HOUSE OF ASSEMBLY

Wednesday 26 June 2013

ESTIMATES COMMITTEE B

Chair:

Hon. L.R. Breuer

Members:

Hon. P. Caica
Hon. P.F. Conlon
Ms F.E. Bedford
Mr M.R. Goldsworthy
Dr D. McFetridge
Ms R. Sanderson

The committee met at 10:31

DEPARTMENT FOR HEALTH AND AGEING, $3,021,228,000

Witness:

Hon. J.J. Snelling, Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for Defence Industries, Minister for Veterans' Affairs.

Departmental Advisers:

Mr D. Swan, Chief Executive, SA Health.

Ms J. Richter, Deputy Chief Executive, System Performance, Department for Health and Ageing, SA Health.

Mr S. Archer, Deputy Chief Executive, Finance and Business Services, Department for Health and Ageing, SA Health.

Mr J. Woolcock, Chief Finance Officer, Department for Health and Ageing, SA Health.

Ms N. Dantalis, Director, Corporate Governance and Policy, Department for Health and Ageing, SA Health.

Mr P. Louca, Chief of Staff.

The CHAIR: Welcome. As you know, estimates are a relatively informal procedure. Changes to committee membership will be notified as they occur via a request to be discharged form. Please make sure you fill one out. There is no need to stand to answer questions, and there will be a flexible approach to giving the call for asking questions based on about three questions per member, alternating each side. Supplementary questions will be the exception rather than the rule. A member who is not part of the committee may, at the discretion of the Chair, ask a question.

Questions must be based on lines of expenditure in the budget papers. All questions are to be directed to the minister and not to the minister's advisers. 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*. All answers to questions taken on notice must be submitted to the committee secretary no later than Friday 27 September 2013.

There is no formal facility for the tabling of documents; however, documents can be supplied to the Chair for distribution to the committee. I advise that, for the purposes of the committee, television coverage will be allowed for filming from the area behind me.

I understand that the minister and the lead speaker have agreed on a timetable for today's proceedings, is that right? I propose to allow both the minister and the lead speaker for the opposition to make opening statements of about 10 minutes each. I declare the proposed payments open for examination, and refer members to Agency Statements, Volume 3. Would the minister introduce his advisers and also make a statement, if he so chooses.

The Hon. J.J. SNELLING: South Australia has one of the best health systems in the country, and we remain committed to continuing to provide high quality health care to all South Australians. Over the past 10 years, the government has invested heavily in improving our health service, which includes construction of new health facilities and upgrades to our major hospitals. These investments are all in line with South Australia's Health Care Plan, which was released in 2007. The plan provides a pathway to provide improved services for South Australians by efficiently using resources available, investing in health infrastructure and controlling the growth in hospital demand. While SA Health has experienced challenges over the past few years, the government's investment in South Australia's Health Care Plan is returning results, and we are committed to continuing this.

In 2013-14 the government has committed an unprecedented $5.084 billion for health services and functions across South Australia. This includes investing in a range of new budget measures to support those most in need in our Indigenous communities, with $32 million over three years for the Closing the Gap Indigenous healthcare initiative, $3.5 million over two years for communities in the APY lands. We are also committed to making South Australia a leader in medical research, with an investment of $41.3 million in funding to support the South Australian Health and Medical Research Institute and the transfer of research units to SAHMRI.

Having the infrastructure to support our ongoing health reforms is essential, and we are continuing our systematic rebuild and upgrade of the state's hospitals. In 2013-14 SA Health's capital expenditure will come in at $328 million. Capital projects worth $3 billion have been completed, are underway, or have been funded across the health portfolio by the government. This is in addition to the $1.85 billion we are investing in the new Royal Adelaide Hospital.

The centrepiece of our new hospital infrastructure is the state-of-the-art new Royal Adelaide Hospital, which is being delivered by a public-private partnership arrangement. Once completed, the new hospital will be the most contemporary and efficient in Australia and will include 120 more beds than the current RAH, with an emergency department that can treat an additional 24,000 patients every year, and 40 super-sized, especially designed and equipped operating theatres. Construction of the hospital is well underway and will be completed in 2016.

In the north, $50 million will be spent on the $177.7 million stage C redevelopment of the Lyell McEwin Hospital, which will increase the hospital's capacity by 96 new beds. This will be created through the construction of a new inpatient building, a women's health building, expansion of intensive care and neonatal cot capacity, a helipad, a multideck car park, and expansion of support facilities to meet increasing demand. The new 96-bed inpatient building will be completed in July, with a progressive expansion of bed capacity occurring over the next 18 months. A further $1.5 million will be spent to complete the expansion of cancer facilities at the Lyell McEwin, with the establishment of a fully integrated cancer treatment service, comprising two linear accelerators and chemotherapy chairs.

While we are still on the north, $8.5 million will be spent on the redevelopment of the Modbury Hospital emergency department. The final phase of the ED redevelopment will include a new secure paediatric area for any children who enter the department to be seen away from the general population. Under a proposal currently out for consultation, emergency paediatric patients requiring a stay of up to four to six hours will continue to be treated at the Modbury Hospital emergency department, and paediatric outpatient services will continue to be available locally at Modbury Hospital or at the Modbury GP Plus Super Clinic. A consultation paper is seeking feedback from the community, staff and interested parties and is open until 26 July.

In the south, veterans will be given the opportunity and support they deserve, with $14.8 million to be spent towards a $33.1 million improvement of rehabilitation facilities, with the highlight being the 120-bed Vita redevelopment. Vita is a joint development between the state, the ACH Group and Flinders University to develop an innovative teaching, aged care and rehabilitation environment for residents of the south and for veterans. The budget also provides $13.3 million towards commencing the $64.4 million upgrade of the Women's and Children's Hospital. The upgrade will include the redevelopment for paediatric medical wards and day care facilities and a complete redevelopment of the neonatal and special care baby unit facilities, including the accommodation of eight new high-level intensive care cots and 10 special care baby unit cots.

For regional South Australia, we are investing $6.1 million to complete the $36 million redevelopment of the Berri Hospital and a further $6.9 million towards the $12.5 million Port Pirie GP Plus Health Care Centre. In conjunction with the commonwealth government, we are also progressing the redevelopment of the Port Lincoln Health Service, the Mount Gambier and Districts Health Service and the Whyalla Hospital as well is the establishment of regional cancer facilities

commencing with the South Coast Primary Health Care facility. These investments in country health will enable more patients to be given quality care closer to home, reducing the stress and cost of being away from family support.

As well as upgrading the state's health and hospital infrastructure, we are providing our hardworking doctors and nurses with the tools they require. That is why the 2013-14 budget includes continued investment of $54.7 million in major eHealth initiatives that will move SA Health into the digital age of health care. The largest of these systems is the Enterprise Patient Administration System (EPAS). It is currently progressing, with its first Go-Live site at Noarlunga Hospital and the Noarlunga GP Plus super clinic planned for Sunday 25 August, subject to a readiness review. From a patient perspective, EPAS will deliver safer and more efficient and effective patient care, with a medical record accessible immediately at the time of treatment.

Another major initiative is the Enterprise Pathology Laboratory Information System (EPLIS), which will deliver health system efficiencies through integration of pathology information with other patient-related information. Finally, the introduction of the Enterprise System for Medical Imaging will be a clinical improvement for the Women's and Children's Hospital, where an electronic medical imaging system has not previously been installed. ESMI is expected to be delivered by early 2014, or implemented by early 2014.

Latest national reports show that South Australia is continuing to lead the nation in emergency department and elective surgery waiting times. We rank first nationally for emergency department median waiting times, with 15 minutes in 2011-12, which is six minutes faster than the national average. Our emergency departments also ranked equal first nationally for the number of patients seen on time, according to clinical categories, with 76 per cent in 2011-12. For 2012-13, up to April, South Australia is tracking at 75 per cent.

Our elective surgery waiting times have also significantly improved, with our waiting times trending downwards since 2007-08, while national averages have stayed relatively unchanged. We currently have the smallest proportion of patients nationally who have waited a year or more for elective surgery. As at 30 June 2012, there was only one patient overdue for elective surgery in metropolitan and country hospitals and we are on track to have no overdue patients for elective surgery procedures as at 30 June of this year.

We are also estimating that metropolitan and country hospitals will admit over 65,300 patients for elective surgery procedures in 2012-14 and we look forward to continuing to improve our waiting times and providing the best possible service to our patients. I thank the dedicated teams in SA Health who have helped achieve these outstanding results for our emergency department and elective surgery waiting times. Without the dedication shown by our hardworking nurses, doctors, allied health staff, management and administrative staff these results could not be achieved.

Ensuring we have a strong system to support our hospitals is incredibly important and during the term of this government we have seen a total transformation of the SA Ambulance Service. With the introduction of single responders and advanced clinical care through intensive and extended care paramedics, the SA Ambulance Service has evolved into a key out-of-hospital healthcare provider, offering far more than the traditional transport options.

We have also undertaken significant analysis of the location and type of resources needed to meet current and predicted levels of demand. This work underpinned my recent announcement of an additional $4 million per annum for 34 more full-time equivalent staff to enable the SA Ambulance Service to continue to provide its world-class service to the people of South Australia. We want to keep on helping this high quality service to improve, which is why we have committed a further investment of just under $7 million to the SA Ambulance Service's capital annual ambulance replacement program. This will see a further 48 new ambulance replacement vehicles added to our fleet.

As we all know, as our population ages demand for health services will continue to grow and the funds available to state governments are simply not keeping pace with this increasing demand. The government has made it very clear that it is committed to continuing to provide high quality care in the most efficient and effective way possible within our financial allocations. Substantial savings have been achieved in 2012-13 and SA Health is on track to come in on budget. There will always be savings requirements and an obligation to contain spending while delivering the best possible care for our community. However, the SA government accepts this challenge and SA Health will continue to strive to meet its budget requirements in 2013-14.

SA Health is required to meet an additional $160.8 million in savings as part of the 2013-14 budget, and has been allocated additional savings requirements of $47.3 million over four years commencing from 2013-14. This comprises a reduction in SA Health's annual capital program of $15 million over four years and a continuation of the efficiency dividend, with a $32.3 million saving in 2016-17.

The government will continue to invest in the healthcare system. Over the past 10 years the state government's substantial investments enabled our health infrastructure to be rebuilt. We will continue to ensure that the South Australian community has access to world-class healthcare facilities and services to support them now and in the future.

The CHAIR: Member for Morphett, do you wish to make a statement?

Dr McFETRIDGE: No, I do not, Madam Chair. We are 15 minutes into limited time on examining $5.84 billion, as the minister said, so I am more than happy to go right to questions.

The CHAIR: Do you have a question?

Dr McFETRIDGE: My first question relates to Budget Paper 4, Volume 3, page 49, Workforce summary, under policy, clinical services. Minister, can you confirm that over 300 of the proposed 959 job cuts from health will be nurses and could that number increase to about 400; and have your officers had discussions with the ANMF about these proposed job cuts?

The Hon. J.J. SNELLING: Since the budget there has been an agreement with the commonwealth government with regard to extending the national partnership agreement for subacute and emergency departments, so that will enable us to continue staffing by about 300 for the next 18 months—since the budget has been revised down by about 300.

Given that nurses comprise about 40 per cent of our workforce, a number of that 600 will have to be achieved by a reduction in our nursing workforce. We do have the highest number of nurses per capita of any of the states, as has been previously put forward, so there is scope there for us to have a reduction. When 40 per cent of our workforce comprises nurses, you are not going to achieve a reduction in your workforce unless nurses comprise part of that. We do not anticipate that that will be through redundancies. We are confident that the reductions that we do have to make will be able to be achieved just through normal turnover.

Dr McFETRIDGE: Of those 600 FTEs, how many nurses in total will go? You are not ruling out forced redundancies?

The Hon. J.J. SNELLING: I am not ruling them out but I think it highly unlikely that it will be necessary to have forced redundancies.

Dr McFETRIDGE: Six hundred FTEs, though.

The Hon. J.J. SNELLING: We have a reasonably high turnover of our nursing workforce and we are very confident of the extent that we might have to reduce them. Our nurse turnover rates are approximately 6.3 per cent per annum just on a headcount basis—not on an FTE basis—approximately a turnover of 900 nurses each year. So we think it highly unlikely that there would have to be redundancies among those in order to achieve that number. That would be achieved just through normal attrition.

Dr McFETRIDGE: As the member for Kavel has reminded me, the government has said that there will be no forced redundancies of doctors, nurses and police, etc.

The Hon. J.J. SNELLING: The government has a no forced redundancy policy up until the next state election and then that will be revisited after that.

Dr McFETRIDGE: Just on that, how many surplus employees are there within SA Health?

The Hon. J.J. SNELLING: There's not many. I will get the exact number, but it is between 50 and 80. The overwhelming majority of those are in positions, just not permanent positions. So they are doing work. Only about six of those at the moment are unattached.

Dr McFETRIDGE: I have a point of clarification on the second part of my first question. You or your officers have had discussions with the ANMF on these redundancies, so they know that there are going to be 600 FTEs going, do they not?

The Hon. J.J. SNELLING: I have not had a specific conversation with the ANMF about that—at least, not that I recall. But it would be of no surprise—the ANMF knows what proportion of our workforce consists of nurses, and it also knows the department's requirements in terms of

FTE reductions, so I do not think it would be of any surprise to them that some of that FTE reduction is going to have to be achieved by a reduction in our nursing workforce.

Dr McFETRIDGE: Let's just hope the shock does not send Professor Dabars into labour because I think she is about 9½ months pregnant at the moment.

The Hon. J.J. SNELLING: She is pretty close, yes.

The CHAIR: I think you have had your three questions, but I think I counted about five.

The Hon. P. CAICA: My question is to the minister, and I hope that I do not trick him. I refer to Budget Paper 5, 2013-14 Capital Investment Statement, Chapter 2, Health and Ageing, page 32. Can the minister tell the committee about the progress of the design and construction of the new Royal Adelaide Hospital and the consultations that are occurring with clinicians for transition to the new hospital?

The Hon. J.J. SNELLING: Thank you, member for Colton. In early June 2013, we celebrated the second anniversary of financial close and the start of early works on site. We can now report that all vertical structural elements are out of the ground. There are 20 in total, and they will make up the hospital's lift and stair cores. The pouring of the concrete slabs has continued, and during May approximately 4,250 cubic metres of concrete was used on the site. The columns for the future mental health unit have been completed on the level 2 suspended deck in preparation for the level 3 concrete pour. The construction progress can be viewed online via two webcams that are updated every quarter of an hour at www.sahp.com.au.

In summary, the time line for the new Royal Adelaide Hospital is: this year, construction of the structure; in 2014, construction of the facade; in 2015, internal fit-out and commissioning; and in 2016 the hospital will open. I can report planning for transition to the new Royal Adelaide Hospital has already commenced, and it is much more than a relocation exercise. It requires extensive operational planning to ensure the new facility is smoothly brought into operation with minimal risk in the safest manner possible for patients with the smallest disruptive impact possible on the rest of the hospital system and with minimal budget impact.

The new Royal Adelaide Hospital is being designed and built for a new model of care incorporating all aspects of health reforms and utilising advanced technology and new work practices to achieve efficient and effective staff and patient flows. Current work practices are also being refocused to be more patient-centred care, where the care is brought to the patient wherever possible. The development for the new model of care emanated from extensive research and evidence-based reviews of care models both nationally and internationally. There have been numerous information sessions provided over the past four years to many staff, organisations and groups.

Clinical engagement for the new Royal Adelaide Hospital commenced in 2007, followed by the appointment of five clinical leaders who were involved in all discussions with the bidding teams and in the subsequent evaluations and design development in various areas. The design development process has allowed a much broader involvement for the Royal Adelaide Hospital clinical and management staff through user group meetings and the management forums.

In parallel to the design development process, a significant amount of work has been undertaken to articulate the new Royal Adelaide Hospital planning in terms of the strategies that will need to be implemented to facilitate the smooth transition to the new Royal Adelaide Hospital. A number of workshops have been and will be undertaken to develop a project plan for the implementation of the new Royal Adelaide Hospital transition. This will include: formalising system-wide reform initiatives as defined in South Australia's Health Care Plan 2007-16; change management strategies to refocus staff to new ways of working; and logistical planning, relocating one hospital site to another in the shortest, safest most efficient manner.

Senior clinicians across medicine, nursing and allied health, as well as stakeholders from all facets of SA Health, have been briefed on the transition requirements to allow the successful move to the new hospital. Finally, the clinical leadership team within the Central Adelaide Local Health Network is playing a critical role in the sign-off on the final stages of the design and development phase and also in the transition process to the new Royal Adelaide Hospital in 2016.

The Hon. P. CAICA: Thank you, minister, for that very comprehensive answer. On this occasion I refer to Budget Paper 4, Agency Statements, Volume 3, Sub-program 1.3: eHealth systems, page 57. Can you provide information about the benefits to the people of regional South Australia from the government's investment in telehealth technology?

The Hon. J.J. SNELLING: That is a good question. Telehealth uses technology to deliver clinical care over long distances. In South Australia, we use videoconferencing to deliver remote clinical sessions for a number of clinical disciplines, including mental health, cancer, burns and others. This list of clinical disciplines is continually increasing. Today, the SA Digital Telehealth Network is made up of 125 videoconferencing units across 92 health faculties, spanning 76 country towns, as well as the Adelaide metropolitan region. Between 1 July 2012 and 28 February 2013, over 1,300 clinical sessions involving patients were completed using the SA Digital Telehealth Network.

The primary benefit of Telehealth is to deliver clinical care as near as possible to where the patient is. The Digital Telehealth Network allows people living in rural South Australia access to metropolitan-based specialist doctors in a timely fashion without the need for travel. These patients can receive treatment closer to their homes, families and support communities, and specialists are able to offer services earlier in the episode of care, often reducing the severity and duration of the episode. Time constraints and limitations of how many patients specialists can see are often an issue for rural patients. With Telehealth, specialists can assess their patients in follow-up sessions from Adelaide. This frees up valuable time spent visiting regional areas to look after the patients that require face-to-face care.

An example is a haematology specialist who visits Whyalla—something that would be close to your heart, Madam Chair. The number of patients they need to review on a regular basis exceeds the amount of time that they spend in Whyalla. Every four weeks, using Digital Telehealth Network, the specialist was able to determinate which patients could be safely reviewed remotely and conduct them from Adelaide.

Telehealth also presents the opportunity to deliver emergency support when needed to regional areas. These areas often do not have specialist clinicians able to handle complicated situations. The Burns Unit at the Royal Adelaide Hospital Digital Telehealth Network is able to offer staff in country hospital emergency departments support when a burns victim presents. General nurses in a country hospital emergency department after hours are able to attend to a burns victim who presents with supervision from a specialist burns clinician at the Royal Adelaide.

In addition to supporting remote face-to-face interactions between patients and clinicians, this technology also supports clinical teams meeting across multiple sites so that multidisciplinary teams managing people with complex conditions can discuss progress and plan the approach to care. It is important to note that face-to-face clinical care is the gold standard when servicing patients. However, it is not always achievable in regional areas. There will always be a need for clinicians to travel to regional areas and for patients to travel to Adelaide. This investment in Telehealth technology allows us to overcome the tyranny of distance where it is safe to do so. Telehealth allows for an alternative service offering where people can stay close to home while receiving the same level of care in a timely manner.

Ms BEDFORD: My question refers to Budget Paper 4, Volume 3, Sub-program 2.2. I ask the minister to tell the committee about the planned increased activity and services for the Northern Adelaide Local Health Network patients.

The Hon. J.J. SNELLING: It is an area in which the member for Florey has intense interest, both being a resident and the member for an area covered by the Northern Adelaide Local Health Network—which is fast approaching the first major milestone of the journey to see additional inpatient beds become available within the network. Our Health Care Plan identified the need to expand services in the north to enable more people to access services locally and to meet the projected growth in population and demand. While the SA Health Care Plan highlighted this need, the reality and extent of this work is complicated and extensive and has required much cooperation between a number of parties, including Northern Adelaide Local Health Network, Central Adelaide Local Health Network and the Department for Health and Ageing.

With the completion of Building A at the Lyell McEwin Hospital in July, Northern Adelaide Local Health Network is beginning the staged process of bringing in an additional 96 beds online. This is being achieved through the transition of services between local health networks and predominantly occurring between Northern Adelaide Local Health Network and Central Adelaide Local Health Network. Northern Adelaide Local Health Network planning for this transition started with nine workshops that focused on the specific divisions that will be impacted by the transfer of these services, including representatives from the medical, nursing and radiology divisions, as well as representatives from Central Adelaide Local Health Network.

Workshops identified the strong need to increase Northern Adelaide Local Health Network support services to assist the increase in bed stock and the acuity of patients the North will treat. Increasing support services, such as imaging and rehabilitation, is crucial since the majority of clinical services work closely with and are reliant on these services. Northern Adelaide Local Health Network will extend radiotherapy services at the Lyell McEwin Hospital, which includes securing a second CT scanner. In addition to meeting the current and projected demand for radiotherapy services, expanding these services will achieve optimal patient outcomes through a multidisciplinary team cancer care model.

In addition, an option will be developed for the concept of an integrated rehab model of care, which provides opportunity for enhanced clinical outcomes and the provision of rehab services close to home for patients in the northern metropolitan area. The transitioning for increased adult clinical service activity at Lyell McEwin Hospital has been underpinned by the following:

- the realigning of the clinical service profile and capacity requirements at the Lyell McEwin Hospital to become the third adult tertiary hospital in South Australia;
- the Lyell McEwin Hospital providing a full range of major complex obstetric medical, surgical and diagnostic and support services for adults by 2016 (as outlined in the SA Health Care Plan);
- transferring and redirecting selected adult clinical activity and associated funds from the Central Adelaide Local Health Network to the Northern Adelaide Local Health Network;
- agreement on self-sufficiency levels as a guide for same and multiday activity within the Northern Adelaide Local Health Network;
- ensuring no additional beds will be opened within the system as a whole;
- redirecting of clinical service activity across the Central Adelaide Local Health Network and Northern Adelaide Local Health Network, with a zero budget impact over the life of these transition processes.

An additional 124 beds, inclusive of 96 general and 28 specialist-type beds and associated infrastructure will be established at the Lyell McEwin Hospital. The priority clinical areas include cardiology, respiratory, general medicine, general surgery, vascular, orthopaedic, stroke, neurology, rehabilitation and gastroenterology.

The first stage of activity will be 24 medical beds, including cardiology, respiratory, neurology, general medicine services, and up to three ICU beds in July 2013. Planning has begun for the second stage of 24 surgical beds, scheduled for transfer in September 2013. In line with the Lyell McEwin Hospital expansion, the hospital's model of care will extend to provide 24 hours per day to support the full scope of clinical activity.

The expansion of clinical services at Northern Adelaide Local Health Network is an important part of the government response to the health needs of people living in the northern metropolitan area, with focus on delivering good services to all South Australians when and where they need it.

Dr McFETRIDGE: Again, the same budget reference. I have also a reference of Budget Paper 4, Volume 3, page 72, about the Modbury Hospital. If the preferred option of closing the paediatric ward at Modbury were to be implemented, what would be the annual budget savings?

The Hon. J.J. SNELLING: I said in parliament last week that there is no budget saving attached to it. It is about maximising the availability of bed stock and it is about good clinical outcomes for children who are admitted. Obviously when you consolidate services it means the throughput the clinicians face is higher and, as any clinician will tell you, higher throughput means better clinical outcomes for patients.

Dr McFETRIDGE: I asked a question about ambulance transfers in parliament last week. I think about $1 million a year is the estimated cost of transferring paediatric patients from Modbury to Lyell McEwin. Is that factored into your budget savings?

The Hon. J.J. SNELLING: There are no budget savings, so the premise of your question is whether we have factored something into budget savings—there are no savings associated with this particular move.

Dr McFETRIDGE: But the cost is real though—there is a $1 million cost?

The Hon. J.J. SNELLING: I guess the question really is: have you considered that there may be an increased need for patient transfers? We would expect it to be cost neutral.

Dr McFETRIDGE: Following on from the first question from the government about the new Royal Adelaide Hospital, Budget Paper 5, page 32: has the minister's office or SA Health been advised by either the new Royal Adelaide Hospital Consortium, or Bespoke Approach on behalf of the consortium, of planning and design problems with the new Royal Adelaide Hospital, which might lead to project completion delay or increased cost claims to the government?

The Hon. J.J. SNELLING: The answer is no and I think the consortium has said publicly that the construction of the hospital is on track for completion at the delivery time that previously has been stated.

Dr McFETRIDGE: On the same budget reference then, have you been advised by any other stakeholders, such as SASMOA—the South Australian Salaried Medical Officers Association—that there are significant planning and design problems with the new Royal Adelaide Hospital? Does the minister intend to remove Dr David Panter from his position for the implementation of the new Royal Adelaide Hospital project? The issues that have been raised with the opposition are the positioning of the ICU, ED design, even the issues with single rooms, vibration isolation technology, doubled-glazed windows—these sorts of things that are having to be put in place.

The Hon. J.J. SNELLING: I have certainly made myself available to SASMOA to bring groups of doctors to me to have talks about all sorts of things within our hospital system and they have raised a number of issues with me, but I have also met with the senior clinicians who have responsibility for these changes and for the design of the emergency department and, of course, with Dr Panter, and I am satisfied with all the advice I have been given about the progress that has been made.

With regard to Dr Panter's position—absolutely the answer to your question is no, no, no. The simple fact is though that the nature of the project is changing from one of being essentially a building project to the more complicated part of the project, which is the transition of the old hospital to the new, and I have made no secret that I want Dr Panter to concentrate his mind on issues relating to the transition of the hospital from the old to the new and perhaps delegate the construction and the contractual matters with regard to that to someone else.

Dr McFETRIDGE: Have you got someone else in mind?

The Hon. J.J. SNELLING: Dr Panter can concentrate his mind on what is the more important part of the project and that is the transition.

Dr McFETRIDGE: I think we have to build the new hospital. Who is going to be in charge now of the design and construction?

The Hon. J.J. SNELLING: I think probably where we will go—and I am still turning my mind to these things—is there is a good chance that I will ask an official from the Department of Planning, Transport and Infrastructure (probably Judith Carr) to take responsibility for that part of the project and Dr Panter to be responsible for the transition, but Dr Panter will still remain the overall project director for the entirety of the project.

Dr McFETRIDGE: I am sure Dr Panter will be pleased then. As an add-on to the same question about the design, I am told that single rooms are going to require an increase in nursing numbers for increased patient observation and patient safety. Back to the first question I asked about workforce numbers, you said that you had spoken to the ANMF about the proposed job cuts, the 600 FTEs—

The Hon. J.J. SNELLING: I never said that there was a job cut of 600 FTEs, you are just making that up.

Dr McFETRIDGE: No, there were 600 nursing positions that you—

The Hon. J.J. SNELLING: No, I said there were 600 positions across SA Health. The budget papers just said 959, I think, and that is not 900 nurses. The 959 is the FTE cuts required of SA Health that is outlined in the budget papers. That has been reduced to 600 FTEs—not nurses—across SA Health. I simply made the point that when nurses comprise about 40 per cent of our workforce, you would expect that some of those 600 would possibly be nurses, but as yet we have not determined how many of them would be. It is certainly absolutely untrue and a mistruth to try to say that I said at any stage that there would be a reduction of 600 nurses in our hospital system—absolutely not.

Dr McFETRIDGE: I am pleased you have clarified that because I think the 250 nurses or 240 nurses or 40 per cent will still be a bit concerned.

The Hon. J.J. SNELLING: I cannot even accept that. I was simply making the point that when nurses comprise 40 per cent of your workforce, you would expect that, in order to achieve a reduction of 600, some of those positions will have to be nurses. It will not necessarily be 40 per cent; it may not be any. We will have to turn our minds to that to see how we achieve that reduction of 600.

Dr McFETRIDGE: We will wait and see then. The Capital Investment Statement, Budget Paper 5, page 32: has the consortium lodged a final claim with the government over the issue of costs of the remediation of land at the new Royal Adelaide Hospital site?

The Hon. J.J. SNELLING: They have put in a claim, as I said on radio on Monday, and that claim is for roughly a million dollars. There are, in fact, two claims: one is for just over a million dollars and one is for $50,000 for remediation costs. We are vigorously contesting that claim. There is a process under the contract for any dispute between the government and the consortium to be arbitrated so it will go to an independent arbitrator who will make a decision.

However, as I say, my very strong advice, and the government's very strong position, is that we have no liability; that the information we provided to all the tenderers was sufficient for the consortium to know what to expect with the soil that had to be remediated and there was nothing that could not possibly have been foreseen, given the extensive testing that was done on the site before the project went to tender and the information that was provided to the tenderers.

Dr McFETRIDGE: Following on from that—the consortia knowing what to expect—has the government negotiated a compensation package with the consortia for the land required for the new medical school, and was that compensation between $2 million and $3 million?

The Hon. J.J. SNELLING: We have and, yes, obviously the consortium had control of that and were forgoing potential commercial development of that site and they had to be compensated. I do not know what the figure is or whether I can release it but it was a relatively small amount of money given the size of the project. However, the agreement is that the University of Adelaide pay that fee and then the government will provide it to them on a peppercorn lease basis. The cost of that to the consortium is being picked up by the University of Adelaide.

The CHAIR: Member for Glenelg, you have a unique way of asking questions. I think you have managed to get about six or seven. I need to ask if the government has a question.

Ms BEDFORD: My question refers to Budget Paper 5, Chapter 2 on health and ageing, page 31. I would like the minister to tell the committee about any recent developments at the Lyell McEwin health cancer centre.

The Hon. J.J. SNELLING: The first stage of the Lyell McEwin Hospital cancer centre development will be completed in early August with the opening of the 12-chair chemotherapy unit. This will increase the Lyell McEwin Hospital chemotherapy capacity by 50 per cent. The Lyell McEwin Hospital cancer centre will co-locate chemotherapy, radiotherapy and cancer clinics in one purpose-built area to ease the cancer journey for patients in the northern Adelaide metropolitan area and surrounding country areas.

The second radiotherapy machine (linear accelerator) is being delivered at the end of this month and following six months of specialist commissioning will be operational by the end of 2013, doubling the Lyell McEwin Hospital radiotherapy capacity. The new Lyell McEwin Hospital cancer centre will also have a radiotherapy planning machine so that patients receiving radiotherapy at the Lyell McEwin Hospital will no longer have to travel to the Royal Adelaide Hospital for CT planning and will be able to have more of their treatment locally.

The Hon. P. CAICA: Minister, I refer to Budget Paper 5, 2013-14 Capital Investment Statement, Chapter 2, health and ageing, page 32. Can you provide information about the $3.798 million project agreement for the Murray Bridge community dental clinic?

The Hon. J.J. SNELLING: South Australia has recently signed an agreement with the commonwealth government to receive $3.798 million for the development of a new community dental clinic at Murray Bridge. It is anticipated that the construction of the new Murray Bridge community dental clinic will start in late 2013 and the project will be completed by late next year.

The new clinic will include six dental chairs, a reception area, waiting room, sterilisation area, dental radiography cubicle, staff room and amenities, and car parking for 25 cars. This new

dental clinic will replace two older clinics at Murray Bridge which are currently operating at full capacity and, due to their smaller size, do not allow for further growth.

The population of Murray Bridge is expected to double over the next 20 years. Currently, more than 29 per cent of children enrolled at local schools are overdue for a routine dental check. The new dental clinic will enable an extra 1,900 dental visits a year, which is an increase of 36 per cent. While the average dental waiting times for adults in the Murray Bridge area has improved over the past year to be slightly shorter than the state average of 12.5 months, waiting times are expected to reduce further following completion of the new clinic. The new clinic will see an increase in staffing levels and service activity to the Murray Bridge area.

It should also be noted that the recently agreed national partnership agreement in treating more public dental patients is expected to have a major impact on reducing public dental waiting lists in both Murray Bridge and across South Australia.

The Hon. P. CAICA: I refer to Budget Paper 4, Agency Statements, Volume 3, Sub-program 1.5: Policy and Decommissioning, at pages 61 to 64. Can the minister provide information about what policy work the government is doing in response to South Australia's ageing population?

The Hon. J.J. SNELLING: We are doing some new and exciting work in this area. We are proud to host an actively ageing, highly community-involved population of seniors, the largest in mainland Australia. As citizens, volunteers, carers, workers, neighbours, mentors and family members, older people are a key part of our communities, regional and metropolitan. In these roles seniors make a critical contribution to our economy.

Our ageing population is a challenge and an opportunity, one that we are prepared to meet. By 2031 one in five South Australians will be over 65 years of age, and research informs us that participation in the community, and recognition of that participation and of being valued, is essential to maintain a sense of wellbeing. Our policies must enhance that wellbeing.

Acknowledgement of diversity is central to our policy development. Our policies must be flexible and inclusive, able to meet the needs of Aboriginal seniors and the many older people from culturally and linguistically diverse backgrounds who migrated to South Australia after World War II, and relevant to the seniors in newer migrant communities.

There are 21st century policy challenges in the ageing area. One is to meet the needs of different groups of older people, and new policies are now being shaped for the 'boomer' generation aged between 49 and 67 as well as the pre-'boomers' born before 1946. Different ageing generations mean different needs, preferences and expectations, and we have sought expert advice on developing our new ageing policies. In 2011-12 South Australia hosted internationally renowned ageing expert Dr Alexandre Kalache as Thinker in Residence. SA Health was the lead partner in his residency, which focused on active ageing. The World Health Organisation has defined active ageing as:

> the process of optimizing opportunities for health, participation and security in order to enhance quality of life as people age.

In his report The Longevity Revolution, Dr Kalache makes 41 recommendations, with some highlighting work currently underway supporting the state's seven strategic priorities.

The government has invested in a number of policy and project development areas highlighted by Dr Kalache, including research, workforce and age-friendly environments and communities. In October 2012 my predecessor, the Hon. John Hill, launched a South Australian set of age-friendly guidelines for state government, local government and residential development. These guidelines link to the WHO Global Network of Age-Friendly Cities and Communities program. Country Health SA has undertaken a workplace project with older staff, and the Department of Further Education, Employment, Science and Technology is working with the Equal Opportunity Commission and SafeWork SA on the mature age workforce project Age Matters.

As the minister, I have instructed SA Health to prepare a new State Ageing Plan. The Office for the Ageing will be working with COTA SA on the consultation to this plan. The new State Ageing Plan will consider the recommendations in 'The Longevity Revolution', will recognise diversity, be inclusive and practical. It will be informed by the latest research and real-life learning. It will be optimistic and not negative in its assumptions, it will support our state's strategic initiatives and overarching plans, and link to the commonwealth 'Living Longer. Living Better.' aged-care package.

This is a timely development. It is time for a new plan, and I look forward to launching our new State Ageing Plan later in the year.

Dr McFETRIDGE: I refer to Budget Paper 5, Capital Investment Statement, page 32. Has the government been asked to pay for part of the cost of the new medical school building by agreeing to move the dental hospital to the new site? If so, what is the estimated cost of such a move and what is the government's response?

The Hon. J.J. SNELLING: The University of Adelaide was keen for the government to relocate the dental school and to incorporate it into the new medical school building. We gave that some consideration and decided not to proceed with it. We will leave the dental school where it is for the time being and consider our options.

Ms SANDERSON: I refer to Budget Paper 5, page 31, Metropolitan Hospital Car Parking Infrastructure. Given that the government has estimated the total cost allocated for the metropolitan hospital car parking infrastructure, to be completed in the 2013-14 year, to be $7.559 million, what hospital car parks does this include?

The Hon. J.J. SNELLING: It is principally the new car park at the Lyell McEwin Hospital, but it also incorporates the capital investment that was required to implement paid parking at the Modbury Hospital, The Queen Elizabeth Hospital, the Repatriation Hospital and Hampstead hospital.

Ms SANDERSON: Given the minister has been quoted, as recently as yesterday, as saying that our business should be running hospitals and not car parks, why is the minister spending $7.559 million on metropolitan hospital car parking, yet planning on selling the Women's and Children's car park?

The Hon. J.J. SNELLING: Well, because I think the solution to the Women's and Children's Hospital car park is through a private developer. We are not in a position to invest scarce capital into expanding the Women's and Children's Hospital car park, particularly when I think there would be plenty of private developers who would be happy to come in and do that. In regard to the car parking money we have spent on investing in car parking, firstly, it has enabled us to implement the government's policies with regard to implementing paid car parking and, secondly, the Lyell McEwin car parking expansion had to be done because of the massive expansion of that hospital, with 100 new beds coming online.

Ms SANDERSON: Do you plan to then sell that car park as well because you are 'not in the business of providing car parking'?

The Hon. J.J. SNELLING: The government has not made a decision on it.

Dr McFETRIDGE: I refer to the same budget reference as before: Capital Investment Statement, page 32, Budget Paper 5. Has the government been asked to reserve any land near the new Royal Adelaide Hospital site for a possible move of the Women's and Children's Hospital to the site at some stage in the future? I ask this question because I understand that the University of Adelaide has been promised 5,000 square metres of space, instead of 2,000 square metres. I am not saying that it is going to be 3,000 square metres for a new hospital for the kids, but is there any reserved land?

The Hon. J.J. SNELLING: It is a very large site that is available there and, yes, it would be feasible, possible, should a future government make a decision to relocate the Women's and Children's Hospital; there would be room to do that. In planning for the site, I think it would be fair to say that we have made it basically future proof, so there is plenty of room on that site either for further expansion of the new Royal Adelaide or, indeed, a relocation of the Women's and Children's, but it is certainly not a commitment that the government is making at this stage; it is simply a provision that is there should a future government decide to do it. I do not think it will happen in my time as health minister.

Dr McFETRIDGE: And there is no site that is—

The Hon. J.J. SNELLING: There is not a site reserved for it as such, but should a future government decide to do it there is certainly the room to do it.

The Hon. P. CAICA: I refer to Budget Paper 5, Capital Investment Statement, Chapter 2: Health and Ageing, page 33. What information can the minister provide the committee about the $10 million project agreement for the South Coast Primary Health Care Precinct?

The Hon. J.J. SNELLING: South Australia has recently signed an agreement with the commonwealth government to receive $10 million for the redevelopment of a new integrated Primary Health Care Precinct at Victor Harbor. The new South Coast Primary Health Care Precinct will replace the existing Southern Fleurieu Health Service, which dates back to the 1940s. There is no room for expansion. The project will consist of a single storey new build healthcare precinct, with at least eight consulting rooms, a new combined main entrance to the healthcare precinct, an interface to the South Coast District Hospital, and infrastructure for at least 50 car parks.

The precinct will include allied health and primary healthcare services, early intervention and rehabilitation therapy spaces and consulting rooms for ageing and chronic conditions. These services are particularly important, given Victor Harbor has the highest ranked ageing population in Australia, with 28.6 per cent of the total population aged over 65 years. The project will result in an increased quality of primary healthcare services in the area, ultimately reducing the burden on acute services of the South Coast District Hospital.

The South Coast project will enable the local community to access high-quality, timely and appropriate primary healthcare services close to home, which is in line with South Australia's Health Care Plan and a strategy for planning country health services in South Australia. It is anticipated that construction of the new South Coast Primary Health Care Precinct will commence in late 2013 and be completed by 2015.

Ms BEDFORD: My question refers to Budget Paper 4, Volume 3, Sub-program 1.5: Policy and Commissioning, pages 61 to 64. I ask the minister to tell the committee about actions the government is undertaking to ensure the safety, security and wellbeing of all South Australians generally, and specifically how this will be addressed in retirement village accommodation.

The Hon. J.J. SNELLING: I thank the member for Florey. All seniors need to know they are safe and want to feel secure within their homes. Safety and security greatly contributes to seniors' physical and mental wellbeing and determines their confidence and ability to participate in the broader community. It is a universal need for the most vulnerable and frail, for those living alone in the community and for people living in retirement villages. It is an important issue for us in South Australia. We have the highest number of single person households in the nation. By 2021, 24 per cent of all people living alone will be older than 75 years, and of those three-quarters will be women.

To address this issue, the government has several initiatives in place. To improve the safety of the community, under the leadership of the Premier, a task force dedicated to maintaining safe communities and healthy neighbourhoods is looking at ways to make communities safer for seniors. Since 2007, the government has contributed $3.5 million under the state government framework. Our action is to prevent the abuse of older people. We have worked with other state government departments and local non-government agencies to improve older people's personal and financial safety through various elder abuse initiatives.

Important milestones have been achieved. We are now redrafting and are pleased to advise that at the National World Elder Abuse Awareness Day Conference, hosted in Adelaide on 17 to 18 June, it was announced that a new strategy will be out for consultation from late June and over July. The South Australian strategy for safeguarding older people will guide and set our actions for the next seven years. The strategy is part of the commitment to safeguard senior citizens from harm and exploitation and will contribute to the South Australian government's strategic priority to maintain safe communities and healthy neighbourhoods as well as a number of other SA Strategic Plan targets.

The Department for Health and Ageing, through the Office for the Ageing, is responsible for the administration of the Retirement Villages Act 1987 and the Retirement Villages Regulations 2006. Currently, there are 520 registered retirement villages within South Australia, containing 17,316 residents. In South Australia, approximately 24,242 people live in retirement villages. Retirement village operators state that following occupation their residents report an increased sense of safety, security and wellbeing. Many villages provide a large range of activities for their communities as well as embedded security measures, ensuring that residents experience a sense of safety and support.

In the course of administering the act and regulations, the Office for the Ageing has become aware of difficulties experienced by retirement village residents on a range of issues. These difficulties have been brought about by instances where the legislation is either silent or ambiguous or where the enforcement mechanisms are insufficient. Operators have also sought clarification regarding the provisions of the act and regulations.

In April of this year, as Minister for Ageing, I moved the establishment of a select committee to review the Retirement Villages Act 1987. The committee will investigate areas within the act, including the rights and obligations of residents and operators, contractual disclosure, financial obligations, compliance and dispute resolution. The review aims to provide greater transparency and simplicity for prospective and current licensees as to their rights and obligations. The committee will be examining ways to strengthen protections provided to residents and clarify requirements for operators.

The Office for the Ageing is currently exploring the potential for establishing a community-based advocacy service through the Aged Rights Advocacy Service to focus on the needs of retirement village residents. It is a timely development by the select committee as the Retirement Villages Act was last reviewed in 2002 and I am looking forward to seeing the outcome of the review and how we can take a fresh look at safeguarding senior South Australians, enabling them to stay actively engaged within the community.

Ms BEDFORD: Thank you. There is a lot of interest in our area on that. My last question refers to Budget Paper 6, Part 2, Health and Ageing, pages 63, 65 and 68. I ask the minister to tell the committee about new funding for dental services announced in the 2013-14 state budget, including the new COAG National Partnership Agreement on Treating More Public Dental Patients and increased funding for the Adelaide Dental Hospital.

The Hon. J.J. SNELLING: South Australia signed the National Partnership Agreement on Treating More Public Dental Patients on 7 January. The national partnership agreement provides commonwealth funding to reduce pressure on public dental waiting lists and aims for an additional 400,000 patients to receive treatment nationally.

South Australia's implementation plan provides for the achievement of increased activity through a range of waiting-list reduction strategies specifically aimed at metropolitan Adelaide and country South Australia patients either on existing waiting lists or at a high risk of oral health problems. These strategies were used at both public and private dental services.

Funding under the agreement will help in reducing dental waiting lists, which grew in recent months due to the closure of the commonwealth's Chronic Disease Dental Scheme. In particular, the closure of the commonwealth Chronic Disease Dental Scheme contributed to an increase in demand for general dental care in South Australia by more than 40 per cent since October last year.

As of the end of April, 25,919 people were on public dental waiting lists with an average waiting time of 12½ months. Country waiting lists have around 10,000 people waiting for care, with an average waiting time of 17.6 months. Metropolitan waiting lists have around 16,000 people waiting for care, with an average waiting time of 9.4 months. Similar impacts were experienced in some other jurisdictions.

When the Labor government came to office in 2002, 93,389 eligible adults were on dental waiting lists and the average wait for public dental treatment was more than four years; in fact, it was 48.9 months. With 25,919 people waiting for dental treatment at the end of April, this was a 72 per cent reduction over the past 11 years, and the average waiting time has declined to 12½ months.

Waiting times are expected to reduce from the current state average of 12½ months to 7 to 8 months by December this year. The metropolitan waiting times are expected to reduce by close to 3 months and the country waiting times by close to 12 months. Important implementation has already occurred since the commencement of this agreement. As of the end of May, the SA Dental Service mailed out 11,000 letters offering general dental care to people on public waiting lists, a fivefold increase over the normal flow of 2,000 offers a month.

It should be noted that $27.7 million offered to South Australia is the maximum funding available, but it is dependent on meeting stretch targets for activity. While SA Health is confident of the speedy and efficient delivery of services, achieving the full $27.7 million offered by the commonwealth will be a challenge. As such, SA Health's budgeted expenditure is at $18.1 million at this stage.

The 2013-14 budget announced $1.5 million in 2015-16 for the Adelaide Dental Hospital. The $1.5 million is to ensure that the Adelaide Dental Hospital is able to maintain its full operational capacity when the Royal Adelaide Hospital begins to wind down its operations in 2015-16. The Royal Adelaide Hospital currently supplies essential water and steam services to the Adelaide Dental Hospital and these will need to be replaced as the RAH undergoes decommissioning. An

amount of $1.5 million has been allocated to develop independent water and steam services for the Dental Hospital to ensure that there is no disruption to patient services currently provided through the Dental Hospital.

The CHAIR: Member for Morphett.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 3, page 57, EPAS. The minister mentioned this in his opening statement and said that it was going live down at Noarlunga on 25 August. Has SA Health received any advice that the total cost of EPAS has now blown out to over $408 million—at the last estimate—and, if so, what is the latest estimated total cost?

The Hon. J.J. SNELLING: There has been a small adjustment in this year's budget to take into account CPI, so the revised total investment is $422 million. That is a revision of $408 million from when the decision was first approved by cabinet. That is simply a CPI adjustment; it does not reflect in any way a blowout.

With regard to the project, there was a delay in the delivery of the billing module and, as a result of that, the project implementations had to be pushed back. There have been some costs associated with maintaining legacy systems that we had expected to be able to wind down, but those costs are covered within the contingencies of the project. Indeed, the provider of the software, Allscripts, may well be liable for those costs in any case.

Dr McFETRIDGE: On the same budget reference, I understand that ZED Consulting has been contracted to work on the implementation of EPAS, and I think they have been working on it full time for a number of years now. How much money was paid to ZED Consultants in 2012-13 and what tasks did they undertake? What is the budget for 2013-14, and was an open tender called before ZED Consulting was appointed and, if not, why not?

The Hon. J.J. SNELLING: While we are finding that information for the member, in regard to the member's earlier question regarding redeployees, we currently have 45 redeployees (which, given the FTE count in SA Health of 30,000, is a remarkably low number): 28 of those redeployees are in funded positions; 14 are in unfunded positions; and three are on long-term leave.

Dr McFETRIDGE: Thank you, minister. So that I am clear on the exact number of staff who are going to be subjected to redundancies, what is the exact number? Is it 600?

The Hon. J.J. SNELLING: Sorry, no, 600 is the number by which we are going to have to reduce the FTEs. A lot of that will be—in fact, probably the overwhelming majority of that will be—through natural attrition, and will not require redundancies at all. I am not in a position to say how many will have to be done by redundancies, if any, but 600, over the next four years, over the forward estimates, is the number of FTE reductions the Department for Health has been allocated to reduce. So, a very large proportion of that will be done by natural attrition. Given we have a workforce of 30,000-odd, that is not something we think will necessarily have to be achieved through TVSPs.

Dr McFETRIDGE: So, the original figure of 959—

The Hon. J.J. SNELLING: The 959 has now been revised since the budget because we were able to extend an agreement with the commonwealth on subacute and emergency departments in the national partnership agreement for a further 18 months. So, we have been able to revise down that FTE reduction by 300 because, basically, those 300 positions are now able to be funded by the commonwealth through the extension of that NPA. But, just to be quite clear, 600 is the FTE reduction over the forward estimates: it is not 600 nurses; it is not 600 redundancies; 600 is the FTE reduction over the next four years which has been allocated to my department to achieve.

The Hon. P. CAICA: Duncan, do not ask him again. That is the third time I have heard that answer so if you would not ask that question again, that would be good.

Dr McFETRIDGE: No, just being very clear.

The Hon. J.J. SNELLING: With regard to the exact figures regarding ZED Consultants I will have to bring that back to the committee when we have the information at hand.

Dr McFETRIDGE: Thank you for that, minister. Same budget reference, Budget Paper 4, Volume 3, page 57. Is the government still going to roll out EPAS into the Repat, the Port Augusta Hospital, and the Lyell McEwin Hospital before March next year and, if not, what are the now expected rollout dates for these hospitals?

The Hon. J.J. SNELLING: We are going to roll it out to Noarlunga first. There will then be a gateway review to see how that implementation went at Noarlunga, and then the further rollouts will depend on what happens and what the gateway review comes up with. If the gateway review says that everything went very well at Noarlunga and gives us the green light to proceed, then we will, but they may have to be revised just depending on what that gateway review tells us from the Noarlunga implementation.

Dr McFETRIDGE: Thank you, minister. Same budget reference: has the Auditor-General raised any concerns with SA Health about whether some federal funds provided for IT-related purposes have not been spent in the proper way on IT projects and, if so, what is happening now?

The Hon. J.J. SNELLING: Not to our knowledge.

Dr McFETRIDGE: Thank you. Same budget reference: has SA Health just created and filled a new IT management position called director of eHealth program and, what is the total employment package for that position and why was it created?

The Hon. J.J. SNELLING: Earlier this year, the chief executive of the Department for Health asked Ernst & Young to come and have a look mainly at EPAS, but they also had a look more broadly at all the eHealth programs. eHealth implementation is our second biggest capital program, second to the new Royal Adelaide Hospital, and IT programs anywhere are notoriously difficult to implement and notoriously risky, not just in government but in the private sector as well, so the chief executive commissioned Ernst & Young to do a review.

They came back with some recommendations about the management of those projects. They recommended this position be created and filled by someone who is called a systems integrator. These positions are as rare as hen's teeth and very much sought after. Of course, when you get something wrong in the implementation of any IT project, anywhere, the cost can be significant. We recruited a person to that position. We are not in a position to release his salary, but it is consistent with what the people with these particular skills are able to command out there in the marketplace.

EPAS is a $422 million project. Over half a billion dollars in eHealth projects are being implemented by the department at the moment. Obviously, when they go wrong they go very, very wrong. This person's position was, in my opinion, a worthwhile investment. I will get some advice about releasing his salary. If I can do that I will, but it is something I need to get some further advice on.

Dr McFETRIDGE: That person will be overseeing Oracle as well?

The Hon. J.J. SNELLING: Yes, overseeing all the eHealth projects.

Dr McFETRIDGE: How is Oracle going?

The Hon. J.J. SNELLING: Oracle is on track, I think it would be fair to say. I will ask the chief executive of the Department for Health.

Mr SWAN: We are just starting what is really the third phase of the implementation to complete Oracle. That really, in essence, is the procurement arm of the software. We have just recruited a lead person to undertake the implementation of that. They are currently building their team and developing their project plan for its implementation, but we are very confident that we have all steps in place about how we will project plan that going forward to have a successful completion of this project.

Dr McFETRIDGE: Completion of the project by—?

Mr SWAN: The aim is around early 2015.

Dr McFETRIDGE: Budget Paper 4, Volume 3, page 49, net cost of services, and also on page 93, consultants. KPMG has been appointed to conduct the integrated hotel services review for all metropolitan hospitals and other in-scope local health network sites. What is the value of the consultancy and why is the tender document not available on the contracts and tenders website?

The Hon. J.J. SNELLING: The contract has only just been let. Apparently we have 60 days to put it up, so it will go up within the time frame. What was the value of it? I do not have the figure. We will provide it to the committee.

Dr McFETRIDGE: Is it correct, then, that there are about 400 hotel staff in scope just at Flinders Medical Centre alone, and what are the total number of in-scope staff for the review?

The Hon. J.J. SNELLING: I will ask the deputy chief executive, Jenny Richter, to take the question.

Ms RICHTER: The consultancy is really looking at a new model of service delivery. Given the new model that we are going to have at the new Royal Adelaide Hospital, we are going to try and align the service delivery model across our whole system so we have got some consistency in how hotel services are provided across all of our metropolitan hospitals. So it's really a business case at the moment.

Dr McFETRIDGE: The outsourcing and privatisation of the hotel services, I think Spotless will do it with the new hospital.

Ms RICHTER: We have a mixed model at the moment, which is why we are looking at what is being provided and how we can do it better. In some hospitals, it is already outsourced and in some hospitals components of hotel services are insourced. Hotel services comprise catering, cleaning, portering and patient service attendants.

Dr McFETRIDGE: Have they had any discussions with the staff yet, and have any guarantees been given to them? I know the catering staff at the Royal Adelaide apparently were spoken to on behalf of Spotless.

Ms RICHTER: The staff are aware that a review is occurring and that the development of a business case and a new model of service delivery are being considered. They are aware of that, and in fact the industrial bodies have been formally invited to participate in the actual development of the review and in understanding what is the best model of service delivery for our system.

Dr McFETRIDGE: And the review will be concluded—when did you say?

Ms RICHTER: We did not say, but we would expect that the review will be completed within the next four to six weeks.

Dr McFETRIDGE: I had July or next month, but four to six weeks. What other in-scope local health network sites are there besides Flinders Medical Centre?

Ms RICHTER: The in-scope hospitals are Lyell McEwin, Queen Elizabeth, the Repat, Flinders Medical Centre, Noarlunga and Modbury. It is across the whole system.

Dr McFETRIDGE: All metropolitan hospitals?

Ms RICHTER: Remembering that we have a mixed model of service delivery now and we are looking to achieve some form of consistency across the system.

Dr McFETRIDGE: So we will have one big production kitchen for all our hospitals?

Ms RICHTER: I do not think so.

The CHAIR: To keep the member for Colton awake, I will give him a question.

The Hon. P. CAICA: Madam, I object to that—I am wide awake. My question to the minister relates to Budget Paper 6, 2013-14, Budget Measures Statement, Part 2, Health and Ageing, pages 63, 65 and 69. What can the minister tell the committee about the South Australian government funding support provided to the South Australian Health and Medical Research Institute?

The Hon. J.J. SNELLING: SAHMRI (the South Australian Health and Medical Research Institute) was formally established in December 2009 as a company limited by guarantee under the Corporations Act. The establishment of SAHMRI is a unique collaboration between the three South Australian universities and the state government. The institute provides significant opportunity for South Australia in terms of collaboration in providing a strong multidisciplinary and multisectoral approach to health and medical research.

The government is committed to making SAHMRI the leading health and medical research institute in the state, as well as ensuring that the institute is recognised nationally and internationally as a centre of excellence. The transfer of world-class research teams, such as the Lysosomal Diseases Research Unit, to SAHMRI will contribute to SAHMRI being an institute of excellence and ultimately facilitate the sustainability of the organisation.

The economic returns for the state government's support of SAHMRI are significant. According to an Access Economics report in 2008, every dollar invested in health and medical research returns on average $2.17 in health benefits. The Strategic Review of Health and Medical Research in Australia also recognised that health and medical research has significant potential to

improve health outcomes and the cost effectiveness of the health system. These are benefits not only to SAHMRI but to South Australia as a whole.

In 2009, the state was successful in receiving $200 million from the federal government to construct the SAHMRI building. This is being built alongside the new Royal Adelaide Hospital and will accommodate up to 675 researchers. To support the ongoing development of SAHMRI, in July 2009 the then department of health agreed to provide $15 million over four years to support the institute's establishment.

The government has made substantial investment in SAHMRI to create a premier research centre and the Department for Health and Ageing recently committed to a continuation of operational financial support. SAHMRI will be provided with $7.5 million over three financial years, commencing in 2013-14. As part of this year's budget a further $9.1 million of funding support over four years, commencing in 2013-14, has been provided to SAHMRI to assist it in becoming a national leading institute. Four research teams have been transferred to SAHMRI to assist the institute in growing its research capacity and contribute to it becoming a leader in health medical research:

- The Flinders Clinical Research Group (Cardiology) was transferred to SAHMRI in December 2011. The principal activity of the Flinders Clinical Research Group is the conduct of clinical trials in the area of cardiology.
- Components of the Veterinary Services Division of SA Pathology (namely, the Gilles Plains and Windarra Farm sites) were transferred to SAHMRI in September 2012. These animal research facilities undertake research on large animals for the benefits of human health.
- The Lysosomal Diseases Research Unit will be transferred to SAHMRI in July this year. The unit is the only group researching lysosomal storage diseases nationally and the largest multidisciplinary group researching this topic in the world.
- The Melissa White Laboratory (the haematology research team within SA Pathology) will be transferred to SAHMRI in July as well. The focus of the research undertaken by the Melissa White Research Laboratory is to understand the biology of chronic myeloid leukaemia, to develop better diagnostic and monitoring tests, and to further improve therapy and outcomes for this disease.

SAHMRI will have access to funding of approximately $17 million for research projects through the Health and Medical Research Fund. The fund is moneys generated by SA Health's share of the proceeds arising for the commercialisation of discoveries involving SA Health employees. One-third of the revenue rewarded as a result of any commercialisation is deposited into the fund. A health trust is the final phase of the establishment and will be managed by the Health Services Charitable Gifts Board. Trusts will be established to support SAHMRI's health and medical research programs and infrastructure.

The South Australian Health and Medical Research Institute is part of the exciting new development that is occurring in the West End of Adelaide, highlighted by the recent announcement by the federal government of $40 million for a new University of South Australia cancer research building and $60 million for the University of Adelaide medical and nursing school. These developments, along with the new Royal Adelaide Hospital, create the largest health and biomedical precinct in the Southern Hemisphere.

Dr McFETRIDGE: As a supplementary question, you talked about transferring research units into SAHMRI, which is probably a very good move, but I had some concerns expressed about possible threats to the Hanson, the Basil Hetzel and Women's and Children's research institutes. Is there going to be pressure on research units from there to move so that the viability of those will be affected?

The Hon. J.J. SNELLING: No, there is not, none at all.

Dr McFETRIDGE: Thank you for that.

Ms BEDFORD: My question is on Budget Paper 5, 2013-14, Capital Investment Statement, Chapter 2, Health and Ageing, page 31. Could the minister tell the committee about the $177.65 million Lyell McEwin Hospital stage C redevelopment project and the benefits to the northern suburbs communities?

The Hon. J.J. SNELLING: Thank you, member for Florey; I am more than happy to. The Lyell McEwin provides a comprehensive range of specialist and diagnostic treatment services to a

population of about 196,000 people living in the northern suburbs of Adelaide, particularly the local government areas of Playford and Salisbury. South Australia's Health Care Plan 2007-2016 outlines the progressive transformation of the Lyell McEwin Hospital from a community hospital to one of three adult tertiary hospitals serving the South Australian community, with a consequential increase in volume and complexity of services.

In April, the then premier opened the $91.2 million Lyell McEwin Hospital stage A redevelopment, followed by completion in November 2009 of the $43.5 million stage B redevelopment. These first phases of redevelopment delivered a large expansion of clinical services, with the provision of two new wards, new emergency, medical imaging, intensive care unit, high dependency unit, coronary care unit, operating theatres, a women's healthcare centre and a 50-bed mental health facility.

The government is now committed to delivering the stage C redevelopment at a total cost of $177.65 million. Major construction work is now well advanced. Already completed in 2010-11 were the construction of a multistorey car park and refurbishment of the Muna Paiendi Aboriginal Health Building. Recent improvements and the expansion of the medical imaging and theatre service building were completed in March 2013. The new 96-bed inpatient building, including the provision of a helipad on its roof to facilitate timely retrievals, will be completed by the end of June, with new services commencing from these wards in July.

A new building to accommodate the expanded services for Women's and Children's health services is on schedule to be completed in October. This will expand the women's health centre, maternal assessment unit, provide a new expanded paediatric ward and space for research, education, administration and clinical offices. Following completion of the new 96-bed inpatient building, contractors have begun a process of refurbishing the existing five wards.

This is a significant part of completing the expansion and rejuvenation of the Lyell McEwin Hospital. The progressive refurbishment of these wards will enable the planned expansion of bed capacity at the Lyell McEwin, with the first expansion of 24 inpatient beds in July, followed by a further 24 beds in September, and the remaining 48 beds in mid to late 2014. At the same time, there are also expansions in the intensive care neonatal cot capacity of 10 beds and five cots respectively. Completion of stage 2 is expected in June 2015.

The continuing capital investment by the government in redeveloping the Lyell McEwin Hospital is a pivotal part of the government's SA Health Care Plan to deliver high quality public health services to the South Australian community.

Dr McFETRIDGE: Budget Paper 4, Volume 3, page 50, Investing expenditure summary, and page 93. The Modbury GP Plus Super Clinic: what was the cost to taxpayers of having to employ locums to provide medical services at Modbury for the six-month period ending September 2012? I assume that includes wages, travel, accommodation, plus the agency fees. Has SA Health been advised about the current providers of medical services at Modbury having problems with running a viable business there?

The Hon. J.J. SNELLING: There has been no cost to SA Health. The cost of that service has been funded through an underspend from the commonwealth government's initial funding for the development.

Dr McFETRIDGE: Just on that, what are the current operating hours at Modbury for doctors: is it just nine to five? That is what I have been told.

The Hon. J.J. SNELLING: It is eight to six.

Dr McFETRIDGE: Going south, same budget reference, Noarlunga GP Plus Super Clinic. What were the annual operating costs in 2012-13 for that clinic—and for other GP plus clinics, if you can provide it on notice that will be fine. I will reiterate the question: what were the annual operating costs in 2012-13 for each of these clinics and what is the budgeted expenditure in each clinic for 2013-14? If you have that now it would be great but I will take it on notice.

The Hon. J.J. SNELLING: I need to take that on notice.

Dr McFETRIDGE: Thanks, minister.

The Hon. J.J. SNELLING: With regard to your earlier question about the cost of the integrated hotel service development business model by KPMG, my advice is that the cost of that contract is $219,000.

Dr McFETRIDGE: Thank you, minister. I refer to Budget Paper 4, Volume 3, page 75, 'percentage change in GP Plus Services Program sensitive conditions compared with last year'. My understanding is that these are programs that were designed to keep patients out of hospitals—everything from cardiology to dermatology to nutrition.

How has this percentage change been calculated? Is there an actual figure of the number of services that have been offered and the number of patients kept out of hospitals because of the GP Plus Services Program? These are the resource-weighted outputs, which do not actually equate to patients but—

The Hon. J.J. SNELLING: Sorry, are you talking about the percentage change in the GP Plus Services Program sensitive conditions compared with last year?

Dr McFETRIDGE: Yes.

The Hon. J.J. SNELLING: Just clarify the question, but the 7.7 per cent: the target was 2 per cent and we substantially exceeded that target of 2 per cent by 7.7 per cent.

Dr McFETRIDGE: What sort of numbers of patients is that, though?

The Hon. J.J. SNELLING: It will be in the thousands; we are talking about in the thousands of hospital admissions that have been avoided, and we substantially achieved the target.

Dr McFETRIDGE: So it is 7.7 per cent of what? That is really—

The Hon. J.J. SNELLING: It is 7.7 per cent of the total. At the top there you can see the numbers, which are 8,422; so 8,422 as opposed to a target of 6,441.

Dr McFETRIDGE: So 7.7 per cent.

The Hon. J.J. SNELLING: Yes.

Dr McFETRIDGE: Just on the GP Plus services that were going to divert patients away from hospitals, what happened to the outpatient review that was started under minister Hill?

The Hon. J.J. SNELLING: I will direct that to the chief executive.

Mr SWAN: Over the past two or three years we have been working with the LHNs about trying to improve pathways to outpatient departments. A lot of work has been undertaken with them about the policy setting to avoid unnecessary attendances at our outpatients, to look at how we actually have repeat referrals, how many times patients come back to outpatients that may be able to be better worked in with GPs. We are now doing a lot of work about how to improve those pathways and better link with GPs about how we provide care.

This is all about making sure we both reduce duplication and, as much as possible, avoid unnecessary attendances at our outpatient clinics. We are very confident that over the next two to three years that will progressively have an implication on reducing the number of people who need attend those tertiary institutions.

Dr McFETRIDGE: And we will have the specialist capabilities to do that? Specialists will not be having to add people to their lists in their private rooms, as was initially proposed?

Mr SWAN: No; the aim is to actually work out what is necessary to be provided by the tertiary organisation. Many of the opportunities are how we link better with GPs, how we link better with our community-based services that can undertake a lot of the follow-up work. The hospitals are there for making sure that we have initial assessment, for developing a care plan for those individuals and that when they need tertiary support and specialist support, that is available to them. But when they can have their services closer to home, better links with their GPs, we should be moving towards getting a better integrated model for those patients.

Dr McFETRIDGE: And those GPs will then be able to refer to the same outpatient units at the new Royal Adelaide as now exist at the old or current Royal Adelaide?

Mr SWAN: We are not changing that. We are talking about how we develop pathways to make sure that the attendances are appropriate for that organisation.

Dr McFETRIDGE: So the same outpatient clinics at the current Royal Adelaide will be transferred to the new Royal Adelaide?

Mr SWAN: Yes, that is correct. In fact, we anticipate that the numbers of attendances will actually grow over that time—

Dr McFETRIDGE: But the range of clinics—everything, ophthalmology, dermatology, rheumatology—they will all be there?

Mr SWAN: Yes.

Dr McFETRIDGE: That is good news. I refer to Budget Paper 4, Volume 3, pages 93 and 74, Targets, and the first dot point about building and developing hospital service capacity. In 2011 Ernst & Young conducted a review of medical imaging for SA Health, and there were potential savings anticipated for 2011-12 of $6.26 million. Were those savings achieved? There is a potential saving of $12.8 million in 2012-13; was that achieved?

The Hon. J.J. SNELLING: We had to reprofile our achievement of those savings, basically because we had a report done on the IT projects that were being done by SA Health because of my concerns about the extent of what the department was attempting to undertake. Medical imaging was identified as one that we could do over a longer term profile (apart from the Women's and Children's digital imaging, which is a part of that). The rest of the rollout we would slow down. As a result of that, we have had to slow down the achievement of those savings. They will be achieved, just over a longer time, because I have needed to concentrate the department's resources on the EPAS project.

Dr McFETRIDGE: With that, minister, what are the total expenses forecast for 2013-14?

The Hon. J.J. SNELLING: Total expenses for medical imaging?

Dr McFETRIDGE: Yes.

The Hon. J.J. SNELLING: Are you looking for 2013-14?

Dr McFETRIDGE: Yes.

The Hon. J.J. SNELLING: The operating is $67.04 million, the investing is $6.363 million—for SA Medical Imaging.

Dr McFETRIDGE: As it is at the moment, private radiology practices provide exclusive services in the majority of public hospitals in country South Australia and in several metropolitan public hospitals. They own the technology and equipment, provide all labour and contribute to all overhead costs. If South Australia Health brings PPPs to an end and radiology practices remove all technology and their staff, what will be the cost to South Australia Health to fund the procurement of equipment, hardware, software and staff?

The Hon. J.J. SNELLING: It would be fair to say it would be significant, and that is why we have no plans to do it.

Dr McFETRIDGE: On the Ernst & Young review, one of their recommendations was that money in the non-operating funds (NOFs)—which is money, as you would be aware, raised by everything from volunteers to the rights for private practice—would be assumed (I suppose that is the correct word) and used for operating capital funding. Is that still going to happen? If it helps the committee, they said in their report that excess private practice funds, which includes NOFs (non-operating funds), should be distributed to SA Imaging within agreed processes regarding the allocation of funds for operational and capital funding.

The Hon. J.J. SNELLING: I will pass that to the chief executive.

Mr SWAN: Back in the time when Ernst & Young assisted us with the consolidation of imaging services across our system, we had an environment where each hospital had its own private practice arrangements, and from site to site they actually differed on the governance and the contribution to both the organisation and individuals. The recommendation that they had around there was trying to develop some policy environment that was to be consistent, that we would move to when we were going to move to one entity, being South Australia medical imaging service. We have not progressed that in line with the recommendation. I would have to follow up exactly what we have done, but it was really about trying to address the disparity in how the various funds were being managed from site to site to one organisation.

Ms BEDFORD: I refer to Budget Paper 4, Agency Statements, Volume 3, sub-program 2.4, Women's and Children's Health Network, and sub-program 2.5, Country Health SA Local Health Network, pages 81 to 90. Can the minister tell the committee about the range of health services currently being delivered to Aboriginal South Australians living on the APY lands?

The Hon. J.J. SNELLING: I thank the member for Florey for her interest in this issue. SA Health funds a number of services to the Indigenous communities on the Anangu Pitjantjatjara

and Yankunytjatjara lands. The state government, in the 2013-14 budget, provided additional funding for the APY lands for the continuation of child and adolescent mental health programs under the National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes, estimated at $2.5 million over three years, and the continuation and expansion of existing therapeutic services of $3.5 million over two years. Overall, it is estimated that SA Health will spend $6.9 million in 2013-14 on services in the APY lands. In 2013-14, SA Health will provide $2.15 million in funding to the Nganampa Health Council, an Aboriginal-owned and controlled health organisation operating in the APY lands, to provide a range of primary healthcare services.

The mobile renal dialysis bus provides services to remote Aboriginal communities, including the APY lands. In 2012, the Australian government granted $600,000 to the state government to fit out a mobile renal dialysis vehicle to provide respite dialysis in remote South Australian Aboriginal communities. While the fit-out is being progressed, Country Health SA Local Health Network has leased the Northern Territory mobile renal dialysis bus to provide visits to remote Aboriginal communities, including the APY lands. The Country Health SA Local Health Network-owned vehicle is expected to be ready for use at the beginning of 2014, with operating funding of $120,000 being provided in 2013-14 for the renal dialysis service.

The Amata Family Wellbeing Centre is an exciting new development which replaces the previous Drug and Alcohol Services SA-operated facility in Amata on the APY lands. The centre is a commonwealth-funded initiative managed by Country Health SA Local Health Network and began operations in February 2012. The former substance misuse facility was modified to improve community use and aid the coordination and integration of health and family wellbeing services. The centre hosts a number of community programs, including the Drug and Alcohol Services South Australia Substance Abuse Program, child and adolescent mental health service support programs and Department for Communities and Social Inclusion disability, aged care and home and community care programs. The Amata Family Wellbeing Centre is also used by local community groups, including football clubs, family anti-violence groups and the MoneyMob. The state government is providing over $1 million in 2013-14 to provide these services to the community.

Oral and dental health is improving Aboriginal wellbeing and life expectancy. Under the Aboriginal Oral Health Program there has been a significant increase in the number of Aboriginal children and adults attending the SA Dental Service, indicating improved access and oral health for Aboriginal people. In 2012, there was a 6 per cent increase (over 4,500) in Aboriginal adults attending the Community Dental Service across the 26 sites that are participating in the Aboriginal Liaison Program. This program will continue to allow eligible Aboriginal adults in the program to receive free priority general, emergency and denture care.

To assist the Aboriginal community with employment opportunities, SA Health established the Aboriginal Environmental Health Worker Program, which is funded through the National Partnership on Closing the Gap in Indigenous Health Outcomes. The program funds positions in Aboriginal community-controlled organisations across South Australia. The Aboriginal environmental health workers target the living conditions that give rise to communicable infections, particularly shigella and streptococcal, and long-term chronic sequelae (kidney and heart disease). All Aboriginal environmental health workers are Aboriginal people from their local community and sit within local Aboriginal community-controlled organisations. Fourteen Aboriginal communities have endorsed the programs operating in their communities.

As mentioned, the government has approved an estimated $2.5 million over three years, from 2013-14 to 2015-16, or around $800,000 per year, for the continuation of state-funded child and adolescent mental health programs under the National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes. In addition, SA Health provides a rheumatic heart disease program to reduce morbidity and mortality associated with rheumatic heart disease through monitoring and improving delivery of secondary prophylaxis, enhancing coordination of care, delivering educational activities and increasing acute rheumatic fever and rheumatic heart disease case detection and surveillance activities.

SA Health has put recall systems in place and developed processes for placing each patient on a care plan at a number of Aboriginal primary healthcare services. There are 115 patients on the rheumatic heart disease register, 70 per cent of whom are on the APY lands. The SA government provides funding for the Family Home Visiting Program, which was implemented in consultation with the Anangu community on the APY lands and is known there as the Early Childhood Development Program. The program operates in Pukatja, Kenmore Park, Amata and Indulkana. The program is provided by Child and Family Health Service nurses in the local child and family centres, in partnership with local Anangu staff. It provides early childhood

development parenting support for infants from zero to three years, their families and community. These services are provided on a regular visiting basis and have been well accepted by the community and existing service providers.

The government has approved the continuation and expansion of therapeutic services on the lands to support the Child and Adolescent Mental Health Service program. This program provides consultation and assessment of children and young people through referrals from clinics, schools, Families SA and the community via a visiting and land-based service to the APY lands.

In 2012, the program provided approximately 700 occasions of mental health service to Aboriginal children and young people. The Country Health SA Local Health Network is planning a diabetes support program for this financial year which will include information, education and support around healthy breakfast, healthy eating support, healthy choices, a healthy choices program, a traffic lights program and staff training and support. The program will be delivered in collaboration with other local service providers in the community and will be provided at the Amata Family Wellbeing Centre as part of the visiting service (which is every three to four months) upon request.

The state government is committed to improving health outcomes for Aboriginal communities, and the funding provided in this budget will assist SA Health to deliver its extensive programs across the lands.

Dr McFETRIDGE: On a point of clarification about the design of the new Royal Adelaide Hospital, I thought you actually said on ABC radio that there were going to be some changes to the design of the emergency department. There must be a cost involved with that, I would have thought.

The Hon. J.J. SNELLING: The thing about the new RAH is that it was always anticipated that the design of various parts of it would evolve over the construction phase. There is nothing new about that; it was always anticipated. The way the project works is that basically the project director has a sort of ledger of changes that are made to the design, some of which provide additional cost and some of which actually save. Basically the project director's job is to ensure that any modifications made balance out so that there is no impact on the overall cost of the project. That is the way it works.

With regard to the emergency department in particular, my advice is that the design of it is basically finalised but that some additional minor changes might be made over time, but nothing unusual or unexpected.

Dr McFETRIDGE: Just another point of clarification right back to the start—and the member for Colton might be interested in this one—on the workforce summary, you have had discussions with the ANMF. Are they aware of the areas where services will be reduced and areas that may be affected?

The Hon. J.J. SNELLING: I meet with the ANMF on a monthly basis. We have wide-ranging conversations on a number of issues. I am not going to detail exactly what we have discussed, but they raise issues with me and I raise issues with them. As I say, I meet with them on a very regular basis.

Dr McFETRIDGE: I refer to Budget Paper 6, page 63, budget initiatives, the Health Reform Advisory Committee. In 2011-12 the government allocated $10 million over four years to establish the budget resources unit, and Mr Swan has told the Budget and Finance Committee that up to 13 staff will be employed. So, for each year, 2012-13, 2013-14 and 2014-15, what is the budget allocation and the FTE account for this resource unit?

The Hon. J.J. SNELLING: You are confusing two different things. The Health Reform Advisory Committee consists of its Chair, Jim Hallion, the chief executive of the Department of the Premier and Cabinet; the Under Treasurer, Mr Brett Rowse; Mr Swan, the chief executive of the Department for Health; and an outside expert, Professor Mick Reid. They basically provide advice to me on financial management and human resource controls, budget expenditure and savings targets, savings strategies and reviews, e-health and management of the new Royal Adelaide Hospital. They are the issues on which they have been focused to date.

It is a committee of very senior public servants. It was something which I asked to be established upon becoming minister basically to provide me with the best high-level advice from the state's most senior public servants in the health department, given how important the health department is obviously, first in terms of the budget, but also in terms of the delivery of important services provided to South Australians. So, it is quite a separate thing from the Office of Business

Review and Implementation, which was an initiative when I was treasurer, with the then minister for health, to basically provide some specific resources for the Department for Health to improve its financial control. So, they are quite separate things. It has hardly any budget. The only cost of that is the fees to the independent advisor, Professor Mick Reid.

Dr McFETRIDGE: Thank you, minister. Budget Paper 4, Volume 3, page 93, Budget Initiatives. Some years ago, the government cut funding provided to community hospitals at Keith, Ardrossan, Moonta and Glenelg. Can the minister detail the current state of negotiations between SA Health and each of these four hospitals?

The Hon. J.J. SNELLING: They are all concluded, except for Keith. We are continuing to work with them about making them viable. The previous minister had some discussions with them about incorporating them into our public hospital system. To be honest, that is not my preferred option, and I have had a discussion with them and we have put to them a proposal which we believe will ensure their ongoing viability but, as a private entity, not incorporating them as a public hospital. I will get an update, but that matter is still with the Keith Hospital board to consider. Having said that, the previous minister gave them an undertaking that, should they choose, they would be made a public hospital. I will not renege on that, but I do believe we can ensure their financial viability without that necessarily having to be the case. As the current minister, it is certainly not my preferred option.

Dr McFETRIDGE: What were the outcomes at Ardrossan, Moonta and Glenelg? I know Glenelg was taking some long-stay patients.

The Hon. J.J. SNELLING: Given I was not there at the time, I will give it to the chief executive to answer.

Mr SWAN: The outcomes of those discussions and negotiations were all successful. We provided them assistance to review their operations and, in many instances, there were opportunities for improving their revenue base with their nursing home accommodations with the commonwealth revenue, where they were not maximising the revenue for the acuity of residents they were caring for. Some had issues about how big their management was, and there were opportunities to make that more lean, and we worked with each site on a business plan that arrived at a sustainable future moving forward.

Dr McFETRIDGE: Was that the case at Glenelg? I thought they were just taking long-stay patients from Flinders.

Mr SWAN: Glenelg was more about some patients we were putting in there under a contract we did not continue with, and they have continued as a private hospital.

Dr McFETRIDGE: They are still doing a lot of work for SADS, the dental service, I understand.

Mr SWAN: They may be but, in relation to this issue, we did not continue or did not renew the contractual arrangements for post-acute patients at that site.

Dr McFETRIDGE: But the dental work will continue; is that right?

Mr SWAN: I would have to take that on notice.

Dr McFETRIDGE: Thank you. I refer to Budget Paper 4, Volume 3, page 90, Patient Assisted Transport Service. Minister, what was the total expenditure on PATS in 2012-13 and what is the budgeted expenditure in 2013-14?

The Hon. J.J. SNELLING: The estimated result is $7.7 million in the 2012-13 and the budget result is the same. The budget for 2013-14 is $7.89 million.

Dr McFETRIDGE: Minister, if you were to hypothetically double the reimbursement of 16¢ a kilometre, what would be the annual cost of that?

The Hon. J.J. SNELLING: I will have to take that on notice, but I imagine it would be a significant cost.

Dr McFETRIDGE: And the same with accommodation, if on your wish list you wanted to double that from $30 a night to $60 a night?

The Hon. J.J. SNELLING: Likewise: it would be a significant increase and not something the department is in a position to do, given the other savings initiatives which we are expected to deliver on. I have asked, and announced recently, that Mr David Filby will conduct an independent

review of PATS, but I have also made it quite clear that we are not in a position to significantly, if at all, increase the funding for PATS. In my discussions with the various Independent members—and Labor member, Madam Chair—who have approached me on this particular issue, I have said that anything we do will be about how we can make it better with the existing money, maybe by changes to the eligibility requirements.

Also, one of the other things I have asked Mr Filby to have a look at is the way we reimburse people for out-of-pocket expenses which, of course, can be significant. If you are a pensioner living in regional South Australia, you might be expected to fork out $800 for a return air fare and, generally, most pensioners I know do not have that money lying around, to hand. We might be able to better provide those costs without them having to face those up-front, out-of-pocket expenses. I am asking Mr Filby to see whether those are the sorts of things we can resolve.

Dr McFETRIDGE: There was some talk on ABC country radio about means testing of PATS. Is that anything to be considered?

The Hon. J.J. SNELLING: That would all be part of the eligibility. Given that we have a certain amount of money to spend, I want to make sure that those people who need it are getting it. Of course, one of those things which Mr Filby may well look at may well be some sort of means testing or, alternatively, looking at the distance requirements; both those things affect who is eligible. Also, we need to ensure that those people who need it are able to access it and access sufficient reimbursement to ensure they get the health care they need.

There are other opportunities as well in terms of whether there are better ways that we can provide clinical services to South Australians living in regional areas. It is not necessarily just confined to how much money we give to people in order for them to travel to Adelaide. There might be better ways we can provide the services that do not require them to travel to Adelaide.

Dr McFETRIDGE: Budget Paper 4, Volume 3, page 93 and page 49, policy and administration. What are the current guidelines for approval of expenditure of any funds raised by health advisory councils?

The Hon. J.J. SNELLING: The health advisory councils have an expenditure authority. Anything over and above that expenditure authority that they need to spend they need to get sign-off from the chief executive of Country Health.

Dr McFETRIDGE: Is there an authority matrix that the committee could have access to?

The Hon. J.J. SNELLING: No, there is not, but the delegated expenditures are well known. There is no secret to them.

Dr McFETRIDGE: Are there different guidelines which relate to funds contributed through a financial year and interest earned through the year on the balance held at the start of the financial year? In other words, are they able to freely spend the interest earned on the balance that is being held?

The Hon. J.J. SNELLING: With regard to the SPFs, we are undertaking consultation at the moment with regard to various financial controls around expenditure from those SPFs. With regard to spending from interest earned on those accounts, that will form part of those guidelines on which we are consulting at the moment.

Dr McFETRIDGE: On the same budget reference, what is the total level of funds held by SA Health on behalf of the HACs? Is it about $20 million?

The Hon. J.J. SNELLING: It is about $13.5 million.

Dr McFETRIDGE: What is the total budgeted level of expenditure from HAC funds in 2012-13, and what is the budgeted level of expenditure in 2013-14?

The Hon. J.J. SNELLING: It will be about $1.5 to $2 million on an annual basis.

Dr McFETRIDGE: To round off on the HACs, can the minister give the committee some detail as to why the HACs are not allowed to spend funds they have raised? After appropriate consultation with SA Health they used to be able to spend this money on whatever they wanted or thought appropriate at the time. They are allowed to do this under local health boards but not under the current situation?

The Hon. J.J. SNELLING: It is because they have been incorporated into the health department, so expenditure from those funds forms part of our budget appropriation, which is

approved by the parliament. They have to be done within the confines of the budget, otherwise the health department potentially would be exceeding its budgeted expenditure authority.

Dr McFETRIDGE: Budget Paper 6, page 65, realignment of rehabilitation services in the Hampstead Centre: the minister made mention before and I may have missed some of these points, but if he could reiterate them. The budget notes that the proposed savings of $21 million in 2013-14, due to reassignment of rehabilitation services, will not be achieved due to a delay. Do the forward estimates for 2014-15, 2015-16 and 2016-17 assume $21 million of savings per annum, or does that number increase for each year of the forward estimates?

The Hon. J.J. SNELLING: The $21 million has been very profiled, so it will be met over the forward estimates. It might not necessarily be met through changes to rehabilitation. If we are unable to meet those savings through changes to rehabilitation, we will have to find other ways to achieve those savings. At the moment it is part of the consultation that the department is undertaking, particularly about the future of the Hampstead Rehabilitation Centre. It was simply going to be the case that we would not be able to meet those savings in the 2013-14 financial year, as we originally thought we would, basically because of the complexities of the reconfiguration of the rehabilitation system.

Dr McFETRIDGE: That was my next question: of the proposed $21 million savings, how much is estimated to be generated by the possible closure of Hampstead?

The Hon. J.J. SNELLING: That certainly would be part of the $21 million, if that is indeed something we end up doing. At the moment we are undertaking a process of consultation and the savings potentially will be achieved through reconfiguration of the entire rehabilitation scheme. A lot of it will be incorporating rehab into our existing hospital sites. We think there are a lot of benefits. For example, the new Royal Adelaide Hospital, with its spinal unit, potentially would have good clinical outcomes from incorporating new rehab facilities as part of that service.

Dr McFETRIDGE: To go back to the new Royal Adelaide: Budget Paper 6, page 13—what were the total costs of the Woodhead International Consultancy conducted before the last election in 2010, and is the government prepared to release copies of all reports prepared at that time?

The Hon. J.J. SNELLING: Anything that had been done by my department about the old Royal Adelaide Hospital site and the future of the old Royal Adelaide Hospital site has been passed on to Renewal SA, who are now the lead agency with regard to the development of that site. Either I can pass on that question or ask you to redirect it to minister Koutsantonis who now has carriage of that issue.

Dr McFETRIDGE: Thank you, minister. On the same budget reference, do you now acknowledge that as part of this consultancy, the Woodhead International consultancy, SA Health and the government received advice that the cost of demolition of all buildings on the site would be about $200 million?

The Hon. J.J. SNELLING: Again, responsibility for the redevelopment of the old Royal Adelaide site has now passed to Renewal SA. Any work that the department has previously done about that issue has been passed on to Renewal SA as the lead agency. You will need to direct that question to minister Koutsantonis.

Dr McFETRIDGE: I think you may have answered this question. I have a question here about the utility services, such as electricity, on the old Royal Adelaide site.

The Hon. J.J. SNELLING: It is probably better that you direct that to minister Koutsantonis.

Dr McFETRIDGE: Thank you. Same budget reference, Budget Paper 6, page 13: the budget papers indicate $1 million will be spent in 2013-14 and $500,000 in 2014-15 on the master planning process for the Royal Adelaide site. Does this mean final decisions will not be taken until 2014-15?

The Hon. J.J. SNELLING: Again, it is an across-government matter. You will need to direct that to minister Koutsantonis.

Dr McFETRIDGE: Budget Paper 4, Volume 3, page 93, Targets, dot point 1—Improving services. Back to radiology for a little while, I have been given information about the costs of radiology services at the Lyell McEwin Hospital, that visiting medical specialists there are being paid an excellent sum, in their mind, for call-backs on Saturdays and double time on Sundays for, say, a CT brain scan which costs $1,400, where a teleradiology firm would do this for about $100.

Are you aware of the arrangements that are in place for visiting medical specialists there and the opportunities for changing arrangements?

The Hon. J.J. SNELLING: Yes, we are in the wrong profession. I have quickly learnt that in my time as Minister for Health. Your figure of $100 does not sound right to me. A figure that we do pay is set out in the industrial agreement we have with SASMOA which stipulates these call-out fees for visiting medical specialists. If you do know a radiologist who can do that, I would be very happy to talk to him or her.

Dr McFETRIDGE: Yes, that is right.

The Hon. J.J. SNELLING: In fact, if you know a few of them.

Dr McFETRIDGE: We will employ the lot of them, I think. Budget Paper 6, page 63—Operating initiatives. Can the minister provide a document which details the level of authority that CEOs of local health networks have to make decisions and which decisions must be referred upwards to more senior executives from health?

The Hon. J.J. SNELLING: Are you talking about financial delegations?

Dr McFETRIDGE: Yes.

The Hon. J.J. SNELLING: We can provide that. We have not got it here but are more than happy to provide it. Just with regard to your earlier questions about the emergency department design at the new Royal Adelaide Hospital, I am just advised that it is substantially complete at no additional cost. There are just a few minor tweaks which will be at no additional cost when we review the construction drawings.

Dr McFETRIDGE: Budget Paper 4, Volume 3, page 85—Country Health. What is the cost of the provision of new uniforms for Country Health SA staff for hospitals in the South-East and has the government or Country Health insisted that all uniforms now have a government logo on them?

The Hon. J.J. SNELLING: I need to take that question on notice. I will get back to the committee.

Dr McFETRIDGE: On that then, is a similar requirement being implemented for all staff in other regions covered by Country Health? If you can get back to the committee on that, that would be appreciated.

The Hon. J.J. SNELLING: Uniforms are provided to nursing, cleaning and catering staff in line with award and enterprise agreements to maintain high standards of infection control and assist patients and the public to identify professional groups. Uniforms are provided to all new staff members at appointment and then replaced on a planned basis. Uniforms remain the property of the health service and are returned when the staff member leaves. Items in good condition are then reissued to other staff.

In accordance with enterprise agreements, for those staff who are required to wear a uniform, hospitals are required to either supply uniforms or pay an annual allowance. Where uniforms are supplied, they are replaced every two to three years. A cost-benefit analysis demonstrates that it is more efficient to provide uniforms than to pay the allowance. For example, a nurse working full-time may receive five garments costing approximately $275; if uniforms were not supplied and an allowance was paid, this would then be between $494 and $741 per person over that period.

To comply with enterprise agreement requirements, all health units have a budget allocation for uniforms. Hospitals in the Lower South-East recently contracted a new uniform supplier, Image Wear, a South Australian company based in Adelaide. The uniform colour, styles, and logo were revised, and they are being progressively issued to staff as they require them. It will take up to two years for the revised uniform to be in use by all staff. The recent contract with Image Wear is up to a value of $680,000, GST inclusive, over four years.

Previous uniforms remain the property of the hospitals and will be returned. Staff members have expressed an interest in providing these garments to hospitals in a Third World country, and this option is being explored. Some staff have an non-compulsory uniform including administration officers, community health and aged-care workers. These staff pay all costs for the uniforms up-front or through payroll deductions.

Dr McFETRIDGE: I have omnibus questions, but I can still read them this afternoon, ma'am; is that right?

The CHAIR: That is my understanding.

Dr McFETRIDGE: Budget Paper 4, Volume 3, page 93, employee benefit payments. You may need to take this on notice. Can the minister provide details on the expiry dates for all enterprise agreements for all the major employee groups in SA Health?

The Hon. J.J. SNELLING: I know the big ones. The nurses' expires on 30 June; the doctors' expired on 30 June 2011, and it is still in the process of being negotiated. The other big one would be the general across-government Public Service agreement. That is a fairly recent agreement, from memory; I think we finalised it last year. It is going to ballot at the moment, we think. It expires in 2014. There would be other smaller industrial agreements which I can get back to the member for Morphett.

Dr McFETRIDGE: Thank you, minister. Budget Paper 4, Volume 3, page 75, Highlights, resource weighted hospital outputs and out of hospital strategies. Under the contract with RDNS for health care at home, what was the total value of payments to RDNS in 2012-13? Was this total value of payments a significant reduction on the level of payments made to RDNS in 2011-12?

The Hon. J.J. SNELLING: Absolutely not is the answer. The reduction was basically nothing—it was about a 2 per cent reduction. Certainly, any attempt by RDNS to say that the reduction in their nursing staff is because of lower referrals from SA Health is complete nonsense, absolute balderdash. The reduction is roughly 2 per cent.

RDNS provides a service delivery response for a number of programs within SA Health, including:

- community nursing services, a value of approximately $7 million per annum which provides options for specialised nursing services to support individuals with long-term chronic health conditions and community-based palliative nursing care to people within their own homes. This contract will be extended to 30 June 2014;
- Healthcare at Home, approximately $14 million per annum, provides a short-term rapid response nursing service that prevents a presentation to a metropolitan public hospital emergency department, a public hospital admission or an early and/or supported discharge from a metropolitan public hospital;
- an HIV AIDS primary care coordination program, a nurse-led model of care coordination for clients diagnosed with HIV AIDS, approximately $400,000 per annum, and this is ongoing for at least another year;
- virtual nursing services providing directly observed therapy to support individuals diagnosed with tuberculosis, about $150,000 per annum. This contract will be extended to 30 June 2014; and
- homeless nursing services, providing registered nurses at clinics within metropolitan Adelaide to support individuals experiencing homelessness, approximately $190,000 per annum. It is expected that this contract will be extended to 30 June 2014.

Any suggestion that a reduction in referrals from SA Health to RDNS is to blame for the decision that Silver Chain made about reducing its nursing numbers is absolute rot.

Dr McFETRIDGE: Thank you for that answer, minister. Are all referrals to RDNS under the Healthcare at Home contract managed through the metropolitan referral unit? Why was that unit established, and how much does it cost to operate?

The Hon. J.J. SNELLING: Yes, they are. The reason for that is just better control and making sure that referrals, when they are made, are appropriate.

Dr McFETRIDGE: No consideration to going back to the old scheme?

The Hon. J.J. SNELLING: No.

[Sitting suspended from 12:46 to 13:45]

Membership:

Mr Pengilly substituted for Mr Goldsworthy.

Departmental Advisers:

Mr D. Swan, Chief Executive, SA Health.

Ms S. O'Brien, Executive Director, Policy and Commissioning, Department for Health and Ageing, SA Health.

Mr S. Archer, Deputy Chief Executive, Finance and Business Services, Department for Health and Ageing, SA Health.

Ms J. Richter, Deputy Chief Executive, System Performance, Department for Health and Ageing, SA Health.

Mr J. Woolcock, Chief Finance Officer, Department for Health and Ageing, SA Health.

Ms N. Dantalis, Director, Corporate Governance and Policy, Department for Health and Ageing, SA Health.

Mr D. Davies, Executive Director, Mental Health and Substance Abuse, Department for Health and Ageing, SA Health.

Dr P. Tyllis, Chief Psychiatrist, Department for Health and Ageing, SA Health.

Mr P. Louca, Chief of Staff.

Dr McFETRIDGE: I will quickly go back, if I can—and I have spoken to the minister—to some questions from this morning's session. I refer to Budget Paper 6, page 13: the Royal Adelaide Hospital. I asked a question about the total cost of the Woodhead International Consultancy before the 2010 election, which was then with the department of health, so the Department for Health, I would assume, would have all that knowledge. The question was: is the government prepared to release copies of all reports prepared at that time?

The Hon. J.J. SNELLING: That report is now in possession of Renewal SA, which reports to minister Koutsantonis. As I said before, you have to direct that question to minister Koutsantonis. The report is in Renewal SA's possession. So, everything to do with the redevelopment of the old RAH site, Renewal SA has now carriage of, and the appropriate place to direct all those questions about the old RAH site is with Renewal SA. Any work that has been done by my department on the redevelopment of that site we have passed on to that agency. With regard to the release of any figures, documents, or whatever, the place to direct those questions is to minister Koutsantonis and Renewal SA.

Dr McFETRIDGE: So, minister, you have no knowledge of whether as part of that consultancy the government received advice that the cost of demolition of the buildings of the old Royal Adelaide would be $200 million?

The Hon. J.J. SNELLING: I have not seen the report; I know of its existence. Basically, the report is no longer mine to release, so the appropriate place to direct those questions is to minister Koutsantonis.

Dr McFETRIDGE: Minister, back to EPAS. Is the government now considering limiting the scope of the rollout in some hospitals like the Repatriation Hospital to not include some functions, such as the finance module, when first rolled out before the end of 2013?

The Hon. J.J. SNELLING: Financial stuff with regard to Oracle rather than EPAS? Are you referring to Oracle or EPAS?

Dr McFETRIDGE: The question is on EPAS, a financial module.

The Hon. J.J. SNELLING: Are you talking about the billing module?

Dr McFETRIDGE: I have been given the information that it is the finance module, but you may be calling it the billing module, yes.

The Hon. J.J. SNELLING: There is no one who refers to it as the financial module. I think you are referring to the billing module. What was the question?

Dr McFETRIDGE: Is the government now considering limiting the scope of the rollout in some hospitals such as the Repat to not include functions such as the billing module?

The Hon. J.J. SNELLING: No, the billing module is integral to EPAS system. If you do not have the billing module, the whole thing does not work. So you cannot exclude the billing module.

As I said before, there has been a delay with regard to Allscripts' delivery of the billing module, so we have had to delay the rollout, but there is no change to the scope from when the project was originally announced.

Dr McFETRIDGE: Just to follow up on another question about—I forget what the new name was—the Budget Resource Unit? Did you change the name of it?

The Hon. J.J. SNELLING: No; there are two different things. There is the Health Reform Advisory Council, which I think you are confusing with the—it was previously known as the Resources Unit and is now known as the Office for Business Review and Implementation. That and the Health Reform Advisory Council are two quite different things.

Dr McFETRIDGE: Two different units.

The Hon. J.J. SNELLING: Quite different, yes. One is a committee which directly advises me on matters pertaining to the Department for Health. It is chaired by the chief executive of the Department of the Premier and Cabinet, Jim Hallion, and its members are: the chief executive of the Department for Health; the Under Treasurer, Mr Brett Rowse; and an independent expert, Professor Mick Reid. It has no resources attached to it, apart from the fees that are paid to Professor Reid for his services. It is quite a separate thing to the other unit, which is working on a number of things. It was announced two years ago in a joint announcement between myself, in my former role as treasurer, and minister Hill. It is, basically, to build up financial controls within the department and to assist the department in meeting its savings objectives. That was resourced—I cannot remember the exact amount—I think it was about $10 million over four years, so it had significant resources attached to it.

Dr McFETRIDGE: Is there a budget allocation for those two units then?

The Hon. J.J. SNELLING: There is no budget allocation for the Health Reform Advisory Council; the $30,000 for Professor Reid is met within existing resources. There is a dedicated budget line for the other unit.

Dr McFETRIDGE: Could you give the committee information on that budget line and any FTEs associated with it for 2012-13, 2013-14 and 2014-15?

The Hon. J.J. SNELLING: I will hand over to the deputy chief executive, Steve Archer. The unit reports directly to him.

Dr McFETRIDGE: The last question on this, and I think we picked up on a few of the points this morning, is back to EPAS.

The Hon. J.J. SNELLING: Sorry; I will hand over to Mr Archer to answer your question.

Mr ARCHER: Back in around June of two years ago, the cabinet approved $10 million over four years for the purpose of the creation of what was then known as the Resources Unit and is now known as the Office for Business Review and Implementation. Over a period of about 10 months—it took a while to recruit the people to resource that unit. There are around 13 FTEs that are associated with that unit on an ongoing basis. They are only on term contracts because of the finite time that those resources are available. The annual allocation is in the vicinity of around $2.5 million per annum.

Dr McFETRIDGE: Just to tidy up on EPAS: Budget Paper 4, Volume 3, page 57, has the most recent estimated completion date of June 2014 for the rollout of EPAS into 12 hospitals been extended out by 11 months to May 2015? I think you may have answered some of that before.

The Hon. J.J. SNELLING: We have not formalised it. As I answered your earlier question this morning, it will be rolled out into Noarlunga. There will then be a gateway review to assess the implementation of EPAS in Noarlunga. We will then make decisions about the further rollout, but I will not be able to answer your question until that gateway review is done. If the implementation in Noarlunga is successful and is done without any significant problems then my hope would be that we would be able to roll it out as planned, but if there are significant issues that arise in the rollout in Noarlunga then, obviously, we would want to get those things fixed in what is a relatively small hospital before we start rolling it out into larger, far more complicated sites.

With regard to your earlier question about the expiry of enterprise agreements within SA Health, if I can provide the information to the committee which I indicated I would. The nominal expiry date for the Department of Health Salaried Medical Officers Enterprise Agreement was 18 August 2011. The Department of Health Clinical Academics Enterprise Agreement expires on

18 August 2011. That historically flows on from the outcome of the previous Salaried Medical Officers Enterprise Agreement.

The South Australian Government Wages Parity (Weekly Paid) Enterprise Agreement 2010 expires on 1 October 2012. The Nursing Midwifery (South Australian Public Sector) Enterprise Agreement 2010 expires on the 30 June this year. The South Australian Government Wages Parity (Plumbing, Metal and Building Trades Employees) Enterprise Agreement 2011 expires on 31 December this year. The South Australian Public Sector Wages Parity Enterprise Agreement: Salaried 2012 expires on 30 June next year. The SA Ambulance Service Enterprise Agreement 2011 expires on 3 February 2015. The SA Health Visiting Medical Specialists Enterprise Agreement 2012 expires on 17 December 2015 and the SA Health Senior Visiting Neurosurgeons (Unregistered) Agreement 2013 expires on 31 December 2015.

Dr McFETRIDGE: Thank you, minister. We will now move on to some Ageing questions.

The Hon. J.J. SNELLING: I have an opening statement. South Australia has the highest proportion of older people in mainland Australia. One in six people are aged over 65 years and this will double over the next 15 years. The 2011 Census showed that almost 5 per cent of our population is aged 80 plus, while the rest of Australia has almost 4 per cent. These extra years of 'older' ageing, while they frequently bring health challenges, are also to be celebrated.

South Australia has many unique characteristics and one is the significant numbers of seniors from culturally diverse backgrounds. Twenty-six per cent of the total overseas-born population living in SA are aged 65 years plus. In contrast, 12.8 per cent of the total Australian-born population living in South Australia are aged 65 years plus. Our migrants have worked hard in earlier decades to create the richly multicultural state we enjoy today.

I am always mindful of the gap in life expectancy for Aboriginal South Australians. New data on life expectancy for Aboriginal Australians is expected late this year. However, analysis of mortality rates between 1991 and 2010 show a significant improvement (33 per cent) in Aboriginal and Torres Strait Islanders for WA, SA and the NT combined, with a significant narrowing of the gap with non-Indigenous Australians. This is encouraging but there is more work to be done.

I am pleased to say that SA Health was a key partner in the 2011-12 residency of internationally renowned ageing specialist, Dr Alexandre Kalache. On 30 May 2013, on my behalf, the Hon. Leesa Vlahos, Parliamentary Secretary to the Premier, launched The Longevity Revolution, the final report of Dr Alexandre Kalache. His report focuses on the benefits of active ageing. It contains 41 recommendations, many of which link to work already underway or planned in SA.

It is timely to develop a new state ageing plan to replace the existing plan, Improving with Age: Our Ageing Plan for South Australia 2006. I asked the Office for the Ageing to allocate $25,000 one-off funding to COTA SA to enable our state's peak ageing body to carry out a consultation strategy for this new plan. The new ageing plan will, among other aims, respond to this report. I look forward to launching it later this year. I expect it will recognise the vital contribution older South Australians make as volunteers, carers, consumers of products and services, mentors and workers.

I am also mindful that caring for those who are most vulnerable is important to everyone in the community. During 2012, the Office for the Ageing consulted extensively to coordinate a review of the 2007 'Our actions to prevent the abuse of older South Australians'. The goal was to develop a new strategy that would better enable older people to be safe at all times.

On 17 June this year, on my behalf, the Hon. Leesa Vlahos MP welcomed attendees to the 2013 World Elder Abuse Awareness Day Conference in South Australia. The conference, Building a National Approach to Prevent Abuse of Older Australians, was supported by $10,000 one-off funding through the Office for the Ageing. To honour the occasion, Leesa Vlahos announced the new draft South Australia Safeguarding Older Adults Strategy, which will be available for consultation from late June and July.

I also know that the demand for healthcare services increases with age. The state is called on to provide resources to support the older individual's management of multiple conditions, as well as sudden and catastrophic health events such as stroke. In later life, the risk of dementia is compounded. These new societal realities provide an opportunity for increased recruitment of aged care and healthcare workers.

Seniors have a key role in helping the government to achieve almost all of our strategic priorities. Our recent changes to stamp duty, and other proactive planning measures, are enabling

seniors to consider a move into the central business district under the strategic priority, Creating a Vibrant City.

In 2012-13, my Ministerial Advisory Board on Ageing provided input to the Premier on his consultation paper South Australia: An Affordable Place to Live. There is a wealth of knowledge in the senior cohorts. As a government we greatly value the skills of our experienced workforce not only in the public sector but in all areas of economic activity. We know that meaningful social participation is vital for wellbeing. We stand against discrimination in all areas of life. Consequently we encourage South Australians to participate in paid work for as long as possible. This is happening. The leading wedge of the large baby boomer cohort, that is 1946 to 1964, have now commenced retirement. However, research tells us that many people are choosing to retire later. In South Australia, baby boomers represent 24.9 per cent of our population but 34.1 per cent of our workforce; 67 per cent of baby boomers are in the workforce with 41 per cent employed full time. They play a vital role in our state's economy.

In 2012-13, a funding package of $400,000 supported the very popular Positive Ageing Development Grants and Grants for Seniors. The Positive Ageing Development Grant provided not-for-profit community-based organisations with a one-off $25,000 grant to support older people's choice in independence, social participation, learning or to promote positive perceptions. They provide a great boost to communities. One example in 2012-13 is $25,000 one-off funding provided to Ninkowar Incorporated, an Indigenous community organisation under the Ngarrindjeri Regional Authority. This grant facilitated intergenerational cultural knowledge transfer through programs run at Murray Bridge. There is a lot more I could go on with but I will conclude it there.

Dr McFETRIDGE: As a member of the select committee into the review of the Retirement Villages Act it is interesting to see the issues that are being put up to the committee, and we look forward to coming up with some excellent recommendations to assist those people who are ageing in our retirement villages to do it in the way they want to. I know that the committee is very keen to come up with some proposals for the government by the end of the year. My first question on ageing relates to Budget Paper 6, page 63, Budget Operating Initiatives, and also Budget Paper 4, Volume 3, page 49, Health Services and Administration. Why was the position of executive director of ageing abolished, I think by you, minister, in February, and who now has leadership responsibilities for the ageing policy in the department?

The Hon. J.J. SNELLING: I should introduce my officials. To my right is Sinead O'Brien, Executive Director, Policy and Commissioning, Department for Health and Ageing. Ms O'Brien takes responsibility for the Office for the Ageing. Why did we abolish the position? Basically to save money. The government has a significant savings task. Mr Mackie was doing a fantastic job. However, I could not justify having a person of his seniority in what is a relatively small agency and, in order to assist the department to achieve its overall savings priorities, his position was abolished and rolled into Ms O'Brien's existing role to provide the leadership that is needed in the Office for the Ageing.

Dr McFETRIDGE: What salary package would somebody of Mr Mackie's seniority be receiving?

The Hon. J.J. SNELLING: He was a SAES 2 position.

Dr McFETRIDGE: For those who do not know, how much is that?

The Hon. J.J. SNELLING: It is in the *Gazette*. I do not have it on hand. It is significant. It reflects those executives in the state public sector who have responsibility for agencies in the budgets in the hundreds of millions. The budget for the Office for the Ageing is about $15 million and it has 30 staff. The position was that Mr Mackie is a senior, experienced public servant and normally someone of that experience and seniority would be managing a much larger agency than the Office for the Ageing.

Dr McFETRIDGE: I put on the record in that case then, for a $5.3 billion budget, we now have an hour on a $15 million portfolio. Anyway, that is a frustration.

The Hon. J.J. SNELLING: We don't have to spend an hour.

Dr McFETRIDGE: I don't think we will. The same budget reference. Have any other positions within the Office for the Ageing been abolished or created in 2012-13 and, if so, in what salary brackets?

The Hon. J.J. SNELLING: In this current financial year, there has been the abolishing of a policy position in the Office for the Ageing and there were three existing vacant positions which we also abolished. They were existing vacant positions, so we just did not fill them.

Dr McFETRIDGE: And the salary brackets for those?

The Hon. J.J. SNELLING: I will report back to the committee.

Dr McFETRIDGE: The same budget reference: the 2012-13 budget had a section named 'Ageing policy and strategy'. As there is no such section in this year's budget, where are the programs for ageing now being reported?

The Hon. J.J. SNELLING: It comes under policy and commissioning, which is Ms O'Brien's area. It is on page 61 of Budget Paper 4, Agency Statements, Volume 3.

Dr McFETRIDGE: Of the 600 redundancies you were talking about this morning, how many of these will be from the ageing portfolio area?

The Hon. J.J. SNELLING: Probably none, because we have already done them. We have done the restructuring of the office, so I do not anticipate that there would be any extra reductions in FTEs from the Office for the Ageing.

Dr McFETRIDGE: Same budget reference: the commonwealth provided the state government with $800,000 in funding for aged care assessment in 2012-13 in line with its responsibilities to deliver a nationally consistent set of services, support, assessment, care and regulation. How many people participated in and received an aged care assessment in 2012-13? I think there were over 14,500 in 2011-12.

The Hon. J.J. SNELLING: It is anticipated that 14,000 face-to-face assessments will be undertaken in South Australia in 2013-14, and 50 per cent of these assessments will occur within the acute hospital sector.

Dr McFETRIDGE: The next question is the same budget reference. Last year, the former minister said there would be an external evaluation of the Aged Care Assessment Program, including the efficiency, governance and structures of the teams in South Australia. Can the minister tell the committee what this external evaluation revealed and what, if any, the government's response is?

The Hon. J.J. SNELLING: The evaluation proposed to deliver an integrated approach to a comprehensive assessment. A consultation process is currently occurring on the evaluation report. The focus is to determine documentation, improve the consumer experience, build efficiencies and sustainability into the structure and roles and assess responsibilities within the aged care assessment teams, enhance capacity for hospital assessment and enable funding capacity-building. When implementing recommendations proposed in the final report, SA Health would expect to build efficiencies and a sustainable service within the funding provided by the commonwealth. This will assist South Australia to meet the required key performance indicators for funding provision to best position SA Health as the approved provider from 1 July 2014. Basically, the report is out for consultation.

Dr McFETRIDGE: The same budget reference: in the Budget and Finance Committee meeting in December, the chief executive advised that SA Health had set up a forum working with the aged-care sector to try to see if Health and the aged-care sector could do more to integrate the coordination of care and requirement for people's ageing. Can you update the committee on the progress of this forum?

The Hon. J.J. SNELLING: I will pass that to the chief executive.

Mr SWAN: We are still doing a lot of work with the aged-care sector. We have had several meetings to talk to them about better integration between the acute care sector and the aged-care sector, and in particular how people, once they have finished an acute event and are assessed as requiring residential accommodation, can actually be moved in an efficient way.

The feedback we have had from the aged-care sector has been very positive; they are very keen to engage and work with us on how they can have more of an integrated role in what we call 'pulling' patients or residents from the acute care sector into the aged-care environments around the state. That work is still going on. We have not resolved any particular strategy, other than that there is substantial goodwill and a range of initiatives we are progressing to the stage we want to implement in due course.

Dr McFETRIDGE: On that, can the minister or his officers give us some advice on current waiting times for nursing home beds for people who need acute care? We always hear these stories about people having to wait and shop around to try to get people in.

The Hon. J.J. SNELLING: I will pass to Ms O'Brien to answer that. With regard to the member's earlier question about the SAES 2 salary range: it ranges from to $206,664 to $344,407. In regard to the member for Morphett's question, I will pass it to Ms O'Brien.

Ms O'BRIEN: In regard to the ACAT assessment itself, in South Australia we are particularly speedy in relation to that, and we undertake the assessment within two to five days, even though the commonwealth standard is within 20 working days, which we think is too long. In relation to then how fast that individual is able to go to an aged-care facility or nursing home, we do not have actual time frames because they vary significantly.

We spend a lot of time supporting individuals to try to go to the appropriate facility for their needs, and if there is not a place available then it can take longer than we would like. There is not a time frame as it is too different, depending on the facility to which the individual needs to go. The important thing is the time frame, and we never delay because of ACAT assessments.

Ms SANDERSON: Budget Paper 5, page 32, the older persons mental health community facilities. It says that there is a provision of five older persons mental health service facilities to accommodate expanded community teams, the estimated cost being $4.049 million. What are these facilities for and where will they be located?

The Hon. J.J. SNELLING: It is probably more a mental health question. I am happy to move on to mental health if we are done with ageing. While I will get an answer to the member for Adelaide's question, do you want to finish off the Office for the Ageing.?

Dr McFETRIDGE: Because we have a bit of time up our sleeves, I thought we might slip back into some health questions if we can. Budget Paper 4, Volume 3, page 49, health services. This is in regard to the OPAL program. Where are the 20 OPAL sites, established in 2012-13, located and what are the costs associated with the establishment and running of each site?

The Hon. J.J. SNELLING: I will report back to the committee on that.

Dr McFETRIDGE: What is the sum paid to the Epode International Network in order to be in this network? Is it an annual fee?

The Hon. J.J. SNELLING: We have paid a fee. I will get back to the committee about what it is.

Dr McFETRIDGE: The OPAL program is advertised to run from 2009-17. Given that we are halfway through that program's life, what results have been achieved in curbing youth obesity and promoting healthier eating?

The Hon. J.J. SNELLING: I had a meeting with the chair of the Scientific Advisory Committee yesterday, and I think there is still a bit of work to be done before we can have an authoritative evaluation on how effective the program has been; that was certainly top of my list of questions to ask of him. There are some early indicators that it is working, if you have a look at areas where OPAL has been rolled out. There was some early evidence showing that it was effective but, as I say, it is still early days.

Sometimes evaluating these sorts of programs and their effectiveness can be incredibly complex. The previous minister did appoint a scientific advisory council particularly for the purpose of evaluating its effectiveness, but it still might take a little bit of time before we can give any sort of authoritative answer to the question about its effectiveness.

Dr McFETRIDGE: Are there plans to go on after 2017?

The Hon. J.J. SNELLING: That will depend on the evaluation. If the evaluation says it is effective, then yes, but if the evaluation is inconclusive or says no, then probably not.

Dr McFETRIDGE: My last question is on health generally. Budget Paper 6, page 63, Budget initiatives—operating savings. Does the minister expect there will be any budget overspend this year which would need to be repaid to Treasury out of the 2013-14 budget?

The Hon. J.J. SNELLING: Unlike the previous government, which had a rather dodgy system of loans to the then department of human services to—

Dr McFETRIDGE: I have no knowledge of that.

The Hon. J.J. SNELLING: —deal with its overspend, that is not something which the current government has indulged in. I am happy to report that at the end of this financial year, the Department for Health will meet its budget after the revisions of the Mid-Year Budget Review, which is something that I am incredibly proud of.

Dr McFETRIDGE: Has SA Health made all the decisions required to achieve its budget savings task for 2013-14 and if so—

The Hon. J.J. SNELLING: No, I was talking about the 2012-13 financial year. In the 2013-14 financial year, there is a significant step-up in our savings, and there is no doubt that it is going to be a challenge. There was a small revision to our savings in regard to the $20 million for the rehab which has been reprofiled and delayed until future financial years, but apart from that we are working very hard to ensure that we meet those savings that have been allocated to us.

Dr McFETRIDGE: Can you outline all those decisions to the committee?

The Hon. J.J. SNELLING: About how we are achieving the 2013-14 savings? How long have you got?

Dr McFETRIDGE: A little while, we have a bit of spare time.

The Hon. J.J. SNELLING: The key savings strategies of 2013-14 include:

- consumables—reduce wastage and optimise utilisation of consumables by improving the processes and governance arrangements;
- length of stay—by improving length of stay, patient flow processes, and more efficient ward configurations;
- medical labour—through improved governance and optimised rostering to align the medical workforce to the activity levels;
- revenue optimisation—additional revenue through higher rates of private patient election, improved identification and processing of motor accident claims and through streamlining assessment processes that improve the capture and identification of claimable activities from commonwealth aged-care funding;
- pathology and radiology—optimise the use of pathology and radiology through improved protocols and governance to ensure utilisation levels are clinically appropriate;
- prosthetics—optimise utilisation by standardising the prosthetics list to ensure usage is clinically appropriate and cost effective;
- department efficiencies—continuation of general efficiencies across the Department for Health and Ageing;
- non-government organisation funding reductions—reassess funding provided to non-government organisations to ensure consistency with SA Health objectives;
- restructure Mental Health and Office for the Ageing—abolition of surplus administrative positions;
- contractors—whole of government reduction in expenditure on contractors primarily in the area of clerical activities allocated primarily to the Department for Health and Ageing;
- review of non-hospital based services—implementation of strategies recommended as part of the review of non-hospital based services;
- reform of outpatients—achieve efficiencies in outpatient service delivery through a combination of developing better clinical access pathways, optimising administrative processes, improved management of patient waiting lists and improved governance over activity management;
- mental health initiative covers a range of expenditure containment initiatives, the majority of which seek to reduce staffing costs by reducing the reliance on nurse agency and containing bed numbers to what is clinically appropriate; and
- in addition, there is a large range of operational business as usual management strategies that are being progressed by all health entities.

Dr McFETRIDGE: Was there a dollar value on all those savings, minister? Did I miss that?

The Hon. J.J. SNELLING: The step-up in savings, the increased savings over and above what we have achieved this year, is $160 million for the 2013-14 financial year.

Ms SANDERSON: Budget Paper 5, page 33, the Women's and Children's Hospital upgrade, there is an estimated total cost of $64.44 million. In Budget Paper 4, Volume 3, page 51 there are two listings for the Women's and Children's Hospital: one is a cancer centre and one is a hospital upgrade. Are they both included in that $64.44 million?

The Hon. J.J. SNELLING: The children's cancer project in the Gilbert Building is separate and has been completed; it is not part of the $64.4 million.

Ms SANDERSON: Of the $15 million that was budgeted for 2012-13 for the hospital upgrade, only $920,000 was actually spent. Was there a delay or is there a reason for that?

The Hon. J.J. SNELLING: Where are you getting the $900,000 from?

Ms SANDERSON: Volume 3, page 51.

The Hon. J.J. SNELLING: The $920,000 is just an allocation for the preplanning for the $64 million. Normally, as is the way in any of these large capital projects, in the first financial year of the project there is a relatively small amount of money allocated to the design and planning for the project. That is the preplanning work that has to be done for the $64.4 million.

Ms SANDERSON: Does that mean it was delayed because originally you had $15 million in the budget?

The Hon. J.J. SNELLING: There has been a slight delay in the project and that is why it has been brought on the forward estimates.

The CHAIR: Are there any more questions for the Minister for Health and Ageing? Have you finished with Health and Ageing?

Dr McFETRIDGE: We have, thank you.

The CHAIR: I declare the examination of the Minister for Health and Ageing to be complete.

Departmental Advisers:

Dr P. Tyllis, Chief Psychiatrist, Department for Health and Ageing, SA Health.

The CHAIR: I call upon the minister in his role as Minister for Mental Health and Substance Abuse to make a statement if he so wishes, and to introduce his advisers.

The Hon. J.J. SNELLING: To my immediate right is Professor Peter Tyllis who is the chief psychiatrist. All the other officials have already been introduced. The South Australian government has reformed our state's mental health system to improve services in infrastructure for people with mental illness. These reforms were outlined in the Social Inclusion Board's Stepping Up report that was released in 2007. Since that time the government has committed over $330 million to improve services and infrastructure in line with the report's recommendations.

During 2012-13 a number of mental health infrastructure projects were completed. These included:

- the 20-bed older persons acute unit at The Queen Elizabeth Hospital, opened in April;
- the Northern Community Mental Health Centre at Salisbury, opened in May; and
- the Western Centre at Woodville has also been completed, and staff began moving in in June.

During the current financial year a number of mental health service initiatives were commenced in partnership with the commonwealth government, and funding of $14.2 million allocated over five years. These initiatives included a walk-in service being established at Salisbury in August 2012 to allow people to attend without an appointment up to 9.30 at night, seven days a week, and the expansion of acute intervention services to operate 24 hours a day, seven days a week, which are being progressively implemented.

The government launched a media campaign in February 2012 to raise awareness of mental illness in the community and reduce the stigma faced by those with mental illness. This

campaign continued during 2012-13 with television and radio advertising. The government released the South Australian Suicide Prevention Strategy 2012-2016 on 4 September 2012. This strategy provides seven key goals with key outcomes, actions and activities to achieve a whole of government, whole of community approach to suicide prevention in South Australia.

Planning is well advanced in the establishment of limited treatment centres and facility-based intermediate care services in four country locations. For the first time these centres will enable people requiring inpatient mental health services on an involuntary basis to be admitted for periods not greater than seven days without the need to be transported to a metropolitan facility. Services for Whyalla and Berri are expected to commence in 2013-14.

The development of forensic services has been a priority, and during 2012-13 work commenced on the new 10-bed forensic step-down unit at Oakden, which has been funded by the commonwealth government. Construction of this facility is advanced, and it is expected to open in August. In addition, development work commenced on the new 20-bed facility at James Nash House, which will increase capacity from 30 to 50 beds. This redevelopment will be completed in 2014 at a cost of $22 million. Overall, these two initiatives will increase forensic mental health beds from 40 to 60, or by 50 per cent, when completed.

Construction on the new 129-bed mental health and substance abuse facility at Glenside will be completed at the end of June 2013. The government has invested $142.6 million into this world-class mental health facility. Reform will continue during 2013-14 as SA Health embarks on the development of a new five-year strategic mental health plan and a review of the Mental Health Act 2009. These initiatives will ensure that mental health services will continue to improve and meet the needs of our most vulnerable consumers.

The government has commissioned a review into the mental health system capacity and flow since the implementation of the Stepping Up report's recommendations. We expect to receive and respond to those findings in the coming weeks.

In summary, this government has reformed and modernised our mental health system. During 2013-14 there will be significant investment in mental health infrastructure with a total of $51.7 million allocated to complete a number facilities, including hospitals, forensic units, community centres and a number of subacute units.

Dr McFETRIDGE: I welcome Professor Tyllis to budget estimates. I am not sure whether he has any experience with this—

The Hon. J.J. SNELLING: It is doctor; I elevated him to professor. My mistake. He should be a professor.

Dr McFETRIDGE: I am sure he is worthy of it. I refer to Budget Paper 4, Volume 3, Highlights, page 69. In last year's budget there was a subprogram entitled 'Mental health and substance abuse: coordination of delivery of mental health and substance abuse across the Department for Health and Ageing including policy direction', where there were 32 FTEs and a budget of $46 million and a bit. Can you tell me how mental health services are being integrated into local hospital networks across South Australia now that this unit seems to have disappeared—or has it disappeared?

The Hon. J.J. SNELLING: I will make some quick opening remarks about the strategy with regard to mental health. Basically, the central unit has become smaller. The service delivery of mental health has been incorporated into local health networks, which is, I think, a good development. It is certainly welcomed by most of the clinicians I speak to, because basically these people are turning up at our emergency departments and being treated in hospitals. It makes sense for the local health networks to take responsibility for the treatment of these people. That is the policy rationale behind it. I will hand it on to the chief executive, who can add more information.

Mr SWAN: The background to this is that essentially we have been through a significant reform agenda in the last five years. To maximise that, it was the view that we should have one system of mental health so that we can move to the step model of care wherever the people are located across the metropolitan area. Now that has been nearly completed, it is really time that we put the operations and services back within the local health networks, which the minister has just alluded to. That occurred at the beginning of this calendar year. We have asked the LHNs to start integrating mental health services into their mainstream business and ensure that people get access to appropriate services.

A lot of development is happening about how we improve access to services, particularly the development of our community mental health services, across the metropolitan area that have

been developed over the last two or three years. Importantly, those teams, whether in the community or in an acute setting, are starting to link in with the mainstream local healthcare service that are part of the broader health system. The feedback that we have had from both the staff within the mental health system and the broader LHNs has been very positive, that this has been good that decision-making is being made at a local level, being integrated with their professionals and peers, and better arrangements for the consumer about how they have pathways for their whole-health requirements.

Dr McFETRIDGE: Just on that, has the $46 million, which was in this subprogram last year with 32 FTEs attached to it, been spread out amongst the local health networks?

Mr SWAN: When we moved the services back out to the LHNs there was a range of positions that were doing what we call 'operational roles' within a central structure. As part of the transition to the LHNs, a lot of those positions went out into LHN services so that they could work at a local level, even though many of them were working in there, but they were recorded in the central agency.

As part of the reform and given that the mental health services from a central perspective were smaller, because we had devolved out a lot of the work to the LHNs, the then mental health and substance abuse division moved into our system performance area, which would be recorded in the budget papers. The remaining staff (around 30 to 35 staff) have moved into another division of our operations rather than being a division by themselves.

Dr McFETRIDGE: Are we going to be seeing improved efficiencies? I notice in the chief psychiatrist's annual report (page 23) that the chief psychiatrist is concerned about the resources available to cope with mental health patients in public hospital emergency departments. I have not checked the dashboards today, but I know that yesterday we were 17 mental health beds short across the metropolitan area.

The Hon. J.J. SNELLING: I do not know what the current number is, but that is certainly the reason I asked the former chief executive of the Department for Health to conduct a review, the Birch review, which we expect to have in the coming weeks, about whether we got the appropriate balance between the subacute and acute and whether there are ways we can improve waiting times for mental health patients who are presenting in our emergency departments.

Dr McFETRIDGE: Has the Ernst & Young review been completed yet?

The Hon. J.J. SNELLING: It is in draft stage at the moment, and I hope to have the report shortly. What I want to do is release both the report and the government's response to the report at the same time. So there may be a small delay between the government receiving the final report and me releasing it simply to enable the government to formulate a response.

Dr McFETRIDGE: Remind me, Mr Birch was the general manager of north-western health service?

The Hon. J.J. SNELLING: No; he was the former chief executive of the department of health prior to Dr Tony Sherbon, who was Mr Swan's predecessor. I think he finished up in 2006.

Dr McFETRIDGE: I will be perfectly frank with you: there have been some concerns put to me by mental health professionals that there might be a conflict of interest with Mr Birch doing it.

The Hon. J.J. SNELLING: Mr Birch has no current contractual or any other connection to SA Health, so there is certainly no conflict of interest. Mr Birch is a consultant with Ernst & Young. I would have to disagree; the feedback I have received from everyone who has participated in the consultation sessions with Mr Birch, including SASMOA, the AMA and the nursing federation, has been universally positive. I have not heard single person suggest that Mr Birch had any conflict of interest or that he was anything other than an excellent choice to conduct this review. If the member for Morphett has a suggestion otherwise, I would love to hear it, but I doubt very much it exists.

Dr McFETRIDGE: I am not making the suggestion; it has been made to me.

The Hon. J.J. SNELLING: I would like to know by whom. Certainly, no-one has said that to me. The other thing is that it is not only Mr Birch who is conducting the review, he has a team around him that consists of a senior psychiatrist from New South Wales—we can get that to you. A number of eminent interstate mental health experts are part of Mr Birch's team in conducting this review.

Dr McFETRIDGE: I thought I would put that to the committee because my experience with Mr Birch is that he is an outstanding fellow and I was surprised, so I thought I would give the committee—

The Hon. J.J. SNELLING: Certainly, there is not a single person who has suggested to me anything other than complete approval of him as a choice to conduct this review.

Dr McFETRIDGE: I will give that feedback to the people who have been talking to me. Moving on from that to another question. I looked at the dashboards yesterday, but I did not see what they were at lunchtime today. Budget Paper 4, Volume 3, Sub-program 1.1: System performance. How is the government going to create enough acute mental health beds within the system to meet the national average? I think the national average is 22 to 24 per 100,000. I think we rate at about 18 per 100,000.

The Hon. J.J. SNELLING: It is always a bit hard comparing apples with apples because different states have different ways of accounting for how many beds they have. My advice is that we have 22 adult beds per 100,000. That does include, however, specialist statewide services such as eating disorders. So, the question was, how?

Dr McFETRIDGE: How are you going to create enough acute mental health beds to get up to the national average of 22, is it?

The Hon. J.J. SNELLING: From a policy perspective, our objective is to keep people out of the acute beds. So, the policy of substantially building up our subacute capacity is really to prevent people with acute psychosis from presenting themselves. I am turning my mind to this, and I do not want to put words in Dr Tyllis's mouth, he might be able to add to this, but I think his view would be that the policy focus should be on building our subacute capacity to keep people out of acute beds and that is where the focus should be so that we do not have people presenting with acute psychosis. I will ask Dr Tyllis to expand on that.

Dr TYLLIS: The basis of the Stepping Up report was around expanding the capacity and moving away from the focus of acute beds and hospital-based care to community care, and that has been the focus. Certainly, the planned structure of services within the Stepping Up report are still current, and considered current, in the current frame of mental health services. We are currently positioned at the higher end of bed numbers that were projected in the Stepping Up report, which is 220 acute beds for South Australia. We now have a whole range of other bed and places options available within that that expands the various options available for people, including community care and subacute care.

The Hon. J.J. SNELLING: Can I just ask the member for Morphett which financial year he is referring to with that figure of 18, because there has been a bit of a dip but it has been built up.

Dr McFETRIDGE: That was the figure that was given to me this week by a health professional, shall I say, who works in this area.

The Hon. J.J. SNELLING: There had been a bit of a dip but in recent times it has picked up, so that data he might be referring to may be a bit old.

Dr McFETRIDGE: On the same budget reference, system performance, once again referring to the chief psychiatrist's annual report, on page 22, public inpatient service settings, beds and separations, it talks about the number of beds. That one does not actually include Adelaide Clinic, but it has a total of 469 beds. Is that acute beds in South Australia? That is how I am reading it.

The Hon. J.J. SNELLING: Are you quoting from the chief psychiatrist's report?

Dr McFETRIDGE: Yes, the annual report—469 acute beds.

The Hon. J.J. SNELLING: I will let the chief psychiatrist talk about his report.

Dr TYLLIS: That is not just including acute beds; that figure would include a range of other intermediate care options as well.

Dr McFETRIDGE: I see. So it is 224 adult acute beds. Thank you.

The CHAIR: Member for Morphett, I am not quite sure how you match up the chief psychiatrist's report with the budget, but I presume you are referring back to the budget lines when you quote from the report.

Dr McFETRIDGE: I am, ma'am. I am referring back to the system performance on page—

The CHAIR: I would remind you that we are here to question the budget, not the chief psychiatrist's report.

Dr McFETRIDGE: I will be referring to details in the chief psychiatrist's report that add information to the committee based on the system performance of the mental health system in South Australia in Budget Paper 4, Volume 3, Sub-program 1.1, pages 53 to 54. Moving on, referring to the same budget reference, how many episodes or incidences of violence have there been in acute inpatient units, whether they are sexual assaults or assaults generally, and will the government consider gender separation in acute inpatient units?

The Hon. J.J. SNELLING: I will just answer the first part of the question first, which is about the number of assaults that have occurred in inpatient facilities, and then Dr Tyllis can talk more about issues regarding gender separation. With regard to the number of assaults that have occurred, I will have to take that on notice, but I will ask Dr Tyllis to perhaps speak to the whole issue of gender separation and what the government is doing.

Dr TYLLIS: As has already been outlined, there has been significant development in inpatient unit services, so we have situations where we will have individual rooms and ensuites. So the facilities are really quite different to what we have had in the past. However, in the context of those developments, we feel that we have done significant consultation across consumers and mental health staff and carers to look at what a policy should look like and include in terms of gender safety. We are considering the broader context of gender safety in both inpatient services and also community services for mental health consumers and looking at the application of that to broader vulnerable groups, not just on the basis of gender.

Only one jurisdiction that I am aware of has moved to gender-separated units—one unit in particular—and that is Victoria. The other jurisdictions around Australia have not moved to gender-separated units. We feel there are significant improvements to be achieved in terms of staff assessment of vulnerability within inpatient settings and within community settings that could go a long way to addressing the concerns and the safety of consumers.

Dr McFETRIDGE: Thank you, Dr Tyllis. I visited Glenside recently, and I was impressed with the security that was available to the individual consumers there. I will move on to the next issue, Budget Paper 4, Volume 3, Sub-program 1.1: System Performance. Again, what is the government doing to enhance forensic services to reach the national average for forensic mental health beds?

The Hon. J.J. SNELLING: I covered that in my opening statement. We have a significant investment in James Nash House with, firstly, the step-down facility which we hope to be opened in August this year and which will have 10 beds. At James Nash House itself, money is made available, capital expenditure in the budget, to expand the capacity by another 10 beds. That is 10 new beds plus 10 that will be moving from Glenside—so a new 20-bed facility at James Nash House and a significant investment in our forensic mental health capacity.

Dr McFETRIDGE: So, that will bring us up to the 60 beds that minister Hill said we needed?

The Hon. J.J. SNELLING: Yes, that is correct: 60 beds.

Dr McFETRIDGE: Acute beds.

The Hon. J.J. SNELLING: That 60 includes 10 step-down beds at the new facility adjacent to James Nash House.

Dr TYLLIS: The community facilities you refer to are to house the expanded community mental health teams that are there to service individuals over the age of 65 with mental health issues. So, they are multidisciplinary teams of clinicians who can visit people at their home or see them at the facility that is being provided in the community.

Ms SANDERSON: Are they all in the Adelaide metropolitan area, or are there some in the country?

Dr TYLLIS: Yes, there are four facilities in the metropolitan area—one in the south, one in the north, one in the east and one in the west—and all of those are complete, bar the eastern facility which is on Magill Road and currently being developed.

Ms SANDERSON: Do these facilities also cater for older homeless people suffering from mental illness?

Dr TYLLIS: The facilities are a base for the community team to work from. They provide services to all older persons within the catchment area of that service so, if the person is homeless, they will provide assistance to that person within that facility, if they have a mental illness of course.

Membership:

Mr Venning substituted for Ms Sanderson.

Mr Treloar substituted for Mr Pengilly.

Mr Venning interjecting:

The CHAIR: The member for Schubert will behave himself. We will have no nonsense here. This has been a very good committee today, and I do not want the tone to drop. Member for Morphett.

Dr McFETRIDGE: Thank you, Madam Chair. I refer to Budget Paper 4, Volume 3, Program 2: Health Services, pages 87 and 88. What is the government doing to reduce alcohol and drug abuse, and depression and self-harm in rural areas?

The Hon. J.J. SNELLING: That is a fairly broad-ranging question.

Dr McFETRIDGE: It is—we have a bit of time.

The Hon. J.J. SNELLING: I could go for the next half an hour on it. Is there something in particular you are referring to?

Dr McFETRIDGE: Once again, this was an issue raised in discussion with consumers, their families, and health professionals.

The Hon. J.J. SNELLING: This is not the same person who is suggesting that a radiologist will come out for $100 in the middle of the night? This is not the same person, is it? You might want to get a better source.

The CHAIR: It is a very broad-ranging question. I hope you are referring to a line in the budget.

The Hon. J.J. SNELLING: If there is something specific you want me to refer to—

Dr McFETRIDGE: I am happy to receive the information for the committee on this, if it is available.

The Hon. J.J. SNELLING: It is a pretty open-ended question. Are you referring to just across the board or country mental health or—

Dr McFETRIDGE: In country areas, yes.

The Hon. J.J. SNELLING: During 2012-13, there has been a focus on expanding the range of mental health services available for people in country South Australia close to where they live. These services include:

- Community intermediate care services in Mount Gambier, Whyalla, Port Lincoln and Kangaroo Island.
- The construction of integrated mental health inpatient units, which are part of the redevelopment of the general hospitals in Berri, Whyalla, Port Lincoln and Mount Gambier. The Whyalla and Berri inpatient units are expected to open during 2013-14, depending on the timing of recruitment to new positions, and will accept consumers with inpatient treatment orders for up to seven days, reducing demand on metropolitan hospitals and emergency services. Funding for these units will be sourced from a redirection of resource and activity from metropolitan Adelaide in combination with reallocation of existing country resources.
- Community rehabilitation services in Whyalla and Mount Gambier. These are Council of Australian Governments-funded initiatives. While it was originally intended to construct purpose-built facilities, a more flexible model incorporating leasing facilities in the two locations will enable the services to commence operating sooner. These services are expected to be ready during 2013-14.

- A 24-hour emergency triage and liaison service operates to assist consumers, carers and health care professionals to make informed decisions about treatment and wellbeing.
- Country mental health services is rolling out the SA Digital Telehealth Network, which is made up of 125 videoconferencing units across 92 health facilities spanning 76 country towns, as well as the Adelaide metropolitan region. The purpose of the SA Digital Telehealth Network is to improve the quality and reliability of videoconferencing connections, including a number of portable units available for remote locations. The technology assists with timely clinical assessment of consumers without the need to transfer to Adelaide.

During the year, there was some concern raised about the funding of the One Voice Network. This was a non-government organisation that was established as an umbrella organisation for a number of mental health activity and resource centres across country South Australia. The funding agreement was to provide funding to assist with the establishment of the organisation. It was never intended to be ongoing funding. This was communicated to One Voice Network on numerous occasions. The funding has been redirected into direct provision of services.

Dr McFETRIDGE: The same budget reference—same page, same volume, pages 62, 64 and 87, about CAMHS (Child and Adolescent Mental Health Service). Why was funding approval delayed for CAMHS on the APY lands? There were concerns expressed that it was not being approved until a couple of weeks ago.

The Hon. J.J. SNELLING: Are you talking about Closing the Gap funding that was announced as part of the budget?

Dr McFETRIDGE: No, I do not think it was Closing the Gap. It was separate funding for the Child and Adolescent Mental Health Service.

The Hon. J.J. SNELLING: The only other thing was a continuation of funding for sexualised behaviour, which was a budget decision. As part of the 2013-14 budget, additional funding was provided for the APY lands, including the continuation of child and adolescent mental health programs under the National Partnership Agreement on Closing the Gap in Indigenous Health Outcomes (approximately $2.5 million over three years) and the continuation and expansion of existing therapeutic services in response to sexual behaviours on the APY lands ($3.5 million over two years, that is, 2013-14 and 2014-15). Those are decisions made as part of the budget.

Dr McFETRIDGE: There was information given to me that there were concerns about the continuation of the funding.

The Hon. J.J. SNELLING: I think because the funding was due to end and, as part of the budget process, I was able to secure funding to continue those programs.

Dr McFETRIDGE: Budget Paper 4, Volume 3, Highlights, page 83: can the minister give the committee some detail about the single statewide child and adolescent mental health service model of care that will be operating?

The Hon. J.J. SNELLING: Again, that is a pretty open-ended question. I will ask Dr Tyllis to elaborate.

Dr TYLLIS: In February this year Southern CAMHS and Northern CAMHS were amalgamated to form the single statewide CAMHS, and began working on a single model of care. From my understanding that is running on time and will be delivered as a draft document by the end of June and will be out for broader consultation. This is about establishing a single model of care for CAMHS services across the state, so consumers and families presenting for assistance can know what to expect to have in terms of service provision from each of the facilities, and that it works as a single connected system.

Dr McFETRIDGE: With the CAMHS model of care and how it is operating now, are children held ever in adult acute facilities?

The Hon. J.J. SNELLING: No. I will ask Dr Tyllis to respond.

Dr TYLLIS: That event is a reportable event. It occurs on occasions, very seldom, and when it occurs there are provisions there for special assistance, so there is a one-to-one special nurse to be provided for the consumer, but it is not standard for that to occur.

Dr McFETRIDGE: To assist the committee, in the chief psychiatrist's report on page 8 is a table—age and inpatient settings and on DTOs (detention and treatment orders), and for the age

group 0 to 14 there were 97 consumers in the CAMHS section and 115 in the adult acute column. These are under DTOs. I assume they are being held in adult facilities?

Dr TYLLIS: I would have to confirm those figures—I would say they are inaccurate.

The Hon. J.J. SNELLING: Can you provide us with what you are referring to.

Dr McFETRIDGE: Page 8 of the chief psychiatrist's annual report 2011-12.

The Hon. J.J. SNELLING: Given that this was not an examination on the chief psychiatrist's report, we do not have it with us. I will happily get an explanation for the member for Morphett on those figures. The information Dr Tyllis has provided to the committee stands.

Dr McFETRIDGE: Budget Paper 4, Volume 3, Sub-programs 1.1, System performance: of the people who have been detained on detention treatment orders, 103 have been restrained and secluded, according to my information, for an unknown period. How are these people being monitored if they are being restrained and secluded for an unknown period?

The Hon. J.J. SNELLING: I will refer that to Dr Tyllis.

Dr TYLLIS: That would be a reporting issue and we have been working at improving the reporting of restraint across all health services. With the introduction and use of the safety learning system, the computerised system for reporting of all incidents in health, that will be used for recording of restraint episodes as well from 1 July this year.

The CHAIR: Before we go on, these are very broad-ranging questions and I am having difficulty getting back to the budget. Is the minister happy to continue answering, as we seem to be getting a lecture on mental health?

The Hon. J.J. SNELLING: Whatever the member for Morphett wants to throw at me, ma'am.

The CHAIR: Thank you, then you are quite happy to go ahead. Member for Morphett.

The Hon. J.J. SNELLING: I have not got the chief psychiatrist's report to hand, so if the member for Morphett has specific questions about the chief psychiatrist's report it may well be we will have to take them on notice.

Dr McFETRIDGE: Thank you, minister and Madam Chair, for your assistance. The next question is on the eating disorder unit. Budget Paper 4, Volume 3, sub-program 1.1, pages 53 to 54. What will be the model of care for the eating disorder unit at Flinders Medical Centre and where is the statewide review at?

The Hon. J.J. SNELLING: I am advised that it is anticipated that funding for the new specialist eating disorder service will be released in the 2013-14 financial year. The new service will be provided with an initial $1.2 million annually and employ approximately 8.4 full-time equivalents. Recruitment for these positions will commence over the coming months and anticipated commencement of service delivery is October 2013. This funding is to develop a statewide eating disorder service using a 'hub and spoke' approach, the hub being the eating disorder team with the spoke component being community teams, inpatient services, non-government organisations, general practitioners, etc. The service will be hosted within the Southern Adelaide Local Health Network and provide services and support across South Australia. I have more information if the member wants it.

Dr McFETRIDGE: Yes, please.

The Hon. J.J. SNELLING: In 2011 the Department for Health and Ageing released the report, Service Model: South Australian Statewide Specialist Eating Disorder Services, provided by Deirdre Mulligan. During 2012-13 the Department for Health and Ageing, in conjunction with key clinicians from both the public and private sectors, worked with consumers and carers to develop the proposed model of care. The model of care includes the establishment of a specialist eating disorder team, the development of a day program service, the development of an appropriate bed-based service, align and care within medical inpatient services across hospital networks and the development of a workforce strategy to ensure the appropriate level of trained and skilled clinicians.

The new model of care for eating disorders in South Australia supports the creation of hub and spoke services for the treatment of eating disorders. The hub consists of a newly created specialist eating disorder team and the spoke service is provided by community-based services. The intention is the hub will be a resource for the spokes, providing support, training and expertise

to enable the spokes to provide the ongoing support. A day program component will also be offered by the hub team following both the Maudsley and family-based therapy.

Dr McFETRIDGE: Budget Paper 4, Volume 3, Highlights, page 83—Child and adolescent mental health services. What mental health treatment is provided for young patients who attend the Boylan Ward in the form of psychological and psychiatric services? I ask the question because I have been approached by the parent of a 14-year-old boy who attended the Boylan Ward who was suffering from a mental health issue. This person explained to me that her son received, in her opinion, no intensive therapy, his medication was not monitored and she views his admission as no better than a babysitting exercise.

The Hon. J.J. SNELLING: If the member for Morphett can provide me with the details of the particular person, I would more than happily get the chief executive of the Women's and Children's Local Health Network to provide a comprehensive report about the treatment of the particular child you are referring to. What was the first part of the question?

Dr McFETRIDGE: What mental health treatment is provided for young patients who attend the Boylan Ward?

The Hon. J.J. SNELLING: The mental health treatment that the clinicians decide is appropriate. With regard to this particular child—without knowing their identity and I do not think it would even be appropriate for me to talk about the treatment of an individual patient, particularly a child, in this forum—if you can provide me with the details, I will more than happily investigate the matter with the chief executive and write directly back to the parent involved about the treatment of that person's child.

Dr McFETRIDGE: Thank you for your cooperation. I understand there are no secure facilities at Boylan Ward.

The Hon. J.J. SNELLING: That is correct.

Dr McFETRIDGE: Have children been restrained and/or secluded in any mental health facility?

Dr TYLLIS: My understanding is that there is a seclusion room available in Boylan Ward and also in the emergency department. The use of seclusion within the children's hospital is governed by fairly strict policies and for a very brief amount of time to manage quite disturbed behaviour.

Dr McFETRIDGE: So no child would have been secluded in an adult facility, though.

Dr TYLLIS: Not unless they were specifically admitted to that facility. As I mentioned previously, the admission of children into adult wards is very rare.

Dr McFETRIDGE: Thank you. The next question is on Budget Paper 4, pages 30 to 33, in relation to a number of projects in the Capital Investment Statement—community mental health centres. I think the member for Adelaide asked some questions about that. The cost seems to have increased—some say blown out—from $11.068 million to $11.61 million, so about $500,000. The country community rehabilitation centres—there seems to have been slippage in some of those and other programs such as the older persons mental health community facilities and youth inpatient services. Are the capital investments running on time as well as on budget at the moment?

The Hon. J.J. SNELLING: That $500,000 in an $11 million capital program could just be indexation. I would not necessarily characterise it as a blowout. There have been some delays partly associated with finding land to put these sites on; and part of it has just been about how we configure our community mental health systems.

Dr McFETRIDGE: The original estimate for James Nash House under that same budget reference, according to the Public Works Committee, was to be finished in September 2013 but the budget papers say it is going to be finished in the June quarter of 2015.

The Hon. J.J. SNELLING: It is because there are an extra 10 beds, so it has been expanded. In the 2012-13 state budget this project was listed to be a $19 million 10-bed extension of the James Nash facility to incorporate a transfer of 10 beds as a result of redevelopment at Glenside. Originally the project was just simply to transfer 10 beds from Glenside to James Nash. In October 2012 cabinet approved additional funding of $3 million to provide an additional 10 new forensic beds with the resulting project revised to a $22 million, 20-bed solution.

The additional $3 million was provided by tender savings achieved through the BreastScreen SA digital mammography project. The reason for the delay was because we increased the scope of the project from being just a 10-bed transfer to a 10-bed transfer plus 10 additional beds in forensic mental health.

Dr McFETRIDGE: Capital Investment Statement again, James Nash House: the recommendation from the Public Works Committee was that building materials and trades were to be sourced locally where possible. Has that occurred? What percentage of materials and trades are SA-based and sourced?

The Hon. J.J. SNELLING: These matters are handled by the Department of Planning, Transport and Infrastructure. You are better off directing those questions to minister Koutsantonis.

Dr McFETRIDGE: Thank you, minister.

The Hon. J.J. SNELLING: He gets the fun part.

Dr McFETRIDGE: He gets to spend the money.

The Hon. J.J. SNELLING: I'm spending the money but he still gets the fun part.

Dr McFETRIDGE: Budget Paper 5, page 31. Has Glenside Precinct 5 been sold and, if so, for how much?

The Hon. J.J. SNELLING: Precinct 5 is meant to be a residential development. At the moment the responsibility for that resides with Renewal SA. I do not have the information to hand but, again, if the member wants to direct the question to minister Koutsantonis, he could provide an answer. I would be happy to refer it to minister Koutsantonis.

Dr McFETRIDGE: Thank you. Going back to the James Nash House redevelopment, as I understand it the redevelopment was supposed to provide appropriate and safe accommodation, including for vulnerable minority consumer groups, women and Indigenous consumers. Do we know how many women and how many Indigenous consumers are in James Nash House at the moment?

The Hon. J.J. SNELLING: I have been out there, and I know that it is a few, but I do not have the exact numbers. I do not have the breakdown of the population there, but certainly Indigenous consumers would be over-represented, without a doubt. With regard to women, I would have to get back to the member, but I do not think it would be half.

Dr McFETRIDGE: Regarding the capital works statement again, I think this one could, in anyone's words, be seen as a blowout, that is, the mental health early intervention care facility. The original cost was $5.6 million, and the cost is now $8.33 million. Can we have some reasons for that?

The Hon. J.J. SNELLING: The information I have is that for the mental health early intervention centre, the provision of 24 new beds for mental health early intervention services across three metropolitan locations, the approved budget is $8.334 million. That is provided by the commonwealth. Its expected financial completion is the June 2015 quarter. The land is yet to be purchased. I am not sure where the member for Morphett is getting the $5 million figure from, but that is not what I have before me.

Dr McFETRIDGE: That is the original cost that—

The Hon. J.J. SNELLING: Where does it say that in the budget papers?

Dr McFETRIDGE: —has been provided to me.

The Hon. J.J. SNELLING: Is that something in the budget papers? Is this the same person who has told you about the radiology for 100 bucks?

Dr McFETRIDGE: No, it is—

The Hon. J.J. SNELLING: A 100-buck call-out for a radiologist.

Dr McFETRIDGE: You might have to eat your words on that one, minister. We will move on. It is now $8.334 million, is it? That was the cost?

The Hon. J.J. SNELLING: Perhaps the member for Morphett can get more information about the $5 million; the approved budget I am provided with is $8.334 million. I have nothing before me to indicate that there has been any cost blowout at all.

Dr McFETRIDGE: I do not have last year's budget papers with me, but I am 99.9 per cent sure that is from last year's budget papers.

The Hon. J.J. SNELLING: Okay, but that is not consistent with the information I have been provided by my department. The only figure we have ever had is $8.334 million.

Dr McFETRIDGE: On the same budget reference, a number of capital investments have been delayed by many months, including:

- the country community rehab centres, delayed from June 2013 to June 2014;
- the Burnside campus redevelopment has not finished yet;
- the James Nash House redevelopment is out to June 2015, according to my information;
- the mental health early intervention care facility is delayed from June 2014 to June 2015;
- the metropolitan intermediate care facility is delayed from June 2013 to June 2014; and
- the older persons mental health community facility is delayed from June 2013 to June 2014.

What are the reasons for these delays?

The Hon. J.J. SNELLING: The first thing to point out is that those figures are referring to financial close. With commonwealth funded projects, when they talk about a completion date they are not talking about completion of the building of the project: they are talking financial close with the commonwealth government, which can often be referred to, in a quarter, as some time after the actual project completion. So, where that has been the case it is not necessarily a delay in the project itself; it is simply the changing of which quarter—financial close with the commonwealth from one quarter to another—but it does not reflect in any way the actual delivery of the project. That is the first thing to say.

The second thing to say is that there have been some issues with acquiring land which have caused delays in some of the projects. It is not something we can do much about. We need to put these buildings on land, and we have to acquire that land before we can progress with building, so there have been issues there. You refer again to James Nash House and its redevelopment. We have already been through that, and I am surprised you would raise it again, given I have explained there was a change in scope from an expansion of the project, which caused a delay. I do not think the member for Morphett would take issue with us taking longer to build something which is bigger and provides 10 extra forensic beds than we otherwise would have had.

There has been an issue with Mount Gambier Hospital because the government does not own the Mount Gambier Hospital. Under arrangements entered into by the previous government, the Mount Gambier Hospital facility is owned by a private equity trust and, therefore, to undertake modifications we have had to undertake significant negotiations with that private equity trust in order to do that redevelopment, so there have been delays associated with that as well. There is any number of reasons, but the financial figures can be quite misleading and suggest there has been a delay in the project when, in fact, there has not.

Dr McFETRIDGE: Thank you for those answers, minister. I refer to Budget Paper 4, Volume 3, page 65, Program 2: Health Services. Has a state register of mental health consumers and carers been developed? Is it being utilised and by which agencies?

The Hon. J.J. SNELLING: I will ask Dr Tyllis to answer the question.

Dr TYLLIS: The state register for consumers and carers has recently been launched. We have already had 50 people register, I understand, and it ranges from involvement to receiving information to full involvement on committees, designed to implement services. It is a great initiative and we look forward to its expansion. Services are using it to access the consumer voice and the carer voice. It is a voluntary initiative.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 3, page 65, Program 2: Health Services, and I also refer to Budget Paper 4, Volume 3, page 30. What is the net cost in the mental health and substance abuse subprogram for 2013-14? Last year's net cost was $46 million.

The Hon. J.J. SNELLING: You want 2012-13?

Dr McFETRIDGE: Yes, thank you, and 2013-14.

The Hon. J.J. SNELLING: The 2012-13 estimated result operating is $378,172,000 and investing is $49,4999 (that is, a total of $49.499 million). That brings a total of $427.671 million for 2012-13. In the 2013-14 budget, operating, $341.46 million; investing, $37.233 million; and that is a total of $378.693 million.

Dr McFETRIDGE: I refer to Budget Paper 3, page 70, the ACIS program. Can the minister provide some further details regarding the expansion of the Assessment Crisis Intervention Service, which is being funded through the commonwealth?

The Hon. J.J. SNELLING: I will ask the chief psychiatrist to take that.

Dr TYLLIS: The commonwealth has provided funding to expand assessment and crisis intervention services across metropolitan Adelaide to 24-hour teams; previously, they were operating until 10.30 at night. That initiative is underway, and recruitment of staff is underway to establish the services. Currently, we are on track to establish these services in the northern sector and also the central area, with the southern to come online.

Dr McFETRIDGE: How many additional employees will you need to engage to provide those services?

Dr TYLLIS: My understanding is that there are an additional 24 or 25 employees, roughly in that order.

Dr McFETRIDGE: That is going to a 24 hour, seven day a week service?

Dr TYLLIS: Yes; a 24 hour, seven day a week service.

Dr McFETRIDGE: Will the staff be able to handle those acute psychotic episodes and suicidal ideations so that we can keep people out of hospitals?

Dr TYLLIS: The staff will be multidisciplinary mental health clinicians, who are trained and experienced and they will provide the full services that the crisis intervention services had previously provided up until 10.30. So, it is extending the same service, albeit at reduced staff because of the reduced demand during those hours, but it will be available for 24 hours a day, seven days a week.

Dr McFETRIDGE: Same reference, and in the same area. Will the police still be expected to intervene at the coalface? Has there been a change to the SAPOL MOU with mental health services?

The Hon. J.J. SNELLING: My advice is that the MOU still stands. There has been no change.

Dr McFETRIDGE: Budget Paper 4, Volume 3, Sub-program 1.1: System performance, page 54. What mental health projects under the National Partnership Agreement on Improving Public Hospital Services were provided at the cost of $15 million?

The Hon. J.J. SNELLING: We will have to take that question on notice. It is part of the emergency department MPA that we have negotiated an extension of with the commonwealth, an extension of 18 months. With regard to the specifics of the member's question, I will need to come back. Part of the MPA is that there are dedicated mental health staff within the emergency department. I will get back to the member for Morphett with more information.

Dr McFETRIDGE: Same budget reference. As part of the $1.5 million allocated for the delivery of health promotion activities, how much has been allocated for mental health programs?

The Hon. J.J. SNELLING: Suicide prevention and the mental health stigma ads, which most of us would be familiar with. I do not have the breakdown of that, but I can get it for the member for Morphett.

Dr McFETRIDGE: Budget Paper 4, Volume 3, Program 2: Health Services, page 59. How much money was allocated to launch the Healthy Workers—Healthy Futures Initiative, which industry bodies are involved in the program and how much funding did they receive?

The Hon. J.J. SNELLING: I will need to get back to the member for Morphett; I do not have that. It is more a general health question; it is not actually related to mental health and substance abuse.

Dr McFETRIDGE: In that information can you give us a list of the industry bodies that are involved and any unions involved as well?

The Hon. J.J. SNELLING: Again, it is not part of mental health. I do not have Stephen Christley, the chief public health officer, with me. He would be able to provide the answers to those questions. I am happy to get back to the member for Morphett with the answers.

Dr McFETRIDGE: Budget Paper 4, Volume 3, Program 2: Health Services, pages 62, 64 and 87, relating to the APY lands. Has a mental health plan for the APY lands been produced?

The Hon. J.J. SNELLING: There is no specific mental health plan for the APY lands; no. It comes under country health. It is Country Health SA's responsibility. It is not something that has been done.

Dr McFETRIDGE: Just on mental health and health generally on the APY lands. Nganampa Health is providing a range of services up there. It seems to get federal and state government funding, yet to get information out of Nganampa Health on any issue, particularly under CAMHS, and we were talking about sexual disease monitoring, is almost impossible. Is the government doing anything about that, or does it have a better relationship with them than the opposition?

The Hon. J.J. SNELLING: They are an NGO, so they are not under any obligation to provide information to the opposition. They would have the same sort of requirements as any organisation that would receive state government funding. They would have exactly the same obligations as any organisation receiving state government funding. We would have various audit checks in place to make sure that money we were providing them was being spent appropriately, but that is the extent of it. They are not a government organisation so they are not obliged to provide information to outside organisations.

Dr McFETRIDGE: They obviously report to the state government.

The Hon. J.J. SNELLING: They do, and the normal audit checks are in place that we would have with any NGO that we are providing funding to.

Dr McFETRIDGE: So there would be reports available under FOI, for example?

The Hon. J.J. SNELLING: There would be reports for the programs we fund them for that they would provide back to the department as part of the normal reporting requirements, but not broader stuff about their broader finances, other than what they would be required to make public as an incorporated organisation.

Dr McFETRIDGE: What sort of reports do they provide to the state?

The Hon. J.J. SNELLING: They have to release their audited financial statements.

Dr McFETRIDGE: What does the state fund them for; what sort of programs?

The Hon. J.J. SNELLING: What comes to us is for the services that they provide on our behalf that we pay for.

Dr McFETRIDGE: What are they?

The Hon. J.J. SNELLING: Essentially primary healthcare programs. I can get back to the member for Morphett with a detailed breakdown but essentially it is primary health. I can tell you how much we give them in total. The 2012-13 estimated result is $2,165,570. The 2013-14 budget is $2,149,892.

Dr McFETRIDGE: And their total funding is about $20 million, I think; is that right?

The Hon. J.J. SNELLING: I do not know. I do not have that.

Dr McFETRIDGE: The area of child and adolescent mental health—STI checks of children—I am just trying to get information on that because, as you said before, the CAMHS funding was certainly aimed at reducing the levels of sexualised behaviour in kids.

The Hon. J.J. SNELLING: Yes, but that was more sexualised behaviours, and that was a more therapeutic approach to children obviously acting out at things that they have seen. I do not think that STI checks were part of that funding. That is done by Nganampa Health. They are quite separate programs.

Dr McFETRIDGE: So the state has no information on that, the STI checks?

The Hon. J.J. SNELLING: I am getting some information for the member for Morphett. I would ask Ms Sinead O'Brien to answer that question and provide more information.

Ms O'BRIEN: Nganampa Health up on the lands provide all of the primary healthcare services through the facilities that we have up there. They also provide sexual health services for the local population up there as well and comply with the Mullighan recommendations that have come out, specifically around sexually transmitted diseases as well, and they report to us any incidents of transmission.

Dr McFETRIDGE: How many reports have you had?

Ms O'BRIEN: I do not have the details of how many actual reports we get of sexually transmitted diseases on the lands, but that is within our public health department. We do monitor that and we let Families SA know if there are suspicious circumstances or the individuals are under the age of 16.

Dr McFETRIDGE: If the minister could come back to the committee with information on that, that would be of great use to a number of people. I refer to Budget Paper 4, Volume 3, Program 2, Health Services, pages 62, 64 and 87. What are the names of the people currently on the Aboriginal mental health reference group?

The Hon. J.J. SNELLING: I will take that on notice and get back to you.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 3, page 75. How many mental health patients are being treated with out-of-hospital strategies by RDNS and other NGOs that may be involved in this area?

The Hon. J.J. SNELLING: I will ask Dr Tyllis to answer that as best he can.

Dr TYLLIS: In the evaluation of the IPRSS program, there were over 1,000 individuals who received service from the NGOs that are contracted under that program within the mental health unit. I must add that the figure you quoted for the budget for the mental health unit included the NGO budget as well, and $34.5 million per year goes towards NGO funding. On evaluation, there has been quite significant success in that program. There are reduced admission rates for patients who receive input from NGO services of that nature and improvement in physical health outcomes for that group.

Dr McFETRIDGE: Minister, it has been put to me that there are cases where people who have self-admitted to EDs with severe mental health problems have not been admitted and have tragically gone off and committed suicide. It has been put to me that they may have been able to be dealt with if there were a specific out-of-hospital care arrangement put in place, and there does not appear to be at the moment. That is the information that I am getting.

The Hon. J.J. SNELLING: A decision whether to admit someone or not is a clinical decision made by the clinicians in the hospital. There have been some recommendations from the Coroner regarding the particular incident, and those recommendations with regard to follow-up when people have been discharged have been implemented.

Dr McFETRIDGE: I refer to Budget Paper 4, Volume 3, page 73, Highlights, at about the 10th dot point, 'Implemented the Special Mental Health Initiative in palliative care'. Can the minister provide details on how the special mental health initiative in palliative care will work, how it will be implemented and how will this initiative be implemented in hospitals versus those who want to stay home?

The Hon. J.J. SNELLING: Despite it being in our budget highlights, no-one seems to know much about it, but I will happily take it on notice.

Dr McFETRIDGE: Thank you and I will be asking about another highlight on page 59 now, 'A Foot in the Door—Stepping Towards Solutions to Resolve Incidents of Severe Domestic Squalor in South Australia'. Can the minister give some information on that? Will the management of these cases change now that the new DSM-5 has just been released which includes a hoarding disorder?

The Hon. J.J. SNELLING: I know a few people with that particular disorder.

Dr McFETRIDGE: I think there are a lot of people guilty of that.

The Hon. J.J. SNELLING: It is a question I need to answer with Stephen Christley here. Perhaps I will take it on notice and get back to the member for Morphett.

Dr McFETRIDGE: It is one you need. This is not an outer suburbs issue. We had seven tonnes of material removed from a lady's house in Augusta Street at Glenelg.

The Hon. J.J. SNELLING: Yes, I am familiar with those sorts of things.

Dr McFETRIDGE: Budget Paper 4, Volume 3, Highlights, page 83. The Epilepsy Centre is not being funded by the state government, yet we have 16,000 South Australians who have epilepsy. Why is this so?

The Hon. J.J. SNELLING: They have made approaches to the previous minister and, recently, to me. I happily sat down and had a meeting with them. They do important work. The government is not in a position to fund every NGO, however, that does important work. All of our patients with epilepsy who present in our health system are treated in our neurological clinics. The Epilepsy Association, I think, is developing a specific proposal and we are having some discussions with the Northern Adelaide Local Health Network at the moment for a specific program that they are putting to us. I will give that some consideration, but there are a lot of these organisations who all do tremendous work. Unfortunately, the government is just not in a position to be able to fund them all.

Dr McFETRIDGE: On epilepsy, Dr Caudrey, head of Disability SA, told the Budget and Finance Committee last week, I think it was, that there was a situation where people 'morph', I suppose, from being treated in the health system to being treated in the disability system. Is the minister able to give the committee any advice on how this transition occurs? Are there objective measurements and parameters that must be passed, or is it subjective?

The Hon. J.J. SNELLING: There are social workers involved in managing people with epilepsy. It would depend on their level of acuity whether they are dealt with in the health sector or the disability sector. But, as I say, we have social workers who help in managing these people.

Dr McFETRIDGE: With the launch of the NDIS on Monday, which I am looking forward to, I certainly will be interested to see how this transition occurs or does not occur for people with epilepsy and other conditions.

The Hon. J.J. SNELLING: We are doing a lot of work with DCSI (Department for Communities and Social Inclusion) on this particular issue.

Dr McFETRIDGE: Budget Paper 4, Volume 3, page 2, health services. How much will the mental health Live the Experience register cost to maintain? How many staff will be involved in running this register, and how much will the office cost to run, including ICT, administration and clinical costs?

The Hon. J.J. SNELLING: Within existing resources, it will not cost anything. It is being done within the Office of the Chief Psychiatrist.

Dr McFETRIDGE: Same budget reference. How many beds are currently located at Helen Mayo House now it has been relocated to the new purpose-built premises at the redesigned Glenside campus—not including the morgue, I am pleased to see?

The Hon. J.J. SNELLING: Six.

Dr McFETRIDGE: Are those beds continually full? Is occupancy 100 per cent?

The Hon. J.J. SNELLING: All our mental health beds are generally fully occupied so, yes, they would be full—with, I imagine, a waiting list as well.

Dr McFETRIDGE: Budget Paper 4, Volume 3, highlights, page 71. Under primary health care services the budget states that the 2013-14 projection is not known, as some services will either cease or be transferred to some other agencies. Can the minister explain which primary health care services will cease, what will be transferred and to whom, and whether mental health services and allied mental health services such as psychology services at these facilities will be affected?

The Hon. J.J. SNELLING: Are you referring to the McCann implementation?

Dr McFETRIDGE: Yes.

The Hon. J.J. SNELLING: I will ask Ms O'Brien to answer the question.

Ms O'BRIEN: In relation to the primary care services, it is referring to the McCann services, and there was a concern that some of the primary care services would actually cease. We reviewed all those services to see how they could be provided, still providing the same outcomes but making sure that they were provided in a more cost-effective way. The psychological services—a number of services we transferred over, particularly some of the bigger programs, to

support individuals with healthy lifestyle and psychology, to a telephone service, so again it provided a different financial infrastructure, so it was more cost effective and gave us greater scope in the country/regional areas, but we reduced the face-to-face consultations. The evidence is there to say that the outcomes are the same if not better for individuals, and the hours were extended as well. We did not actually cease any particular programs—they were either picked up through a different avenue or it was addressed by another agency.

Dr McFETRIDGE: Has a dollar value been put on the savings?

Ms O'BRIEN: Overall the McCann implementation has a $15 million saving in the forward estimates, so we anticipate that we will achieve all those savings.

Dr McFETRIDGE: Budget Paper 4, Volume 3, Program 2, Health Services, page 66. What is the current value of the Glenside campus? The revaluation of the land associated with the development of the Glenside campus is $33.5 million, according to the budget papers.

The Hon. J.J. SNELLING: The value of the land?

Dr McFETRIDGE: Yes, what is the asset valued at?

The Hon. J.J. SNELLING: We do not have it—I will get back to the member for Morphett with an answer.

Dr McFETRIDGE: Budget Paper 4, Volume 3, System performance, page 55. Has SA Health, as a priority action, extended the provision of sterile injection equipment through purpose-built vending machines at appropriate health services? Can the minister give details of any expansions and any changes in the provision of vending machines?

The Hon. J.J. SNELLING: We will have to get back to the member for Morphett with an answer to that.

Dr McFETRIDGE: On the same reference, has the government considered the trialling of the provision of naltrexone to opioid users?

The Hon. J.J. SNELLING: It would be a clinical decision made within DASSA about what treatments are used for people with opioid dependencies. I am not aware of that, but I am happy to get back to the member for Morphett with an answer.

Dr McFETRIDGE: I understand that there is a very successful program in Western Australia started by the Labor government and has been continued by the Liberal government over there, and it is working extremely well and improving some areas where you would not expect it to with amphetamines. I do not see the pharmacological link there.

The Hon. J.J. SNELLING: Generally I do not make it my business to direct clinicians over their treatments. I do not ring up brain surgeons in our hospital system and tell them how to do their jobs. I do not ring up obstetricians and tell them how to do their job. If there are programs in drug and alcohol services, I think the clinicians are the people best placed to make assessments about what are appropriate treatments for various people, and I always defer to their judgment.

Dr McFETRIDGE: We can all make ourselves aware of advances in medical sciences and surgical techniques.

The Hon. J.J. SNELLING: Sure, and if the member for Morphett wants to pursue the question I am more than happy to make available the relevant clinician within DASSA—he can have a conversation about it.

Dr McFETRIDGE: I think we should do that. I refer to Budget Paper 4, Volume 3, page 55—Drug and alcohol services. Can the minister tell the committee what percentage of secondary students are using alcohol and drugs on a regular basis? Are there any surveys? If there are, I would be interested to know.

The Hon. J.J. SNELLING: Too many.

Dr McFETRIDGE: Too many. Besides too many, how many?

The Hon. J.J. SNELLING: We would have some research data. I have not got it to hand, but I am more than happy to provide it to the member for Morphett. Those sorts of studies are widely published and pretty freely available. I do not think I would be able to provide anything from within the department that would not otherwise be able to be accessed by the member for Morphett. If he popped next door to the parliamentary library, I am sure they would be able to provide him with an answer to this question. They would have just as much information as I would.

Dr McFETRIDGE: I do not want to keep referring to the psychiatrist's report, so I will refer to the Drug and Alcohol Services annual report. On page 9 they are talking about numbers of young adults and adolescents who have been case managed and treated as part of the drug and alcohol services. Is the minister aware of the numbers that are being treated? Again, it will be something that you will need to perhaps take on notice.

The Hon. J.J. SNELLING: Numbers of young people being treated?

Dr McFETRIDGE: Fourteen to 29 year olds being treated for drug and alcohol addictions through DASSA.

The Hon. J.J. SNELLING: I will get that information to the member for Morphett.

Dr McFETRIDGE: Budget Paper 4, Volume 3, System performance, page 55. Has the day care centre in Ceduna, which provides a range of treatment and non-residential diversionary programs to Aboriginal people experiencing problems caused by substance abuse who live in Ceduna, been established? How many clients does it receive per annum and what is the budget for the facility?

The Hon. J.J. SNELLING: We have gone out to tender for the provision of sobering-up units in Adelaide, Port Augusta, Ceduna and Hindmarsh, with those units increasing their opening hours to 24 hours a day, seven days a week. There is a tender at the moment, but I have not got any other information to hand. I will get back to the member for Morphett with some more information.

Dr McFETRIDGE: Budget Paper 4, Volume 3, Program 2, Health Services, page 65: does the government have plans at the new RAH—given that roughly half of all the presentations by intoxicated or drug-affected persons are presenting at the current RAH—for any form of detox ward or other means of directing drug and alcohol patients away from the general emergency department?

The Hon. J.J. SNELLING: We are still working through that. As part of the emergency department there will be a separate mental health triage area, so mental health presentations will actually have a separate entrance and be separately triaged from the rest of the emergency presentations. There is the potential there for that to include people who are intoxicated, either by alcohol or drugs. However, that is still being worked through by clinicians as to exactly how it will work. There are sobering-up units in the community, which I was just referring to, community-based units for sobering up—not at the new Royal Adelaide but elsewhere in the community. There is the potential for people who just need to sober up to be diverted into those units as well.

Dr McFETRIDGE: My understanding currently is that if people are psychotic or intoxicated they have to be restrained, or detained, shall we say. What is the budget for security services in the health service?

The Hon. J.J. SNELLING: It is significant, but it is something we are making moves to reduce. We have found that through not using security staff in regard to disturbed patients we can get far better clinical outcomes. Of course, it is much cheaper, as well. The Lyell McEwin Hospital, in particular, has been trialling using enrolled nurses to provide supervision for people who are disturbed. Early indications are that it has been a very effective way of de-escalating the situation and that it is far more effective than a burly security guard supervising these people. The security budgets are on an LHN by LHN basis. There is not an across-health security budget.

Dr McFETRIDGE: Is it millions of dollars a year?

The Hon. J.J. SNELLING: Generally, with intoxicated people the question is about their safety rather than keeping them secure. It is their medical safety that is a priority.

Dr McFETRIDGE: Can we have an idea of how much the budgets are for the various LHNs?

The Hon. J.J. SNELLING: It would be significant and something we would be looking at making savings towards.

Dr McFETRIDGE: Are we talking millions of dollars?

The Hon. J.J. SNELLING: I can get you the breakdown of—

Dr McFETRIDGE: Tens of millions of dollars?

The Hon. J.J. SNELLING: Across the system, it might be tens of millions of dollars, yes. Are you just relating to security, though?

Dr McFETRIDGE: Yes.

The Hon. J.J. SNELLING: Well, security across the health system—not just for securing patients; obviously, we do require security staff for general security work in our health network sites—it would be in the tens of millions of dollars. I do not think we would be able to break down security figures just for disturbed patients, but again it would be a significant expenditure.

Dr McFETRIDGE: I will go back to some of the other issues that have been brought to my attention after reading various documents, including the annual report of the chief psychiatrist. The budget reference is Budget Paper 4, Volume 3, Program 2: Health Services, on page 65. There was a note that there were 172 model level 1 community treatment orders for 167 people. What caused me concern was that a number of the treatment orders had signatures that were illegible. I was puzzled as to how you can have a treatment order if you do not know who the treatment order was from.

The Hon. J.J. SNELLING: It is the doctor's handwriting, is it? It would probably be the doctors' handwriting, which is notoriously bad.

Dr McFETRIDGE: As a veterinarian, I have tried to tidy up my handwriting. But how can you have a treatment order if you do not know who it is from? Surely, there is—

The Hon. J.J. SNELLING: Dr Tyllis can follow that up.

Dr TYLLIS: There is a requirement by the Guardianship Board to review all level 1 community treatment orders once they are written. All patients who are under a level 1 community treatment order have to appear before the Guardianship Board or have a review by the Guardianship Board within the time of that order, which is 28 days.

Also, the mental health unit, and my office in particular, will follow up with any order that we receive to identify where that order has come from. Unfortunately, the data for the report is obtained from our electronic systems and that has some deficiencies in it sometimes.

Dr McFETRIDGE: On the same budget reference, there were 38 people under community treatment orders whose whereabouts were unknown. How are we able to treat people if we do not know where they are?

The Hon. J.J. SNELLING: They do not get treated. They abscond, and we find it very hard to track down these people.

Dr McFETRIDGE: On that same budget reference, it would be the same case then for the 62 people who are under DTOs who absconded (if that is the correct term nowadays) from the mental health services?

The Hon. J.J. SNELLING: Under the new Mental Health Act, we do have the capacity to have people treated interstate. So, for South Australian consumers who travel interstate, we are able to extend those treatment orders and have those applied interstate.

Dr McFETRIDGE: These people seem to be in a separate category, that they were patients who had absconded and the department had no idea where they were. These people are supposed to be detained, so how easy is it for them to abscond?

The Hon. J.J. SNELLING: If someone does go missing, then the police are notified, and a request is made of the police that if they are found they are returned to the treatment facility. We notify the police, the police find them and they bring them back.

Mr VENNING: I refer to Budget Paper 5, page 30 and/or whatever. In relation to dialysis in country hospitals, I was—

The CHAIR: Member for Schubert, we are on mental health now.

The Hon. J.J. SNELLING: Let him go.

Mr VENNING: This is my last estimates, Madam Chair.

The Hon. P. CAICA: We fear you more than anyone, Ivan. This is why this is bad judgement, so be careful, Jack.

Mr VENNING: Thank you. This is a long-term thing I have raised with you or your predecessors many times before: is there any chance of increasing dialysis services in our country hospitals, particularly near city and particularly the Barossa?

The Hon. J.J. SNELLING: No, there is not. Obviously we have the bus that goes to the APY lands, which is a long way from your electorate, but there are no current plans to extend dialysis in regional South Australia, other than what is currently there. I will get back to the member for Schubert with a more comprehensive answer.

Mr VENNING: This is that old chestnut question about the Barossa hospital. I understand the situation we are in financially, but is it still on the high priority list for the assets to be replaced? Can you give us any insight at all as to when it is likely to come back into the budgetary stream? It used to be at the top of the public works list when I was on the Public Works Committee.

The Hon. J.J. SNELLING: We submitted it to the commonwealth for commonwealth funding, but we were knocked back. Short of another round of these sorts of grants from the commonwealth, I do not see it being—

Mr VENNING: Did we get some money from the commonwealth for any other hospital on that round? I did not hear.

The Hon. J.J. SNELLING: We did get other priorities up, but not that one.

Mr VENNING: My last question is in relation to HACs. I have served on two HACs and I have to say that I was disappointed on their performance and when attending them, and that is a general feeling across all those who attended them. Is there any plan to rejuvenate the way these HACs are made up? At the moment we get public servants coming along and giving us all a lecture, and there is not much input—

The Hon. J.J. SNELLING: The Health Performance Council did do a review into the HACs two years ago. It is something we will continue to look at, but it is not something we have any immediate plans to do an immediate review into. I acknowledge that in regional South Australia the operation of HACs is an important issue. It is something that I will continue to look at.

Mr VENNING: It is very difficult to get people to represent me now, because I just find that they are not able to put the regional health perspective.

The Hon. J.J. SNELLING: Sure; it is something I will turn my mind to. The complexity of operating a hospital is increasing, and the extent to which a voluntary board can deal with some of these incredibly complex issues is vexed, but it is something I will turn my mind to.

Mr VENNING: My very last question, madam.

The Hon. J.J. SNELLING: You said that about the last one.

Mr VENNING: The last question is a very important subject me, and that is drugs. I notice in relation—

The Hon. J.J. SNELLING: It's not about the Barossa Wine Train?

Mr VENNING: That is another chapter; it is not for here. I have been reading in recent days that the situation is pretty bad in relation to drugs generally across the community, particularly while driving. How is it affecting the Department for Health and what is or can be done about it?

The Hon. J.J. SNELLING: Drugs? You mean people being intoxicated?

Mr VENNING: Yes.

The Hon. J.J. SNELLING: Certainly it is a huge challenge, and it is a huge challenge in our emergency departments. It is a huge challenge for our health service—

Mr VENNING: Any refocusing, realising that statistics are coming in and showing it is a lot worse than what we thought?

The Hon. J.J. SNELLING: I am not sure the statistics necessarily are saying it is a lot worse. There have been issues about the changes in drugs being consumed. Obviously, amphetamines have been an increasing problem—so the types of drugs—but I am not sure the incidence of drug use is necessarily increasing. Without doubt, our emergency departments, our entire health system, would be a lot less busy if we did not have these issues. What can we do about it? Well, I think it is a broader policy question. There are different theories about what you do about it. Certainly, within the Department for Health, with the significant investment we make, we

try to get people off these drugs, to treat people who are addicted to these drugs, to get them out of the criminal justice system and into treatment regimes—

Mr VENNING: We have had education programs before, haven't we? Is it time for another?

The Hon. J.J. SNELLING: Possibly; but there is no silver bullet. It is a big multifactorial challenge, which is to be dealt with partly by my department, partly by DCSI, partly by police, partly by education; so it is an across-government problem. Without doubt, it certainly is a big challenge.

Dr McFETRIDGE: Madam Chair, I will read the omnibus questions:

1. Will the minister provide a detailed breakdown of expenditure on consultants and contractors above $10,000 in 2012-13 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 in 2012-13, please provide the number of public servants that are (1) tenured and (2) on contract, and for each category provide a breakdown of the number of (1) executives and (2) non-executives?

3. In financial year 2012-13 for all departments and agencies reporting to the minister, what underspending on projects and programs was not approved by cabinet for carryover expenditure in 2013-14?

4. Between 30 June 2012 and 30 June 2013, 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 each year of the forward estimates, provide the name and the budget of all grant programs administered by all departments and agencies reporting to the minister, and for 2012-13 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 each department or agency reporting to the minister, what is the budget for targeted voluntary separation packages for financial years 2013-14, 2014-15, 2015-16 and 2016-17?

7. What is the title and total employment cost of each individual staff member in the minister's office as at 31 May 2013 including all departmental employees seconded to ministerial offices and ministerial liaison officers?

The Hon. J.J. SNELLING: Very quickly, with regard to the earlier question about the mental health early intervention care facility and the issue of whether there had been a blowout from 5.6 million to 8.3 million. No, there was not. There has been a change in the accounting treatment of it of $2.8 million, basically because its investing expenditure has been treated as operating. Initially, what was $2.8 million of operating expenditure is now being treated as investing expenditure. So, what appears to be an increase in the cost of the project is, in fact, just a change in the treatment of that $2.8 million: a change from operating to investing expenditure.

Dr McFETRIDGE: Thank you, minister. Can I thank all of your officers for the time and effort they put into these committees. We do appreciate it.

The CHAIR: There being no further questions I declare the examination of the proposed payments to the Department for Health and Ageing completed.

[Sitting suspended from 16:07 to 16:30]

DEFENCE SA, $16,482,000

Membership:

Mr Hamilton-Smith substituted for Dr McFetridge.

Mr Gardner substituted for Mr Treloar.

Witness:

Hon. J.J. Snelling, Minister for Health and Ageing, Minister for Mental Health and Substance Abuse, Minister for Defence Industries, Minister for Veterans' Affairs.

Departmental Advisers:

Mr A. Fletcher, Chief Executive, Defence SA.

Ms K. McGloin, General Manager, Corporate Affairs and Government Relations, Defence SA.

Mr R. Barnett, General Manager, Corporate Services, Defence SA.

Ms M. Davis, Director, Marketing and Communications, Defence SA.

Ms G. Elston, Director Strategic Policy and Planning, Defence SA.

Mr P. Louca, Chief of Staff.

The CHAIR: I declare the proposed payments open for examination. I refer members to Agency Statements, Volume 1. Minister, do you wish to make an opening statement?

The Hon. J.J. SNELLING: I do. Underpinning the state's efforts to secure greater Department of Defence investment in South Australia is an increased focus on ensuring our local companies have a sustainable future.

Over the past four years, Defence has drastically reduced its level of spending in consideration of Australia's strategic and fiscal environment. These immediate savings measures, coupled with Defence's traditional stop-start work programming, have been a challenge for local companies seeking to maintain effective use of capability and capacity in readiness for upcoming major projects.

Defence SA has been actively supporting the commonwealth government in its examination of possible initiatives to avoid a decline in specialist industry skills, particularly following the wind-down of the air warfare destroyer project in the latter half of this decade and the start of Future Submarines assembly and construction, expected after second pass approval in 2017. However, South Australia's aggregate defence industries remain in a good position due to the profile of the AWD acquisition program—in peak years now directly employing some 1,600 workers at Techport Australia—and the stable and long-term spending profiles of the state's other big defence projects including the Collins class submarines and AP-3C aircraft sustainment programs.

In 2012–13, Defence SA has continued to focus on industry promotion and advocacy, investment attraction and Techport Australia Common User Facility operations. Significant commonwealth commitments to new initiatives in Adelaide will enhance the ability of local industry to compete for future work, particularly recent decisions to establish the Future Submarines Systems Centre, a submarine land-based test site, and the defence node of the commonwealth government's manufacturing precinct.

BAE Systems Australia and Rosebank Engineering are also well advanced in development of their respective new state-supported, advanced aerospace components manufacturing and processing facilities in Adelaide. Both these facilities are critical for local industry across Australia to secure future joint strike fighter work as the global program progresses towards full rate production. On the advocacy front, the state’s interests have been well represented by Defence SA and the Defence SA Advisory Board’s 2012–13 contributions to the Future Submarines debate and Industry Skills Plan, Defence White Paper 2013, and Woomera mining-defence coexistence framework.

Defence SA has also played an active and vocal role in supporting local initiatives which benefit the defence industries, including in the development of the state’s advanced manufacturing strategy, development of the new state brand, and ongoing implementation of the science, technology, engineering and mathematics skills strategy. Defence SA also continued to successfully promote the state’s defence credentials to national and international audiences in 2012–13, including strong representation at the Land Warfare Conference 2012 and Avalon 2013 Australian International Airshow and Aerospace & Defence Exposition.

Defence Australia's Common User Facility is now fully operational and supporting the air warfare destroyer consolidation as well as third-party users. Site utilities and common infrastructure have been extended to the CUF expansion site to accommodate increased work, and a major upgrade to the seawater pump station, providing variable speed pumps for AWD test and evaluations, has recently been completed.

Defence industries are the cornerstone of South Australia's advanced manufacturing future (one of the state's seven priorities) and the next 12 months will be particularly critical given: the need to engage strongly and credibly with both major political parties before and after the federal election; upcoming key commonwealth government decisions on a range of major projects, including Future Submarines, military vehicles and potential estate rationalisation; and impending change of leadership across the defence portfolio with the majority of service chiefs due to retire from their current roles.

The unique nature and culture of the defence community, both military and civilian, requires significant direct contact to remain abreast of current issues and opinions. In addition to ministerial, Defence SA and Defence SA Advisory Board interface, the state's local defence community is well represented by the state-funded Defence Teaming Centre which provides a collective voice, particularly for SMEs, to many avenues of state and commonwealth government including DMO, DFEEST and DMITRE programs.

In 2013–14, defence spending will rise, albeit modestly, and this upward trend will continue over the forward estimates. Next year, Defence SA will be focusing significant attention on attracting military vehicle replacement projects and related global supply chain opportunities, further joint strike fighter and other aerospace opportunities, and on promoting South Australia's defence capabilities to potential contenders for the supply ships, patrol boats and Future Submarines. Supporting Defence to expand and enhance local test and training areas will also be a priority, including ongoing work to facilitate expansion of the Cultana Training Area and implementation of the Woomera Prohibited Area coexistence framework.

Skills advocacy will continue to be a core priority for the agency, with renewal of the industry-led Defence Industry Workforce Action Plan and implementation of the commonwealth-led Defence Industry Workforce Strategy and Future Submarines Industry Skills Plan. Important works at Techport Australia's Common User Facility will also continue, including preventive action to mitigate corrosion of the wharf and shiplift, and completion of the Mersey Road crossing to allow module transport between the Common User Facility and the expansion site.

The CHAIR: Member for Waite, did you wish to make an opening statement?

Mr HAMILTON-SMITH: No, I do not.

The CHAIR: Do you have questions?

Mr HAMILTON-SMITH: Could I start with the air warfare destroyer. Budget Paper 4, Volume 1, page 186 mentions the project. Of the $8 billion worth of air warfare destroyer work, what is the government's latest estimate as to the amount that will actually be spent in South Australia, and what percentage of the $8 billion will be spent in other Australian jurisdictions and what percentage paid to overseas suppliers of one kind or another? We have asked this question in previous estimates, and I just want to peg it down as we stand today.

The Hon. J.J. SNELLING: The AWD Alliance advises that the AWD project will meet its Australian industry involvement target of 50 per cent. Some $2.3 billion is expected to be directly spent in South Australia.

Mr HAMILTON-SMITH: Of the $2.3 billion, we can assume that has gone to local suppliers, local contractors and local businesses, is that correct?

The Hon. J.J. SNELLING: Yes, that is my understanding.

Mr HAMILTON-SMITH: What is the exact program of delivery for each of the three air warfare destroyers and for the completion of the project?

The Hon. J.J. SNELLING: Under a revised schedule announced in September 2012, the delivery dates for ships will be: *Hobart* in March 2016, *Brisbane* in September 2017, and *Sydney* in March 2019.

Mr HAMILTON-SMITH: What is the spread of block builds for each air warfare destroyer, and what companies and locations have won the work?

The Hon. J.J. SNELLING: Four companies are involved: Navantia in Spain are producing some of the blocks, ASC here in Adelaide are producing some of the blocks, BAE in Williamstown, and Forgacs in Newcastle.

Mr HAMILTON-SMITH: Are you able to indicate how many blocks have gone to each of those four contractors?

The Hon. J.J. SNELLING: I can take that on notice and get back to you.

Mr HAMILTON-SMITH: Per ship?

The Hon. J.J. SNELLING: Yes.

Mr HAMILTON-SMITH: Did the commonwealth provide the government with an explanation as to why a fourth air warfare destroyer was not funded and pursued and, if so, what were the reasons given?

The Hon. J.J. SNELLING: No, they have not provided an explanation, and I think if we asked they would tell us to mind our own business. Considerations of this are entirely within the province of the commonwealth government. They are strategic questions. Our job in Defence SA is to facilitate the commonwealth government and to promote South Australia as a venue for defence projects.

Mr HAMILTON-SMITH: I assume we have put up the case for a fourth air warfare destroyer?

The Hon. J.J. SNELLING: The approach we have taken is not to try to tell the commonwealth how to suck eggs. Strategic decisions are entirely within their province. We do not presume to lecture them on these sorts of important strategic questions. We have made representations about the Valley of Death, about the importance of finding projects to help fill that to ensure that we have workforce capability between the wind-down of the AWD project and the build-up of the submarine project.

A number of different ideas have been talked about, about how that might be addressed, of which the fourth AWD was one. The commonwealth decided not to go down that path, for its own strategic and financial reasons I presume, and we entirely respect that that is a decision for the commonwealth to make. We will continue to make representations in the interests of both South Australia and the commonwealth for those workforce capability issues to be addressed by finding projects to fill that gap between the AWD project and the Future Submarine project.

Mr HAMILTON-SMITH: Moving to Techport, the same budget reference, page 187. In 2012-13, $9 million was budgeted for Techport, but in the coming year only $9.1 million or $9.2 million is budgeted. Can the minister explain why that is so?

The Hon. J.J. SNELLING: What were those figures again?

Mr HAMILTON-SMITH: The budget paper shows that $9 million was budgeted for Techport in 2012-13 and that in the coming year $7.187 million will be budgeted. If you look at program 2, on the top of page 187, the budgeted figure for 2012-13 was $9.032 million, but the budgeted figure for 2013-14 is $7.187 million.

The Hon. J.J. SNELLING: We will have to take it on notice, I am sorry.

Mr HAMILTON-SMITH: The same budget page and reference: what is the $3.1 million budgeted for the Techport Common User Facility in 2013-14 to be spent on? It is on the bottom right table, to be spent on Techport Common User Facility—$3.1 million. What will that be spent on?

The Hon. J.J. SNELLING: It will be on two things: the protection of the wharf from corrosion and cathodic protection—I do not know what that is, but I am told that it is very good in preventing wharves from corrosion from sea water. It is partly that and, secondly, the further expansion of the CUF site to the other side of Mersey Road, the utilities on the other side of Mersey Road for the expansion of the Common User Facility.

Mr HAMILTON-SMITH: On the expansion of the Common User Facility (and I will come back to it later), is there a specific purpose in mind in that expansion? Has a specific tenant been identified?

The Hon. J.J. SNELLING: I will ask Mr Fletcher to respond.

Mr FLETCHER: Primarily, we are working on expanding the Common User Facility in readiness for changes in program, etc. At the moment, the Common User Facility site is absolutely jam-packed, but the ASC site is jam-packed with modules from interstate, and we believe that by having this ready it will afford us the opportunity to gain extra rental and income from the commonwealth when they need additional room.

Mr HAMILTON-SMITH: On the same budget reference page, I notice that spending on minor projects leapt from $332,000 in 2012-13 to $1.24 million, which is almost quadruple. Could we have an explanation of why the figure rose so dramatically?

The Hon. J.J. SNELLING: Part of it—about half of it—is a seawater reticulation system that has been upgraded at the Common User Facility, and the rest would be bits and pieces. Half of it would be this upgrade of the seawater reticulation facility.

Mr HAMILTON-SMITH: I move on to other matters. Budget Paper 4, Volume 1, page 187 (so it is the same page) there is a footnote (c) at the bottom of the table, in the bottom right-hand corner, with regard to total investing expenditure. Can you just explain to the committee the full import of footnote (c)?

The Hon. J.J. SNELLING: Apparently this is something that is a Treasury requirement and I will ask Rob to attempt to explain it.

Mr BARNETT: It is to do with timing. In an accounting sense we work on accrual accounting principles, so in some circumstances when we have incurred the expenditure, we reflect the expenditure in the current financial year. It does not mean in all circumstances that the cash has actually been paid out in that financial year. We are reflecting the expense in the year in which it has incurred. It does not always match in terms of when the cash physically goes out the door.

Mr HAMILTON-SMITH: Moving on, the same page of the budget paper. Does the government have any plans to make Techport available for work carried out on ships of allied nations? I know this has been raised from time to time. This is about Americans or other users coming to use Techport. Has that advanced at all?

The Hon. J.J. SNELLING: We are keen to pursue it with the United States and we think that there are opportunities there for voyage repairs. The member for Waite would be familiar with the laws in the United States—the Jones Act—where basically any major naval work has to be undertaken in the territory of the United States; however, that act does provide for voyage repairs. With the pivot of the United States towards the Asia Pacific, we are taking some steps towards promoting Techport as a location for these voyage repairs. We think that we have a lot to offer. The ship lift at Techport is big enough to lift an Arleigh Burke. We are keen to promote it.

I was in the United States last year and had some meetings there. Depending on things happening here, I hope to travel to the United States again before the end of the year to continue to pursue those, but it is certainly a long-term strategy. We are not going to see Arleigh Burkes going up Gulf St Vincent in the immediate future, but I think as a long-term strategic thing, it is something we are pursuing.

Of course, I should just say that we have to be very careful with the commonwealth government in all of these discussions. I do not want to do anything which treads on commonwealth government toes as well. Obviously with anything to do with the alliance with the United States and visiting naval assets from allied nations, we would require the corporation agreement of the commonwealth government as well.

Mr HAMILTON-SMITH: Can the minister tell the committee what the cost was, including security, to the South Australian government for the visit by former Secretary of State, Hillary Clinton, and has there been any tangible outcome from the visit in the way of contracts or work for SA-based companies?

The Hon. J.J. SNELLING: There was no financial cost to Defence SA. The trip was coordinated by the Department of the Premier and Cabinet. The benefits to us were significant in terms of having the US Secretary of State and her key advisers visit and have a view of the Techport facility, providing us with an entree into promoting Techport as a potential future site for voyage repairs. As I said before, you are not going to see Arleigh Burkes steaming up Gulf St Vincent in the immediate future, but in terms of long-term positioning of Techport as a naval maritime centre for the Asia Pacific, it was absolutely invaluable.

Mr HAMILTON-SMITH: Same budget page, the financial viability of Techport. Could the minister tell the committee what implications may flow regarding BAE's sustainability at its Williamstown dockyard in Victoria? I have been observing all that with interest. In particular, is there a risk that if the commonwealth government gives BAE the supply ship or patrol boat work that that will, in effect, lock in two major shipyards (not one) for quite some time into the future? In other words, given BAE's problems, what are the risks and opportunities for Techport and its financial viability flowing from the uncertainty of Williamstown about BAE's position?

The Hon. J.J. SNELLING: We would certainly support the commonwealth government doing what it can to ensure the viability of the Williamstown shipyard. In terms of future naval shipbuilding operations in South Australia, the future of Williamstown is quite integral to naval shipbuilding in the country. If you were to see the withdrawal of BAE from Williamstown, in Defence SA's analysis and the advice from the Defence SA Advisory Board, it would seriously compromise the ability of Australia to undertake serious naval shipbuilding. We would certainly support and be supportive of any work done by the commonwealth government to ensure the viability of that shipyard. We have a common interest in the viability of that shipyard.

Mr HAMILTON-SMITH: Thank you for that. Does that mean that the state government's view is that our interests are best served by having two major naval shipyards, one at Osborne and one at Williamstown, assembling and launching ships?

The Hon. J.J. SNELLING: We are talking about a quarter of a trillion dollars over the next 40 years in naval acquisition and sustainment. While obviously we see Osborne as being the centre for maritime shipbuilding, it is going to require at least one other site for the construction of blocks, and possibly two other sites to do that work. So, yes, we do see it.

The future submarine project is not a project that is going to be undertaken just in South Australia; it will be a nationwide effort, such is the scale of the project. It will require more than we can possibly do just at Osborne.

Mr HAMILTON-SMITH: Yes, and I take that point for the construction of blocks but there is a legitimate question about whether the nation can sustain two shipyards capable of assembling and launching ships on the scale we envisage. Assembling blocks is one thing but assembling and launching ships is another. We all know, looking at the Air Warfare Destroyer model, that blocks are being made around and about and assembled and brought here.

I suppose my concern is that if the supply ships and the patrol boat work, for example, was to be given to Williamstown that would effectively lock Williamstown in as a place for the assembling and launch of ships for some time to come. I just want to gauge whether the government sees that as a good thing or a bad thing for Techport and its investment.

The Hon. J.J. SNELLING: Particularly for complex ships at Techport—whether that be frigates or the future submarines—the superiority of Osborne goes far beyond Williamstown and anything that would be offered at Williamstown. So I guess we do not see Williamstown as a threat as such, for consolidation of blocks, but they will be integral to the naval building capacity in this country.

Mr HAMILTON-SMITH: Moving on to Budget Paper 4, Volume 1, page 188, and the Defence SA Advisory Board, could you remind the committee about the current membership of the board, the cost of supporting the board, and remuneration to board members?

The Hon. J.J. SNELLING: It is chaired by General Peter Cosgrove. Off the top of my head, the other members are Vice-Admiral Russ Crane, Mr Andrew Fletcher, Air Chief Marshal Angus Houston, Mr Paul Johnson, Ms Beth Laughton, Lieutenant General Peter Leahy, Rear Admiral Trevor Ruting, Dr John White and Dr Ian Chessell. Emeritus Professor Paul Dibb consults for the board on strategic policy matters, and the Premier and I are ex officio members of the board.

As a government employee, Mr Fletcher does not receive remuneration. The annual board fees payable are $70,000 for the chairman and $36,000 for members. The estimated total value of fees paid to board members in 2012-13 is $404,000. All members are also entitled to reimbursement of expenses in undertaking their duties; so travel, accommodation, ancillary costs. Board support costs—travel, taxis, car parking, accommodation, advisory fees—in 2012-13 are estimated to be $165,000. The estimated total board budget in 2013-14 is $581,000 including remuneration, travel and ancillary costs.

Mr HAMILTON-SMITH: On the same budget reference, page 189, could the minister explain the industry development initiatives budgeted at $1 million, and also explain the additional $300,000 spent on major trade events in 2012-13?

The Hon. J.J. SNELLING: I will ask Mr Fletcher to take the question.

Mr FLETCHER: We find, during the year, that we have a series of opportunities or needs to facilitate particular programs with our advocacy work with attracting industry to the state, etc. This money covers that work, in part. The key issue for this year is around the Future Submarines program, as the minister mentioned. We have attracted the integrated project team here, and we are working with them. They are growing; they are currently at about 10 to 15 people and will be at 40 to 60 by the end of the year.

We have commitments on the test and evaluation facility. Part of that means that we have to program, plan and spend money on consultancies and other things to make sure that we are prepared to receive those facilities as and when the commonwealth asks for them. So it really goes to the heart of our industry attraction and facilitation work. The events difference was primarily because there were only two events last year; there are three in this financial year, hence the increase there. Sorry, that is two and one.

Mr HAMILTON-SMITH: What are they: Avalon and the land warfare centre?

Mr FLETCHER: It was Avalon this year, and land warfare. The only event scheduled this year, at the moment, is Pacific and DNI.

Mr HAMILTON-SMITH: Are we participating in any international expos or trade shows?

The Hon. J.J. SNELLING: The answer is no; we do not think it is the way to go.

Mr HAMILTON-SMITH: I refer to Budget Paper 4, Volume 1, page 189 (the same page). What have we invested so far in progressing the Woomera mining and defence coexistence framework, and can you also tell us about the key timelines and arrangements with regard to the WPA?

The Hon. J.J. SNELLING: The commonwealth was progressing legislation through the parliament. Unfortunately, the Senate has decided to refer the bill to a committee, which will further delay the progress of the bill. Unfortunately, that was done with the support of Liberal Party senators, including senators from South Australia, somewhat surprisingly, particularly given that the bill, I understood, had partisan support. Unfortunately, the legislation to enable it to happen has stopped and is stuck in the Senate and will not make progress until after the federal election. That is where things are at. Mr Fletcher can elaborate on the work he does on the advisory board that is chaired by Mr Stephen Loosely.

Mr FLETCHER: There is an advisory board that consists both of Defence SA and RET (resources, energy and tourism—federal people), and it also has people from DMITRE; I represent Defence SA on it. It has had the responsibility of shepherding that legislation through the houses with the support of the federal defence minister. As the minister pointed out, it got through the lower house and unfortunately it did not make it through the Senate late last week and, therefore, we will have to wait until there is a new parliament to start that process again.

The Hon. J.J. SNELLING: Just with regard to your earlier question about the reduction in expenditure—$1.3 million decrease in expenses—this is directly from Techport, and I am quoting this directly from the budget papers. There has been a $1.3 million decrease in expenses primarily due to reduced recoverable costs in line with the AWD program requirements—$1.1 million. Reduced depreciation related to the Common User Facility infrastructure works is $300,000. The $0.4 million decrease in income is due to reduced recoverable income in line with the AWD program requirements, and it is partially offset by AWD program contribution of installation of air compressors and other works on the Common User Facility of $700,000.

Mr HAMILTON-SMITH: Just getting back to the question on the Woomera area that I actually asked about, I am aware that it has been held up in the Senate—no doubt, the Senate has important questions its members want to ask of the process—my real interest was in what we have invested so far in progressing that agreement as a state government. What have we spent? Secondly—and I appreciate that the time lines may be held up by the fact that it is in the Senate—what is the plan in regard to opening the area up, subject to the Senate's approval?

The Hon. J.J. SNELLING: There is no money. The investment we have made is in time and existing resources. So, Mr Fletcher's time, obviously, and the time of Paul Heithersay, and the

people in Mr Heithersay's area who have been progressing this; but there is not an actual budget allocation, and we have not had to spend any money other than what we spend anyway.

Mr HAMILTON-SMITH: Moving on to page 190 of the same budget reference, I am addressing the question of DMO, projects and project management and release. What is the exact status of the military vehicle industry in SA at present? How many companies have there been operating in that space, how many remain, and how many have left or significantly cut back their activities? I am aware that on LAND 121 a number of projects have not come through. Where are we at the moment?

The Hon. J.J. SNELLING: With regard to LAND 121, Rheinmetall has been identified as the preferred bidder, and that is for phase 3.

Mr HAMILTON-SMITH: Who, sorry?

The Hon. J.J. SNELLING: Rheinmetall, a German company. They have been identified as preferred bidder. They are in discussions with DMO at the moment in order to finalise that. The state government is working very hard with Rheinmetall. The delivery of those trucks under the contract has to be in Brisbane, but we think there is an opportunity for South Australian companies, potentially for those trucks, for our component manufacturers, to fit the trucks out with the various add-ons. So, that is something we have been pursuing. I have been to Germany twice now to have meetings with Rheinmetall and Dr Andreas Schwer. Dr Andreas Schwer was in Adelaide about a fortnight ago, I think, and met with myself and the Premier and that was an opportunity for us to continue those discussions.

With regard to LAND 400, that is a massive opportunity as well. It is basically the submarine project for the Army. There are enormous possibilities there for South Australian companies, particularly given that we have a long and successful history in heavy military production. I have now, basically, visited all of the international companies who will be potential bidders for the LAND 400 project: Rheinmetall, Iveco, BAE and General Dynamics (or GD) are the main ones. So, we have put in considerable time and effort. Again, LAND 400 is still some way off.

Mr HAMILTON-SMITH: So, the only companies we have operating in that space in the state at the moment are what, General Dynamics?

The Hon. J.J. SNELLING: BAE and GD.

Mr HAMILTON-SMITH: And the others are prospective or—

The Hon. J.J. SNELLING: I hope the others will establish some presence in South Australia in the future.

Mr HAMILTON-SMITH: The joint strike fighter, we coinvested with BAE in some equipment. Could you just remind the committee—

The Hon. J.J. SNELLING: BAE and Rosebank.

Mr HAMILTON-SMITH: Could you just remind the committee of how much the taxpayer invested there and what the key time lines are for that facility when it is in full use with the JSF project?

The Hon. J.J. SNELLING: We have not revealed how much our investment is for commercial-in-confidence reasons, which I have outlined before. What was the second part of your question?

Mr HAMILTON-SMITH: When you will have confirmation that work has been won for the JSF by BAE to make use of that infrastructure, and when you would—

The Hon. J.J. SNELLING: It has already been won.

Mr HAMILTON-SMITH: It is already in use?

The Hon. J.J. SNELLING: It is already happening for vertical tail fins. Well, components, the vertical tail fins, the titanium components.

Mr HAMILTON-SMITH: Are already being made there?

The Hon. J.J. SNELLING: BAE is acquiring a new machine and locating it at Edinburgh and that is what the grant of funding from the state government is for. That machine will be up and running in February 2014.

Mr HAMILTON-SMITH: Could you update the committee as to what is occurring with the Cultana Training Area and the expansion of that training area for use by the ADF? I am interested in the key time lines.

The Hon. J.J. SNELLING: Defence is expanding the Cultana Training Area in order to alleviate the increasing pressure on the existing area; to support larger firing templates and larger scale manoeuvres; to offer more flexibility to vary training activities, including conducting exercises with Australian Allied Forces; and to conduct more frequent training exercises, as Cultana does not suffer from the remoteness or wet season restrictions of the Bradshaw Training Area or Yampi Sound Training Area in the Northern Territory. Defence SA remains committed to expand the Cultana Training Area from 50,250 hectares to 209,300 hectares.

Key tasks include the Indigenous land use agreement executed and lodged with the Native Title Tribunal for registration in March of this year and the compulsory acquisition of six pastoral leases. Most of the leases were acquired by the commonwealth in October 2012. The Corunna lease will not be compulsorily acquired following a successful legal challenge by the leaseholder on the basis that the acquisition is not directly for defence purposes. The public environment report is currently before the Minister for Sustainability, Environment, Water, Population and Communities for final review and approval.

The state government will issue the miscellaneous lease for defence purposes to Defence once the ILUA is formally registered and the necessary pastoral leases have been surrendered by Defence to the state.

The MLDP, coupled with the 2009 memorandum of understanding which established the framework for mining and protection of infrastructure, will govern use and excess of land for a 75-year lease plus any extension of the lease in accordance with the right of renewal. The Department of the Premier and Cabinet has led negotiations with defence and consultation with Defence SA, the Department of Environment, Water and Natural Resources and legal advice from the Crown Solicitor.

The CHAIR: Member for Waite, can you just indulge me, because I also have a couple of questions I want to ask on this.

Mr HAMILTON-SMITH: Sure.

The CHAIR: I gather from what you are saying that you have no idea yet of when the public will be prevented from accessing the area around Whyalla, because the land will be blocked off for the Whyalla and Port Augusta communities.

The Hon. J.J. SNELLING: Most of the restrictions will be basically when there are defence activities going on on the site. It is not going to be fenced off as such but, obviously, when Defence are conducting exercises in the area, then it will have to be cleared and people will have to be prevented from entering the area.

The CHAIR: You will get shot if you go out there.

The Hon. J.J. SNELLING: You might get shot or run over by a tank.

The CHAIR: Also, what opportunities and commitments will there be to use local suppliers from Whyalla and Port Augusta versus suppliers from Adelaide and interstate because of the impact on Whyalla and what seems to be not very many jobs for Whyalla or Port Augusta coming out of the program?

The Hon. J.J. SNELLING: Ultimately those are decisions for Defence, about any local content requirements they have, but I assume, Madam Chair, that there will be enormous benefits to the people of Whyalla and surrounding areas, particularly if we are talking about allied nations conducting exercises. Just the influx of personnel into the area—they will all need food and housing, places to stay. They will be supporting local businesses. In the long term, it will establish itself as the premier military training area for the nation. I think there is enormous potential there for economic benefit for the people of Whyalla and the broader Eyre Peninsula.

The CHAIR: I wish I was as optimistic as you, and that is precisely why I am asking: what guarantees do we have that we will get that supplied locally rather than from Adelaide or interstate; so local suppliers, local companies and local businesses.

The Hon. J.J. SNELLING: You are talking about potentially thousands of people coming into the area.

The CHAIR: But our understanding is that they will be based there and we will not see them.

The Hon. J.J. SNELLING: If Whyalla had 1,000 people move in to the area, believe me, that would be of economic benefit.

The CHAIR: It would be wonderful, but that is not our understanding at this stage. However, I will let the member for Waite continue to ask questions.

Mr HAMILTON-SMITH: Thank you, Madam Chair.

Mr Gardner: Keep going.

The Hon. J.J. SNELLING: Well, the commonwealth is undertaking a large capital investment on the site as well, and I imagine a large proportion of that will be done by local contractors.

Mr HAMILTON-SMITH: I move to page 189 of the same budget reference, the Defence Teaming Centre. Can you confirm to the committee what funding has now been guaranteed to the Defence Teaming Centre and over what time frame going forward?

The Hon. J.J. SNELLING: It is $2.1 million over four years.

Mr HAMILTON-SMITH: Ending when?

The Hon. J.J. SNELLING: It started last year, so 2015-16.

Mr HAMILTON-SMITH: Thank you. Referring to page 189 to 190, I note that the ASC appears to be bidding for the supply ships offering, and I am not sure whether it will be bidding for the patrol boat offering. Can you tell me what is planned as part of a South Australian bid for either the patrol boats or the supply ships? What is being offered and what South Australian government involvement has there been, or will there be, in the offer of that bid?

The Hon. J.J. SNELLING: We do not involve ourselves in the commercial activities of the individual companies. ASC has a proposal in conjunction with BMT and a Korean company (I think it might be a subsidiary of Daewoo) for a supply ship replacement. There is another proposal from Navantia in conjunction with BAE, and I am advised there is also a German option. No tenders have been called by the commonwealth, although we expect that to happen shortly and those companies will fight it out. It will depend upon the various companies and how much they decide to do.

From memory, ASC's proposal is to build two ships in Korea and the third ship would be built here in Adelaide. I am not sure about the Navantia-BAE option, but I imagine that, given that it is based upon an existing Navantia design, the majority of that would be built in Spain, but it could be like the LHD, with them being fitted out here in Australia. Obviously, we would be very keen to pick that up. It is early days yet. These are just informal proposals that are being put out by these various companies and the commonwealth will make its choices.

Mr HAMILTON-SMITH: I refer to page 190, same budget reference. Can you confirm how many jobs there are in defence now in South Australia and have there been job losses or increases over the past 12 months? Finally, how have you ascertained those figures? What model have you used?

The Hon. J.J. SNELLING: The data we have is a bit dated; it goes back to 2010-11. Our defence industry reported revenue of $1.8 billion in 2010-11 (and they are the latest figures), an increase of 50 per cent since 2007-08. Direct industry jobs have grown from 4,439 in 2007-08 to 5,189 in 2010-11, driven primarily by the ramped-up AWD project.

Since 2010-11, there have been another 800 jobs in addition to that, working on the AWD project, so I expect that number would have grown since 2010-11. Sixty per cent of these workers are employed in professional managerial roles, highlighting the high-tech, highly skilled nature of the industry. Defence industry areas of naval shipbuilding repairs, submarine maintenance and sustainment, and aerospace, continue to form the basis of strong growth in the sector.

Mr HAMILTON-SMITH: Moving to page 190, the Maritime Skills Centre, can you explain to the committee who owns the Maritime Skills Centre, who the tenants are and how it functions financially?

The Hon. J.J. SNELLING: The building itself is built and owned by us and operated by a board. ASC has a licence over this facility at nil cost. The state makes a 50 per cent annual contribution towards two salaries, and ASC pays the full operating costs.

Mr HAMILTON-SMITH: Who runs the training facility? Is it run by ASC or TAFE?

The Hon. J.J. SNELLING: It is run by ASC.

Mr HAMILTON-SMITH: Is TAFE involved at the site?

The Hon. J.J. SNELLING: Yes it is—

Mr HAMILTON-SMITH: Do they work to the ASC?

The Hon. J.J. SNELLING: —but in a minor way. ASC takes responsibility for the operation of the site.

Mr HAMILTON-SMITH: Is the industry running its own training using that facility, using its own people? Who is in charge of the school and runs the training? Is it the company or is it TAFE?

The Hon. J.J. SNELLING: ASC is a registered training organisation in its own right, so it does the training and brings in independent contractors on a regular basis. It is the RTO.

Mr HAMILTON-SMITH: If another company wanted to use that training facility, it would have to negotiate with the ASC?

The Hon. J.J. SNELLING: Where capacity permits, it is available for third-party use.

Mr HAMILTON-SMITH: But if ASC runs it, they would have the say over that?

The Hon. J.J. SNELLING: That is why we pay half the salary.

Mr HAMILTON-SMITH: So you have some ability to overrule ASC to make sure they do not throw their weight around?

The Hon. J.J. SNELLING: We would not seek to do that. It is a convivial arrangement that we have between ourselves and ASC.

Mr HAMILTON-SMITH: Can you tell me how many funds, if any, for industry assistance or grants are operating within this portfolio in 2012-13? What payments would we have made and to whom?

The Hon. J.J. SNELLING: We do not have a grant line, as such, out of Defence SA. If there is a particular project for a grant to be given—similar to the BAE-Rosebank grant. That went to cabinet and cabinet made a decision on it on its own merits, but it was not out of an existing grant line. The administration of those grants—the deeds, and so on, the legalities around it and the monitoring that whatever KPIs are being met—is done by the South Australian Government Financing Authority.

Mr HAMILTON-SMITH: At page 190, what is the government's understanding of the impact of cuts in Defence spending coming out of DMO in Canberra, both the quantum and the impact? I notice Dr Mark Thomson of the Australian Strategic Policy Institute has claimed that the commonwealth government has cut around $6 billion in capital costs over the 2012-13 to 2015-16 period. Does the government agree with that rough figure and is it about $6 billion that has come out of DMO spending? What has the impact of that been on the ground here in South Australia for our own companies?

The Hon. J.J. SNELLING: There is a slight increase in this year's budget of $1.1 billion, $1.1 billion in 2013-14, $1.7 billion in 2014-15, $0.6 billion in 2015-16. Over the past few years, Defence has drastically reduced its level of spending and these savings measures, coupled with Defence's traditional stop-start work programming, has been a challenge for industry, which is seeking to maintain effective use of capability and capacity readiness for upcoming projects.

Overall, South Australia is in pretty good shape. Long-term projects (such as the air warfare destroyer build program, the Collins class submarine sustainment program and the Orion maintenance and upgrade program) are still proceeding as planned. There remains very significant long-term growth and opportunity for the state's defence industries which directly employed 5,189 people and earned $1.8 billion in related revenue in 2010-11. Major projects (such as the Future Submarine and joint strike fighter programs) will be transformational for our state's industry base, as well as the economy.

Without a doubt, in the short term, they are having an impact. The biggest impact is in capacity building in industry. When you have these stop-start procurement projects, which Defence seems to always have done, that does make it more difficult for industry to build up capacity. They find themselves losing skilled workers in the short term which they then have to rapidly build up when the federal government decides to undertake a significant defence procurement.

It is of significant concern to us. We certainly have made our point known to the commonwealth government, but we do recognise the fiscal realities facing the commonwealth government. We will continue to make representations to the commonwealth that, long term, it is in their interests for there to be more certainty over these defence procurements to make it easier for defence companies to work in this space.

The CHAIR: We are due to finish this at 5.30—do you have more questions?

Mr HAMILTON-SMITH: Yes, last question. Regarding defence basings here in South Australia, are there any other elements of 1 Brigade, or for that matter any other elements of the ADF, that the government has identified as a potential candidate for relocation to SA? Perhaps in your reply you could share with us your thoughts about the future of Woodside?

The Hon. J.J. SNELLING: The Air Defence Regiment, Woodside, is actually part of 6th Brigade rather than 1 Brigade. Obviously that would be a significant change. It is up to the commonwealth to decide what is the future of the Woodside base and what it decides to do, and whatever decision it makes we will do our best to support them.

To capitalise on the successful relocation of major units from 1 Brigade to Adelaide and the imminent fourfold expansion of the Cultana Training Area, Defence SA commissioned the Army Presence in South Australia Report to identify further opportunities for the Army to expand its presence in South Australia. I am happy to get a copy of that to you. The report was released in April 2012 and identified the following medium to long-term principal Army attraction opportunities for South Australia:

- additional elements of 1 Brigade, those equipped with heavy vehicles that are unable to train in the Northern Territory during the wet season;
- consolidation of key units of 6 Brigade, including the Queensland-based 7 Signals Regiment, electronic warfare, and 20 Surveillance and Target Acquisition Regiment, with its remotely-piloted air systems, both of which train at Woomera;
- the Sydney-based 6 Brigade headquarters; and
- the relocation of the 16th Air Land Defence Regiment from Woodside to Edinburgh, plus various units of 16th Aviation Brigade currently dispersed in Darwin, Townsville, Brisbane, Sydney and Oakleigh to facilitate improved integrated training at Cultana.

The government is committed to supporting the Army in South Australia, and I will continue lobbying to ensure that South Australia is considered favourably by the Army when it considers future basing of its units.

Mr HAMILTON-SMITH: I ask the minister to take the omnibus questions on notice. They have been read in for the health portfolio.

The CHAIR: I declare the examination of the proposed payments for Defence SA completed.

Membership:

Mr Marshall substituted for Mr Gardner.

Departmental Advisers:

Mr B. Denny, Director, Veterans SA.

Mr B. Williams, Management Accountant, Department of Treasury and Finance.

The CHAIR: I declare the proposed payments open for examination and refer members to Agency Statements, Volume 4, Minister for Veterans' Affairs. Minister, do you wish to make an opening statement and introduce your panel members?

The Hon. J.J. SNELLING: Very briefly, Madam Speaker. To my immediate left is Bill Denny, the director of Veterans SA, and to his left is Mr Ben Williams, who is from the Department of Treasury and Finance and looks after the financial arrangements for Veterans SA.

I have been the Minister for Veterans' Affairs since 21 October 2011, and I have thoroughly enjoyed developing my relationship with the veterans community of South Australia. As I have mentioned previously, my father is a former national serviceman who served with the 1st Australian Reinforcement Unit, the 1st Battalion of the Royal Australian Regiment, and 5 RAR, 1968 and 1969, and I feel it gives me some affinity with the veterans community and a better understanding of the sorts of issues they face.

In December 2008, the government created a Veterans Advisory Council, led by former state Governor, Sir Eric Neal, as an independent chair. The VAC comprehensively represents all members of the veterans community in our state and its composition is finely balanced by gender, conflict, service and rank. I am particularly pleased that one of the members currently serving on the VAC is the Deputy Commander of the 1st Brigade, Lieutenant Colonel Jack Gregg, who replaced the former commanding officer of 7 RAR, Lieutenant Colonel Mick Garraway AM.

The VAC is extremely experienced, with members having served on active or operational service in World War II, Korea, Malaya, South Vietnam, Namibia, Rwanda, Bougainville, Cambodia, East Timor, the Solomon Islands, Iraq and Afghanistan, together with peacekeeping duties in the Middle East. The VAC is an excellent source of advice to the government on matters relevant to the veterans community. I am confident this depth of experience is unparalleled and adds much to the wisdom and recommendations that the VAC delivers to me.

Many important matters have been presented to me by the VAC, and I have been pleased to support them. Some relate to state issues, while others require me to advocate strongly at a federal level. A selection of matters I have been pleased to support in the last 12 months include:

- advocacy to the federal government to ensure soldiers who are injured while on active service are not financially disadvantaged by taxation treatment levied upon their allowances when they return to Australia. I asked Mr Mike von Berg, MC to represent me before the Joint Standing Committee on Foreign Affairs, Defence and Trade when it sat in Adelaide. The joint standing committee published its recommendations yesterday, and in essence it has adopted our request in its entirety. This request appears as a recommendation which will now go to the federal government for consideration;
- ensuring war service sick leave was made available for state public servants at no detriment to their existing leave entitlements;
- pursuing the recognition of veterans of the British Commonwealth Occupation Force under the Veterans' Entitlements Act 1986;
- joining with my colleague the Minister for Sport and Recreation to create a land management agreement that gives security over the St Mary's War Memorial Playing Fields;
- overseeing the creation of the Framework for Veterans' Health Care;
- making recommendations to the federal government about the nature and quantum of rehabilitation services provided to eligible veterans. These recommendations resulted in a review of rehabilitation services by the Department of Veterans Affairs, and the revised and much improved rehabilitation system recently released incorporated many of our state's suggestions;
- creation of a Veterans' Charter to guide the relationship between the state government and the veterans community; and
- ensuring permanent memorials to those soldiers from South Australia who have died in recent conflicts.

The VAC continues to support the members of its community at state and federal levels. Some of the issues of import that remain to be determined are:

- advocacy to seek amendment to the current military superannuation arrangements and the results of the Matthews review; and

- advocacy to the commonwealth on behalf of those who served in the civilian surgical and medical teams in South Vietnam to seek the recognition under the Veterans' Entitlement Act 1986.

I value the opportunity to meet with veterans and to help the men and women who have rendered such magnificent service to preserve our way of life. I am very proud that this portfolio continues to punch well above its weight and makes a significant difference to the lives of so many deserving South Australians.

The CHAIR: Member for Norwood, do you have an opening statement you wish to make?

Mr MARSHALL: No, Madam Speaker.

The CHAIR: Do you have some questions?

Mr MARSHALL: Yes, Madam Speaker, I do have an opening statement, and that is to say how lovely it is to have you back in charge. My question relates to Budget Paper 4, Volume 4, pages 196 and 197. Can you tell me what department the agency is currently located in?

The Hon. J.J. SNELLING: The Department of Treasury and Finance.

Mr MARSHALL: It was in Attorney-General's; it has moved to Treasury and Finance. Is there any plan to move it to Health, or is it going to stay in Treasury and Finance?

The Hon. J.J. SNELLING: I think we will leave it in Treasury and Finance for the time being. It is simply an administrative arrangement. It does not really have any impact on the operations of the agency. The physical location is that they remain in my old office in the State Administration Centre. Sorry, I beg your pardon, they have moved to a different place in the State Administration Centre but for administrative purposes we will probably leave them with the Department of Treasury for the time being anyway.

Mr MARSHALL: So you have essentially three full-time staff members plus some support from the department to do financial work—that is the point 3—is that the gist of it?

The Hon. J.J. SNELLING: Essentially, yes. There is the director, Mr Denny, to my left. There is an MLO position which is jointly funded by Veterans SA and Defence SA because it provides an MLO role for both jobs. There is an administrative position as well which is an ASO2 position.

Mr MARSHALL: So, in fact, there is not a full-time MLO; it is only a shared MLO?

The Hon. J.J. SNELLING: It is shared. He is provided as 0.1 for Defence SA and 0.9 for Veterans SA.

Mr MARSHALL: Very good. You have a big increase in your depreciation charge. Have you bought something new in the department, Mr Denny?

The Hon. J.J. SNELLING: I can't imagine; they don't own anything.

Mr MARSHALL: It is a big increase in one year. Why are they spreading that depreciation charge on to you poor veterans?

The Hon. J.J. SNELLING: They do not have any equipment; it is all corporate overheads, I am advised.

Mr MARSHALL: This budget is wearing $16,000 worth of depreciation from Treasury and Finance. Does that seem an unorthodox expense item?

The Hon. J.J. SNELLING: The short answer to your question, I think, is yes. The base budget is zero; it is nothing. What is represented there is an allocation of corporate costs by the base budget of Veterans Affairs—that is zero—so it is just an administrative allocation of corporate overheads.

Mr MARSHALL: Of depreciation and allocation of expenses from another department. It seems odd but we will not pursue it. Also on that same—

The Hon. J.J. SNELLING: I am sure we could go on about it for hours.

Mr MARSHALL: We could, sir. Back to things that are more interesting. Your intragovernment transfers of $25,000, where is that coming from?

The Hon. J.J. SNELLING: Every year there is a $100,000 grant to the RSL and $25,000 of that has been recovered from the Department of the Premier and Cabinet.

Mr MARSHALL: Of the grants that you hand out of $303,000, $100,000 of that is to the RSL and $25,000 of that comes from the Premier's department into your department.

The Hon. J.J. SNELLING: The breakdown is that $100,000 goes to the RSL, $100,000 goes to Legacy, $75,000 goes to smaller grants provided to a variety of organisations upon application, and the final $28,000 is Department of Treasury and Finance corporate overhead charges.

Mr MARSHALL: Could either yourself or Mr Denny just give us a brief outline of how that $100,000 of small grants is made up; what sort of programs you run?

The Hon. J.J. SNELLING: They tend to be smaller, commemorative projects that are done by RSLs or other service organisations. I can give you some examples.

Mr MARSHALL: Is it possible to get a list of them from perhaps the last couple of years?

The Hon. J.J. SNELLING: I can certainly provide a list for 2012-13, but—

Mr MARSHALL: Are they published on the web or anything like that? It would just be good to have a look at the last couple of years.

The Hon. J.J. SNELLING: To give you some examples, there was the Malaya and Borneo Veterans Commemorative Service $500; Vietnam Veterans Day $2,000; the Repat Foundation Research Paper Day $2,500; Trojans Trek $5,000. They are all of that vicinity. There was the RAAF Battle of Britain Honour Board $470; a donation to the Crystal Brook RSL for the framed Sullivan VC display $433; and the Mannum RSL upgrade of the memorial garden $1,000. There were all sorts of grants, and I am more than happy to provide the Leader of the Opposition with those details for the last couple of years.

Mr MARSHALL: Some time ago the former minister for veterans' affairs, the former attorney-general, said he would look at saving the graves and memorial sites of war veterans at Centennial Park's Derrick Gardens, RSL walls, and the Enfield Memorial Park's Kibby Gardens by providing funding to these cemeteries to cover maintenance. Where is that funded from?

The Hon. J.J. SNELLING: That was done not out of Veterans SA but out of the Attorney-General's Department, because the Attorney had responsibility for cemeteries. It was not actually funded out of Veterans SA but out of the Attorney-General's portfolio.

Mr MARSHALL: Do you know whether that remains in place? It was a commitment made by the former minister for veterans' affairs.

The Hon. J.J. SNELLING: It is a lease arrangement which expires in 2015. It will then have to be renegotiated to be extended.

Mr MARSHALL: Do you have any idea of the dollar value of that? I suppose it is not in your area.

The Hon. J.J. SNELLING: It is not in my area, but I am more than happy to refer the questions to the Attorney. He will be able to answer them.

Mr MARSHALL: I will follow it up there, no problems.

Mr VENNING: I want to thank the minister for funding that Bravest of the Brave citation, in honour of Percy Sullivan VC. We had a ceremony where it was presented to the Crystal Brook community and it was very well received indeed, and it is one of the reasons that Crystal Brook RSL membership has gone from four—the edge of extinction—to today, nine months later, 66. I also wish to thank Mr Denny and the department of veterans affairs for doing that. I also commend Lieutenant Colonel Jack Gregg, my constituent, for his continued high level of service to Australia.

My question, as the local member and also the president of the RSL, is that I am very interested to know of any progress with the concept of the communities of our VC awardees being able to commemorate their memory in a very tangible way. This came to light in recent discussions in outreach to the Bravest of the Brave commemorations.

The Hon. J.J. SNELLING: I will ask Mr Denny to take the question.

Mr DENNY: There has been some more work on that. There have been informal discussions with DPTI about the creation of lay-bys or car park areas before and after each of the rural towns that has a link to a Victoria Cross recipient from World War I. As I recollect there are five: James Park Woods from Two Wells; Lawrence Weathers from Snowtown; John Leak, hardly

in the country but up at Stirling; Jorgen Jensen from Terowie, and of course Arthur Percy Sullivan from Crystal Brook.

The concept that is being looked at from within existing funding is to create a lay-by just before and possibly just after those towns and dedicate the lay-by to that particular Victoria Cross recipient, and identify the lay-by with some signage that acknowledges the sacrifice of that solider. Hopefully—I am not sure how DPTI sees it going—it will be a joint venture between the local RSL, the local community and DPTI.

Mr VENNING: Thank you; excellent idea.

Mr HAMILTON-SMITH: Minister, some years ago there was a proposal that reached the draft diagram stage to widen the pathway from the War Memorial down towards the Torrens training depot that would have involved the movement of the wall—the western wall, if you like—of Government House. I gather that diagram originated with the government and was being put about. Does that proposal have any life left in it and, if it does, can you tell the committee how much money would be involved and what is planned?

The Hon. J.J. SNELLING: The member is referring to the ANZAC Centenary Memorial Garden walk. It involves the redevelopment of Kintore Avenue from North Terrace to Victoria Drive. It will physically and symbolically link the state's principal site of remembrance to the South Australian National War Memorial with the Torrens Parade Ground. It will deliver a serene, truly significant memorial environment in the centre of our capital city. In respect of the memory of ANZAC, it will do for younger generations what Anzac Highway did for previous generations and raise the profile of the ANZAC legacy.

It will involve the acquisition of some Government House land—about 10 metres back. This has been discussed with Government House. The project was put to the federal government as our state's most preferred ANZAC Centenary project. You would be familiar with Angus Houston's chairing that group, who are assessing these projects. It was hoped that it would be funded by the state government, the federal government and the Adelaide City Council in partnership.

The federal government may provide some funding, but no confirmation has been received as yet. Adelaide City Council's involvement is also to be announced. The state government, through Renewal SA, is proposing to initiate the project, or at least the early stages, as one of the early opportunities in the Greater Riverbank Precinct Implementation Plan. There will be a reference to it at the Renewal SA open day display this Sunday, 30 June.

Mr MARSHALL: So, there is a plan that is completed. Is there a project cost that has been determined, or an estimate?

The Hon. J.J. SNELLING: Based on what we have provided to the federal government, our estimated cost is $9.45 million.

Mr MARSHALL: So, $9.45 million; how would that be funded—commonwealth and state? What is the breakdown between the two and the time frame?

The Hon. J.J. SNELLING: We are still hoping that we will be able to secure funding from the commonwealth government.

Mr MARSHALL: For the entire amount, do you think?

The Hon. J.J. SNELLING: We did bid for the entire amount. Obviously, if the commonwealth government came back to us and said that they were prepared to fund a proportion of it, we would seriously have to consider that, but it is certainly a proposal we are actively pursuing.

Mr MARSHALL: Is this something that the RSL is supportive of? They have seen the plans?

The Hon. J.J. SNELLING: Yes, I understand it is.

Mr MARSHALL: And if it did go ahead, when would it go ahead? When would it be completed?

The Hon. J.J. SNELLING: The idea is that it will start by the year's end and involve some more specific community engagement followed by a detailed design for stage 1: a renewed War Memorial area, and then procurement and construction in the first quarter of 2014. The idea is for it to be ready for the commemoration of the centenary of ANZAC.

Mr MARSHALL: Just for clarity, there is nothing in the forward estimates for this project?

The Hon. J.J. SNELLING: No provision has been made for it in the current state budget.

Mr MARSHALL: So it would be a Mid-Year Budget Review variance if the commonwealth came back and said, 'We'll give you 50 per cent?

The Hon. J.J. SNELLING: Yes, obviously there would have to be a change to the budget.

Mr MARSHALL: No further questions from me.

Mr VENNING: I have a question, Madam Chair, as a retiring member who has represented Kapunda for most of my time. In Kapunda, we have got this marvellous war memorial, particularly to the women who fought in the wars.

The Hon. P.F. Conlon: You didn't repaint it, did you?

Mr VENNING: Well, actually, we did some work there but not specifically paint.

The Hon. P. Caica: It's really beautiful.

Mr VENNING: It is a beautiful park and it really is a tribute to the local war hero, whose name just escapes me for the moment. It is kept in beautiful condition. Is there any funding from the department to help them keep it like that or is it all from local funding?

The Hon. J.J. SNELLING: There would be three ways they would be able to access funding. Firstly, through the commonwealth Department of Veterans' Affairs, they have a grant line for these sorts of things. Secondly, through the ANZAC Day Commemoration Council. Thirdly, through our $100,000 grant line as well. If they put in an application we are more than happy to give it consideration.

Mr VENNING: Last question. The centenary of Gallipoli, is there any department program to ensure who will represent South Australia, and will there be some restrictions on who can actually go?

The Hon. J.J. SNELLING: To Gallipoli?

Mr VENNING: To Gallipoli.

The Hon. J.J. SNELLING: It is all being coordinated by the federal government. Those who are not going officially will be chosen, I understand, through a lottery process. I hope your numbers come up.

Mr HAMILTON-SMITH: A draft.

The Hon. J.J. SNELLING: A draft, indeed.

The CHAIR: Are there any other questions of the minister? Minister, any comments you wish to make?

The Hon. J.J. SNELLING: No; it has been a pleasure, Madam Chair. Thank you for your firm chairmanship of today's proceedings.

The CHAIR: They have been very well behaved today, even the member for Norwood.

Mr VENNING: Can I put on the record the honour and the satisfaction of serving as president of the RSL and the committee's appreciation of the RSL. I am very pleased that as I retire from here this has been a wonderful new experience for me.

The CHAIR: Thank you. There being no further questions I declare the examination of the proposed payments for the Department of Treasury and Finance and the administered items for the Department of Treasury and Finance adjourned to Estimates Committee A.

At 17:57 the committee adjourned until Thursday 27 June 2013 at 10:30.