Victims of Crime compensation payments awarded against them. This item also includes confiscation of profits revenue, so of course in any given year that will fluctuate according to how many people can actually be persuaded to part with money themselves as opposed to our parting with it. Anyway, I am advised those are the figures.

Ms CHAPMAN: Or who have got any money. That is usually the case.

The Hon. J.R. RAU: Indeed.

Ms CHAPMAN: In relation to the fund itself, is there a current balance? It is usually held, I think, somewhere in Treasury. Is \$81 million still the current balance?

The Hon. J.R. RAU: I am advised that we do not have available here a current balance, but we will get back to you with one.

Ms CHAPMAN: I think that somewhere in the Treasury list they give a list of all the funds. Our observation of it was that it had very substantially increased—something like \$50-odd million, I think \$54 million when I last looked at it—and it has nearly doubled in the money that is there. That could be because there was a particularly low level of claims in the year that is about to conclude, or that a number of cases are still pending and have not concluded. Sometimes there can be some artificial components of that, so I will be asking my colleague the member for Norwood to ask for some detail in respect of the fund.

I suppose the general question I would ask is: with such an accumulation of funds, and although there is the capacity for funds to be allocated to child abuse victims—which is, of course, another aspect of potential call on that fund—there seems to be an ever-increasing bounty of funds, surely some consideration could be made to allow individual victims to have a higher claim?

Unless it was going to be earmarked for some purpose which has some merit and which you would bring to parliament to seek out support.

The Hon. J.R. RAU: I am reminded that I am not an actuary which, of course, is absolutely true.

Ms CHAPMAN: Probably blindingly obvious, isn't it?

The Hon. J.R. RAU: Blindingly obvious, yes. I am not proposing to bring any measure to the parliament presently which will change the envelope of opportunities for payment, although that does not prohibit new cause—if they are meritorious—within the present arrangements. At the present time there is no plan to change the quantum of payment.

Mr MARSHALL: I want to ask a question of clarification. There has been an ongoing increase in the Victims of Crime Fund receipts over expenditure, and this has been going on for some time. My understanding is that the balance of the account at the moment is sitting at somewhere around \$80 million. Are you saying that there is no plan whatsoever considered by your department or by the government to increase the individual payments?

You have identified that maybe there is some ongoing increase in the volume of people making applications, so you times those two things out and you have made it quite clear that there may be an increase in the aggregate paid, but they were already considered in the forward estimates, so there is still a massive over-accumulation of funds. Are you saying to us here today that there is no plan considered by the government for use of those surplus funds?

The Hon. J.R. RAU: There are a lot of assumptions contained in that question and, by answering the question, I will not acknowledge that any or most of those assumptions are right; for example, there has been progressive growth of the fund without interruption and so forth. I do not have the figures here to be able to answer that one way or the other. However, as I said to the honourable member for Bragg, the government has not decided to increase the individual payments in the fund.

Mr MARSHALL: You said they have not decided but before you said they have not 'considered'. Was your earlier statement correct: that they have not considered increasing the individual payments, and also that you have not considered any other form of payments from the fund?

The Hon. J.R. RAU: As I said, there has been no decision taken by government in relation to either of those matters within this present budget period or the forward estimates.

Mr MARSHALL: Also, on the victims of crime levy, the 2010-11 budget stated that it anticipated payments of \$15,741 million from the Victims of Crime Fund and yet the 2011-12 budget lists an entirely different figure of \$21.325 million in the 2010-11 budget column. Why was this budget figure changed?

The Hon. J.R. RAU: Thank you for that question, member for Norwood, and your question actually underscores the point I was making about the projections jumping around from year to year. I will just have a look.

Mr MARSHALL: I suppose the question is: did the standardised figure represent an increase in the victims' compensation claims—the number?

The Hon. J.R. RAU: Yes. That is a very good question. I think that might be difficult to answer. I will let you know what I am advised in relation to that question, and you will see what I mean. I will just answer that as best I can. This is what I am advised. There are some changes in the budget information presented in additional information for AGD administered items.

In the 2010-11 budget papers, budget impacts associated with the ex gratia scheme announced to deal with the Children in State Care matters were not reflected as payments from the Victims of Crime Fund. This was due to some uncertainty at the time regarding where these payments should be reflected. This issue has been clarified and this budget information is now shown against the Victims of Crime Fund in the 2011-12 budget papers.

Mr MARSHALL: How many applications from victims were received under the Victims of Crime scheme in 2010-11?

The Hon. J.R. RAU: I am being offered 'about', and I do not think you want 'about'. You probably want 'exactly', so I will take it on notice.

Mr MARSHALL: The second question on that theme is: how many payments to victims were made under the Victims of Crime scheme in 2010-11, what was the average payment, how many payments were at the maximum payment level and what proportion of payments were in each \$10,000 range?

The Hon. J.R. RAU: Again, I will take that on notice.

Mr MARSHALL: How many applications from victims were received under the Victims of Crime scheme for victims of abuse in state care in 2010-11—you may like to take that on notice?

The Hon. J.R. RAU: I will.

Mr MARSHALL: How many payments to victims of abuse in state care 2010-11 were made under the Victims of Crime scheme in 2010-11? What was the average payment, how many payments were the maximum payment and what proportion of payments were in each \$10,000 range?

The Hon. J.R. RAU: I will take that on notice so you can get the proper answers. In general terms, in particular about the children in state care issue, you need to bear in mind that the children in state care group contains a mix of people. Some are people who were identified by Justice Mullighan in his report and some are people who were not. In either case, these people may or may not be pursuing a common law remedy. Some of them quite understandably have a foot in both camps: they have a claim sitting somewhere with a lawyer, but they are also exploring with the government what options lie there for them should they resolve the matter through the scheme.

It is also the case that, even though obviously the criteria for establishing a claim are far more generous probably under the scheme than they would be having to prove the matter at common law, there are still certain matters which I guess you would put down as due diligence which need to be done by the department before processing, recommending or making an offer in respect of a particular matter.

For example, if a person indicated that they were between a particular age and another age, a person residing at a particular state institution, and all the records of that institution are available for that period but that person's name is not there, that raises an issue, or, if they say they have suffered certain consequences and a medical report from a relevant practitioner says it has nothing to do with whatever it is they are complaining of here but is sourced through substance abuse, mental illness or whatever it might be.

In general the terms the threshold for having an opportunity to receive a payment is clearly lower for people under the scheme than it would be at common law, but there are basic due diligence inquiries that need to be made. In the case of some people that is easier and more quickly done than in the case of others. That can be a matter which has nothing to do with the individual claimant; it might be to do with the state of the records for particular institutions or whatever.

Mr MARSHALL: Hence I asked the question in two parts: what were the number of applications and what were the number of payments for that precise reason.

Ms CHAPMAN: The answer you provided, minister, suggested that there had been a number of claims submitted for victims of child sexual abuse while in state care who had not been participatory in the Mullighan inquiry, and this was always—

The Hon. M.J. ATKINSON: Not being participatory in the Mullighan inquiry.

Mr MARSHALL: Not included in the Mullighan inquiry.

Ms CHAPMAN: Just ignore him, he is completely irrelevant now. He is a complete fossil—leave him alone. This was one of the aspects, minister, which raised some concern about, if a fund was made available as some indemnity for those who were victims as opposed to the inquiry and that had been identified, that a whole lot of other people might come out of the woodwork who had not necessarily been identified and this could be a very significant call on public funds. It is one of the national explanations as to why these funds are capped, etc. I will not go into the model we have in South Australia because that is obviously something that has been at issue over some time.

In addition to the information that you have undertaken to get for the member for Norwood, could you also identify the number of applications for funds from victims of child sexual abuse while

in state care who had not given evidence or made a submission to the Mullighan inquiry in this last preceding 12 months?

The Hon. J.R. RAU: Yes, I will undertake to do that. I am sure they can be ascertained in that way, and I will get that information. Your question actually, member for Bragg, underscores to some extent the point I was making about due diligence. Particularly, if a person had not given evidence before His Honour in his inquiry and then emerges later with various accounts of things, then whatever level of scrutiny Justice Mullighan was able to offer—and I think, to be fair to him, he was more interested in hearing people stories and offering them some sort of closure or support—

The Hon. M.J. Atkinson: He wasn't testing their claim.

The Hon. J.R. RAU: He wasn't testing their claims, as the member for Croydon said. Even those people who had given evidence to His Honour are not necessarily people that His Honour spent a lot of time proofing on details of their history. But I understand the question, and we will do our best to get a report back.

Ms CHAPMAN: Minister, I would like to return to page 26—actually I will go to page 25, because there was one question I had about the transfer of funding under youth justice which has come to you from Premier and Cabinet. At about point nine on page 25 is the funding for the \$0.6 million which apparently has been transferred to you in the 'To Break the Cycle' report which, as you may be familiar, related to the investigation by Monsignor Cappo into what is colloquially known as the gang of 49. My question about that, minister, is that now that that is under your jurisdiction, has there been any improvement? I think last year we were down to the gang of 48. Can you provide us with any explanation as to whether there has been an improvement since then?

The Hon. J.R. RAU: Again, I would have to find out how many people are presently in Her Majesty's custody. I can say this: there is no such thing as the gang of 40—anything. What you have is a cluster of people, who are not necessarily the same group of people at any given point in time, who are often related or friends of relatives or whatever who from time to time wind up doing extremely foolish and dangerous things and come to the attention of the police. They are quite properly locked up when they are found. But as to exactly who is out there and who is not out there, I think the problem with your question—with respect, member for Bragg—is the precept that there are 49 of them and all we have to do is take one off and then we have 48.

Ms CHAPMAN: It was just that the information had been publicly made available last year about them actually getting down to 48, and I just wondered whether there had been any improvement. You are really saying that you are not sure whether the 48 is accurate in the first place or that the 49 exist.

The Hon. J.R. RAU: Exactly. All I can say is that we do know there are a lot of very troubled young people out there who are doing the wrong thing, and a lot of the crime involves motor vehicles or assaults or robbery, or things of that nature, all of which are extremely dangerous and extremely antisocial and need to be taken very seriously. But the government has been doing a number of things, and I would like to pay tribute to the head of the department, Jerome Maguire, who is, if nothing else—and he is many other things—a terrible Port Adelaide tragic and a big supporter of the Power Cup.

I had the great privilege of being with Jerome the other day when the process was launched, with all of these young people from all around the state dressed up in outfits that they had designed themselves. There is a substantial commitment being made in the order of \$97,000—odd out to 2014, I think, for the Aboriginal Power Cup. We had some—

Mr MARSHALL: I am not sure that we asked a question on that.

The Hon. J.R. RAU: Don't you want to know about the Power Cup?

The Hon. M.J. Atkinson: You asked about Breaking the Cycle.

Mr MARSHALL: The question regarding Breaking the Cycle was really that \$600,000 had been transferred from your department to the Premier's department. Can you confirm that this money is still being allocated to achieve the recommendations of the report?

The Hon. J.R. RAU: I understand from the advice I have just received that the money has gone into the Department of the Premier and Cabinet, which is funding activities primarily within Families and Communities from that.

Mr MARSHALL: Directly relating to the recommendations of the Breaking the Cycle report?

The Hon. J.R. RAU: Yes.

Mr MARSHALL: Also, how much funding remains in the Attorney-General's Department for justice youth reform?

The Hon. J.R. RAU: I am advised that the number is very close to zero because that particular element in Attorney-General has been closed down and moved across, because Families is now predominantly managing that matter.

Mr MARSHALL: I think I prefer it with you, quite frankly. I think we would all prefer it with you.

The Hon. J.R. RAU: I think families and communities is best placed to manage these things given their other related responsibilities. I am advised that the Attorney-General's Department role in the matter has effectively ceased.

Ms CHAPMAN: Concluded?

The Hon. J.R. RAU: Yes.

Ms CHAPMAN: Had you asked that that be the case, or had Families and Communities asked for it, or had the Premier just directed that it happen?

The Hon. J.R. RAU: Well, again, is that a budget question?

Ms CHAPMAN: You just indicated to me that it had gone across.

The Hon. J.R. RAU: It has.

Ms CHAPMAN: It is in there, it has been transferred. I am really asking why.

The Hon. J.R. RAU: Yes, I know, and I am not sure if that is a budget question.

The Hon. M.J. Atkinson: Is this what passes for scrutiny?

Ms CHAPMAN: It would if we got some answers, and it would help if you did not interject. Page 26—the public integrity office, which is the new slimline ICAC that we are going to get.

The Hon. J.R. RAU: Now we are talking.

Ms CHAPMAN: We saw the magnificent announcement—a big exclusive—on the front page of the *Sunday Mail* on 5 June about how we were going to have a public integrity office following on from the announcement that there would be a review of what should be appropriate in the latter part of last year. In that article, it suggests that this public integrity office will be operating on 1 July 2012.

The Hon. J.R. RAU: That is the plan.

Ms CHAPMAN: Given that there is not one dollar allocated for this public integrity commission before 1 July 2012—even for the recruitment of personnel, for someone to be in charge, or to do anything, let alone rent an office—will the Attorney now confirm when it will actually be up and running?

The Hon. J.R. RAU: I thank the honourable member for Bragg for her question, and I am very pleased to be able to talk about the subject. The first thing I would like to say to her is: gaze around this room and imagine it full of people who actually belong here, and imagine what they might be doing with our legislation, and then answer your own question. I think, if it is up to us and if we have the full cooperation of the opposition and the other parties in this place, then the commission will be up and running on 1 July, as envisaged.

If, however, the same approach that was taken to the fairly simple proposition (I thought) that people who have a violent criminal record should not be walking around carrying knuckledusters is picked up and we wind up with 80 amendments to a fairly simple piece of legislation, we could be here for years before we get there. God willing, and the upper house willing, it is our intention that the matter will be resolved to the point where it is up and running in that year.

Ms CHAPMAN: Okay; so not on 1 July 2012. The article suggested it was going to be operational and I think that what you are saying is—

The Hon. J.R. RAU: I would like it to be operational.

Ms CHAPMAN: —that there is a legislative program and, with the support of the parliament—

The Hon. J.R. RAU: I would love it to be operational. It would be lovely.

Ms CHAPMAN: —it could progress.

The Hon. J.R. RAU: I would be happy with that. We would love that

Ms CHAPMAN: There is no money. I suppose the point, minister, is—

The Hon. J.R. RAU: In the unlikely event—

Ms CHAPMAN: There is actually no money.

The Hon. J.R. RAU: In the unlikely event that a new spirit of cooperation dawns upon some of your colleagues, then I am confident that we will find whatever transitional funds are required.

Ms CHAPMAN: Okay.

The Hon. J.R. RAU: However, can I say that a lot of the debate and discussion about this measure has been very uninformed. I am sure the member for Bragg has read the discussion paper, but many of the other commentators have not. Some of the broad and sweeping statements that are made about the government's proposition are just, quite frankly, completely wrong—remarks like it is going to be ICAC-lite and all this sort of stuff.

I think that, the difference between (as I have understood it, anyway) the proposition the opposition is putting up and the proposition the government is putting up, at the moment, appears to be that we are not trying to have a publicly-funded inquisition in the public eye. We are saying that we should be able to have a very serious sophisticated investigator, with considerable coercive powers and other powers that that person might need, to operate to crack cases of corruption in public office. We are deadly serious about offering that person every opportunity to do that.

Ms CHAPMAN: I think, specifically, you actually propose, in the first instance—to use the words in the budget—to refer it to the agencies relevant to where you think the situation needs to be addressed. As I say, I did not want to get into a debate about—

The Hon. J.R. RAU: No, I understand.

Ms CHAPMAN: —what you are proposing because we will deal with that in the legislation.

The Hon. J.R. RAU: It is worth explaining, member for Bragg. I will not move onto balloons and ping-pong balls, but if you can imagine a big funnel. Start off with a big funnel, okay?

Ms CHAPMAN: Can I just say on the ping-pong balls, I think I was the only one in the parliament who understood.

The Hon. J.R. RAU: You got it. You understood what I was talking about.

Ms CHAPMAN: I translated that to McLaren Vale and all the towns down there and it must make sense.

The Hon. J.R. RAU: Thank you very much. I knew you would get it.

Ms CHAPMAN: So, where are we? Back to funnels, did you say?

The Hon. J.R. RAU: The member for Schubert seemed to be still scratching his head, even when you were explaining to him.

Ms CHAPMAN: That would not be surprising, actually.

The Hon. J.R. RAU: Anyway, we start off with a big funnel. The big funnel is like the front door or the one-stop shop point of entry, or whatever you want to call it. That is basically serving a number of functions. Number one is we have a number of people getting back to us saying, 'It is all too confusing. We don't know whether we should go to the PCA, the Ombudsman, the ACB, or whoever.'

The Hon. M.J. ATKINSON: Or all of them.

The Hon. J.R. RAU: Or all of them. 'We just don't know what to do.' The idea was to make it easy for the public to be able to say, 'Here is where we go. Here is the front door. When you get

in the door, you get sorted.' You get sorted into, 'Look, the best place for you to get looked after at the present time appears to be the Ombudsman,' or it appears to be the PCA, the Auditor-General or wherever it is going.

That is not the whole outfit: that is just the front door. It is just the front door. Then, sitting at the back of all of that is something which, for the life of me, I cannot distinguish from a commissioner in the same style as the powers of the person who operates in any other state. Anyway, you are quite right, it is probably a debate for another day.

The CHAIR: Before the shadow minister asks her next question, I remind members that we are now five minutes overdue. It does not particularly disturb me, as long as you are aware that what you take now you will not get in either the Electoral Commission or the Courts Administration Authority. Nonetheless, that is to a degree in your hands.

Membership:

Ms Sanderson substituted for Mr Marshall.

Ms CHAPMAN: I will conclude just on one question, minister, and it is on page 79, relating to grants and subsidies. Under the item Expensive State Criminal Cases in 2010-11, what were the cases that were funded in this category and to what level?

The Hon. J.R. RAU: I can tell you in general terms what they are and you let me know whether that is adequate, because I think to go further might create some other difficulties. In the Legal Services Commission, if the commission is presented with a case which appears to be, for whatever reason, particularly complex or likely to be very, very expensive, there is a requirement that they provide an estimate or a plan, in effect, for the management of that expensive case, and they put a value on that plan. That plan is then forwarded to the Attorney so that the Attorney is able to note that that plan has been put in place.

Those plans and arrangements are arrived at by the commission, not by the Attorney. In any given year, how many of them there are will depend on what is going on in the courts. Subject to there being some issue about privilege, releasing the name of particular litigants, I do not have any objection to providing what further detailed information we can about those matters, but I indicate there may be privilege issues, and obviously we would not be naming people.

Ms CHAPMAN: I understand that and, on that proviso, I would be happy to receive that on notice. Thank you.

The CHAIR: Thank you, minister, members and advisers. There being no further questions to the minister, I declare the examination of the proposed payments adjourned until tomorrow.

COURTS ADMINISTRATION AUTHORITY, \$88,314,000

ELECTORAL COMMISSION OF SOUTH AUSTRALIA, \$3,129,000

Witness:

Hon. J.R. Rau, Deputy Premier, Attorney-General, Minister for Justice, Minister for Urban Development, Planning and the City of Adelaide, Minister for Tourism, Minister for Food Marketing.

Departmental Advisers:

Mr J. Maguire, Chief Executive, Attorney-General's Department.

Ms K. Mousley, Electoral Commissioner, Electoral Commissioner of South Australia.

The CHAIR: I declare the proposed payments open for examination and refer members to the Portfolio Statements, Volume 1. I presume that the minister is not going to require an opening statement, but he can make one if he so wishes. I will now go to the member for Bragg for opening questions.

Ms CHAPMAN: I refer to page 204. In relation to the general election of the state parliament in March 2010, when is the report of the Electoral Commissioner going to be released?

The Hon. J.R. RAU: I am advised that in the next couple of weeks it is likely to be released.

Ms CHAPMAN: I just noticed that in the highlights of this year all the analysis has been completed, so I am assuming the report is done and it just needs to be received by you, minister, and tabled.

The Hon. J.R. RAU: I believe so, yes: final proofing and then to me.

Ms CHAPMAN: Thank you. I know the member for Croydon is rather looking forward to seeing it. He loves to see my primary vote is beating his. I move to page 205. I am really talking about the \$60,000 that was spent here. Do you see that there on page 205?

The Hon. J.R. RAU: Yes.

Ms CHAPMAN: That was spent as a sort of capital works or investing expenditure, as they call it. I would really just like to know what that was spent on. It did not actually show up as even a proposed expenditure for the budget, and then it was spent, and now there is nothing proposed for this year. So, I am assuming that it is some kind of unexpected expense.

The Hon. J.R. RAU: I am advised that it is local government election note counters and letter openers.

Ms CHAPMAN: On the basis that we were always going to have a local government election, is there some reason why it had not been budgeted for?

The Hon. J.R. RAU: I am advised that there has not been an ongoing program for replacement of this type of equipment or material, but that is now being considered.

Ms CHAPMAN: The 141,000 listed as the 2010-11—

The Hon. J.R. RAU: That was for the state election, for the same thing and for computers, I am advised.

Ms CHAPMAN: Was any public awareness campaign budgeted for?

The Hon. J.R. RAU: Not in investment, I am advised.

Ms CHAPMAN: So, this is really just the state election equivalent of the local government expenditure?

The Hon. J.R. RAU: The state election equivalent, yes.

Ms CHAPMAN: The member for Adelaide is very interested in this topic and she has some questions for you.

Ms SANDERSON: The select committee in relation to the 2010 election recommended that the Electoral Commission work with other electoral administrations, particularly the Australian Electoral Commission, to foster and implement electoral innovations to facilitate the votes of people with a disability. Can the Electoral Commissioner confirm whether there is any expenditure in the 2011-12 financial year that would address this recommendation?

The Hon. J.R. RAU: I am advised that the answer to that is no.

Mr GARDNER: Further in relation to the select committee, that committee also recommends that the Electoral Commission's information technology staffing and resourcing be enhanced. The commissioner advised the committee that the commission has only one IT specialist on staff, as I understand it. Given the increasing reliance of the commission on information technology, is this a vulnerability for the commission both in terms of capacity to utilise IT solutions in its strategic directions and the potential impact the loss of such a crucial staff member might have, especially if that happened to be during an election?

The Hon. J.R. RAU: I might invite the Electoral Commissioner to answer that because it does go into a matter of administration in some detail.

Ms MOUSLEY: In relation to our systems, at the moment we have a backup facility with Service SA, and a number of our programs have now been put onto a web front-end. As a result of that, they do a lot of backup and administration assistance, as required, at election time. I know that it is a potential risk we are looking at, and that is why I raised it with the joint select committee.

I am also looking to increase the number of full-time equivalents within the area. Of course, at the moment, there is also a cap within government on Public Service staffing, so I am trying to

look at other options as to how I might fill another position within the IT area. We are also looking at a review of our IT infrastructure and our business processes. I am hoping that, as a result of that process, there might be a recommendation as to what type of skill set we need to take the organisation into the future.

Ms SANDERSON: Recommendation 17 of the Legislative Council's select committee suggests increasing the use of web-based rolls (iRolls) to detect and prevent multiple voting. What is the commission planning in terms of future use of web-based rolls going forward?

The Hon. J.R. RAU: Again, I think that is a matter of detail for the commissioner rather than me.

Ms MOUSLEY: Web-based rolls have not been used fully in South Australia to date. In the 2010 election, we had a Palm Pilot, which was on loan from the Queensland Electoral Commission, which gave a look-up facility for an elector's address on the roll to confirm the address for which they were claiming a vote. What the commission is looking to do in the future, subsequent to funding and the proposal being drawn up, is to consider the option of using real-time mark-off of our rolls in polling places, but in saying that I am well aware of the cost and the infrastructure requirements.

It would be impossible, for instance, to have it in each of the 700 polling places that we currently have, so we need to give some time to consider how we might get the optimum outcome for that proposal. Yes; I would like to see that, in 2010, subject to funding and other IT constraints that we might have, we can actually move forward in that direction.

Ms CHAPMAN: Just following on from that, is the question—and it is always a vexed one—of how one prevents multiple voting by some unscrupulous person who wants to vote a number of times and frustrate the whole democratic process. There is no funding allocated to go to the electronic version of how we might manage this, and I suppose even if it was in some years forward, in reality we are going to be dealing with this issue again in 2014 at the state government level and in 2013, presumably, if not before, for a federal election. What is the current process that you utilise and how do you think that is best able to be managed in the meantime until we have some electronic way of dealing with this?

The Hon. J.R. RAU: I will ask the commissioner to answer.

Ms MOUSLEY: At the moment the incidence of apparent multiple voting is reasonably low, but we have a system in place whereby the rolls from the marginal seats are collected on the Saturday as soon as the polls close at 6 o'clock. They are then taken to a facility where we do the scanning of those rolls, and the clock marks are read into a program. So they are people who have cast an ordinary vote on polling day itself, and before we proceed to any scrutiny for any type of declaration count after polling night, which usually might commence on the Sunday at the earliest, we are able to identify any potential multiple voting cases so that we can extract and hold out their declaration envelope to ascertain whether it was that person who we marked off in the polling place (had there been a human error in that mark-off or not?) before we admit that vote to scrutiny.

I would like to think, though, that in the next 12 months we will be able to put a proposal to the minister and obviously to the Department of Treasury that might suggest that, if in the future we can move to an automatic mark-off, this would actually go further in enhancing and protecting the voter's franchise, and also ensuring that the number of potential multiple voters is reduced and minimised; but that will obviously come at a cost that is not currently captured within the ongoing election budgets.

The Hon. M.J. ATKINSON: Can I ask a question? Commissioner, when your officers confront people who appear to have voted twice, or indeed more often, because their name is crossed off the roll more than once, what are the common reasons they give?

Ms MOUSLEY: In 99 per cent of those cases it tends to be elderly people. They have had a postal vote or they have had a mix-up with someone coming in through a declared visits program, or alternatively some generous son, daughter or family relative has taken them to the polling place on the day and the elderly relative has forgotten they have had a vote. So it is quite unintentional and it is very low numbers.

Ms CHAPMAN: But it is sufficiently a potential problem for you to put a recommendation to the inquiry of the Legislative Council which has culminated in this recommendation?

Ms MOUSLEY: I think that was more to do with trying to move forward with the improvements that technology can add to a process. Other states are looking to trial automatic

mark-off of rolls. I know that in Victoria, for instance, in November of last year, in a number of designated polling places they had real-time mark-off of their rolls, and they had a lot of logistical issues due to the fact that some of their polling places are in premises with limestone walls.

They struggled with connectivity. They also had a very severe thunderstorm the night before that also caused issues. So there are a lot of external factors that you need to consider and obviously contingency plans in how you might be able to bring something like that forward but mitigate all the possible issues that are out there.

Ms CHAPMAN: At any rate, the member for Croydon's question highlights the fact that it suggests that those who do commit this multiple voting act are probably mostly unintentional, so we are not trying to arrest some mastermind movement, like the member for Croydon trying to become the member for Bragg or anything else.

The Hon. M.J. ATKINSON: I wouldn't want that.

Ms CHAPMAN: No, and they wouldn't have you anyway.

The Hon. M.J. ATKINSON: I am sure that is right.

Ms CHAPMAN: Through you, minister (or you may wish to answer this yourself), in relation to the Electoral Districts Boundary Commission, we are now in 2011: what is the current timetable for that to be progressed, both for opening and closing of submissions and so on? What is your anticipated timetable?

Ms MOUSLEY: The timetable has not been formed because I am waiting on the appointment of a chairman, and that will come through as advice from the Chief Justice for the senior puisne judge to be appointed as chairman of the Boundaries Commission. The changes to the Electoral Act in December 2009 changed the time commencement for the Boundaries Commission from within three months of polling day to within 24 months of polling day.

I have had discussions with the Chief Justice about the availability of data. There were some issues with getting the appropriate demographic data, the most recent set of information, which has just been confirmed from Planning SA. They are looking to have that data available by the end of July or very early August at the latest, so I have advised the Chief Justice that now that we are getting close to the data being available so that we can start looking at the information, it is now perhaps a relevant time to consider the appointment of a chairman, and the Chief Justice has that in hand at the moment.

Ms CHAPMAN: I understand that, of course, the reasons to expand this timeframe are really to reflect what is workable and I think the legislation has appropriately reflected that. However, we are now 14 months (if not more) into that 24-month timeframe and what you are saying to me is that you are really getting the machinery of information and data available before you ask the Chief Justice to make the appointment.

Ms MOUSLEY: No. The Chief Justice made an appointment earlier of a chairman, and that appointment, I believe, was gazetted. As soon as I was aware of that, I went back to the Chief Justice to advise that, because of the change in the commencement date from three months to 24 months and the availability of data that we could use as a base, we would not be able to proceed as quickly as he had anticipated.

Ms CHAPMAN: So it was really you saying, 'Look, it's not appropriate to proceed because we haven't got the information yet'?

Ms MOUSLEY: That is correct.

Ms CHAPMAN: If that is available by August, are we anticipating that the commission will then deal with this matter over the following six, 12 months or what?

Ms MOUSLEY: I think the 2007 Boundaries Commission took some nine months from beginning to end. That would also depend on the availability of the judge's court hearings, timeframes, etc. and other availability issues. Depending on who the Chief Justice is looking to appoint to this position, we would then have to sit down and work out a schedule of hearings and other timeframes and, as soon as the chairman has been appointed, I will then be getting in touch with all the relevant major parties to advise them of the appointment and confirm some of the dates. Of course, until the commission has had that first meeting to set the dates and appoint staff, it is somewhat in the lap of the gods at this point in time.

Ms CHAPMAN: Assuming we look at the precedent of previous commissions on this, we are really looking to the end of 2012 before we can expect a draft boundary—

Ms MOUSLEY: No. I would hope that, having done the little bit of preliminary work on possible timings—and I do not think it would be appropriate for me to comment on what they might be—I would suggest that perhaps in about 12 months' time we should have a concluding report.

Ms CHAPMAN: A concluding report.

Ms MOUSLEY: If everything went well and, for instance, if we took our nine months, that is still giving us a three-month buffer to consider as a contingency. However, until we have had our first meeting that would not be able to be confirmed.

Ms CHAPMAN: One of the issues I wrote to you (and other members may have written to you about)—sorry, I am directing this question to the commissioner, if that is all right, minister. Is the question of how—

The Hon. M.J. ATKINSON: Well, actually, it isn't.

Ms CHAPMAN: Mr Chairman, through the Attorney, I would like to ask the commissioner a question. Of course, he will indicate whether or not that is appropriate when he hears my question. I am sure he will be interested to hear it, as I am. The question always arises, post the redrawing of boundaries, of the new areas that are to be covered in (in this case) the 2014 election and which candidates at that election will present themselves for the new boundaries.

One of the curiosities of this process is—assuming for the moment that the decision is published as to the new boundaries by mid 2012—the question of when they come into effect, and who should be representing people in the new and the old areas. Obviously, this continues to be a bit of a vexed issue.

I think it is fair to say that there has been a recognition, at least amongst the major parties (and some of this has been with the support of your office), that correspondence with people who were in the electorate boundary at, say, the 2010 election could cease up to six months before the next election. Prior to that it was really only confusing for the electors with what was, ostensibly, correspondence coming from two sitting members of parliament.

While I suppose that is recognised and adhered to by most members of parliament so that we minimise this frustration to the electors, does the commission have a view as to how we might best deal with this in the future as to when the commencement date of these electoral boundaries would take effect? Currently it seems to be unclear.

The Hon. J.R. RAU: Before the commissioner gets in, can I say that it is my understanding that, as a matter of law, they commence on the day of the election.

Ms CHAPMAN: I think the commissioner is going to give—

Ms MOUSLEY: The order for the new boundaries is effective three months after the gazettal date, but they become effective on the election day.

Ms CHAPMAN: Once the boundaries are identified, though, the problem is about writing to electors in new areas—and I think you understand this problem, because it has been the basis of correspondence between your office and mine, and probably other members. As I said, there has been a sort of agreed position between the major parties about how we might best try to deal with that, but it is not binding. So I suppose the question is in the sense of how we might best address that in the future.

Ms MOUSLEY: I have an issue from the electors' perspective, in that when a member is elected they are elected on the current boundaries and they should represent the interests of those people right through that full four-year term. With the boundaries becoming effective on polling day, from an operational perspective, I do not believe it is appropriate that a member for the new boundaries is writing to someone outside their current area.

Ms CHAPMAN: Even during the election period?

Ms MOUSLEY: The election period is quite different, because they are effective on polling day, so I consider the election period to be after that date that they are effective. However, of course, we all know that in practice and reality, as soon as the election period starts, there is a plethora of information out there from all candidates, regardless of the new/old boundaries, or whatever it might be, and I think that is a reasonable practice.

Ms CHAPMAN: So, essentially, you would say that it is reasonable for electors to receive information during that election period and not before?

Ms MOUSLEY: I would suggest that it is general practice that in every election period there is a vast amount of information from all the candidates vying to get the electors' attention to vote for them. It would be a normal practice.

Ms CHAPMAN: I understand that, but do you recommend that there be correspondence before that election period?

Ms MOUSLEY: I would not like to answer that question.

The Hon. J.R. RAU: The member for Bragg might, in due course and perhaps informally, direct those questions to a person formerly associated with the zoo board, who has views on many things.

Ms CHAPMAN: Yes, of course, that relates to the question of how we spend our funding, including global allowances and electoral allowances. Of course, it is open for members, minister, to use their own resources if they want to or their party's resources.

The Hon. J.R. RAU: Indeed.

Ms CHAPMAN: So unfortunately just the restriction of some, dare I say, Hitler in a department, is not going to remedy what is otherwise a problem.

The CHAIR: We will move now to the Courts Administration Authority.

Departmental Advisers:

Mr J. Maguire, Chief Executive, Attorney-General's Department.

The Hon. J. Doyle AC, QC, Chief Justice.

Mr G. Thompson, State Courts Administrator, Courts Administration Authority.

Mr S. Matters, Director, Corporate Services, Courts Administration Authority.

Mr T. Pearce, Manager, Finance, Courts Administration Authority.

Mr M. Church, Manager, Management Accounting Services, Courts Administration Authority.

The Hon. J.R. RAU: Can I make a very brief opening remark?

The CHAIR: You want to make a brief statement this time. Certainly.

The Hon. J.R. RAU: I want to get out in front of the honourable member for Bragg, and quite possibly His Honour, and say that anybody who has visited the Supreme Court Building realises that it could be better. I think everybody agrees on that point and sees it as an important matter.

The CHAIR: Does the shadow minister wish to make any opening comment or go straight to questions?

Ms CHAPMAN: No, I am happy to go straight to questions. I refer to page 138. I am going to start on probate fees; I am sure you will be thrilled to know that. The fees and charges for the 2011-12 financial year were gazetted on 9 June 2011. The court fee for family or beneficiary of a deceased to obtain probate has been increased by 18 per cent from \$841 to \$995. Can the minister confirm that this fee is reflected in the budget papers?

The Hon. J.R. RAU: I am advised as follows in relation to probate fees: in the 2010-11 budget, which was of course last budget, cabinet approved an increase in fee for lodging an application for a grant of probate or administration of 15 per cent plus CPI. This resulted in fee increasing from \$841 to \$995, which was an increase of 18.3 per cent, as the member said.

Comparative information suggests that there are a range of fees that apply in other states. In New South Wales, the fees are on a sliding scale to do with the size of the estate under administration, and those fees go from zero for less than \$50,000 up to \$1,741 for in excess of, I think, over \$1 million. Other states vary, so it is more than some and less than some in New South Wales. I believe that, from the information I have in front of me, New South Wales is the only one that adopts this sort of graduated fee structure. Victoria has below \$1,000 and above \$1,000, so there is a moderate level of that in Victoria.

Ms CHAPMAN: Was this quite substantial increase a recommendation of the Sustainable Budget Commission?

The Hon. J.R. RAU: I think we are again back to where we were in one of our earlier series of questions. It has certainly emerged out of that process, but exactly how and where is, I think, difficult to say. Perhaps it might be intruding into cabinet matters, but it certainly emerged in that process, yes.

Ms CHAPMAN: In respect of questions about the Sustainable Budget Commission, I, like probably half of South Australia, have a leaked copy of the Sustainable Budget Commission report—

The Hon. J.R. RAU: Alleged.

Ms CHAPMAN: —and it is featured there. So, my question is—and you can say that it is a cabinet matter if you wish—with it being there, it appears that this was a recommendation from your department; are you able to confirm that?

The Hon. J.R. RAU: I think I will stick with my earlier answers.

Ms CHAPMAN: This large increase—above the CPI, as you have indicated—is one about which I would like to know a little more about how the funds will be applied, and whether any of these funds, significant as they are, are going to be dedicated towards extra resources in the Supreme Court, or in the Probate Division particularly. I am sure that you, minister—as I—have considerable correspondence from lawyers and family members about the considerable delay in the processing of wills, and particularly obtaining probate. Can you perhaps advise the committee of that?

The Hon. J.R. RAU: I will say a couple of words on this and then maybe hand over to the Chief Justice and/or Mr Thompson, depending on who feels they wish to go into the administrative aspects of that. I cannot but agree with you that there has been—and continues to be—a number of complaints around the place about the delays in having probate matters processed. People such as the Public Trustee, for example, are equally concerned about these matters. However, I think it is fair to say that the court is aware that there has been some concern about these matters. Perhaps I could hand over to Mr Thompson with regard to how the resources are being moved around in relation to these matters, or to the Chief Justice.

Chief Justice DOYLE: I will just make a general comment. The Probate Registry is quite small. I am not sure exactly how many staff there are, but it would be six or eight. We had some difficulty in the year in question because of one staff bereavement and a workers compensation claim. It is such a small unit that a couple of people not being able to attend to their ordinary duties impacts on the turnaround.

My understanding is that, by and large over time, the Probate Registry has turned applications around pretty much as quickly as in other places, although there will always be some variation. Often, the time taken is not the result of the process: it is because a lot of people want to do it themselves and they simply are not capable of producing material of the required standard, so there are a lot of references back to the applicants for things to be corrected.

Although I am sure people wonder why it takes so long—because at the end of it all they get a piece of paper that probably looks pretty simple to them—the process is not as simple as it might seem. So, overall, I think the Probate Registry is doing all right. We do not have any plans to expand the staff members, I must say; we are still coping with reductions in staff numbers that the government imposed on us last year. I think the Registrar of Probate anticipates that we will catch up on the backlog reasonably quickly, but it still will not, by any means, be an overnight turnaround.

Ms CHAPMAN: I take it then, minister, on what the Chief Justice is reporting to us, that there is no cause for alarm, that the matter is under control and that no extra resources are proposed to be allocated to address what seems to be a smaller backlog.

The Hon. J.R. RAU: From my conversations with the courts and with the Chief Justice, that is my understanding.

Ms CHAPMAN: So, the substantial extra funds from this 18.3 per cent increase in fees, I take it, will just go into general revenue. Is that right?

The Hon. J.R. RAU: I believe that the answer to that question is yes.

Ms CHAPMAN: Thank you. I would like to move to page 117. We will see there that the investing expenditure summary of the capital works, as it is commonly known, for this portfolio is

rather skinny, I think it is fair to say. One item is to undertake repairs to the façade of the Sir Samuel Way Building as a new project and, I think also, to undertake, or if it is otherwise in the budget papers, the upgrade of a lift and some other smaller projects.

I would just like to address the Supreme Court precinct, if I may. I note that the minister has acknowledged in opening what I think is blindingly obvious to all of us; that is that the state of the infrastructure is poor, at best, with significant failings. In the targets for the 2010-11 budget, there was reference to 'a risk assessment of all buildings in the Supreme Court precinct' being completed in that financial year. I appreciate we have got a few days to go—that was at page 182 of last year's budget—but has that assessment been completed and, if so, what are the outcomes?

The Hon. J.R. RAU: I am advised that the study has been completed and the study indicates that there is much to be done.

Ms CHAPMAN: I don't doubt that. I think that was obvious before the report was written, minister. Is the report available?

The Hon. J.R. RAU: I am advised that it is still being finalised and it will be making up part of supporting material in a cabinet submission because it advises of certain things. What exactly comes of it after that, I am not sure.

Ms CHAPMAN: It saves me an FOI being rejected, no doubt.

The Hon. J.R. RAU: It does.

Ms CHAPMAN: Thank you, minister. Notwithstanding that, were there any aspects in the undertaking of this assessment that have been referred to SafeWork SA or any other agency?

The Hon. J.R. RAU: No, I am advised not.

Ms CHAPMAN: Have they even seen it or any portion of it?

The Hon. J.R. RAU: I am advised that SafeWork SA has been there independently and audited the building. They found that there were no non-compliances.

Ms CHAPMAN: Yes. Did they identify any health or safety issues with any of the buildings in that precinct?

The Hon. J.R. RAU: I am advised that there was nothing that was found to be a particular occupational breach. However, there is no question that the buildings, given their age and their design, do not meet contemporary requirements, for example in relation to disability access, and the internal staircases are not exactly what you would find acceptable given current building guidelines.

Ms CHAPMAN: The upgrade of the lifts for the prisoners, which is a capital works in this year's budget, was that progressed as a result of an assessment that it was failing in an occupational health and safety aspect, or did it just break down?

The Hon. J.R. RAU: I was going to say, did they just stop? I am advised that they have been breaking down, they are due for replacement and they are working their way through them, and this is part of that ongoing process.

Ms CHAPMAN: Are these lifts in the Sir Samuel Way building or some other building?

The Hon. J.R. RAU: Samuel Way.

Ms CHAPMAN: These come from, I think, the basement.

The Hon. J.R. RAU: Yes. They have been there since 1980, I am advised.

Ms CHAPMAN: I was going to ask you a little later, but I will bring it forward: what is the estimated life expectancy for the Sir Samuel Way building anyway?

The Hon. J.R. RAU: If it is really good, like the old Magistrates Court building, which is now the Supreme Court, it will be still alive and well in 150 years, but that might be optimistic. I think everyone accepts that the Samuel Way building and, indeed, the Supreme Court buildings are, in many respects, poor architectural specimens and they are certainly buildings that, if they were ever perfect for the purpose, are less than perfect for the purpose now. I do not think there is anybody—certainly not me and, I am reasonably confident, the Chief Justice—who would disagree with that. It is simply a matter of working out when the opportunity will present itself to deal with that in a complete fashion. In the meantime, it is a matter of making do with what is there and keeping it in a reasonable state of repair, which is what we are trying to do.

Ms CHAPMAN: Have any plans been prepared by your department for a purpose-built superior court facility for South Australian state courts?

The Hon. J.R. RAU: Plans as such, no.

Ms CHAPMAN: The property on the corner of Wright Street and King William Street—which I am sure, minister, you will recall was previously in a land swap arrangement to facilitate the building of the Federal Court building—remains vacant.

The Hon. J.R. RAU: One of the more under-used park spaces in the city.

Ms CHAPMAN: I would agree with you on that. That is owned now by the state government. Are there any plans to sell that?

The Hon. J.R. RAU: No.

Ms CHAPMAN: Has there been any request for it to be considered for sale within government?

The Hon. J.R. RAU: Not that I am aware of.

The Hon. M.J. ATKINSON: Been a request to develop it.

Ms CHAPMAN: That was going to be my next question, but the member for Croydon can ask it. Has there been any proposal considered or planned to develop that site—

The Hon. M.J. ATKINSON: As courts.

Ms CHAPMAN: —other than a court site?

The Hon. J.R. RAU: I need to make this clear: there are no concrete plans about that whole site. That said, at various times different people have turned their mind to what the site might look like or what it might achieve and how it might accommodate the future needs of the courts, and that is about as far as that process of thought has gone. There are no settled—I was going to say plan, but that is even too concrete—even parameters in relation to what might or should be on that site. There is a range of options theoretically possible. I think it is important that I have a good, continuing discussion with the courts about exactly what they are looking for over time, so that we can consider what can be provided and what elements will need to be provided.

As the member for Bragg would be aware, if you go into the Federal Court building and look at the way that that marvellously appointed building is set out and the opportunities and the facilities that are offered by that building, it is obviously remarkably different from the state offering, and over time that has to be fixed. But in the current budget year and in the current forward estimates, there is no allocation for that purpose.

Ms CHAPMAN: And at this stage, you have fended off any requests for consideration to develop the property that is there in any other way?

The Hon. J.R. RAU: I would not say 'fend off'; it is as if someone has been coming to me saying, 'Can I sell?' That has not happened.

Ms CHAPMAN: So, there has not been any application put to government to develop that site for something other than a court?

The Hon. J.R. RAU: Not that I am aware of.

The Hon. M.J. Atkinson interjecting:

Ms CHAPMAN: I heard you; I am looking at that aspect.

The Hon. J.R. RAU: Not that I am aware of. Can I say that I think it would be good for the city and it would be good for the courts if they did have a purpose-built, modern facility in the centre of the city and, obviously, that site, given its proximity to the Federal Court, the Magistrates Court, the Coroner's Court and the present District Court, is self-evidently a sensible option. The idea that I, in particular, would be keen on having that sold off or whatever to do something else with it is something that would never enter my head.

Ms CHAPMAN: Speaking of things that might have entered your head, will you indicate whether your department is undertaking any assessment of whether any other sites in Adelaide might be considered for a purpose-built facility for the superior court?

The Hon. J.R. RAU: I do not believe so. Again, we are not really at that point yet; you have to put the cart before the horse. In order to get to that point—

The Hon. M.J. ATKINSON: No: the horse before the cart.

The Hon. J.R. RAU: Indeed; sorry.

Ms CHAPMAN: He is right—for a change.

The Hon. J.R. RAU: He has got me on a technicality.

Ms CHAPMAN: It is not often, but we will give him credit for that.

The Hon. J.R. RAU: For instance, there would be a range of questions that one would need to ask and have proper answers to, such as how many courtrooms would one require; what mix of civil and criminal courtrooms would one require; would one require cells, or would there be transport options factored into the thing; what sort of audiovisual material or use would be made of the court; would you have one of these fully computerised courts, with all of the document stuff done?

There are all of these issues, and then there are issues about how many courts. Obviously, there are the Supreme Court, the District Court, the Magistrates Court and the Coroner's Court and so on. There are varying degrees of sense in looking at the option of accumulating one or any of those in the same place. So, all of these questions are still questions; they are not answered.

To get back to your question, you would need to have a pretty good idea how all of that shook out so that you could have some idea of what sort of scale of building you would be looking for, how many rooms it would require, how you would elect to put the thing together in a low profile or a high profile. That work is work that is some distance down the track. It is not work that I think would be work that is misplaced. Your question is almost predicated on that has already been done, we have this sort of template ready, and it is a question of where it might be dropped. That is not the case.

Ms CHAPMAN: I think that is pretty clear. Perhaps I will declare, in undertaking some assessment of what might be available in Adelaide for a purpose-built site, I am also conscious of the fact that your department, like most departments, is alert to any notice of a property that is going to become available which may be surplus to requirements of another department or which is going to become available for development, and which, often through the Land Management Corporation, for example, gives notice to the heads of department of what is going to be done and what might become available.

I suppose it is more a watching brief that senior people in departments have, having some knowledge about what they might need in the future and what becomes available and whether they might flag an interest or at least identify to their minister that it may be something to be investigated. Has that been considered at that level; that is, has there been any assessment of other sites?

The Hon. J.R. RAU: No. Can I just say, too, if you think about it, courts are peculiar buildings performing a particularly unique function—a bit like this place—so the idea that you would easily be able to modify a building constructed for another purpose to satisfactorily perform as a contemporary, modern, well-functioning court is a very large expectation. In fact, the retro-fitting of those sorts of things into an older building would probably be far more expensive and problematic than simply starting from the ground up and doing it as a new development.

Ms CHAPMAN: I think perhaps that discussion should have been had before they redeveloped the Moore's building to the Sir Samuel Way building, but it is a bit difficult to undo history in that regard. In the precinct, of course, is the SA Water building and it is relatively new. It is within the precinct. It is one which is now clearly inadequate for the purposes of SA Water.

The reason treasurer Foley advised our parliament was, while it was necessary to have its purpose-built building, it could not fit in SA Water House in Grenfell Street, and it now has quite considerable staff dotted all around the metropolitan area; and, of course, with the United Water contract concluding in a few days and the new contract coming to fruition, with a significant portion of the duties under the old contract being transferred back in-house to SA Water, one has to ask the question about whether SA Water will be able to stay in Victoria Square. That will be a matter for the cabinet to make decisions on in due course; but should that building, for example, become available, would your department consider (obviously under your direction) viewing that as a possible refit?

The Hon. J.R. RAU: I think that is such a hypothetical question it is difficult to answer it. I go back the earlier point that, even though that is a modern building, it is not a building that was configured from design upwards as a court building. There is not only the question of the scale of

the rooms, the height of ceilings and all that sort of stuff but whether the appropriate IT stuff is built in or not built in. There are questions about lifts and security, because, with courts, you obviously do not want the accused and the judge getting into the building through the same lift. There is a whole range of other issues that relate particularly to the way in which a modern court should be designed that may be completely incompatible with the way that building was designed. I honestly do not know the answer to that question. I do not know if anyone else does. The Chief Justice might say a couple of words on that as well.

Chief Justice DOYLE: One of our big problems, as you have probably realised, is criminal courts. Without basement and holding cells and separate secure lifts for prisoners, it just would not work, so I think, apart from the reasons the attorney gave, the chance of moving the courts into another building, as distinct from a purpose-built building, is very low, because we just have to have criminal courts.

The other thing I would add is that the site we have (Gouger Street, Mill Street, Wright Street, King William Street) is just perfect for the courts. If you moved the Supreme Court elsewhere, you would be moving the main library that everyone uses elsewhere. We have a site that is adequate. We believe it is big enough to accommodate all our needs well into the future, so the last thing we would want to do is lose or leave that site. The real issue is redeveloping it.

We really need, as a starting point, the funding for a detailed business case and we have not actually got that money at the moment. That is really step 1 before you even have something to present to government. We are trapped in the position of the poor relative. We cannot afford to do the business case without funding.

Ms CHAPMAN: Perhaps I could ask the Chief Justice, through you, Mr Attorney: if a purpose-built building were to be developed for the Wright Street/King William Street site—and I am assuming this would be some multi-storey facility—would you say that it could be developed on the basis that other sites would then be available for closure?

The Hon. J.R. RAU: That is a potential option. If I can just come back to the rather lengthy answer I gave before: that would depend a little bit on who you wrapped in and it would depend on what benefits you could wring out of consolidation of sites but it is, obviously, potentially there.

Ms CHAPMAN: A number of comments have been made by the Chief Justice in his Courts Administration Authority Annual Report about dealing with facilities that I think we all agree are relatively poor, and even the use of recurrent funds to maintain the facilities that are there, so I suppose this question of the business case is particularly significant. Assuming that it would necessarily need to cover what resources are available at what sites and what could be consolidated and what could be rationalised and so on, is there an estimate of the cost of a business case to do that?

The reason I particularly ask it is because in this year's budget there is a business case proposal for the relocation of the core library site in Conyngham Street for the primary industries department. Whilst it is described in the budget as having been world class and everything else, \$500,000 has been allocated in this year's budget to conduct an assessment of its relocation in another purpose-built facility. Where and when, of course, we will see, no doubt, when we see the half a million dollar report when it is prepared. It is probably more than I have ever seen in a budget in my short time here, but is there some estimate of what you would need to undertake a business case for the purposes of consolidation?

The Hon. J.R. RAU: Yes. I am advised that it would be in the order of \$500,000 to \$700,000. However, again, how long is a piece of string? It depends how many moving parts you have in that business case. That is just a broadbrush view of it.

Ms CHAPMAN: I have asked some questions about the effect on staff. I think you have reassured the committee that SafeWork SA has been down and inspected the precinct and there is nothing so pressing that it is going to cause some danger to staff or otherwise. However, I wonder whether there has been any assessment done on the impact on people who use the courts and, in particular, victims of offences, for example, and witnesses.

The Hon. J.R. RAU: I am sorry: I missed the last bit of that question.

Ms CHAPMAN: As to whether any assessment has been done on whether the current poor state of the infrastructure has any effect on witnesses or victims in having reasonable accommodation or interview rooms or anything of that nature.

The Hon. J.R. RAU: I will let the Chief Justice answer that.

Chief Justice DOYLE: We have not done an assessment because we do not need to, we know what the answer is: it is completely inadequate. Victims of crime is not such an issue, because criminal matters are in the Samuel Way building, but even with that the sort of separation you would expect in a contemporary facility is not there. We simply do not have the facilities for people with a disability. I think we have one courtroom that is accessible by wheelchair; other than that we have to bring people into the secure area, and there is a very ancient lift that some judges use. I prefer not to. We can get them up to courts 1 and 2 that way. It is just completely inadequate, as I think you would know.

I am also reminded that there are no toilets in parts of the building; you have to go out into Gouger Street, around into King William Street and then into what is called 'lavatory lane' to get to a toilet, and then repeat the whole journey. Even in a civil case, if you have tension between the parties, they stand in a corridor outside the courtroom; there are not rooms for them to be put in separately. As I said, it is just completely inadequate for all those people.

Ms CHAPMAN: Still on page 117, in the 2009-10 budget papers investment expenditure was budgeted at \$4.535 million but it is estimated to be only \$3.2 million for that year in the 2010-11 budget. This budget indicates that \$3.7 million was actually spent. So, what investment items were not allocated funding in the 2009-10 financial year?

The Hon. J.R. RAU: I think we are a little puzzled as to exactly what numbers you are referring to.

Ms CHAPMAN: Right in the bottom right-hand corner there is the 2009-10 actual of \$3.7 million spent, but the budget for that year, in the 2009-10 budget papers—

The Hon. J.R. RAU: So you are comparing last year's budget paper with that?

Ms CHAPMAN: Yes; it budgeted for that.

The Hon. J.R. RAU: I am advised that it was a carryover for the relocation in the education building of the head office.

Ms CHAPMAN: Was that then allocated for this current year?

The Hon. J.R. RAU: I am advised that it was reallocated to this financial year.

Ms CHAPMAN: So it was in your budget, it was not spent, and it was put into this year?

The Hon. J.R. RAU: Carryover, I am advised.

Ms CHAPMAN: Into this year; that is, the 2010-11 year? Has it been spent?

The Hon. J.R. RAU: Yes, I am advised it has.

Ms CHAPMAN: Of the annual programs referred to there, this year we have budgeted \$2.422 million?

The Hon. J.R. RAU: Yes.

Ms CHAPMAN: What are they?

The Hon. J.R. RAU: I am advised approximately \$1.2 million is library and the other \$1.2 million is IT and building facilities (capital works).

Ms CHAPMAN: I am sure they are capital works—that is why they are on the list, minister—but I am just wondering what they are.

The Hon. J.R. RAU: Building capital works and IT capital works. If you want more detail, I—

Ms CHAPMAN: It is not a lot of money in the scheme of things, but it is really all we've got.

The Hon. J.R. RAU: Yes, sadly.

Ms CHAPMAN: If it is maintenance, or whether there are going to be new air conditioners or what—I understand what IT is, but is there anything in particular that the rest is being spent on?

The Hon. J.R. RAU: Apparently the Sir Samuel Way Building has had its air conditioning improved, the chillers in particular.

Ms CHAPMAN: I am pleased to hear it. The proposed capital facade repairs at \$155,000 in this year's budget, which is part of the announcement which has been made, I think, at

either \$1.3 or \$1.6 million: is that all restorative work to the heritage facade or is there some other aspect of it that is part internal?

The Hon. J.R. RAU: I am advised that is to assess, design and plan for the proper restoration and whatever of the facade of the building.

Ms CHAPMAN: So it will not actually be restored, it is really just the preparatory work.

The Hon. J.R. RAU: No, but the plans will be very good.

Ms CHAPMAN: I hope so, minister. Under existing programs, we have leased accommodation. Is there any proposal to cease that? There is nothing there.

The Hon. J.R. RAU: That is the head office of the Courts Administration Authority.

Ms CHAPMAN: And is that going to cease?

The Hon. J.R. RAU: We hope not. The money was there for a refurbishment, and now it is finished.

Ms CHAPMAN: I see. It is concluded.

The Hon. J.R. RAU: Member for Bragg, going back to the earlier discussions about the planning and so forth for a new court building or whatever, there are many places where people are presently accommodated who may or may not be usefully accommodated in a precinct with courts. That is another example, for instance, where the Courts Administration Authority logically would live somewhere in and around the new court building.

Exactly how many—the DPP, for example, may be. There are many places—legal services—who knows? There is a whole bunch of potential candidates. That is why this sort of assessment process needs to occur at some point where we actually form a view about those things. That just reminded me that it is not just a matter of courts; it is the associated agencies that might be accumulated in a single place.

Ms CHAPMAN: Or it could be a tenant in a building. If we can just go back to the facade, the balance of that is to be completed in the next financial year, is it, for the actual repair work to be undertaken?

The Hon. J.R. RAU: I think we can say it is anticipated to start in the next financial year. Given that we are yet to assess the scale of it, it is a bit hard to be dogmatic that it will be finished in the next financial year.

Ms CHAPMAN: Is there some reason why this money, which is quite a bit relative to what is available, is not coming out of the heritage budget or something of that nature? Why is this coming out of the courts budget?

The Hon. J.R. RAU: This is new money from Treasury, I am advised.

Ms CHAPMAN: Not much, I know.

The Hon. J.R. RAU: Not much, no.

Ms CHAPMAN: It is still your capital work for the year or the next two years, if I can say, or a very substantial slice of it. Given it is the only one for the Supreme Court precinct, I am really just inquiring as to why it is not being funded by another arm of government.

The Hon. J.R. RAU: I am sorry, I don't think I can help you with that. It was clear this needed to happen. The peculiarities of the arrangements that go back some 20 or more years in relation to the Samuel Way Building mean that it is a matter for the Courts Administration Authority primarily, rather than the owner of the building.

Ms CHAPMAN: For example, the Film Corporation, which is currently at Hendon, is going to enjoy a very significant new accommodation at the Glenside Hospital site. This is a \$47 million project—another increase this year in the money available—to accommodate the Film Corporation and its tenants, together with the film facilities behind it. A very substantial slice of that is for the restoration and conversion work of what is, I suppose, quite an old building—the original sanatorium on that complex—for heritage renewal, and I am sure everyone agrees on the importance of that aspect. A whole lot of that, including the acquisition of the land, is coming out of the Premier's budget. I just wonder whether any consideration had been given to your department, given that your buildings—which clearly also need to be maintained and restored—might attract some financial support from the Premier's budget.

The Hon. J.R. RAU: Speaking entirely for myself, that sounds—if I can misquote the member for Croydon—like a splendid idea, and I will raise it with him.

Ms CHAPMAN: While we are at it, I am looking at other areas of investment that are curiously under your jurisdiction, relating to sports arenas. So, I will be asking you to tip in when The Parks redevelopment comes along in due course. In any event, perhaps that is an opportunity down the track. A number of the buildings utilised by the courts could be classified in that heritage category, and it would be helpful if we could attract some funding from another line and not use up the law money.

The Hon. J.R. RAU: There is no dispute at all that the buildings facing into Victoria Square and the ones around the corner into King William Street clearly are heritage buildings, not just in terms of the facade but elements of the interior. I think the number one court and the staircase and the number two court are things which we would want to preserve and have maintained. Whether you would adopt that view for the rest of what lies behind there is a different matter. I believe the Supreme Court Library Building has attracted attention nationally—or perhaps internationally—as one of the least appealing structures around the place, although heritage is in the eye of the beholder. There might be some person out there who is a fan of the early 1960s brick construction and regards this as an archetypal—

Ms CHAPMAN: The MLC building springs to mind. Has the Courts Administration Authority requested of you, minister, funding for any other internal repairs or redevelopment of the Sir Samuel Way Building? Have you had submissions put to you seeking extra renovations, or repairs for that matter?

The Hon. J.R. RAU: I think it is fair to say that I meet with the Chief Justice and Mr Thompson regularly. We share a cup of tea and look at the salt damp in the Chief Justice's anteroom. We always speak about buildings. I am and have always been very keen to support the courts in having adequate and appropriate accommodation. One does what one can.

Ms CHAPMAN: I suppose I am really saying in circumstances where there is no proposal on the horizon to have any redevelopment, which might be the ideal, and I do not think there would be any disagreement in this room. In the meantime, maintenance, repairs and general secure accommodation is something that needs to be attended to. In this year's budget, we have a fix-up of the facade and a lift for the prisoners which is not working, apparently, or regularly breaks down. I am just a little curious as to whether there are any other applications being made for any other pressing repairs, apart from unsightly salt damp.

The Hon. J.R. RAU: Yes. There is an additional thing of replacement of security systems, which was also funded in this budget.

Ms CHAPMAN: I have seen that but I do not accept that as investment category, frankly.

The Hon. J.R. RAU: I am doing my best. In relation to that matter we discussed earlier about the assessment of the Supreme Court building and the cabinet submission, obviously, without going into any detail, at that point there may be matters brought to the attention of the cabinet about investment.

It is probably really good for public administration, and really frustrating as the Attorney-General, that I do not have a pool of money I can shunt around wherever I want. It would be great to be able to say I would like to be able to devote money to 'this' rather than 'this', but, as you would be aware, member for Bragg, first of all, the Attorney-General's Department is not all my department. It is all Jerome's department but not all mine. So, there is a large part of what is in there that has actually got nothing to do with me as the minister. The second thing is, for quite sound reasons, the Treasury does not regard it as my money: it is their money. You either spend it on what you are supposed to or you give it back. They are the parameters we work within.

Ms CHAPMAN: I think it is fair to say though, that, in the Attorney-General's Department and courts area, which is yours, I cannot blame minister Gago, minister Conlon, minister Kenyon or minister Portolesi for any lack of submission in the areas we are talking about. So, we will leave that then as far as—

The Hon. J.R. RAU: I consider myself chastised.

Ms CHAPMAN: —the applications that are there. Still on page 117, the 2008-09 annual report, on page 3, outlines staff reductions of 39 in the year 2009-10, with a further seven in the year 2010-11 and a further seven in 2011-12, yet in the 2010-11 Budget Papers (last year's), staff numbers have increased from 790.5 full-time equivalents in 2009-10 to an estimated 830.2 in

2011-12. My question is: why is the government increasing the number of Courts Administration Authority staff in the year before it plans to cut \$2.701 million over three years in full-time equivalent positions?

The Hon. J.R. RAU: I am advised that the additional staff come primarily from two areas. One is the road safety cameras and the staffing associated with that. The second one is the Southern Community Justice Court, which is anticipated to be up and running during that period. That is where the additional staff are being consumed. They are new budget lines as well.

Ms CHAPMAN: I understand that. I am not saying they are not paid for, but they have come onstream in the year preceding a time when, over the next three years, there is a proposed cut. That is my point, but you are saying they have come on for a specific purpose. They will be staying and we will be making the cuts somewhere else. Is that as I understand it?

The Hon. J.R. RAU: That is my understanding.

Ms CHAPMAN: The annual report says:

...no decisions have been made. But, to illustrate the kind of decision that may have to be made, I make the point that it may prove necessary to terminate one of the specialist courts in the Magistrates Court or to limit the hours during which court registries are open to the public or to reduce the effort made by [the] staff of the CAA and the Judiciary to build community relations.

The latter, I assume, is to cut out some education programs and so on. Can the Attorney advise how the Courts Administration Authority intends to meet the savings targets?

The Hon. J.R. RAU: I think the Chief Justice can comment on that.

Chief Justice DOYLE: I have a broad comment and then Mr Thompson may want to add to it. We face the old problem: do we, as it were, cherry-pick individual staff members here and there or do we shut down a particular program? So far, by staff reductions here, there and everywhere, we appear to be on track to meet the savings required. However, if the present approach does not succeed, closing down particular programs will be the only thing left to us. It is obviously something we do not want to do, because we think all of these programs are worthwhile.

In fact, we think in a way what we are doing is minimal. Anyhow, that is the broad picture, we think. For instance, in the Supreme Court we shed some tipstaff/associates; similarly in the District Court, but we have done all we can there. So, that is broadly it. Mr Thompson may want to comment but, in the broad, staff savings appear to be on track, although we are finding it very difficult. If we cannot get there, the next thing is to close down particular programs, and we will have to make a recommendation on that.

Ms CHAPMAN: In that regard, a number of these were listed last year as to where they might come from. Is there any area which you would see as being least negative in the effect of its closure?

Chief Justice DOYLE: I cannot think of any really where you would say, 'It won't really matter if we do that,' because I think we are down to really the core program. The specialist courts are basically all in the Magistrates Court, although we do have a specialist approach to sentencing of Aboriginal defendants in the District Court, but that is a very small program. So, they are basically in the Magistrates Court. There are—you are probably familiar with them—domestic violence, the intervention program for people with mental or psychological problems, and drugs of various forms. I would be very sorry to see any of them go, so there is no easy choice there.

Ms CHAPMAN: This question relates to some of the data on the courts, and I was going to come to that later, but I will ask it now. One of the areas of legislative reform which is now a couple of years old but which we are awaiting regulations on is the implementation of law to facilitate police officers at a senior level being able to issue restraint orders, effectively; injunction-type powers in relation to domestic matters, and we are still waiting on the regulations to enable that to be implemented.

We are told in this part of the parliament that some of this delay is as a result of the training of the officers not being completed. Some of the expectation from that legislation is that it will facilitate a reduction in the number of cases that need to go to court. In theory, that might supposedly reduce some of the workload in the Magistrates Court and some of that, in part, of the specialty part of the Magistrates Court. However, there does not seem to be any indication on the data that there is any anticipated reduction, notwithstanding the statements about how good this legislation will be.

Chief Justice DOYLE: Reduction in?

Ms CHAPMAN: In the amount of workload for the Magistrates Court on that. Perhaps it is because it is absorbed. I will go to the Youth Court page.

Chief Justice DOYLE: From my point of view, sadly, I would not really anticipate any reduction. It is such a problem that if we deal with it better, maybe over a long time—five to 10 years—you might reduce its incidence in the community. I think this is something that sometimes Treasury have difficulty understanding: it is not like a production line that, the minute we put more effort in at the court level, we will see less cases coming to the court. We are looking at a problem for which we have very limited solutions at the moment—even solutions is not the right word; approaches.

We have a new approach. It will be quite a while before, with that new approach in place, we notice any difference. I suppose again, realistically, looking at the community, if people find this program works—people in the past thought, 'What's the point? There is nothing anyone can do to help me.' New people may come out looking for help. So, paradoxically, it could stimulate a demand for help that is not there now because, as I said, people think, 'Well, what's the point? There is no-one there to help me.'

Ms CHAPMAN: On page 120, in relation to the performance indicators and the expected workload in the court, there is no proposed diminution there; in fact, the budget is still for quite a significant number of cases.

The Hon. J.R. RAU: The other thing I would add is that, because it is such a new program, necessarily, the predictions are indicative or a best shot at what will happen. To pick up from the Chief Justice's comments, it may well be that the change in awareness about the availability of these things in the short term does create a greater demand. It is difficult to say.

One thing I would like to say about this whole area is that I think it is very important that, once this reform is initiated, it is ready. It would be a terrible failure, I think, if we did not take every possible step to make sure that it was ready to go when we started it. I know that you mentioned the fact that the regulations have taken a while or, in fact, the proclamation of the act has taken a while. In order to properly serve the people this is intending to help, it is very important that, when this does become law, it does support them in the way in which the parliament intended them to be supported.

Ms CHAPMAN: I hope so—I hope so soon. While we are on that, I will ask some of the questions I have on the performance indicators, and this really relates to the number of finalisations. There seemed to be an inordinately large number of Court of Criminal Appeal matters. There is an anticipation that it will be back to about 120, but that is a relatively large number of extra appeal cases. Is there any reason for that?

Chief Justice DOYLE: Which figures are you comparing?

Ms CHAPMAN: On page 120, the target for this year was 120; there were actually 132. The target again to be 120.

Chief Justice DOYLE: I do not regard that as a big jump; that is 12 cases. In an average week in the Court of Criminal Appeal, we would get through about 10 matters. So, spread over the whole year, it is the equivalent of about a week's work. In all honesty, when we are doing these figures and I look at them, I tend to think: has anything changed? If it has not, you tend to go for the previous year's figure.

If we knew that something had happened that would mean that there would be a rush of cases to the Court of Criminal Appeal, we would predict for that and build it into our figures. But subject to that sort of thing happening, we tend to look at the last year's figure and ask ourselves: is there any reason why it is likely to be significantly different next year?

Ms CHAPMAN: In those provisions, the Youth Court has a qualifying explanatory note which suggests that the target is less, and under point (a) it explains, to reflect 'an expected reduction in lodgements'. I am wondering what has precipitated that. We were talking about the gang of 48 and 49 before and, given the difficulties in that area, it puzzles me why there was an anticipated reduction in Youth Court applications.

The Hon. J.R. RAU: I might ask the Chief Justice to comment on that. Obviously, it is the government's policies on crime that are working, but there may be other things as well.

Ms CHAPMAN: Or not.

Chief Justice DOYLE: I can tell you what the Youth Court has told us. The Youth Court criminal lodgements have decreased over the last three years from 8,903 in 2007-08 to an estimated result in 2010-11 of 7,500, but they are unable to determine the reason for the decline. So, I think it would be one of those across the board things. There is no particular thing one could single out. If you wish, we could ask Judge McEwen whether he can add anything. I know the feeling. Sometimes you find that figures go up and down. It is surprising that they have gone up and down as much as they have, but you cannot think of any particular reason for it happening.

It is not like, say, the list of possession applications, where when things are tough that list gets longer—that is, repossession of houses—and when things are going well that list gets shorter. I think with lists that cover a range of offences in particular, all sorts of things in society, some are going up and some are going down and you cannot pick where the total will head.

Ms CHAPMAN: As you say, it has gone from over 9,000 down to 8,500, and down to less than 8,000 over the last few years.

Chief Justice DOYLE: Yes.

Ms CHAPMAN: So perhaps the reverse is working, minister. We are back to the bags of lollies, or something; I do not know. In any event, we will monitor that and perhaps at the next meeting of the judiciary with the parliament it will be a matter that we can canvass with Judge McEwen.

Chief Justice DOYLE: We would be happy to. I will try to remember that and keep it in my mind as an agenda item because, as I think you know, he is very passionate about that jurisdiction and I am sure he would welcome the chance to talk to you about what is going on there.

Ms CHAPMAN: I think we all in the parliament would be happy to hear if there is a good reason for the decline in cases in the Youth Court, especially as we are about to sell your property up at Magill and build a \$67 million children's court at Cavan, as to whether we are going to need it all.

Page 117 again, on information technology: the annual report for 2009-10 says, 'Information technology systems require a major upgrade' but that the State Courts Administration Council 'faces the need for substantial expenditure which it has no means of meeting'. So has the funding that has been allocated in this year's information technology allocation met the needs of what has been identified by the CAA?

The Hon. J.R. RAU: I might get the Chief Justice to answer that.

Chief Justice DOYLE: I was referring there to the need to rebuild our core system, and there is no funding for that at the moment. When I came to the court as Chief Justice our system was perhaps not state of the art, but it was regarded as one of the leading systems, and we had people coming from other states and sometimes from other countries to look at it. It is still the same basic system and it is now very much an old system. We have no funding at the moment for a basic rebuild, which is what it really needs.

Ms CHAPMAN: I refer to page 120: Intervention Programs. A number of these were canvassed by the Thinker in Residence, Peggy Hora, in her Smart Justice report. My question is: what recommendations of her report does the government propose to adopt? I have not seen any evidence of it here in this budget.

The Hon. J.R. RAU: No. The fact is that we are in the process of looking at her report and formulating comprehensive responses. As you know, many agencies are affected by her recommendations: DTEI, Families and Communities, the Attorney-General's Department, the courts and various people. Inasmuch as it relates to us—when I say 'us' I mean courts and attorneys and so forth—then we are looking at those and in fact working through that now.

I am not sure what the exact timeline is because other agencies may or may not be as far down the track as we are, but it is intended that a response to her report will be published, which is a whole of government response, and that will include contributions from the Attorney-General's Department and the courts and such like.

The other thing too, I think, that is worth noting is that some of the things that Peggy Hora talks about and recommends were in fact already being worked upon prior to her arrival, probably, and certainly prior to her report being published. Some of them are a work in progress, and some of them are things that will be the subject of an initial government response.

Ms CHAPMAN: The budget for intervention programs, which refers to a number of the specific programs and courts, does not appear to have any extra funding attached to it. So whilst we may have already started—

The Hon. J.R. RAU: Yes; I understand your point.

Ms CHAPMAN: —the ethos of what she was recommending, I think her concerns were very clear in the report about the level of offenders completing intervention programs and, therefore, of course, not being terribly useful unless they do so. She stated certain ideas in her report about how that should be achieved, and it may well be that the government, in looking at that, thinks that that is worth pursuing, but there is nothing else here to actually affect it. I think, as I understand it, you are really saying, 'Look, we're still reading it. We're consulting with the other departments and we'll let you know in due course.'

The Hon. J.R. RAU: That is a pretty good summary, yes.

Ms CHAPMAN: Page 127 relates to the criminal jurisdiction and particularly the Sheriff's Office. There has been a reduction in the success of the sheriff's officers locating people and a decline in warrants executed to 41 per cent from 45 per cent.

The Hon. J.R. RAU: I think it is page 128.

Ms CHAPMAN: I beg your pardon, it is page 128.

The Hon. J.R. RAU: I will ask the Chief Justice to comment on that.

Chief Justice DOYLE: For instance, the percentage of fines, payment unit, warrants executed in 2009-10 was actually 45 per cent. We hope to lift it in 2010-11 to 60 per cent. In fact, it is 41 per cent—it has gone down a little. I think all we can say is that it is getting harder to find people. Times are a bit tougher and people move on and it is harder to get the money out of them.

Ms CHAPMAN: I have a question about the Coroner research officer, page 124. Last year's budget included \$99,000 for a Coroner research officer. That was on page 47 of last year's 2010-11 Budget Paper 6. My question is: has this research officer been employed and what work has been undertaken by him or her?

The Hon. J.R. RAU: I am advised that that actually was under the Office for Women.

Ms CHAPMAN: The Coroner's Court?

The Hon. J.R. RAU: Yes. It is to do basically with ongoing scrutiny of domestic violence and that sort of thing. I think that might be the most appropriate place to direct that.

Ms CHAPMAN: I think it is in your budget, that is all, under Coroner's.

The Hon. J.R. RAU: They funded the position, yes.

Ms CHAPMAN: My last question relates to Medical Panels SA and, in particular, its use in relation to WorkCover. Medical Panels SA at page 57 tells us that, notwithstanding Mr Cossey's report a week or so ago, for the year just concluded these case assessments are running at a cost of over \$9,100 per case, with the updated information—I am referring to the \$8,499,000 used as the estimated result, as the expense of 2010-11—and in only 930 cases were referrals accepted.

My question is: in light of the recent decision as to the restriction of the medical panels now to provide an assessment of the capacity to return to work, as distinct from what I describe as a usual medical opinion regarding the level of injury, is there any proposal to close this department and save what will be \$194,000 for this year?

The Hon. J.R. RAU: Can I just say that this is not strictly a courts matter: it is an Attorney-General's matter, but I am not going to let that worry us. It is 6 o'clock; we will take it on notice and I will find out.

Ms CHAPMAN: I would appreciate that, thank you.

The CHAIR: Thank you minister, thank you Chief Justice, and also thank you to the other advisers. Thank you also to the members. There being no further questions to the minister, I declare the examination of the proposed payments concluded.

[Sitting suspended from 18:01 to 19:00]

MINISTER FOR TOURISM, \$4,454,000
DEPARTMENT OF PLANNING AND LOCAL GOVERNMENT, \$14,692,000
ADMINISTERED ITEMS FOR THE DEPARTMENT OF PLANNING AND LOCAL GOVERNMENT,
\$2,313,000

Membership:

Mr Pisoni substituted for Ms Chapman.

Mr Pederick substituted for Mr Gardner.

Witness:

Hon. J.R. Rau, Minister for Tourism, Minister for Food Marketing, Minister for Urban Development and the City of Adelaide.

Departmental Advisers:

Mr A. Kirchner, Chief Executive Officer, Adelaide Entertainment Centre.

Mr C. Stubbs, Director of Finance, Adelaide Convention Centre.

The CHAIR: I declare the proposed payments open for examination and refer members to the Portfolio Statements, Volume 3 and Volume 4. I do not think the minister wants to make a statement.

The Hon. J.R. RAU: You are quite right. I do not wish to make a statement.

The CHAIR: You had better introduce your advisers, please, minister.

The Hon. J.R. RAU: This is Mr Kirchner who is the man who does everything at the Entertainment Centre. I am surprised that we are still here this evening because Miley Cyrus is on tonight and, if we had finished earlier, we could have been there. Mr Chris Stubbs is Director of Finance.

Mr PISONI: We actually do not have any questions on the Entertainment Centre on this occasion, but I will defer to the member for Hammond who has a query about another area.

Mr PEDERICK: Minister, as you are now responsible for food marketing, I was wondering whether this is the appropriate budget line to ask my food questions.

The Hon. J.R. RAU: I am pretty relaxed about where you ask them, so here is as good a place as any.

Mr PISONI: This refers to Budget Paper 5, page 3: capital investment overview. There is a description here of an amount given of \$393.7 million for the Adelaide Convention Centre. You have announced that \$350 million will be spent today, leaving an amount of \$43.7 million out of that proposed budget. It makes reference to the footbridge. Are you able to advise what the cost of the footbridge is?

The Hon. J.R. RAU: The short answer to that question is no. I can explain, if you wish. In terms of your larger question, the break-up is basically this. There is an amount, as you quite rightly said, of \$394 million (or thereabouts). Of that, \$242 million is related to stage 1 of the Convention Centre redevelopment which is the project that is beginning now, and that is to the western side of the existing building between there and Morphett Bridge.

The stage 2 part of that, which is another \$100 million approximately, is to be completed in 2017. That leaves a gap, as you point out, of about \$40 million-odd. That is for the Riverbank Precinct works, like landscaping, etc., and the bridge. The bridge is something that is presently being planned. The issues in relation to the bridge are these: where precisely does it depart from the Adelaide Oval side of the river; where precisely does it connect with the Convention Centre side of the river; and what sort of structure is it going to be?

The size and the dimension of it is significant, not just from the point of view of cost but also from the point of view of where it delivers people coming back across the river over the bridge. For example, do we want to deliver them into the middle of the Festival Theatre? Do we really want

to deliver them into the gap between the Festival Theatre and the Casino, or to some other point? That is really the question.

The related question is: at what level will the bridge go because, if the bridge was going to be delivering people into the Festival Theatre, for example, there are a number of different levels there to which it might deliver them. Those elements all have cost implications, but they also have implications for the whole circulation of the public around that precinct. That is something that the Integrated Design Commission is presently looking at in conjunction with tourism, DTEI, the Festival Theatre people and the arts people to try to work out where the optimal positioning of that is. What I can tell you is that the money for that is within that—

Mr PISONI: \$43.7 million.

The Hon. J.R. RAU: Yes.

Mr PISONI: Is any of the \$393.7 million going to be spent on the north bank, other than the bridge?

The Hon. J.R. RAU: I do not believe so. This is all for the Convention Centre, the south bank and the bridge.

Mr PISONI: We have heard media descriptions by you and other commentators that it is a bit like the south bank will do for Adelaide what Southbank does, or it will do for Adelaide what Darling Harbour does. The thing that the Adelaide river development has that most other ones do not have is a hospital in the middle of an entertainment precinct. Are there any other examples around the world where an entertainment precinct has been built around a major hospital?

The Hon. J.R. RAU: That is a very good question. Perhaps you and I should undertake a study tour to answer it. I am not sure that I know the answer to that question. I think we need to see this thing in a slightly bigger context. Imagine a rather broad path through the centre of the City of Adelaide, broadly following the River Torrens but commencing with the Clipsal redevelopment site at Bowden. We have the tram already running down there. Across the road from there, we have Bonython Park, which the city council is putting a lot of money into upgrading and planting new trees and so forth. As you follow that path down, you have the Adelaide Gaol and the Thebarton Barracks, which I think the Premier announced yesterday are things we are looking at for future planning—

Mr PISONI: Will they be medical facilities or entertainment and cultural facilities?

The Hon. J.R. RAU: I do not think they will be medical facilities. Hopefully, we get the entertainment right and they do not need medical facilities afterwards. Those facilities are a little bit untidy in that precinct, but the whole lot will be upgraded. As you drive down the road past the Thebarton barracks, there is a lot of galvanised iron, there are a lot of buildings that are not really outstanding works of architecture, but there are some heritage buildings in there that are quite significant buildings and, in their own right, decent buildings. The gaol, of course, is a heritage building. Across the road, where the old E&WS depot was is being completely revegetated. That will become part of an urban forest, there so that will be returned to parkland.

Mr PISONI: Is that still going to be called Tim Flannery Park?

The Hon. J.R. RAU: I do not think that is the name. I cannot remember the exact name, but it does have a name.

Mr PISONI: That was the original name. It was a bit like the Marjorie Jackson-Nelson hospital, was it not? I think, when they first came up with that concept, it was going to be called the Tim Flannery Park.

The Hon. J.R. RAU: I think we have moved on. Beyond that, we have got the hospital and the medical research institute. Then that area is, in a sense, separated from the Convention Centre area by Morphett Street bridge, which will actually become a frontage to the western side of the new Convention Centre stage 1 development, because that has a frontage onto the Morphett Street bridge.

Then, it will have another frontage onto North Terrace. So, if you imagine it presently, when you walk down past that North Terrace frontage of the Convention Centre, it does not really offer much for North Terrace. It is basically a car park. That is going to be substantially different once this stage 1 development has gone through.

Mr PISONI: The artist's impression shows that the boat sheds are remaining. Is it guaranteed that the boat sheds will remain where they are?

The Hon. J.R. RAU: There has been no discussion about the boat sheds. Nobody has suggested they go and it has not been raised, so they remain there on the landscape. If people want to have a debate about that in due course, fair enough, but there is no talk of that presently.

Mr PISONI: Okay. So, in the budget there is no compensation for moving them or anything like that?

The Hon. J.R. RAU: No plan about that at all, no.

Mr PISONI: I am done on the Convention Centre. My colleague may wish to ask some questions on food marketing, I think.

The Hon. J.R. RAU: Okay.

Mr PEDERICK: Minister, I refer to Budget Paper 4, Volume 3, page 187: Highlights 2010-11. The first dot point in the second paragraph reads:

Established a partnership with peak industry body Food SA and committed \$2.2 million over four years to support the continued growth of a strong, innovative and resilient food sector in South Australia.

My question, minister, is: will this partnership be involved in the introduction of an appellation control scheme as alluded to in a media release on Friday, 13 May from yourself, which you said was, 'to protect the identity and enhance the marketing of foods produced in defined regions of South Australia'?

The Hon. J.R. RAU: Thank you very much, member for Hammond, for that question. The situation in relation to the appellation control discussion that we are having at the moment is basically this: the government has no intention of imposing any appellation scheme on any region of South Australia. That is point one. Point two is that, I believe, and I think people associated with the food industry generally would agree, the market is becoming quite sophisticated about what consumers want in relation to food.

I think it is fairly clear that consumers who are able to identify the provenance of food are prepared to pay some sort of premium for that provenance. For example, if you go to the supermarket now, rightly or wrongly, King Island cream, King Island camembert, King Island beef or King Island something commands a premium. Now, I know that that King Island logo or label is now actually the property of a large national food company but, at one point, it was, I believe, a cooperative sort of label for people who produced and marketed products from that island and it worked very well.

So, we are simply having a discussion with people who are interested in the food industry to say, 'Is this something that you people can do yourself by reason of registering a trademark or some other brand that becomes an identifiable regional brand, or are you asking the government to provide you with some sort of exclusivity about the use of that brand or some statutory model whereby people have to apply in order to get in?'

I am personally not fussy about what particular model people in the industry want. If they are able to do it by reason of having a cooperative arrangement or by an incorporated association or something that admits members on the basis of some criteria that everyone is happy with, I am relaxed about that. However, if what they want is the government to say, 'In agreement with the producers in a particular area, we will have a particular logo,' which the government will provide through some process as a certification of quality and/or authenticity—because they are two quite different issues.

Kangaroo Island is a good example of the authenticity issue. There are people on Kangaroo Island who produce canola that is GM free. Because they are on Kangaroo Island, they are able to market—particularly to the Japanese, who apparently are quite interested in GM-free canola—that they have a guaranteed GM-free product. That means they can command a higher market price for their canola in a Japanese market than other people can because they can guarantee not only that the product is not mixed up with other products but also that the harvesting equipment is not harvesting other potentially contaminated product, etc. That provenance thing in that example is really important to give that product a premium in the Japanese market.

There will be some products like that where the premium comes from the identifiable chain of producer, refiner or manufacturer, distributor, etc. There will also be other products—and I am thinking here of areas like the Barossa Valley. For example, there is a mob there called Careme, who make pastry, which is very well regarded all over the place. In fact, they cannot make enough of the stuff. The fact that it comes from the Barossa Valley is regarded as being part of the charm of this product. It is also an excellent product.

However, the butter that goes into that particular pastry may or may not be from cows in the Barossa Valley and produced in the Barossa Valley, or some of the grain that goes into the product may or may not all be sourced in the Barossa Valley. Nonetheless, the fact that it is produced in the Barossa Valley and has a certain cachet because of the Barossa Valley reputation for quality product is something that also perhaps warrants some sort of 'Product of the Barossa Valley' thing, without misrepresenting the fact that it is 100 per cent Barossa.

If you like, there are two quite different—and I suppose there are bits in the middle as well—opportunities here for food marketing. One is a region has a reputation for fine meat, fine food or fine whatever. Something is produced there, not necessarily from exclusively local ingredients but, nonetheless, it is of use to the people producing that product to be able to whack a label on it saying, 'From the Barossa Valley', in my example.

On the other side, you have a thing where it is not the product itself so much, it is the provenance that makes the difference, and then you might have things in middle. For instance, lamb, where you might have particular people who want to have saltbush lamb, KI lamb or some other particular regional lamb, and it is important for them to know that they can trace that carcass—or that cut of meat, more particularly—back to wherever it was that that was produced. They do not want the lambs from Kangaroo Island and the lambs from Nuriootpa mixed up, and then a whole bunch of lamb chops come out the other end and nobody knows what chop comes from where.

A lot of it is to do with actually sourcing and keeping a tab on product. I know that is a longwinded answer to your question, but it is a complex issue, and I am not interested in stuffing anything down anyone's throats. What we wanted to do was to say to people, 'If you'—

Mr PISONI: You are in food marketing; that's the whole thing, isn't it?

The Hon. J.R. RAU: Good point. Hopefully, you will not have to stuff it down. The whole point of it is that it was an invitation to industry and to producers to say, 'If you think we can help you by participating in a cooperative way with you about some sort of branding or some theme that cannot be ripped off and picked up by just any old person, we are interested in talking to you about it.' We are at a stage now where we are inviting responses back. In the end what will happen is that, for the people who were keen on this, we will take it as far as they are comfortable in taking in it and the people who are not keen on it, that is fine; they do not have to be involved.

Membership:

Ms Thompson substituted for Mrs Geraghty.

Mr PEDERICK: I think you have hit on the head a bit with some of the difficulties. The produce from Kangaroo Island would obviously be easy to brand and identify. I think there will be issues with trying to be exclusive, say, with something like Barossa mettwurst, because there is obviously mettwurst made in the Riverland and elsewhere in the state. I understand that they might be able to have a unique mettwurst for their field, as you indicated with your, I think, three stage way of answering the question.

I think there will be some difficulties in getting that appellation concept in the purest form, which is, I suppose, where I am trying to go with it. Is that budget line I indicate, the \$2.2 million, the budget line that is appropriate with this, or is there is a specific budget line? I suppose what I am asking, minister, is: what money is the government putting towards the appellation, and am I on the right budget line?

The Hon. J.R. RAU: I suspect the answer to that is that there is no particular budget line for the appellation presently, because we do not have a finalised position. As I was saying in my answer to this before, it might well be that producers in the marketplace say, 'We are quite happy by doing this through a trademark, which we want to own', or 'We are quite happy to do this through an incorporated body, which we will manage, and the government doesn't need to be involved in it at all.'

Or it might be that they say, for particular reasons, 'We would like some sort of government-managed scheme, which we would then look at.' In the last of those alternatives, there might be an implication for government but, because this is simply an idea we are trying to get feedback on at the moment, there is not much point in making a guesstimate as to where exactly the cost to government would be on that. So, there is no explicit line for that in the budget.

Mr PEDERICK: I refer to the same budget line, Budget Paper 4, Volume 3, page 187: Highlights 2010-11, dot point one, second paragraph. In regard to the \$2.2 million, how much, if any, of the \$2.2 million committed to support food sector growth and development was spent in the last financial year, and how was that money spent?

The Hon. J.R. RAU: I think the short answer is: I cannot tell you that in detail. Can I take that on notice?

Mr PEDERICK: Thank you.

Departmental Advisers:

Mr I. Darbyshire, Chief Executive, South Australian Tourism Commission.

Mr T. Pavic, Director, Corporate Services, South Australian Tourism Commission.

Mr PISONI: My question refers to Budget Paper 4, Volume 4, page 18—this is the Tour Down Under, special events.

The Hon. J.R. RAU: We are now on tourism, I gather.

Mr PISONI: Yes. Ready to go?

The Hon. J.R. RAU: Ready to go.

Mr PISONI: Last year, we saw that the budget estimate for tourism events was about \$2 million less than the actual amount spent—

The Hon. J.R. RAU: I remember well.

Mr PISONI: —and we are back here again, minister, this year. I notice that last year the budgeted amount was \$17,119,000. This year, you did a little bit better with the US dollar-Aussie rate by the looks of it, and we are at \$19,056,000. Can you explain the reason for the unbudgeted \$1.9-odd million?

The Hon. J.R. RAU: I am advised that there are a number of factors that were variables between the years. One of them is the cost for the events staged in 2009-10 that did not continue into 2010-11, which included the UCI BMX World Championships, and the majority of the expenditure on the 2010 Outback Cattle Drive held in July and August being incurred in 2009-10. So at the risk of anticipating where you are going, I am not sure you can actually necessarily derive a number.

Mr PISONI: At the Budget and Finance Committee earlier this year, Mr Tommy Pavic said that there was a special appropriation from Treasury for Lance Armstrong. Are you able to identify where we might find that in your special events program summary?

The Hon. J.R. RAU: I am advised that it is apparently in both years, that is, the 2009-10 and 2010-11 years, and therefore it is not possible to necessarily deduce that those changes are particularly referable to that expenditure line, which, as you know, we cannot talk about.

Mr PISONI: So what was the value of the cattle drive? What did that add to the budget?

The Hon. J.R. RAU: What was the value of it?

Mr PISONI: Yes, how much to the over budget contribution did the rollover of the cattle drive money you spoke about earlier contribute; what was the value of that?

The Hon. J.R. RAU: We do not have the exact number for the cattle drive here.

Mr PISONI: Are you able to bring that back to the committee?

The Hon. J.R. RAU: We will find it.

Mr PISONI: As far as your claim that we cannot talk about the Lance Armstrong fee, the last media I saw was that he had hung up his riding boots and he was not racing any more.

The Hon. J.R. RAU: He could still make a comeback, you know.

Mr PISONI: We know that he has made it clear that he will not be racing again. You have used arguments previously that it is commercial in confidence.

The Hon. J.R. RAU: Okay, there are a number of things there. The first one is that contractual arrangements between the government and not just Mr Armstrong, but a number of people, are commercial in confidence. You might ask: why is that the case? If you were to ask that question, I would say in answer to it that the reason is that we are in a competitive market in South Australia, in indeed the whole of Australia, where different people are competing for different events. Some states have obviously, because of their relative size, bigger war chests available to them than we do.

So it is very important for us that, where we have a successful arrangement of this type, the competition we have for these events or these types of value-adding opportunities do not get exposed in detail to competitors. It is not in the state's interest to be putting out this information, particularly when I do not believe the other states make a habit of doing it, either.

Mr PISONI: I think they do. We know about Tiger Woods' fee, amongst other things. We are also aware of Oprah Winfrey's costs in coming to Australia and New South Wales. She has also retired—I remember the week of last shows that were on television not that long ago. I am not sure that I can accept that, but it is your line, minister, and I understand that it is a line that the government has been repeating for the last three-odd visits of Lance Armstrong. I will move along to the Rugby Sevens; this is the same line. What was the cost of hosting the Rugby Sevens? What was the length of the contract for having the Rugby Sevens here in Adelaide?

The Hon. J.R. RAU: At the risk of being very disappointing, again, this is a commercial-in-confidence arrangement. However, the April event this year was the last of a five-year, five-event contract. We were in a situation where there was the prospect of a renewal. I can tell you that the state did make some effort and, indeed, the Premier actually went interstate to talk to people in support of it, to try to secure the event further. However, as it turned out, South Australia was unsuccessful. I think the Gold Coast has now picked up the event and it will start there in November this year.

Mr PISONI: Is that not more evidence that people have stopped listening to the Premier? Is Leon Bignell right?

The Hon. J.R. RAU: What budget line is that related to?

Mr PISONI: You sent him over there—

The Hon. J.R. RAU: What budget line is that?

Mr PISONI: —to stay in South Australia and he ends up in Queensland.

The Hon. J.R. RAU: I do not think I can really answer that question.

Mr PISONI: That is all right; we can move to Tasting Australia. Is Tasting Australia continuing with Ian Parmenter in South Australia?

The Hon. J.R. RAU: There are two separate things there. Is it continuing? Yes, it is. We own the name, and we intend to continue with Tasting Australia. As I understand it (and I am sure Ian will correct me if I am wrong), Ian Parmenter's group have had a contract to deliver that event which will finish next year. After that, it will be a question of what we decide to do ('we' being the state) in relation to the management and framing of that event. At this stage, though, in answer to the Ian Parmenter bit, as arrangements presently stand his association with the event here ends next year. However, the event does not end next year; the event continues.

Mr PISONI: So in the circumstances of his discontinued involvement with Tasting Australia, are you able to elaborate on that? I think most South Australians see his bubbly face and his bubbly personality as part of Tasting Australia.

The Hon. J.R. RAU: Yes.

Mr PISONI: So I am wondering if you are able to advise the committee as to whether Mr Parmenter withdrew or whether a contract was not renewed.

The Hon. J.R. RAU: He withdrew, I am advised.

Mr PISONI: Did he give reasons?

The Hon. J.R. RAU: I am advised that he indicated he did not wish to continue.

Mr PISONI: Without reason? Was it after a period of negotiation or was it before any negotiation had started?

The Hon. J.R. RAU: I am advised that he indicated to the commission that he wished to make next year's event the last.

Mr PISONI: The Food Exchange was introduced as part of Tasting Australia a couple of years ago, and I think the Premier invited Dun Gifford to involve himself in that process. We know that he has now passed away; we were also made aware of his connections with the Kennedy family by the Premier. What fees were paid to Dun Gifford and his organisation for the life of the Food Exchange when he was running it?

The Hon. J.R. RAU: I will give the normal commercial-in-confidence thing, but if it is not we will get back to you.

Mr PISONI: But he is dead. Things change; you can defame people when they are dead, as well.

The Hon. J.R. RAU: I know you can, but you cannot reveal details of their contracts if it is in confidence. That would be terrible. I do not know, and no-one at the table knows, so we will ascertain that, and if it is something we can tell you, we will.

Mr PISONI: This refers to page 22 of the same budget paper: the \$1.5 million saving on that page is the decrease in cost primarily due to the hosting of the Australian Tourism Exchange and the closure of the visitor information outlet at the Adelaide airport. Are you able to identify the savings made by the closure of the visitor information outlet at Adelaide airport?

The Hon. J.R. RAU: I am advised it is \$260,000.

Mr PISONI: Did that include any staff redundancies?

The Hon. J.R. RAU: Just to be clear, was that about whether there were redundancies coming out of that?

Mr PISONI: Yes; where the figure is less, is the decrease in the net cost less because of redundancy payments?

The Hon. J.R. RAU: We had better take that on notice, the reason being that the saving did involve an FTE reduction, but whether those personnel were transferred elsewhere and then did not go off the books, I am not sure. Can we get back to you on that one?

Mr PISONI: All right. Page 15 of the same document: will we see a reduction in overall staff because of the privatisation of the tourism information centre here in Adelaide?

The Hon. J.R. RAU: You have used the 'p' word, which is not the word. We call it licensing.

Mr PISONI: But they have private use of that licence, don't they?

The Hon. J.R. RAU: I am advised that the commercial licensing arrangement will result in a reduction of 16.6 FTEs.

Mr PISONI: Were any of those offered separation packages? Were there costs of redundancy in dealing with those staff?

The Hon. J.R. RAU: This is a general answer; we will try to do better as a follow-up. I am advised that there were eight across-the-board FTE reductions with TVSPs. Whether they are all or some of them in that 16, I cannot presently say with any confidence, so that is something we will have to find out for you.

Mr PISONI: While you are finding out, are you able to advise whether with any of the voluntary redundancy packages that were taken up that excluded them from being employed by the private operators?

The Hon. J.R. RAU: I am advised that is the case.

Mr PISONI: So they will have to return their packages, will they, if they are employed by the private provider?

The Hon. J.R. RAU: I am advised that is the case, yes.

Mr PISONI: Does the agreement with Holidays of Australia include their ability to earn income by taking commissions in referring members or inquiries to particular tourism outlets in South Australia?

The Hon. J.R. RAU: Just to be clear, are you talking about referrals or sales?

Mr PISONI: Either. Who is in control of the commission structure? It was a commission structure negotiated as part of the transfer of licence to private operators. Is it market-driven? For example, if there is a new aggressive tourism operator who said, 'I want you to promote my product, so consequently whatever my competitor is offering you for commission I will double.' Is that allowed to happen with the new operator?

The Hon. J.R. RAU: I think the answer to your question is a number of things. First of all, the agreement does contemplate commissions; however, you are asking quite particular questions which would relate to how the contract would operate in certain circumstances, and I am not in a position, not having it in front of me, to be able to give you an accurate answer on those points. However, we will note the questions you have asked.

Mr PISONI: Basically what I am asking for is whether commissions can be offered without restriction from operators to Holidays of Australia, whether they have to be declared as part of the contract and whether there is any regulation of those commissions.

The Hon. J.R. RAU: Understood. We will get back to you on that.

Mr PISONI: Does the contract involve requirement for any renovations to the building for ease of access, perhaps for those with disabilities?

The Hon. J.R. RAU: I am advised it does.

Mr PISONI: Who is responsible for funding those renovations?

The Hon. J.R. RAU: I am advised that there is some provision in the contract for fit-out works to occur to improve access; however, there appears to be some question as to what extent the particulars of that are in confidence provisions. If I can give you that general answer, we will give you a particular answer to the extent we are able.

Mr PISONI: My guess is that, if your partner has paid for it, it is in confidence; if they have not paid for it, you are able to tell me about it. That is my guess, but it is pure comment. When was the decision first raised with the board or any department officers to license the SA Visitor and Travel Centre out to private operators?

The Hon. J.R. RAU: I am advised that apparently investigations of an alternative model of delivering that service began in March or April of last year.

Mr PISONI: March or April of 2010?

The Hon. J.R. RAU: Yes.

Mr PISONI: When was the board first advised, or when did the board first discuss those options?

The Hon. J.R. RAU: Whereabouts in the budget papers are we presently?

Mr PISONI: This refers to financial commentary. There is mention here on page 22 that a \$0.7 million decrease in net costs is primarily due to the transfer of management of the South Australian Visitor and Travel Centre to a commercial operator for the provision of information and facilitation of bookings. That whole paragraph does not use the word 'privatisation' either, minister.

The Hon. J.R. RAU: No, it would not.

Mr PISONI: It is very cleverly crafted.

The Hon. J.R. RAU: I want to answer your question as well as I can, and I am sure that those with me do, too. You are asking for particular details which I think those who advise me—in fairness to them—should have the opportunity to look at the appropriate records to answer.

Mr PISONI: I am happy for them to come back to the committee.

The Hon. J.R. RAU: I do not think it would serve the committee for us to answer those questions without an opportunity for those who advise me to be certain that the answers are accurate.

Mr PISONI: All right. Have you received all the documents from the tender process as you requested?

The Hon. J.R. RAU: That is a question I am not sure I can answer. I can tell you that I received a bundle of documents—

Mr PISONI: But you do not know if that is all of them yet; is that what you were going to say?

The Hon. J.R. RAU: It is hard to say. I received a substantial bundle of documents. I received them on the Thursday or Friday of last week, I think, or the week before last—I am trying to recall now; the week before last—and I forwarded those on to the Auditor-General for his consideration.

Mr PISONI: On page 18, there is reference to the increases in income due to revenue from the Tasting Australia event, which is scheduled for 2011-12. What is that based on? Is that based on lower costs or on higher profits?

The Hon. J.R. RAU: I am advised that it is anticipated that there will be an increase in revenue.

Mr PISONI: Increase in revenue of half a million dollars?

The Hon. J.R. RAU: Primarily due to that. That is the forecast.

Mr PISONI: So, it is an extra profit, basically, of half a million dollars?

The Hon. J.R. RAU: Extra revenue over outgoings, yes.

Mr PISONI: On page 22 we have got 3.2: International and Trade Marketing. The corresponding program in last year's budget showed a budget amount of \$6.974 million. This is from last year's budget papers which refer to this year at a budgeted amount of \$13,313,000. The estimated result is higher than that again. Why have we got a budget figure that is different in last year's budget from this year's and is close to twice the amount?

The Hon. J.R. RAU: I am advised along the lines that, in the last year, international and domestic marketing were classified separately. There is a note on page 12. At about the middle of the page, there is a little (a) at the bottom of that table and it says: 'There has been a change in the sub-program structure for the South Australian Tourism Commission.' That indicates, in effect, that there has been a different categorisation adopted.

Mr PISONI: We have the similar situation with Tourism Events where the budgeted amount in last year's budget papers was \$14.23 million. This year the budgeted amount for 2010-11 is \$12.771 million.

The Hon. J.R. RAU: I am advised that that is for the same reason.

Mr PISONI: It has been re-categorised? From what?

The Hon. J.R. RAU: I am advised that there is an attempt to have consistent reporting of cost centres across the SATC and that this number is reflective of that more consistent reporting. That still leaves, I suppose, the question of where that other money is recorded.

Mr PISONI: Yes. Where is it in the 2010-11 budget papers?

The Hon. J.R. RAU: Yes. Can we take that particular bit on notice because I do not think we are going to find it?

Mr PISONI: While you are doing that, can you also look at the Destination Development which, again, has a figure in last year's budget papers of \$7.481 million? This year the figure for that same year is recorded in this year's budget papers at \$11.35 million.

The Hon. J.R. RAU: I am advised that is the same thing but we will get you the particulars.

Mr PISONI: And also for Domestic Marketing, where there is a budgeted amount there of \$25,628,000 in last year's budget for the 2010 year. This year we have \$16.879 million in the budget papers for this year's budget.

The Hon. J.R. RAU: I am advised that if you add the whole lot up for both you should come to the same total, but we will give you the more particular answers that you have asked for. It makes me pleased, too, that I did not do accounting, because I am baffled.

Mr PISONI: Neither did I, but I did not like to give furniture away either. I refer to page 15. This is Highlights of 2010-11. What was the increase in the number of flights from Adelaide and Kuala Lumpur?

The Hon. J.R. RAU: I am sorry to keep saying we will give you particulars, but you are asking very particular questions. I have a recollection that there were another couple of flights put on by Malaysia Airlines. Singapore Airlines have put on another couple per week.

Mr PISONI: Have they occurred this financial year?

The Hon. J.R. RAU: We can give you the details of what the additional flights are and when they commenced.

Ms SANDERSON: I ask the following omnibus questions:

1. Will the minister provide a detailed breakdown of the expenditure on consultants and contractors above \$10,000 for the 2010-11 year for all departments and agencies reporting to the minister—listing the name of the consultant, contractor or service supplier, cost, work undertaken and method of appointment?

2. For each department or agency reporting to the minister, how many surplus employees will there be, or were there, at 30 June 2011, and for each surplus employee what is the title or classification of the employee and the total employment cost (TEC) of the employee?

3. In the financial year of 2009-10 for all departments and agencies reporting to the minister, what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2010-11, and how much was approved by cabinet?

4. Between 30 June 2010 and 30 June 2011, will the minister list the 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?

5. For 2010-11, 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 Treasurer's Instruction No. 15?

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

7. For each department or agency reporting to the minister, how many targeted voluntary separation packages (TVSPs) will be offered for the financial years 2010-11, 2011-12, 2012-13, 2013-14 and 2014-15?

Mr PISONI: I have another question relating to Budget Paper 4, Volume 4, pages 14 and 15. There is a \$3 million decrease in the net cost between the 2009-10 actual and the 2010-11 estimated result. Can you give me a breakdown of that decrease in costs or those savings, if you like, that occur through the implementation of a number of savings initiatives, including program efficiencies, reductions in development programs and reductions in strategic infrastructure grants? I am happy to have that on notice.

The Hon. J.R. RAU: I think that is a great idea.

The CHAIR: Any final questions?

Mr PISONI: Yes, I have a final question. In Budget Paper 4, page 18, we are looking at a \$1.9 million increase in expenses primarily due to—and there is a list. Can you give us a breakdown that covers that \$1.9 million, based on the reasons given for that increase in expenditure? Again, I am happy to have that on notice.

The Hon. J.R. RAU: I happy to do that on notice, subject to the commercial-in-confidence proviso.

The CHAIR: There is one final question from the member for Schubert.

Mr VENNING: Minister, you would be aware that there has been discussion in recent days in relation to trying to save the wine train.

The Hon. J.R. RAU: I can save the member a lot of time because there is no budget line in relation to this.

Mr VENNING: It is in the book. Minister, can I say that you are aware that there has been some discussion to try to save the wine train, which is in a desperate state. Can I ask you whether

there is any consideration of this issue, considering that the original wine train ran with ships coming to South Australia—five or six ships per year? Now we have 28, and the wine train is going to be sold one way or the other. Is there any opportunity now to regroup? I do appreciate meeting your officers on this matter, and I certainly would appreciate your assistance.

The Hon. J.R. RAU: I think the short answer in this context and in this forum is that there is no budget line for wine trains, but I am happy to have a chat with the honourable member about this matter at some other time.

Membership:

Mr Griffiths substituted for Mr Pisoni.

Mr Venning substituted for Mr Pederick.

Departmental Advisers:

Mr I. Nightingale, Chief Executive Officer, Department of Planning and Local Government.

Mr A. McKeegan, General Manager, Corporate, Department of Planning and Local Government.

Mr R. Pitt, Chief Executive, Adelaide Cemeteries Trust.

Ms K. Williams, Chief Executive, West Beach Trust.

The CHAIR: We will now go to the areas relating to the West Beach Trust, the Adelaide Cemeteries Authority and planning. Let's round this up as quickly as possible. There are no government questions?

The Hon. J.R. RAU: No government questions, that is right.

Mr GRIFFITHS: I believe that the negotiated time is 60 minutes, so finishing at 9 o'clock.

The Hon. J.R. RAU: Sixty minutes indeed, but you get special points from the Chairman if you finish early.

Mr GRIFFITHS: I think I will fail dismally. For the benefit of the advisers, I will be talking about the Adelaide Cemeteries Authority first and then the West Beach Trust, in case you want to make some changes, which will assist. I am particularly pleased to be taking on this responsibility for the Hon. Mr Ridgway. As a previous member of the Cemeteries Association of South Australia on the executive, I do have some interest in cemeteries—it is rather obscure, I know.

Minister, I refer to Budget Paper 5, page 47. The proposed annual expenditure has dropped from \$2.9 million to some \$698,000 for the 2011-12 financial year, I am advised, and our assumption is at the completion of the Enfield mausoleum project. I am also told that people are able to buy crypts off the plan now. Can we have an update of how many crypts have been sold off the plan?

The Hon. M.J. ATKINSON: Pretty surprised if they went to the premises to buy them after they became necessary.

Mr GRIFFITHS: True.

Mr PITT: I can advise that as of this morning we have one crypt sold off the plan.

Mr GRIFFITHS: Okay. Can you indicate what the cost will be?

Mr PITT: My understanding of that crypt was that it was a double crypt and it was in the vicinity of \$36,000 or \$37,000.

Mr GRIFFITHS: My next question refers to the cemeteries and, under the responsibility of the authority, there is a lot of concern in the community from time to time when the advertising appears for expired leases. Through you, minister, can you give me an update on when that is expected to occur again in large scale numbers, as I know has occurred a couple of years ago, and I think several thousand were advertised.

Mr PITT: Approximately once a year we have a policy regarding advertising expired sites that requires us to advertise over two weekends in both *The Advertiser* and *The Australian*, plus

the process involves writing to the registered licence holder. The next scheduled time that would be happening that I can think of would be early next calendar year.

Mr GRIFFITHS: Any indication on the number that will be advertised?

Mr PITT: I do not have that information, but I can find out for you.

Mr GRIFFITHS: I would be grateful, thank you; just personal interest. My next question is: what level of capacity exists within the cemeteries under the authority's control? By that I mean vacant occupation opportunities, between now and the next time that others are re-used and therefore made available. Do you have much vacant space?

Mr PITT: I am happy to answer that. The cemetery authority has four cemeteries under its care and control. Smithfield Cemetery has approximately 19 hectares of land, of which currently six are under use, so we still have about 13 hectares left for use, which we see serving the northern Adelaide community for at least the next 50 to 100 years. Enfield Memorial Park, again a fairly major cemetery for the Adelaide northern suburbs—and in fact, I think, in your seat, Deputy Premier—has 29 hectares, of which 16 are currently in use, so we have over 13 hectares of land available, which again, depending on how it is used, we see lasting for at least 50 to 100 years in terms of fallow land.

Cheltenham Cemetery has been full for many years, and in fact when the authority took it over as the then Enfield Cemetery Trust in 1987, it was indeed then full and was totally based upon re-use. We currently undertake about 300 to 330 burials there in re-use sites, serving the western suburbs community, and we see that going on. The other cemetery we manage, of course, is the state heritage listed West Terrace cemetery. That is for all intents and purposes full, however there are people with existing leases, which have second interments, and we were able to find a section of fallow land and open up 220 new sites which have been made available now for 12 months.

Mr GRIFFITHS: That is the end of my questioning in regard to the Cemeteries Authority.

Mr VENNING: What? It's a huge subject!

Mr GRIFFITHS: It is important, but there are a lot of questions we need to ask in the remaining 53 minutes. I refer to Budget Paper 5, page 57 and specifically to capital investment at the West Beach Trust. Can the minister explain why in last year's statement the caravan park accommodation and facility upgrades had an expected completion of June 2011, but now in this year's budget there is no actual time frame listed?

Ms WILLIAMS: On behalf of the minister I can answer that. We are actually carrying over seven projects into the 2011-12 budget, valued at \$635,000. Historically we have normally carried over a lot more projects but, taking on board the comments from last year's estimates committee, we have certainly reprioritised and made sure we have actioned all those capital works projects.

As you appreciate, with Adelaide Shores, we run a very intense operation. We are occupied nine months of the year, so we only have three months to actually carry out our capital works program. That is why at times we will always have a carryover, but we have certainly reduced it to \$635,000 this year.

Mr GRIFFITHS: Can I just seek clarification, Mr Chair? So it was not a matter then of funds being withdrawn and a lesser amount suddenly being available and having to reduce the number of projects? No, it wasn't?

Ms WILLIAMS: No.

Mr GRIFFITHS: Just pure carryover?

Ms WILLIAMS: Carryover projects.

Mr GRIFFITHS: Okay. Are you able therefore, minister, through you, to give a breakdown of what the \$551,000 this year is going to be spent on?

Ms WILLIAMS: I certainly can. It is 11 projects. Would you like me to list them?

Mr GRIFFITHS: I am happy if you want to table them.

Ms WILLIAMS: Yes, I certainly can table them; that is no problem.

The Hon. J.R. RAU: I do not know if we are allowed to actually table, but we can provide you with the details.

Ms WILLIAMS: I have the detail. It is 11 projects.

Mr GRIFFITHS: Well done. As a brief update, because I respect the fact that it must have to run on commercial grounds, the level of occupancy is very high—you have talked about only a limited period during the year when—

Ms WILLIAMS: Correct.

Mr GRIFFITHS: So what level does it operate at?

Ms WILLIAMS: I suppose, taking into consideration the tourism downturn in South Australia and also, obviously, with the outbound tourism that we have seen nationally, we see it at approximately—between the caravan park—about 68 per cent or 69 per cent and the resort about the same, which is very high occupancy for metropolitan Adelaide.

Mr GRIFFITHS: Therefore my next question, after occupancy, it comes to profitability. Are any level of profits retained by the West Beach Trust to use in investment in the property or is it all returned to Treasury and then bids are put into Treasury for access to dollars for upgrades?

Ms WILLIAMS: We currently have an arrangement with Treasury under a TER scheme.

Mr GRIFFITHS: Which is a tax equivalent regime?

Ms WILLIAMS: That is correct. So that is an arrangement that was introduced I think in 1997, but I would need to seek clarification on that. As with all government business enterprises, we are going through the government ownership framework, as we speak, with Treasury and Finance. We are one of the last GBEs to go through the competitive neutrality policy.

Mr GRIFFITHS: So the changes that will result from that are?

Ms WILLIAMS: We are still going through the process so I could not pre-empt what the outcome is going to be, but it is really designed around the competitive neutrality policy.

Mr GRIFFITHS: They are all the questions I have for the West Beach Trust.

Mr VENNING: I have a brief question. I understand you do have some long-term tenants.

Ms WILLIAMS: Yes, we do.

Mr VENNING: What percentage of the total facility is long-term tenancy?

Ms WILLIAMS: They are only at the caravan park. We have three long-term permanent sites (as we call them) but we also have stored vans. We have 23 of them now which most of the population of Broken Hill occupy. They are allowed to use it for 60 days per year.

Mr VENNING: Is three the demand or is that all you have allocated?

Ms WILLIAMS: We certainly do not actively pursue long-term residents at the caravan park. There is a Residential Tenancies Act that you need to abide by.

Mr VENNING: Thank you.

Departmental Advisers:

Mr I. Nightingale, Chief Executive Officer, Department of Planning and Local Government.

Mr J. Hanlon, Deputy Chief Executive, Department of Planning and Local Government.

Mr A. McKeegan, General Manager, Corporate, Department of Planning and Local Government.

Mr GRIFFITHS: I refer to Budget Paper 4, Volume 3, page 65 which relates to Workforce Summary. I am advised that the FTE budget for the 2010-11 period was \$191.5 million and that has been cut to some \$171 million for the coming financial year. However, associated with that cut, I am interested in whether a skills audit was undertaken in the 2010-11 year for the workforce and what were the findings of that skills audit?

The Hon. J.R. RAU: I will ask Mr Nightingale to answer that.

Mr NIGHTINGALE: The skills audit that you refer to was externally by a company called Stillwell. The intention was to look at the skills of existing staff and it was also coupled with the staff's expectation of future skills. It covered a range of things from our traditional financial management skills to technology skills, right through to further planning requirements or planning skills, and project management skills. It was a range of things that you would expect but it was

based on the staff and the consultant's advice to us on both what is needed now and what will be needed in the future.

Mr GRIFFITHS: Thank you for that answer. I refer back to the number of staff, which has been reduced by approximately 20 across the total area. The reduction of staff that occurred in the 2010-11 year, did that involve voluntary separation packages, and what was the cost of that? What will be the anticipated reduction in the 2011-12 year, is that through voluntary separation packages, and what is the cost of that estimated to be?

Mr NIGHTINGALE: I would have to defer that to Andrew with the question about the numbers.

Mr McKEEGAN: The TVSPs relating to the development and planning program was 8.1 FTE equivalents; four TVSPs in the 2010-11 financial year.

Mr GRIFFITHS: And the approximate cost of those?

Mr McKEEGAN: The approximate cost in the TVSP component or in the total component?

Mr GRIFFITHS: The TVSP.

Mr McKEEGAN: Is 1.3 million.

Mr GRIFFITHS: Is there an estimate on TVSPs for the 2011-12 year?

Mr McKEEGAN: Not at this stage, no.

Mr GRIFFITHS: But there is a requirement for the department to reduce staff numbers?

Mr McKEEGAN: Yes, there is.

Mr GRIFFITHS: Do you have an indication of what that number is?

Mr McKEEGAN: Yes; there was a requirement to reduce by 11 FTEs in the 2010-11 budget year, and in 2011-12 there is a further two FTE reduction.

Mr GRIFFITHS: So 11 in 2010-11, but you only have 8.4.

Mr McKEEGAN: No; that was through TVSPs. There were also some—

Mr GRIFFITHS: Sure; I appreciate that detail. Minister, my last little section (or it might not be) relates to a briefing on 17 December that Mr Nightingale provided to the shadow minister. He was told that the staff allocation across the department was relatively fluid, depending on what budget limitations were; indeed, he was informed that as at 30 June last year the spread of staff was some 33.4 in assessment, 42.2 in planning, 40.9 in strategic planning, and four in major projects. Is that reasonably consistent with the numbers that are in place as at 30 June this year? Are you able to provide, even at a later date, what the actual numbers are?

The Hon. J.R. RAU: That breakdown will be provided.

Mr GRIFFITHS: Still referring to page 65, I note that the net cost of services summary shows a budget cut of some \$2.4 million for urban development and planning. How is that level of savings going to be achieved?

The Hon. J.R. RAU: I think Mr Nightingale is the expert on that matter.

Mr NIGHTINGALE: It really has got back to our executive team looking at the core business of the department, where we can actually achieve the objectives and build in some of the efficiencies. That was part of the reason for the skills audit, because we were looking at, I guess, a neater fit across the department.

For example, we now have a division that has the title of Local Government and Regional Communities, but that work will also pick up some of the contact with local government with regard to their development plan amendments. We will also run some activity in the area of the role of major development projects. So we have spread the broader load, whereas previously the planning activity was quite specific, and quite specific to that one division. So we have spread it. I am just using that as one example.

Mr GRIFFITHS: As an extension of that, I note that the net cost of that program was, I think, \$494,000 above the budgeted figure. Can you give me some brief indication of what area those cost implications were in?

Mr NIGHTINGALE: Which program area are we talking about?

Mr GRIFFITHS: That is for urban development and planning. They have had an estimated result for the 2010-11 year of a net cost of service of \$15.3 million, but the budgeted figure was \$14.83 million—that is roughly \$500,000. Where was that extra money incurred?

Mr NIGHTINGALE: I would probably have to ask Andrew to give that figure.

Mr McKEEGAN: In the 2010-11 estimated result there was one-off funding that the department received from the Local Government Reform Fund, relating to the integrated design strategy, of \$1 million. The department also received, over four years, \$7.9 million for the implementation of planning reforms. That is actually staged funding; basically, there is \$1 million reduction in that funding over those years.

Mr GRIFFITHS: Hopefully that is my last question relating to dollars for a while, minister; I know that will please you. If I can now jump to Budget Paper 4, Volume 3, page 64 and the objectives of the department, one of which is to develop policy. I am advised that section 22 of the Development Act states that the minister must ensure that the various parts of the planning strategy are reviewed at least once every five years. Can you please detail when the regional strategies were last reviewed and what the outcomes of those reviews were?

The Hon. J.R. RAU: Mr Nightingale, I think, would have those details.

Mr NIGHTINGALE: All of the volumes of the planning strategy—West Coast and Eyre is currently out for consultation. Limestone Coast will be out for consultation shortly. The others had been developed and gazetted at different times, so they are a rolling process. The other thing that we have negotiated with the minister, if you like, is that there will be mid-term reviews of those volumes of the planning strategy. You are right about a five-year fixed period, but what we are looking at doing is, midway through every two years, working closely with the regional bodies to look at whether or not those strategies need to be updated.

Mr GRIFFITHS: I was certainly grateful for Mr Nightingale's presence at the regional planning forum that took place at Clare not that long ago where NRM boards, Central Local Government Region of Councils and Regional Development Australia all came together. It was very worthwhile having him there. Minister, I have a question about the 30-year plan. I know that is relatively new, but is that intended to be reviewed every five years also?

The Hon. J.R. RAU: I think Mr Hanlon will answer that but, before he does speak, the 30-year plan in its broad objectives, I think, to have any meaning and use needs to be a clear 30-year plan. Hanging underneath that, there obviously is going to be a need for some of the more detailed elements to be reviewed and progressively worked through. If you take it from the broad sweep of the 30-year plan, it is certainly not my intention that we are constantly revisiting that because there is a whole bunch of public policy reasons why we should not be doing that, not least of which is the uncertainty that would create amongst developers and communities and so forth. Underneath that level, there is a lot of work going on. I do not know whether Mr Hanlon wanted to say something about that.

Mr HANLON: Only that, to reinforce what the minister said, the 30-year plan is a live document, so there is no requirement to just review it every five years. It will be under review the entire process as we go towards implementation of the 30-year plan, and I think our regional plans are meant to be doing exactly the same thing from here on. So we are moving away from just every five years going back to revisit these plans. We will have them as live documents the entire time so that we can be much more flexible and able to react regions, the 30-year plan being Greater Adelaide but also regional South Australia as well so that we can keep the plans constantly as a live document.

Mr GRIFFITHS: So it is a live document, but still structured enough to give industry some security in what the planning is also?

The Hon. J.R. RAU: Yes. Can I just give an example of that? The broad brush of the 30-year plan is saying that over the next 30 years we anticipate a population growth in metropolitan Adelaide in the order of half a million people. That is not because we necessarily want half a million people or do not want half a million people; it is what demographers tell us we are likely to have. We are presently tracking ahead of that on trend lines. If you start from that premise, okay, how many new dwellings will we need to accommodate those people? That is not a simple question to answer either because the requirements for accommodation are changing. The population is ageing. We are going to have a large bubble of people who are—

Mr GRIFFITHS: Baby boomer retirees in the next decade.

The Hon. J.R. RAU: Indeed—so the requirements may not necessarily be the same as the bulk of requirements now. Perhaps we will have a lot more single people requiring accommodation and so forth, so the number of dwellings that we are looking at is 260,000-odd dwellings to accommodate those people, and the idea is that we cannot endlessly expand Adelaide in greenfield developments which consume agricultural land on the margins of the city. So, over the next 30 years, we are going to reduce the percentage of that new accommodation coming from greenfield development from 70 per cent, where it is now, to 30 per cent by then. What we are trying to do is turn the Queen Mary around basically and get people in the mindset that—

Mr GRIFFITHS: That they do not need the quarter acre block anymore.

The Hon. J.R. RAU: They do not necessarily need the quarter acre block. Having Adelaide stretched from Port Wakefield to Victor Harbor is not necessarily good for anybody. That is leaving aside the agricultural land issues. They are the big drivers for the 30-year plan. So, if you accept those things, the first step is to say, 'Where is that bit of greenfields development going to be?' That is what has already been done. My predecessor basically identified where that is going to be. That is now a known quantity.

The balance of the dwellings will come from varying forms of infill, and the infill will be either chaotic infill or managed and planned infill. That is how we come to the idea about TODs and the focus of places like Clipsal and so on, where you have, in effect, regeneration of inner urban, sometimes industrial estates, into places that can accommodate larger populations. So, all of that is sort of clear and it has good thinking behind it, but exactly what happens on this particular block or that particular block or this suburb or that suburb is still very much in the mix.

Mr GRIFFITHS: Can I just check, minister, whether you are using an average person per home unit occupancy rate of about 1.85 or 1.9 or thereabouts?

Mr HANLON: No, we are using 2.63.

Mr GRIFFITHS: So how does 260,000 homes equate to 500,000? Not 2.63.

Mr HANLON: No. That is an average that we would be working on per household. Obviously in apartments and that, the greatest—

Mr GRIFFITHS: That is just me being pedantic. Sorry about that. I wanted to do a quick calculation in my head. Minister, I refer to the state planning strategy and specifically the relationship between the Government Planning and Coordination Committee and that strategy. One of the objectives of that committee, I am advised, is to identify critical issues that might impede development; for example, a lack of infrastructure. Minister, can you confirm whether the committee had any involvement in the selection of growth areas identified in the 30-year plan?

The Hon. J.R. RAU: Which committee is this again?

Mr GRIFFITHS: The Government Planning and Coordination Committee.

The Hon. J.R. RAU: Mr Hanlon might know. That is before my time.

Mr HANLON: Are you talking about the original growth areas in the 30-year plan?

Mr GRIFFITHS: If I can show my cards here, we have under freedom of information the 2010 calendar year minutes of that committee. I suppose the questions that I intend to propose probably for the next 15 minutes stem from those discussions, so it relates to that period.

Mr HANLON: Perhaps I can just give you the process. The 30-year plan identified the growth areas for Greater Adelaide. It did that through all the review work and all the background investigations that were done to create the 30-year plan, so the growth investigation studies and that which identified all of those areas of Murray Bridge, Mount Barker, Roseworthy, Angle Vale, Virginia. That was done prior to the GPCC being established.

As we then go through those investigations—remember that these lands have not been rezoned at this point in time; they are there for investigation to occur—we present all of those findings of investigations for infrastructure, whether it be community infrastructure, whether it be hard infrastructure, SA Water, electricity, or whatever it might be. We start presenting those findings and investigations to the GPCC to recommend whether we can actually go ahead with the rezoning process.

So, can we put the infrastructure in place to achieve the dwelling yields in these particular regions over 30 years? How do we go about doing that? All of that information is presented to the GPCC so that other government departments are well aware of what sort of growth will occur

around the state so they can then turn their own capital budgets—it does not have to be all new money—for planning for the next five, 10, 15 or 20 years towards being able to provide the required infrastructure for those regions as we rezone them.

Mr GRIFFITHS: To define the role of the GPCC, is it proactive or reactive? Is it out there actually forging policy or is it reacting to issues?

The Hon. J.R. RAU: I think Mr Nightingale can take this.

Mr NIGHTINGALE: I would like to pick up on two points. One is that the investigations that John was talking to, and the input from all of those agencies' CEs—as responsible parties—happened, in a sense, before the GPCC got fully operational. The difference now is that everything that is being done—the structure planning work we are doing, any of that analysis about infrastructure, and the like—is happening through a subcommittee, and it is all reported back through to the group that I chair, which is every CE in the state or every one of the agencies, from defence to the EPA.

It really was just a timing issue because the agencies had been commenting on the development of the 30-year plan in their own right, if you like. The GPCC came into existence and started to deal with the specifics in the structure planning work we are doing and the latter part of the DPA work.

Mr GRIFFITHS: I note that in 2010 the GPCC met, I think, four times and the minutes that we have reviewed are some 16 pages. Does it meet at a greater frequency now?

Mr NIGHTINGALE: No, it is meeting quarterly. The subcommittee is probably more where the action is.

Mr GRIFFITHS: Well, that was going to be a question: do the minutes from the committee actually reflect all the actions that are occurring? They must reflect the directions that the subcommittees are giving them.

Mr NIGHTINGALE: Correct. So, it would be the work of the subcommittee, which is the executive directors. John chairs the subcommittee. That is where a lot of the determinations are made with regards to the agencies' input and any discussions that might be going on with an agency like the EPA and so on. It really only needs to be put to the full CEs' group if there is an impediment, if there is a disagreement or the intention is that the CEs would consider something prior to it going to cabinet.

Mr GRIFFITHS: Okay. I am just contemplating my next question. You might not respect this but, as the shadow who did not actually prepare these but is acting on behalf on someone else, I want to make sure that I use my time as best I can without necessarily going through a lot of stuff. I note that there was a meeting on 2 March 2010 that resolved that high-level policy resolutions, as a result of debate at the GPCC, should form part of a communications plan. What policy resolutions have been reached since that date then?

Mr NIGHTINGALE: In fact, that is ongoing, because the communications discussion was around the communications associated with the draft structure plans that were presented to the GPCC. One was for the north-western corridor; one is for the inner infill. In fact, to answer that question, John and I have a meeting with Tim Horton tomorrow, just really to finalise how the communications and the engagement strategy is going to work. I envisage that that will be different for each structure plan and each effort, because it will be largely different areas with different issues.

Mr GRIFFITHS: I note that a paper discussing the legislative framework for structure planning was brought to the June meeting. What issues did that paper discuss, and did it identify any need for a legislative change to support the ongoing use of structure planning?

Mr NIGHTINGALE: My recollection of that meeting is no; the structure planning examples that have been taken to GPCC have been, in a way, explaining that some of these strategies can be adopted, or the minister could adopt them, under the Development Act as a subset of the planning strategy. So, that was quite clear. It did not need a legislative change and it would be up to the minister to determine its strategic importance and whether he decided to make it a subset of the planning strategy.

Mr GRIFFITHS: Thank you. Minister, I note that the minutes also reflect—I am not sure which meeting it was—the expectation that, by the end of 2011, all LMC-managed land will be committed to development opportunities. As such, there will be an unprecedented reliance on the

private sector to release land holdings. Are you able to provide me with a figure on what the current level of LMC stock is in relation to that 30-year boundary?

Mr HANLON: To give you the exact figure, we would have to get that from LMC, but it will be of the order of, probably now, under 1,000 hectares of what would be on the fringe land: the proposed lands rezoned for the 15 years' supply of land for the state of about 14,000 hectares in total. They would probably have about 1,000 hectares of that. The rest would be in private ownership.

Mr GRIFFITHS: Minister, I also note that minutes of those meetings state that structure planning for Roseworthy—which is within the Roseworthy, Gawler, Concordia state significant area—would be undertaken by a developer consortium. What stage is the preparation at for this?

Mr NIGHTINGALE: The Light Regional Council is responsible for coordinating it. At this stage, the consortium and the council are in what I would term a place-making exercise. They have been having discussions with the community and with agencies of government to get a feel for what that area should look like. We have not seen anything yet that looks like a formal structure plan for us. I imagine that would be, hopefully, coming to us within the next month or two.

Mr VENNING: I have a question in relation to Roseworthy. I know, minister, your intention with the Barossa Valley and the Southern Vales, locking it up, and I support that in principle. What about the farming lands of Freeling and Roseworthy, which is the most beautiful farming land. Are you going to eventually limit that, because I think it is the same principle? It is the most pristine farming land in the state.

The Hon. J.R. RAU: I am not sure where this fits into the budget, but I will have a crack at it anyway. The situation is basically this: certain decisions have been made about various bits of land around the place, on the margins of the city, where growth might occur in the future. For every one of those pieces of land there are proponents and opponents. We had a recent example down at Seaford where there was a piece of land which was rezoned by the Onkaparinga council back in 1988 to be residential. There are people who are very agitated about that to this day and say that it is actually the finest bit of geology possibly on the planet for the growing of grapevines. Strangely enough, nobody has ever done that, although people did grow ostriches there at one point.

Mr VENNING: Philip White might.

The Hon. J.R. RAU: Anyway, we have sort of resolved that by recognising that contracts have been let to private consortia who are going to be developing that, and that contract has been honoured and the other land has been rezoned back to rural. The thing is there are a whole range of areas out there in the north that are regarded as prime agricultural land, and that is a function of many things. It is a function, obviously, not only of soil, rainfall and things of that nature but also of the landholding size.

You might have the best land in the world, but if it has been chopped up into one hectare lots with lots of different owners, the chance of ever aggregating that back into a useable parcel of land is negligible. So there are a lot of factors that come into play and it is intended that the proposed growth areas around places like Freeling, Roseworthy and whatever are contained within the boundaries that have been set out in the 30-year plan, and that is what is intended to happen. They are not going to become new growth points; they are confined by the plan.

Mr Hanlon says to me—quite rightly, too—that, in addition to that, 375,000 hectares of adjacent land is protected now as agricultural land by policy.

Mr VENNING: Alongside Roseworthy, near the college there?

The Hon. J.R. RAU: In that corridor between Roseworthy and Two Wells going out, in effect.

Mr HANLON: Other than the land that is marked in the 30-year plan for the 15-year supply of land and then the 30-year supply of land, everything outside of that is protected by policy as primary production land. It has been mapped and is protected by policy. You could change that policy.

Mr VENNING: When did you do that?

Mr HANLON: That was part of the 30-year plan mapping that we did that work. So you need to change that policy to go beyond what is the 30-year plan growth.

The Hon. J.R. RAU: The only people who are going to get a better deal than that are the good burghers of Schubert, because they are going to get a Barossa protection zone, which will be an even higher level of protection against a change in policy.

Mr GRIFFITHS: I have a question about the residential code. What advice have you received regarding the success or otherwise of the implementation of the residential code since it came into force?

The Hon. J.R. RAU: I have to confess that the residential code is something that I am still working my head around. I know that there have been various quarters that have complained about the lack of compliance or take-up, or however you want to describe it, and that is a matter of some concern to me. But perhaps to give you a more detailed answer, Mr Hanlon might have some more information.

Mr HANLON: Without doubt, the ResCode is probably one of our greatest challenges, but I think we have to understand what we are introducing when we first brought in the planning policy: it was for faster planning approvals and all of that. When we first introduced it, we made a number of items that used to require planning approval exempt from planning approval. So, small sheds and all of those sorts of things were taken out. That side of it has been very successful.

Those aspects that also required only a building rules approval were introduced at the same time. I think that sometimes people forget how much has come out of the planning system just with those two introductions. Then we brought in three elements of the residential code, and that was to try to fast track what was considered to be fairly simple development, that is, a normal house and dwelling or a semi-detached dwelling on a normal block of land, to try to move that through quickly.

Mr GRIFFITHS: So, the kind of development the neighbours would not complain about?

Mr HANLON: Yes. But, of course, that is not always easy to do, as you know, because then you start to take away community rights, if you do not get that right. Then you get this whole issue about, yes, it might be easy to do that on the fringe where maybe you have new developments, but try to do that in the middle of Unley and it is a whole different ball game. Of the residential code that we brought in, I think industry and local government raised about 42 areas of the code they would like to see changed.

Recently, we did a review of the residential code, and we have been able to easily work through discussions on that. We think we can make about 22 of those 42 changes quite easily. There are another 11 that go towards the actual make-up of the code—the administrative look and feel of the code—which could be improved, and we are working with the Local Government Association in trying to develop that. Then there are nine areas of the code which are pretty well fundamental to the way you go about the code.

Perhaps, industry, HIA and others would like us to go down a particular path with that but, if we do, we have to be careful about are we taking away too many rights of the community or people who live around those new developments in introducing the code and introducing those changes, and they are a challenge to us, and that is the balance we are trying to achieve at this point. So, we might be criticised because the code has not been completely introduced the way it was perhaps first intended, but there are some good reasons for that, and that is about how you go about dealing with communities in putting this in place.

Mr GRIFFITHS: I will always respect the fact that the community's rights need to be observed and, more importantly, preserved. Are you able, minister, to put some form of time line in place where you think that you will have a finalised version of it where the amendments will be made, there will be either agreement or not, but this will be what everybody has to work within?

Mr HANLON: Those first changes to the code we think can happen fairly quickly, and I am talking over the next couple of months, we think. We finished that review only just recently, and we want to talk to other various industry groups about that. We think that we can make those first few changes to the code quite easily, and we will do that in the next couple of months, and that will go a long way towards improving the code.

The changes to the look and feel of the code might take another three to six months to complete, but the last nine are fundamental policy issues, which are not easily introduced. They may require us to rethink certain aspects of the code, whether maybe you even have a special code that applies to fringe development versus infill development because its impact is different. We may have to think about whether we can develop a code that is about greenfields developments and you can get that done quickly, but do not try to apply that to a suburban area

that is well developed at this point in time, and that is a fundamental change in the way we go about the code.

Mr NIGHTINGALE: Can I make another point?

The Hon. J.R. RAU: Okay.

Mr NIGHTINGALE: The other thing that came up in the review is that, because it was new and because it was very different, the business practices both of councils and of some of the building industry themselves have had to adapt. Even some of the councils' business practices about how they receive information and ask for additional information could be better. Some of the applications that were received when we did that road test clearly indicated that the building industry could have lodged a clearer, more complete application if they wanted it to be assessed under the ResCode. So as part of that review process I think there is a bit of a change in the business practices of both sides.

Mr GRIFFITHS: Thank you. Minister, if I can jump now to a question on has the department had any involvement in the development of the master plan for the Riverbank precinct, in scoping what will be included in it?

The Hon. J.R. RAU: The department is involved in the sense that it is part of the group of officers who have been involved in the process. There is a collective effort there. We have the DTEI people involved, and we have Integrated Design Commission involved. There are discussions with the City of Adelaide about various things. The Convention Centre is involved. There are many people involved. Yes, we are involved and happy to be so.

Mr GRIFFITHS: It might be a little early, but what sort of visions are held as potential uses for the Adelaide Gaol site?

The Hon. J.R. RAU: Adelaide Gaol? I think it is too early to actually say exactly what might happen there, but if you imagine you are looking at Adelaide from above and you are able to look at that area of the city from where the Clipsal site is, weaving around through Bonython Park, then along where the rail yards are, the hospital, SAHMRI, the Convention Centre, the Intercontinental, the Casino, the Festival theatre—

Mr GRIFFITHS: And this building that we sit in.

The Hon. J.R. RAU: Yes, indeed. This is really an area where there is going to be a huge metamorphosis over the next couple of years. That will only serve to make the Adelaide Gaol, as it is presently turned out, and the police barracks, look like a very second-rate offering, in that context. The E&WS depot across the road from there is now being returned to parkland and that will have native plants from the Flinders Ranges in particular there, so that is going to be quite an important parkland.

Adelaide City Council is spending some money on Bonython Park. There is going to be money spent at Clipsal. Exactly what will happen to that precinct is difficult to say, but we cannot ignore that piece of the jigsaw puzzle because it is sitting right in the path of everything we are doing, and to just leave that out would be a terrible omission in terms of having a coordinated, integrated part of the city there.

Mr GRIFFITHS: My understanding is that minister Conlon announced in November of last year the master plan for the precinct. We know that it is currently being prepared and I presume hoped to be released later this year. Given that, why the glossy advertisement in *The Advertiser* today—the spread that covered it? I was a bit intrigued by that. Was it a bit presumptive? It is good to get the vision out there; I agree with that. You give people an opportunity to talk about what the opportunities are. But why was the timing for that media emphasis today? Was it your choosing, or was it *The Advertiser* approach?

The Hon. J.R. RAU: No, the Convention Centre has been working on that for a period of time. It has gone through a number of iterations about how that would be presented. There are engineering issues about how you can actually suspend a building above a railway, and some of those engineering issues actually manifest themselves in the design of the building, because the girders on which the building is sitting are sort of part of the design. There were a number of challenges about that anyway.

The Integrated Design Commission got involved in looking at how that would relate to the other buildings in the area. As I said, DTEI has been involved and others. We got to the point where this week cabinet looked at the first stage of the development and decided it was time to

proceed and actually formally press the button and say, 'Let's go!' That happened this week and it has been released this week. There was no—

Mr GRIFFITHS: It has been the policy of both parties, certainly for some time, to open that complete area up to the people, because it has been an eyesore for long time. It is important to make it a place that people can use.

If I can jump to page 68 of Budget Paper 4, Volume 3 and the target to complete structure plans for the inner metro rim and the north-west corridor, as I understand it, you have the discretion over, indeed, whether to gazette any structure plan as a subset of the planning strategy. Can you update the committee on what will form the basis of a decision that you may make on whether to take that approach?

The Hon. J.R. RAU: I can, in general terms. The situation is basically this: we have opened up a dialogue with the rim councils, as indeed we have with the Adelaide City Council, and it is strongly preferred that any of these structure plans are done entirely in cooperation and in consultation with those local government bodies.

The second thing is that the structure plans need to be in place before rezoning occurs, because we need to know what is going on, and everybody needs to know what is going on, and we need to have, as much as possible, the planners in all of those different local government areas exactly focused on the same goals. It is not much good having one iteration of it in Norwood, another iteration in Unley, another iteration in West Torrens, etc. There has to be some degree of harmony about the way people approach like concepts in different areas.

For my part, I just want to be satisfied before we actually roll these things out, that we have got that degree of consistency and that degree of understanding with the local government authorities that will be working there. I think John might be able to update on how those detailed discussions are going.

Mr HANLON: The process that we are adopting is by the planning strategy—the 30-year planning strategy which identifies the idea of the structure plans—that we would have two completed by the end of 2011: the north-west corridor. Originally we were going to do the southern corridor, but to assist with the infill housing program it was decided to do an inner metro one as well, and the previous minister for planning requested that. Those two structure plans are in what we call their second iteration.

If I can just explain that, what we intend to do is to take the councils who are involved in these areas (so the inner metro councils are the seven councils involved; along the north-west corridor there are three councils involved) through the various iterations of the structure plan and they can show that to their councils. The staff get involved in it and all the government agencies get involved in it and that is where we do use the GPCC subgroups who work with us—so all government agencies are working on that—and we will go through a number of iterations of that structure plan until, as best we can get, all parties are happy with that structure plan.

Now, you are not going to get everybody happy, obviously, with a structure plan but to the best that we can, we will get people on side with us and partnering in relation to that structure plan. We actually commence the engagement program with all councils officially next week. We start now going through that and you will start seeing these in councils and councils will be talking about their particular area and what they would like to see happen and how it may work. Then we will bring it back through various processes through the GPCC.

That eventually gets to the point where we will take it on to the CEs—so the GPCC group that is chaired by Mr Nightingale—and have them sign off on it. It will then go to cabinet for cabinet to say, 'We're happy for you to go out now for community engagement in relation to that structure plan.' We do not want to go out giving false impressions that we are going to put a tram somewhere and then we are not really going to do that. We want to make sure that we go out with something that we can fund and can achieve.

We will be doing that and we hope, on those two structure planning processes, to do that in October and November this year. We will take all the feedback, do various iterations of the structure plan from there and then go out for a statutory period for everybody to see what we are talking about as a major structure plan for a north-west corridor or inner metro. At that point, it will be presented to the minister—because all of the parties (including the community) have been involved in that—for gazetting of that structure plan, so that we can then rezone off the back of those particular structure plans.

Mr GRIFFITHS: Therefore, to allow the discussions that are about to commence with local government to be from an informed perspective, do you have a position on, say, for the inner metro rim structure plan, what the optimum average number of dwellings would be per hectare?

Mr HANLON: Yes.

Mr GRIFFITHS: That is?

Mr HANLON: It changes in every area depending on the types of densities that you require. The answer to that is: through our inner metro dwelling yields and that, all the work we did in the 30-year plan and all the background information for that, we actually have that for every council area. In fact, the minister called together all the inner metro councils back on 11 May, and we presented to all the inner metro councils that were involved in that structure planning their target numbers for dwellings. But what we said to the councils was that we wanted to agree on the sites where we could achieve those dwelling yields, and we identified various areas that we would do in partnership with the councils.

We would say 'These are the sorts of dwelling yields that we are trying to get out of these regions, here are the areas we are looking at. What sites could we realistically rezone to achieve these types of dwelling numbers?' Previously, the approach may well have been that we just identified areas and rezoned the whole area, but we are not doing that now. We are going to do that in true partnership with the councils, where we can achieve that. Hopefully, out of that we will get a good partnership with local government in relation to that.

Mr GRIFFITHS: I understand the difficulties in giving one answer to that question then, but what about for the Bowden site? Do you have an average number of dwellings per hectare projection that you use?

The Hon. J.R. RAU: We have a number of dwellings that we want to get in there.

Mr HANLON: Which, in the end, would give us a dwellings per hectare; but I think the dwelling total in there was 2,200 dwellings for the site.

Mr NIGHTINGALE: Can I just add something to that last question which is important? The structure planning which John was referring to and which we are calling the inner rim will also be conducted in sync with the integrated design strategy. The integrated design strategy that is being funded by the commonwealth, the city council and the state, through our department, will be running in parallel, so a lot of the design concepts, a lot of the movement strategies, the place making that I was talking about before, the integrated design strategy will pretty well run at the same time as John and his team are finishing the structure planning work for those councils.

The Hon. J.R. RAU: Can I just make another point in relation to this as well? Sometimes the average yields are not necessarily that informative unless you are looking at very detailed, microscopic maps—almost down to the block. For example, if you said that there was going to be a yield of X number of dwellings over the whole of Unley, if you spread them over Unley like Vegemite over a piece of toast, you are going to get something happen; but if you focus them in one place you might even have a situation where we can actually offer the character homes in Unley greater protection than they presently have from this 'knock 'em down and build two' business that is going on now.

We will be able to give the yields we need in areas such as, for example (and I am just saying for example; I am not letting the cat out of the bag here), along Greenhill Road, where you already have a 12-storey building, that ETSA building. It is there. Whether we want more that size, I do not know, but for every one like that there are umpteen other houses back in Unley that do not need to be bowled over and chopped into a couple of Tuscan somethings.

Mr GRIFFITHS: I understand. I have two more questions. This relates to the timeliness of assessing development plan review amendments, and requests for that. On page 68 I note that there was a target for ministerial DPAs of some 12 months, but the estimated result was in fact 17 months. Can the minister give a reason as to why those targets are being missed?

The Hon. J.R. RAU: I think Mr Hanlon might be able to help you.

Mr HANLON: The target was for 12 months. There were a couple of DPAs that interfered with that target—the work that we did in relation to Mount Barker and Buckland Park. If you remember, previously with DPAs you could do a development plan amendment—and this happened for years within the state government—and you could decouple it from infrastructure requirements. That was a normal process. The minister for planning did not actually have to know

all the infrastructure going into the area and the full costings of that; they could just rezone the land with the view that it could be serviced in time.

Mr GRIFFITHS: And the consumer of the product would pay for it eventually.

Mr HANLON: Exactly, and that has been a historical thing that has happened within governments for a long period of time, and local government has always dealt with that particular process. However, as we have moved further into these land releases—and remember that we have not done these large land releases in the state for a number of years, so it was important for us to realise as we were doing this that obviously the infrastructure costs were very important and had a huge impact on a lot of agencies in relation to that. It was better for us to spend a lot of time negotiating the infrastructure, determining the infrastructure, and then negotiating the infrastructure, negotiating the costs, and then getting those costs shared with the developers in relation to the Mount Barker situation which we had not done before.

In doing that, that blew the times out on the DPAs but we were prepared to accept the fact that it would take us longer to get the DPA through but the offset for that was, in the case of Mount Barker, we were able to negotiate an additional \$64 million from the developers that previously we hadn't been able to get from developers in relation to this. Because of the effort we put into that, it certainly made the DPA go out a lot longer but we think the end result was a lot better in relation to that. We did that with Gawler East as well.

Mr GRIFFITHS: If I can pose a question to you on behalf of all regional members and certainly many metropolitan members about council DPA reviews and, indeed, the time taken for that, the member for Flinders has given me an example of a development site opportunity within his area that I believe is currently zoned Deferred Development 2. An application was lodged in March of last year, for example, for that to be reviewed, and there is still no progress upon that. My great fear—and without being specific about it, that is just an example—is that development opportunities are lost because of the time delays on development plan reviews being submitted, considered, reviewed and approved.

The Hon. J.R. RAU: I hear what you are saying, and I agree. We all could do better; I could do better and all of us could. Certainly if regional members in particular are having problems with this, I encourage them—and I know I will regret saying this—to have a word to me about it.

Mr GRIFFITHS: You will regret it probably. It is very generous of you, though.

The CHAIR: Thank you, minister, and I thank the members of the committee. I thank the advisers. There being no further questions to the minister, I declare the examination of the proposed payments for the Minister for Tourism concluded and the proposed payments for the Department of Planning and Local Government and administered items for the Department of Planning and Local Government adjourned to committee A.

At 21:03 the committee adjourned until Thursday 30 June 2011 at 09:00.