

## HOUSE OF ASSEMBLY

Wednesday 6 December 2006

The **SPEAKER (Hon. J.J. Snelling)** took the chair at 2 p.m. and read prayers.

### SCHOOLS, ROSEDALE PRIMARY

A petition from 80 parents and students of Rosedale Primary School and residents of Rosedale, requesting the house to call on the government to maintain funding to the Rosedale Primary School, which currently receives a small school grant, was presented by Mr Venning.

Petition received.

### PAPERS TABLED

The following papers were laid on the table:

By the Speaker—

Director of Public Prosecutions—Matters concerning the Auditor General and his Supplementary Report tabled in Parliament on 22 November 2006.

District Council of Yorke Peninsula—Report 2005-06—Pursuant to Section 131 of the Local Government Act 1999.

By the Minister for Education and Children's Services (Hon. J.D. Lomax-Smith)—

Children's Services—Report 2005-06

By the Minister for Families and Communities (Hon J.W. Weatherill)—

Families and Communities, Department for—Report 2005-06

By the Minister for Housing (Hon. J.W. Weatherill)—

HomeStart Finance—Report 2005-06  
Supported Residential Facilities Advisory Committee—  
Report 2005-06

By the Minister for the Ageing (Hon. J.W. Weatherill)—

Ageing, Office for—Report 2005-06.

### DIRECTOR OF PUBLIC PROSECUTIONS

**The Hon. M.J. ATKINSON (Attorney-General):** I seek leave to make a ministerial statement.

Leave granted.

**The Hon. M.J. ATKINSON:** I rise to inform the house about my decision to refer matters raised by the continuing row between two of the state's independent statutory officers—the Auditor-General and the Director of Public Prosecutions—to the state's Solicitor-General.

First, though, I want to remind the house of just what the Rann government has done to support the Office of the Director of Public Prosecutions. First and foremost, since taking office in 2002, we have dramatically increased the taxpayer dollars given to the office—dramatically increased taxpayer dollars given to the Office of the Director of Public Prosecutions. In 2002-03, the Director of Public Prosecutions budget was a modest \$7.501 million. Indeed, one Liberal MP described the DPP's office as being run on the smell of an oily rag under the government of which he was a member.

This financial year, the Office of the Director of Public Prosecutions is being provided with more than \$13 million. This is the way we show our support for the Office of the Director of Public Prosecutions. In real terms, the increase in funding to the Office of the Director of Public Prosecutions

under this government is a whopping 56 per cent. The nominal increase from 2002-03 to 2006-07 is even greater, of course, at 75 per cent.

As Attorney-General, I have been determined to properly resource and fund the Office of the DPP to make certain that the public of South Australia get the best prosecution service possible. It was clear to me, though, that all this extra money was not enough. That is why last year I agreed to engage an organisational review into the operations of the Office of the DPP. The aim of the review was to go over the structure, practices and processes of the ODPP and develop recommendations to make certain that the office is best equipped to fulfil its role in the most effective and efficient manner possible. This has become known as the Lizard Drinking report, after the name of the consultant engaged. The government has supported the vast majority of the recommendations of that report, including the creation of several new positions in the office, and it formed the basis for \$2.4 million in extra funds given to the office over the next four years in the recent budget. Recommendations not supported included those that created inappropriate duplication of services—for instance, human resources and executive services—that could best be provided by the Attorney-General's Department.

I am pleased to inform honourable members that the Chief Executive of the Attorney-General's Department, in consultation with the Director, has approved the creation of new senior prosecutor positions in the Office of the DPP and that this weekend an international net will be cast to get the best people for those positions. The positions to be advertised include the position of Deputy Director, Public Prosecutions (an MLS3 package at about \$240 000 a year); several positions in the role of managing prosecutors as an MLS2 package (about \$215 000 a year); as well as positions as senior prosecutors at MLS1 (a package of about \$166 000 a year). Advertisements will be run in *The Advertiser*, daily newspapers in all states and territories, *The Weekend Australian*, *The South China Morning Post* in Hong Kong, *The Singapore Times* and *The Times* of London. The closing date for applications will be 5 p.m., Monday 29 January. We will bring the very best to South Australia. That is the sort of practical action the government is taking to bolster our prosecution service.

As for this row going on between the Auditor-General and the Director of Public Prosecutions, I say this: the matter of the Director's independence to prosecute is not in question in any of this. The DPP's discretion to prosecute or not to prosecute has never been an issue in any of this. I am concerned about the personal tone of this exchange. In his news conference yesterday, replayed on morning radio today, Mr Pallaras said, '... as far as I see my responsibilities, I don't need to deal with the Auditor-General. It is he who is imposing himself, I say incorrectly and unfairly, into my office'.

The DPP does not have at law unfettered independence. The DPP is subject to the law, as is anyone else. No-one is beyond the law.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. M.J. ATKINSON:** The DPP is accountable in the expenditure of taxpayers' funds, like anyone else employed on the public purse, and he is accountable to the parliament and to me. Independence in prosecutorial matters does not mean that the director and his office avoid scrutiny for their use of taxpayers' dollars. It is my view that the Auditor-General is the state's top anti-corruption watchdog

and he must be allowed to get on with his job. The DPP should get on with his job of prosecuting criminals in court.

The extent of the director's authority is now well known. It was confirmed when the Court of Criminal Appeal ruled on the matter in Nemer, and Nemer is what this is all about. As the minister responsible to parliament under the Director of Public Prosecutions Act, and in particular, given the provisions of sections 8 and 9 of the act, I am entitled to be informed about matters so that I may meet my obligations to parliament and, when necessary, require consultation of the director. I have said repeatedly that I believe the power to issue a direction to the DPP should be used sparingly, nevertheless it is a power of the Attorney-General which by its very nature is a limit on the independence of the director.

In my regular meeting with the director last week, Mr Pallaras claimed that there was no dispute between the legal opinions he had obtained and the legal advice of the Solicitor-General on which the Auditor-General had relied, except that the DPP believed that the Solicitor-General's advice was limited in its scope. To settle the matter, I asked the director for a copy of the legal advice he has obtained about the extent of the Auditor-General's authority.

Yesterday, the DPP provided me a copy of the advice of Mr Whittington QC. I told Mr Pallaras at the meeting that I intended to give that advice to the Solicitor-General for his consideration and further advice so that he had the opportunity to deal with the same questions and the same scope of questions as Mr Whittington. I am now informed that there is a second piece of legal advice obtained by the director about the same questions and I have requested a copy of that too to give to the Solicitor-General.

The government takes its advice on these sorts of matters from the Solicitor-General and the Crown Solicitor's office. That is what I intend to do. I am confident that the Solicitor-General will consider this matter very carefully and bring his advice to me. The Solicitor-General of South Australia, Chris Kourakis QC, got it right on the case of Paul Habib Nemer, and I am confident that he will get it right again.

#### LEGISLATIVE REVIEW COMMITTEE

**Mrs GERAGHTY (Torrens):** I bring up the 16th report of the committee.

Report received.

**Mrs GERAGHTY:** I bring up the 17th report of the committee.

Report received and read.

#### PUBLIC WORKS COMMITTEE: TRAMLINE EXTENSION TO CITY WEST

**Ms CICCARELLO (Norwood):** I bring up the 251st report of the committee on the tramline extension to City West.

Report received and ordered to be published.

### QUESTION TIME

#### DIRECTOR OF PUBLIC PROSECUTIONS

**The Hon. I.F. EVANS (Leader of the Opposition):** My question is for the Attorney-General. Why did the Attorney-General's staff meet with the Auditor-General on Monday to discuss the Auditor-General's seeking a suppression order

against the Director of Public Prosecutions? Yesterday in question time the Attorney-General advised the house that his staff had met with the Auditor-General on Monday to discuss the Auditor-General's seeking a suppression order. Yesterday the Attorney-General advised the house that he is not responsible for the Auditor-General and the Auditor-General had no need to consult the Attorney-General before taking action in the court.

**The Hon. M.J. ATKINSON (Attorney-General):** The Auditor-General, as a courtesy, called at my office to inform me of what he planned to do, and that is just commonsense, but I elected not to see him because whether he was going to take some action in court on the DPP's report was entirely a matter for him. I chose not to see him.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. M.J. ATKINSON:** The Auditor-General first sought to see the Chief Executive of the Attorney-General's Department so that he could get advice from the Solicitor-General about whether to bring an action seeking an injunction, not a suppression order, as the Leader of the Opposition says. My view was that, since the Solicitor-General was advising me on Mr Whittington's opinion, he should not be advising someone else. So, the Auditor-General went away, not having seen me and empty-handed, and he got his own private legal advice.

#### OCCUPATIONAL HEALTH, SAFETY AND WELFARE

**The Hon. S.W. KEY (Ashford):** Can the Minister for Industrial Relations explain what action the government is taking to ensure an appropriate penalty applies for employers who recklessly disregard the health, safety and welfare of those in their workplace?

**The Hon. M.J. WRIGHT (Minister for Industrial Relations):** In June of this year I expressed the government's concern at the level of penalties for criminal breaches by bodies corporate under the Occupational Health, Safety and Welfare Act. In order to receive the most effective advice on this very important issue, I requested that SafeWork SA's advisory committee make the following recommendations to me on the level of fines and structure of penalties, the offence of death at work and the use of the current aggravated offence provision. To assist the advisory committee with the review, SafeWork SA wrote to a number of stakeholders in early July. Submissions were received from employer and industry groups, employee representatives, legal groups and others. I am advised that a significant number of the submissions received did not support the introduction of an offence of industrial manslaughter.

In regard to the aggravated offence provision under section 59 of the act, both employer and employee submissions, as well as one legal submission, supported a review of this section and the establishment of an offence which included the concept of reckless endangerment and/or reckless indifference. The advisory committee also recommended to me that, instead of an offence of industrial manslaughter, section 59 of the act should be repealed and replaced with a reckless endangerment provision.

The government will now incorporate a reckless endangerment provision into the act through the introduction of the Occupational Health, Safety and Welfare Amendment Bill 2000. The bill will also include the tripling of penalties for safety breaches in the workplace by corporations. I take this

opportunity to thank Mr Tom Phillips, the presiding member of the advisory committee, and all members of his committee for their thorough investigation and the options available for improving appropriate penalties under the act. I also express our thanks to those stakeholders who provided submissions to the review which ensured a balanced overview of community sentiment and expectations. It would be fair to say that we have fallen behind, and I look forward to bringing this legislation to the parliament.

#### DIRECTOR OF PUBLIC PROSECUTIONS

**The Hon. I.F. EVANS (Leader of the Opposition):** My question is again to the Attorney-General. Who was present at the meeting with the Auditor-General and the staff of the Attorney-General on Monday when the issue of taking court action against the DPP was discussed?

**The Hon. M.J. ATKINSON (Attorney-General):** The Auditor came to my building to meet the head of the Attorney-General's Department, Mr Jerome Maguire. Mr Maguire was present, as was my Chief of Staff, Mr Louca. I was not present.

#### BOWEL CANCER SCREENING

**Mr PICCOLO (Light):** My question is to the Minister for Health. What is the government doing to increase the rate of early detection of bowel cancer?

*Members interjecting:*

**The SPEAKER:** Order! The Minister for Health has the call.

**The Hon. J.D. HILL (Minister for Health):** Thank you very much, Mr Speaker, and I thank the member for Light for his question. From next year, South Australians for their 55th and 65th birthdays will receive a special gift in the mail, namely, a bowel screening kit. I am not able to display items, but I have a small package in front of me. The joint state/commonwealth—

*Members interjecting:*

**The Hon. J.D. HILL:** Demonstrations can be arranged at a later time. The joint state/commonwealth national bowel cancer screening program aims to dramatically increase the number of people undergoing bowel screening for early detection of cancer in order to enable early diagnosis and treatment. In Australia, the lifetime risk of developing bowel cancer before the age of 75 years is around one in 17 for men and one in 26 for women. This is one of the highest rates of bowel cancer in the world. South Australia will roll out the initiative from January next year. I am pleased to say that it will start in Adelaide's southern metropolitan area and also country suburbs, then be expanded across the state over the next—

*An honourable member interjecting:*

**The Hon. J.D. HILL:** Sorry: metropolitan and country areas. It will be expanded out over the state next year. When they turn 55 and 65 South Australians will be getting an unusual present in the mail: a screening kit to enable them to provide a sample for a free test. In fact, the member for Fisher will appreciate that they have to provide samples from three successive motions for this testing.

*The Hon. R.B. Such interjecting:*

**The Hon. J.D. HILL:** Well, you like successive motions! For those members about to turn 55 and 65, I can show them what is in store for them later on. They can then post the sample back to health authorities where the kit will be tested

and they will receive the results. Let me say that this is a very good opportunity for people aged 55 and 65 to send a very clear message to Canberra. Today I asked the Parliamentary Library to research which members of this place are likely to be within the age bracket in the near future. I am pleased to let members know that the members for Stuart and Morphet will be eligible for these kits in the near future; and the Premier in just over a year or so will be eligible for a kit. People whose results indicate a need for further testing will be given information and assistance to follow up the tests. Many people will receive a positive test result, but it will not mean they will have bowel cancer; they may have some other minor problem that with early treatment can be dealt with.

Left untreated over time these minor problems can turn into more serious health problems. A number of coordinators will be employed to manage referrals and arrange colonoscopies generated by the screening program. The SA Department of Health is working with the Cancer Council South Australia and the SA divisions of GPs to inform doctors about the new screening program. Bowel cancer can be treated successfully if detected in its early stages. This voluntary program makes it much simpler and quicker to get tested. People do not have to leave home to provide the sample, and it is as simple as posting a letter in order to receive assurance or learn whether further action is necessary. I commend this kit to all members and all people about to turn 55 and 65.

#### DIRECTOR OF PUBLIC PROSECUTIONS

**The Hon. I.F. EVANS (Leader of the Opposition):** My question is to the Attorney-General. At the meeting between the Attorney-General's staff and the Auditor-General on Monday, did the discussions include details of the Director of Public Prosecutions' final draft report on the Auditor-General?

**The Hon. M.J. ATKINSON (Attorney-General):** First the opposition wants us to intervene and sort it out; then it does not want us to meet. How are we going to intervene? I was not at the meeting, so I cannot possibly say.

*Members interjecting:*

**The SPEAKER:** Order! I call the member for Little Para.

*Members interjecting:*

**The SPEAKER:** Order! I ask members to show some courtesy to the member on her feet.

#### CONSUMER AFFAIRS, REFUND RIGHTS

**The Hon. L. STEVENS (Little Para):** Will the Minister for Consumer Affairs inform the house what is being done to ensure that retailers are displaying proper refund signs to ensure customers are correctly informed of their rights when returning goods?

**The Hon. J.M. RANKINE (Minister for Consumer Affairs):** At this time of year many of us have a very keen interest in this topic, because either we are purchasing gifts for loved ones or friends or we may be the fortunate recipient of a gift from others. In these circumstances how can we be sure we are entitled to a refund if something goes wrong? The Office of Consumer and Business Affairs targets refund rights as part of its trade monitoring and education program for small to medium-sized businesses, and during the past few years has visited in excess of 9 000 retail premises to check compliance. These campaigns occur in both rural and metropolitan areas. The most recent campaign began on

23 November, when officers from the Office of Consumer and Business Affairs began a pre-Christmas campaign, which is due to continue until 8 December.

They have already visited 430 stores in locations including Rundle Mall, the Adelaide Arcade, Myer Centre, Arndale, Golden Grove, Munno Para, Tea Tree Plaza and Mount Gambier. The specific focus is to ensure that traders are aware of correct refund practices. In particular, OCBA is checking for illegal no-refund signs or illegal refund statements on receipts and lay-by dockets. So far, 17 retailers have been found to have incorrect refund signs, were displaying misleading statements or had incorrect views on consumer rights. Misleading statements included: no refunds on discounts; no refunds; no exchange or refund for all sale items; and no refunds—will exchange or credit within 14 days with proof of purchase. All traders displaying non-compliance signs were asked to remove them, alter them or replace them with an OCBA Your Refund Rights sign that was provided free of charge.

People do have very clear refund rights when they purchase a product. They are entitled to a full refund if the goods bought have a defect; do not do what they are supposed to do; were purchased for a particular purpose, relying on the trader's advice, and the goods do not do what the trader said they would do; or do not match the description or sample given to you by the trader. Equally, consumers need to remember that they are not entitled to a refund if they simply change their mind about something they have bought; are responsible for the fault or defect; were advised of the fault or defect at the time of purchase; or discover that the item can be purchased more cheaply elsewhere. The Office of Consumer and Business Affairs does monitor refund signs and store policies, but people need to be clear about their rights and responsibilities.

They should also be clear about a store's exchange policy. If the product is faulty, a refund is an entitlement, but if people simply want to exchange a product because the colour is wrong or the style unsuitable, they may not be able to do so. At this time of year, when so many of us are purchasing gifts for someone else, the best advice is to get a very clear understanding of the store's exchange policy and only purchase a product when you are satisfied with that exchange policy.

#### DIRECTOR OF PUBLIC PROSECUTIONS

**The Hon. I.F. EVANS (Leader of the Opposition):** My question is again to the Attorney-General. Following the meeting of the Attorney-General's staff and the Auditor-General on Monday, was the Attorney-General briefed about what was discussed at the meeting and did the meeting's discussions include details of the DPP's final or draft report on the Auditor-General?

**The Hon. M.J. ATKINSON (Attorney-General):** I was told that the Auditor-General was minded to seek an injunction to restrain the publication of the DPP's supplementary report until such time as he, the Auditor-General, was provided with natural justice, namely, an opportunity to respond to allegations contained in it, but I was not briefed on the content of the DPP's supplementary report.

#### YUNGGORENDI

**The Hon. R.B. SUCH (Fisher):** Will the Minister for Aboriginal Affairs and Reconciliation explain the signifi-

cance of the establishment of an Aboriginal alumni association at Flinders University?

**The Hon. J.W. WEATHERILL (Minister for Aboriginal Affairs and Reconciliation):** I thank the honourable member for giving me the opportunity to talk about some positive things about the Aboriginal community. Too often we hear about the negative sides and the difficulties that plague Aboriginal communities. Alumni associations are one of the great success stories for Aboriginal communities. In the universities they are an important part of university life, because they allow the graduate community members to link with each other beyond the period of study. I am pleased to note that on 3 November Yunggorendi, the indigenous alumni chapter of Flinders University of South Australia, was launched.

This is an important development, because it indicates that Aboriginal people are now graduating from universities like Flinders in sufficient numbers to form an alumni association. It is also a positive development because it shows a desire for a closer relationship between Aboriginal graduates and the university. I believe that will inure to the benefit of not only those students but also the university in the future. Initiatives such as this are proving successful in helping Aboriginal people access higher education and the important opportunities that go with those studies. In 2005 there were 107 Aboriginal students enrolled in courses at Flinders University, and this year 24 Aboriginal people graduated from Flinders. It is also important to note that many Aboriginal graduates are going on to postgraduate study. Last year 19 Aboriginal students graduated from Flinders with an undergraduate degree, and a further five with a postgraduate qualification. This success is being replicated across other institutions around the state.

The number of Aboriginal university students is growing, as is the number of Aboriginal TAFE students. There are currently 550 Aboriginal students enrolled in universities throughout the state. There has been a 20 per cent increase in undergraduates between 2002 and 2005. In 2005 almost 3 000 Aboriginal students were enrolled in TAFE courses. This is a 5.8 per cent increase from 2004. Last year there were 69 indigenous students who graduated from South Australian universities: 56 as undergraduates and 13 had completed a postgraduate degree.

This is an important part of building the future for Aboriginal South Australians, providing the next group of young Aboriginal South Australians from where we will choose our leaders, and it is Aboriginal leadership which, at the end of the day, will be the saviour of Aboriginal people in this state. Can I say that I pay tribute to the universities involved, Flinders University in particular, and I know the other institutions, and the University of South Australia, have a very strong commitment to their Aboriginal students, and I encourage all institutions of higher education to follow their important lead.

#### DIRECTOR OF PUBLIC PROSECUTIONS

**The Hon. I.F. EVANS (Leader of the Opposition):** My question is again for the Attorney-General. As the DPP reports to the Attorney-General's office why didn't the Attorney-General or his office contact the Director of Public Prosecutions and advise him of the meeting with the Auditor-General and the matters discussed? Why were the discussions kept secret from the DPP?

*Members interjecting:*

**The SPEAKER:** Order!

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. M.J. ATKINSON (Attorney-General):**

Mr Speaker, these are independent statutory officers. The Auditor-General had formed his own opinion about what he was going to do. For all I know he might have changed his mind, having taken private legal advice—might have changed his advice. I am certainly not a snitch, and if I had rung up the DPP and told him what someone else had told me the Auditor-General had said, you would be grilling me here today, pretending that I had acted improperly. Damned if I do and damned if I don't.

### JUSTICES OF THE PEACE

**Ms FOX (Bright):** My question is to the Attorney-General. Can the Attorney-General inform the house what type of training and support has been put in place to help any aspiring justice of the peace?

**The Hon. M.J. ATKINSON (Attorney-General):** I thank the member for Bright for that question—not only a new member in this place but a new justice of the peace. Congratulations. I am pleased to tell the house that after the introduction of the Justices of the Peace Act 2005, and the Justices of the Peace Regulations 2006 earlier this year, our justices have benefited enormously from some government programs. I have spoken previously about the appointment of special justices, and the production of the *JP Handbook* and the distribution of a code of conduct for each JP, because our JPs, and especially our special justices, are better trained, and are going to be better trained than they ever have been in the past. And there will not be any need for members opposite to make reflections on our justices of the peace. To give you an example: on 3 December 2003 I told the house: 'At the time of the 2002 implementation report, 38 justices of the peace were located on the bench in a number of non-metropolitan regions,' to which the deputy leader interjected, 'Cheap labour.'

On 15 October 2002, the member for Heysen said (she denied this but got caught later on):

Hopefully, the wording 'bringing home to the offender the gravity of the offence' might be broad enough, given a sufficiently educated magistrate or judge—hopefully, not a justice of the peace—to make a determination that those are appropriate factors to be taken into account.

Then, I notice on talkback radio in 2004, on 26 October, the then shadow attorney-general, Robert Lawson, referred to justices of the peace as—

volunteer enthusiasts. . . but I don't think the idea of an amateur magistrate system is a terribly good system. It's a cheapskate way of addressing justice issues. . . we don't need an amateur justice system.

Today I am pleased to be able to talk about the training courses available to all those who aspire to the venerable office of JP. These options involve a good deal of innovation, especially TAFE SA. I remind the house that every JP in South Australia is a volunteer. They perform an immensely valuable function and, in doing so, save our state an enormous amount of money. Like any area of expertise, the level of service provided is commensurate with the training. We recognised that long ago and, with TAFE SA, put in place a variety of courses for those who wish to train to become a JP.

TAFE SA can provide JP training in the first instance. It runs three training packages for JPs locally and regionally,

and one for special justices locally. First is to fill the basic functions of a JP; it is the first unit of JP training, and it can be studied internally, externally, by correspondence or online via the internet. Anyone who wants to become a JP can do the online course at their own pace followed by a written assessment which is also available online. Once a person has completed their online study, they will receive a statement of attainment. During the online course the JP service section can provide assistance either by email or by telephone. The aim of the JP services section is to help foster a supporting learning environment which allows students to complete their study at their own pace. I am now confident that this program now leads the nation, and it is yet another way of the state government seeks to support those who look to serve our state as volunteers.

### DIRECTOR OF PUBLIC PROSECUTIONS

**The Hon. I.F. EVANS (Leader of the Opposition):** Why has the Attorney-General appointed the Solicitor-General to resolve the dispute between the DPP and the Auditor-General, when the DPP strongly opposes this and states why it is inappropriate?

*An honourable member interjecting:*

**The SPEAKER:** Order!

**The Hon. I.F. EVANS:** In his report to the parliament tabled today, the Director of Public Prosecutions states:

It would certainly be totally inappropriate for the Solicitor-General to be the person assigned to mediate while the Solicitor-General who—

**The Hon. K.O. Foley:** Why?

**The Hon. I.F. EVANS:** Well, I will tell you. The Director of Public Prosecutions explains why. He states:

While the Solicitor-General, who acts on the instructions of the Attorney-General, is of course an eminent lawyer, he has been previously involved in giving advice in this matter and is one of the persons mentioned in my annual report in 2004-05; and in a supplementary report of the Auditor-General. The fact or perception of conflict dictates that if the government saw the need for a mediator that mediator must be independent and have no involvement in the events over which he or she would mediate.

**The Hon. M.J. ATKINSON (Attorney-General):** Mr Speaker—

*The Hon. I.F. Evans interjecting:*

**The SPEAKER:** Order!

**The Hon. M.J. ATKINSON:** The time for mediation is long past. I do not want any more mediation. What I want—

*The Hon. I.F. Evans interjecting:*

**The SPEAKER:** Order!

**The Hon. M.J. ATKINSON:**—instead of talking to each other through lawyers—

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. M.J. ATKINSON:** Instead of talking to each other through lawyers—very highly paid lawyers—at taxpayers' expense, instead of persisting with mediation, this is going to be resolved as it would by normal custom, as it would have been resolved under previous governments, by rulings by the Solicitor-General and the Crown Solicitor's Office. Government agencies do not go off at taxpayers' expense, hire lawyers and sue one another in court, because that is not in the interests of the public, the taxpaying public, who are being bled by this Punch and Judy show.

*Members interjecting:*

**The SPEAKER:** Order! The Leader of the Opposition and the deputy leader will come to order. They can both consider themselves warned.

**The Hon. M.J. ATKINSON:** If I disqualified from participation in resolving this conflict everyone with whom Stephen Pallaras has had a quarrel, there would not be many people left in the legal profession to arbitrate it.

*Members interjecting:*

**The SPEAKER:** Order! The fact that I have warned the leader and the deputy leader is not an invitation to other members to play tag team. All members will come to order. The Attorney-General has the call. There will be plenty of opportunity for members to ask other questions.

**The Hon. M.J. ATKINSON:** Just because the DPP, under parliamentary privilege, has a go at a public official does not mean that we have to stand down that public official. The question is: are there any grounds? I believe that the DPP's criticism of the Solicitor-General has been groundless and goes back to the DPP's anger over the Solicitor-General's role in putting Paul Habib Nemer behind bars. Indeed, when we go to page 23 (and the opposition has not got to that yet), *Nemer v Holloway*—

**The Hon. I.F. Evans:** You appointed him.

**The Hon. M.J. ATKINSON:** It is funny you should raise that, because the panel interviewing Stephen Pallaras for the job of DPP asked him whether he was comfortable with the government's practice of directing the DPP to appeal against a manifestly inadequate sentence in the Nemer case, and with the result of the court case, and he said yes. He said yes, but here, at paragraph 76, we have the DPP talking about the case of Nemer—and he raises Nemer; I did not raise it:

What is of concern is that many still do not understand that the decision, right or wrong, has done enormous damage to the way in which individuals and institutions treat and regard the ODPP.

I do not believe that for a minute, and the government does not believe it. We stand by our decision, the Attorney-General's decision, to direct the DPP—

**The Hon. R.B. Such:** It was the right decision.

**The Hon. M.J. ATKINSON:** It was the right decision, as the member for Fisher says—to appeal against the suspended sentence of—

**The Hon. I.F. EVANS:** I rise on a point of order, Mr Speaker. The question was not about Mr Nemer. The question was why the Attorney-General has appointed the one person the DPP did not want to mediate. Why did the Attorney do that? That is the question.

**The SPEAKER:** Order! There is no point of order. The Attorney-General has the call.

**The Hon. M.J. ATKINSON:** The Solicitor-General is not mediating. He is giving me advice, and then we will decide and, if necessary, I will direct the DPP to be subject to audit. If necessary, I will direct, and that will put the matter beyond doubt.

## DISABILITY SERVICES

**Ms CICCARELLO (Norwood):** My question is directed to the Minister for Education and Children's Services. What resources does the government provide to assist families of children with a disability to access information about available support for their children?

**The Hon. J.D. LOMAX-SMITH (Minister for Education and Children's Services):** I thank the member for Norwood for her question because I know she understands the difficulties families and individuals have in accessing

information about services and providers, particularly when those people have disabilities. Certainly our most important task as a society is to provide the best possible care and education for all our children, but that task is even more important when it relates to young people with disabilities, because they face additional challenges, not only for themselves but in their family, in managing what is often time consuming and difficult.

In fact, information we received during our review of childhood services told us that families and service providers, as well as advocates, often found it difficult to access information relating to services that were available and found it somewhat like going through a maze where many of the resources that were available through federal and state departments were partitioned, available from different locations and not always easily understood for people who were time poor and stressed.

To assist families and care providers, as well as educators, my Ministerial Advisory Committee for Students with Disabilities has worked to review all the information available to support children and students with a disability. It has worked with child-care services, preschools, schools throughout the three sectors, as well as a range of not-for-profit organisations, non-government organisations and information providers, to publish a report called 'Support for children and students with a disability in South Australia: Information for families, educators and care providers'. This book, which comes in the guise of a file or box file, provides information for families and those involved in the provision of care and education with an overview of services and programs in South Australia for children and students with a disability.

*Members interjecting:*

**The SPEAKER:** Order!

*Members interjecting:*

**The SPEAKER:** Order! I expect the entire house to be silent when I am on my feet. I am getting a bit tired of the banter between members of both front benches while either members are asking questions or ministers are trying to answer. If members want to talk to each other, sit next to each other or leave the chamber, but do not yell out across the chamber so that the person on their feet cannot be heard. The Minister for Education.

**The Hon. J.D. LOMAX-SMITH:** Thank you for your protection, sir. I was explaining that sometimes the services available for young people in families with disabilities are difficult to access because the location and data are like a maze, with many departments and organisations arranged in a way that does not always make it easy for the user to find what services are available. The information I was talking about comes in a file and has been drawn from a range of documents and through consultation across all sectors, as well as advocates and care providers.

This information resource kit has been sent to all child-care services, including out of school hours care, preschools, schools and to all three education centres, as well as TAFE centres, universities, disability information services and all relevant government departments. I recommend that members of parliament take this resource by downloading it from the Ministerial Advisory Committee for Students with Disabilities website ([macswd.sa.gov.au](http://macswd.sa.gov.au)).

I congratulate everybody in the community and in government departments who have contributed to collating this information, which I know members will find extremely useful in their electorate offices. I recommend it to them and,

if they have any additional comments, we would be happy to improve and update future editions. I am very proud of the effort in explaining the services available and I know that it will make a significant difference to families in the community.

### WORKCOVER

**Mr WILLIAMS (MacKillop):** My question is to the Minister for Industrial Relations. How does the percentage of long-term claims that make up WorkCover's liability compare to other Australian schemes? In WorkCover's annual report, tabled in this chamber yesterday, the Chairman of the WorkCover Board revealed that long-term claims, that is, those from injured workers who have been receiving income maintenance payments for longer than three years, make up about 45 per cent of WorkCover's claims liability.

**The Hon. M.J. WRIGHT (Minister for Industrial Relations):** I can check the detail of what the member is asking. I am not actually sure of the genesis of his question. One of the difficulties that we do have with the scheme involves long-term claims. This was spoken about yesterday, when I made my ministerial statement. It may be that the member still has not read through that. As I said yesterday, what we need to do is get people back to work. The discontinuance rates are increasing and that is not something—

*An honourable member interjecting:*

**The Hon. M.J. WRIGHT:** I did talk about the other states yesterday and I did say that we would like to do better. I made those points yesterday. I am not too sure whether the member wants to go back over old ground. We can do so, if he so wishes. I have said that whether it be with long-term claims or return to work, we are not doing as well as we should—I have acknowledged that already. I am not sure what the member is actually seeking from me today. Perhaps you would like to ask another question.

### SA WORKS

**Ms BREUER (Giles):** My question is to the Minister for Employment, Training and Further Education. What impact has South Australia Works in the regions had in helping local communities to address their changing skill needs and to provide improved employment opportunities?

**The Hon. P. CAICA (Minister for Employment, Training and Further Education):** I thank the honourable member for her question; she has a great understanding of the benefits arising in her electorate from the SA Works programs. I had the pleasure last week of attending at the presentation of the inaugural South Australia Works in the Regions Recognition and Achievement Awards. The quality of the winners and finalists demonstrates our government's ability to work collaboratively with industry and the not-for-profit sector in assisting communities to address their changing skill needs and to effectively support individuals move into employment.

The awards highlighted innovative local projects, such as the Boystown Pathways to the Future project (I know that the shadow minister, as well as the member for Frome are fully aware of the benefits of that particular program to the region), the Career Development Centre in Mount Gambier and Mission Australia's No Opportunity Wasted program in the southern suburbs. All were recognised as outstanding projects that contributed significantly to improving employment opportunities for individuals in their region. Significant effort

being undertaken through our 17 employment and skill formation networks, as well as our industry, public sector, Aboriginal youth and community programs, has resulted in an increased number of South Australians participating in employment and skills development activity through SA Works.

Over the past two and a half years approximately 48 000 people participated in an SA Works activity, with 23 000 expected to participate in 2006-07. Close to 15 000 people have gained employment as a result of their participation in SA Works, with another 7 000 targeted for 2006-07. Through SA Works we now have over 4 000 more young people in traineeships, apprenticeships, cadetships and employment activities. SA Works has also assisted over 890 Aboriginal people move into the workforce and more than 2 500 older workers move back into employment. In addition, over the past two years 4 000 businesses and industry organisations have participated in SA Works workforce development initiatives.

The focus of SA Works is not only on jobs. Some of the most disadvantaged in our community need additional support, with considerable effort required to re-engage in learning that develops their personal skills and, importantly, their skills in literacy and numeracy. In recognition of this, in 2005-06 alone an estimated 1.9 million hours of accredited and non-accredited training was delivered through the SA Works programs, such as: Adult Community Education, Parents Return to Work and Learn to Earn. A further 1.1 million more hours are targeted for delivery in 2006-07. Under this government, SA Works has continued to make a significant contribution towards achieving our state's economic development and social inclusion objectives, and I think all members should be proud of this particular project.

### WORKCOVER

**Mr WILLIAMS (MacKillop):** My question is to the Minister for Industrial Relations. What legislative change is being considered to amend the self-insurance process of the WorkCover scheme? The WorkCover annual report states that there are a number of recommendations for a legislative change to the criteria applying to qualify for self-insurance under the WorkCover scheme.

**The Hon. M.J. WRIGHT (Minister for Industrial Relations):** As I said yesterday, the government is considering a whole range of reforms. Some of those may be of a legislative nature, others may be of a non-legislative nature. We are looking at a range of forms, and I am in discussions with the board of WorkCover in regard to those.

**Mr WILLIAMS:** Again, my question is to the Minister for Industrial Relations. Why does he continue to claim that the previous government was responsible for the blow-out in the WorkCover unfunded liability when the Chairman of the WorkCover Board states in the annual report tabled in this house yesterday that it is the growth in the number and duration of payments lasting longer than three years that has been a major driver of the liability? In the annual report tabled yesterday, the chairman of the board referred to claims from injured workers receiving income maintenance payments for longer than three years and said:

The growth in the number and duration of these claims has been a major driver of the increase in costs and the estimate of the claims liability in recent years.

**The Hon. M.J. WRIGHT:** Precisely.

*Members interjecting:*

**The SPEAKER:** Order!

**The Hon. M.J. WRIGHT:** I welcome the annual report because it is a good annual report. I also welcome the statement from the chair. We have put in place the best board that WorkCover has ever had. I think it is also safe to say that this board is being superbly led by the chair, Bruce Carter. It has been very easy for members opposite, whether publicly or privately, to have cheap shots at Bruce Carter, but I can say quite confidently that this board is being superbly led. The very first question by the parrot who will not now shut up was about long-term claims, and that is why I can say quite confidently that the reason for the problems of WorkCover is the former government and long-term claims. It is also because the former government would not put in place a contract where the claims managers were properly managing claims. WorkCover is all about claims management. The previous government and the previous board ignored that, and it was always going to be the case that an actuary would catch up with the bad business practices of the previous government.

**Mr WILLIAMS:** Obviously, Bruce Carter got it wrong. But I will try again to ask the Minister for Industrial Relations another question.

**The Hon. J.D. Lomax-Smith:** You're attacking Bruce Carter now.

**Mr WILLIAMS:** No, it is your minister who said he got it wrong, not I.

**The SPEAKER:** Order!

**The Hon. M.J. Wright:** No, I didn't say that.

**Mr WILLIAMS:** You had better read your answer.

**The SPEAKER:** Get on with the question.

**Mr WILLIAMS:** Minister, what change to the quantum of fines on employers is being considered by WorkCover and how much extra is expected to be collected through the increased fines on employers? The WorkCover annual report states:

A number of internal process improvements are expected to result as well as changes to the process and quantum of fines for employers.

**The Hon. M.J. WRIGHT:** These are people who have possibly caused people injuries. As I said yesterday, WorkCover, as a result of a new board and a new management, has gone through the business and brought about a number of reforms. This board will not stand still like previous boards. It will continue to reform the system, working with the government, just as it should.

**Mr WILLIAMS:** Again, my question is to the Minister for Industrial Relations.

**The Hon. M.J. Atkinson:** Pity you sent the media away.

**Mr WILLIAMS:** It's all right. The media knows what is going on. Actually, at present they are more interested in you than me.

*Members interjecting:*

**The SPEAKER:** Order!

**Mr WILLIAMS:** And I am not offended by it! Why is WorkCover proposing to outsource the re-employment incentive scheme for employers (RISE)?

*Members interjecting:*

**The SPEAKER:** Order!

**Mr WILLIAMS:** Some 80 per cent of injured workers are not returning to income maintenance after being found new employment through the RISE system. This rate is

higher than the return to work rate of cases handled through WorkCover's general claims management system, yet WorkCover Corporation is proposing to outsource RISE.

**The Hon. M.J. WRIGHT:** I think the honourable member almost answers his own question—which is good going. It is the same as the previous answer. This board will always look at ways in which to do things better and make sure that WorkCover reforms its system and heals the wrongs of the previous Liberal government.

**Mr WILLIAMS:** My question again is to the Minister for Industrial Relations, and I am looking forward to an answer. Will the minister explain why, although South Australian injured workers are more likely to have a return to work plan, South Australia has the lowest return to work rate and durable return to work rate of the Australian and New Zealand jurisdictions? The Australian and New Zealand return to work monitor, prepared for the heads of workers compensation authorities by Campbell Research Consulting, reveals that 'South Australia had the lowest return to work and durable return to work rates, at 78 per cent and 67 per cent respectively'. The report goes on to point out that this coincides with 'an above average proportion of injured workers who are not deriving any income from employment'.

**The Hon. M.J. WRIGHT:** I am not sure what I can do to help the shadow minister because he asked the same question yesterday.

*Members interjecting:*

**The Hon. M.J. WRIGHT:** Listen to the crocodile tears: the member for MacKillop wants to look after injured workers! Can you believe it? He is a member of the former government that introduced legislation which ripped the guts out of benefits to injured workers. The member crying crocodile tears wants to look after injured workers. The honourable member asked the same question yesterday. They are all smiling behind him on the opposition benches, but I will give him the courtesy of going through it again. It is very simple. It is all about return to work. The reason why we are not good at return to work is twofold; first, members opposite put in place a dopey contract which was in the regulations of the parliament and which this government has changed. Beyond that, through the board we have selected Employers Mutual to work with that new contract, which is all about creating incentives and getting people back to work. It is as simple as that. What were the ills of the former contract? It did not have the correct incentives or the penalties in place so that those claims agents could drive the business. That has now been changed by a Rann Labor government.

**Mr WILLIAMS:** It would be a lot more interesting if the minister would answer the questions. My question is again to the Minister for Industrial Relations. What changes can employers and injured workers expect to ensure that the South Australian scheme includes an average levy rate that is comparable with other schemes in Australia and New Zealand? In the 2005-06 annual report the Chairman of the WorkCover Board acknowledges that other schemes in Australia and New Zealand have 'achieved the type of fundamental and sustainable improvement we require in South Australia'. He goes on to say:

Increased return to work remains fundamental for improving the social and economic outcomes of the scheme. To achieve that it may be necessary to effect legislative change to ensure the essential levers exist to meet the objectives of the act.

What are you going to do with their benefits?



**The Hon. M.J. WRIGHT:** Once again, the honourable member has answered his own question but, nonetheless, here he goes: he asks precisely the same question as he asked yesterday. And it is the same answer as yesterday. I have already acknowledged that this government would prefer the average levy rate to be lower and to be competitive with that of the eastern seaboard, particularly New South Wales and Victoria—but not Queensland, because it is a basket case.

*Mr Williams interjecting:*

**The Hon. M.J. WRIGHT:** No, this is not a basket case, because this system looks after injured workers. Queensland does not: it is as simple as that. As I also said yesterday, unlike the previous government we will not interfere with the decision of the board when it makes its determination about average levy rate. However, what we would hope is that, in addition to the reforms that have already been brought about by this board, which were in my ministerial statement yesterday, further reforms will be brought forward next year that will help the board as it goes about its business, which may lead to pushing down of the average levy rate, if it so determines.

#### BURKE, Ms R.

##### **Ms CHAPMAN (Deputy Leader of the Opposition):**

My question is to the Minister for Health. How can a departmental employee act as, first, a member of a selection panel to select Mr Ken McNeil as the CEO of Mount Gambier Hospital; secondly, act as an investigative officer in an inquiry that cleared the same CEO of bullying allegations; and, thirdly, act as the freedom of information officer who makes the decision to withhold relevant documents relating to the appointment and discontinuance of the CEO? Under freedom of information I recently sought all documents—

*Members interjecting:*

**The SPEAKER:** Order!

**Ms CHAPMAN:**—relating to the appointment and subsequent discontinuance of the Mount Gambier Hospital CEO. Ms Raelene Burke, as Manager, Operations, Social Justice and Country Division, was on the selection panel supporting and recommending the appointment of the CEO. Ms Raelene Burke then conducted the subsequent inquiry clearing the same CEO of allegations of harassment made by a medical specialist, and recently I received a letter from the accredited FOI officer, Ms Raelene Burke, advising me that she has made a determination not to release a large number of documents relating to the appointment and termination of employment of Mr Ken McNeil.

*Members interjecting:*

**The SPEAKER:** Order! The Minister for Health.

**The Hon. J.D. HILL (Minister for Health):** I am very pleased that the shadow minister has discovered health again. It has been a while since we have had a question on health, and I am so pleased that she has asked a question in question time in relation to country health. One of the things that this government is trying to do is clean up the shambles that is the governance arrangements in country health. Mount Gambier Hospital is an absolute study case in how not to run a health system. The record of mismanagement that occurred in relation to that hospital over many, many—

*Mr Williams interjecting:*

**The SPEAKER:** Order! I warn the member for MacKillop.

**The Hon. J.D. HILL:** Just settle down. Mount Gambier Hospital is a case study in how not to run a hospital. This is

not a criticism of the current board or the current acting CE but of the system that was in place and the mismanagement that was in place in that hospital.

**Ms CHAPMAN:** On a point of order, the question has nothing to do with country health. Ms Raelene Burke is an employee of the Department of Health, and it is in relation to how she can act in three different roles to include the refusal of production of documents.

**The SPEAKER:** Order! There is no point of order. The minister is just beginning his answer.

**An honourable member:** She's a woman!

**The Hon. J.D. HILL:** The answer from my colleague as to how she can act in those three positions is that, of course, she is a woman, and that is obviously very true! I find it extraordinary that the deputy leader would take a point of order to say that this has nothing to do with country health. She is talking about a country hospital. Under the Health Commission Act the local board of that hospital employs people and determines who gets employment, and they are employees of that board. They are not the employees of the department. We have legislation going through at the moment which will fix that up, and we will have other legislation coming in next year which will fix up the governance arrangements. I am pleased to say that most of the people in Country Health support what we are doing. I mean, the deputy leader, of course, opposes but that is what she is there for.

*Ms Chapman interjecting:*

**The Hon. J.D. HILL:** Ah, you should go out and talk to people in the country, not in your own backyard. In relation to the particulars of the issue the—

*Members interjecting:*

**The Hon. J.D. HILL:** Do you want to listen to the answer or do you just want to talk amongst yourselves? In relation to the particulars of the issue, I am not familiar with the individual concerned, but I would make these observations: I assume that the panel that was constructed to choose the CE, whoever was constructing that panel—that would be the board of the hospital—asked the Country Health Department to provide somebody as an outsider to be part of the interview process—the appropriate thing to do, and that would happen all the time. That person was involved in selecting a person to be the CE of the hospital, Mr McNeil, and at a subsequent time there was an allegation about that person, nothing to do with his appointment, I gather, but something else that he did, and the same person happened to have a second role. I assume the chair of—

*Members interjecting:*

**The Hon. J.D. HILL:** Do you want to answer your own questions, or do you want to listen? I assume the chair of the Mount Gambier board, who I assume was also on the panel, would have been involved in that investigation. So why not ask questions about the conflicts of interest involving the chair of the board down there? Now, finally, this same person, this same lucky person whose name has been dragged through this parliament by the Deputy Leader of the Opposition, who is typical of her class, that is people in Liberal opposition who hate public servants and use every opportunity to denigrate them and sully their names—

*Members interjecting:*

**The SPEAKER:** Point of order.

**Ms CHAPMAN:** That is a disgraceful statement on behalf of the minister. To assert that the opposition hates—

**The SPEAKER:** Order!

**Ms CHAPMAN:** —public servants is quite out of order. I ask him to withdraw.

**The SPEAKER:** Order! There is no point of order.

*Members interjecting:*

**The SPEAKER:** Order! The house will come to order. The Minister for Health.

**The Hon. J.D. HILL:** Thank you, Mr Speaker. I was getting to the point that there are three issues in relation to the public servant that the member had named: first, she was on an interview panel; secondly, she was involved in the investigation of an allegation about the person who she was in the interview panel interviewing, and I do not see that there is a conflict in there in any way at all; and thirdly, she was involved in an FOI claim. Well, I say to the Deputy Leader of the Opposition: if you do not like the decision she made, appeal it. There is an appeals process.

*Ms Chapman interjecting:*

**The Hon. J.D. HILL:** Well, don't raise it in here then.

## SITTINGS AND BUSINESS

**Mrs GERAGHTY (Torrens):** Last evening during a division on the Statutes Amendment (Justice Portfolio) Bill, the member for Enfield was not recorded as having voted during the division when, in fact, he was here. So, pursuant to standing order 179, I ask that the record be corrected.

**The SPEAKER:** I so order that the records of *Votes and Proceedings* be corrected.

## GRIEVANCE DEBATE

### MURRAY RIVER

**The Hon. G.M. GUNN (Stuart):** I find some of the comments of the esteemed Auditor-General interesting when he talks about a number of issues, particularly natural justice. I refer members to his comments and actions when dealing with members of the previous government and whether he wanted them to be afforded natural justice. I will leave those comments, because I will have more to say on another occasion in relation to what will be a rather interesting and ongoing debate about what we have seen today.

The second matter that I want to raise is this: on 22 November I received a copy of a letter from the Central Irrigation Trust which was addressed to the Premier. I think it is important that the contents of this letter are given to the house, because of the seriousness of the matters raised in it. It states:

Dear Premier,

I am writing to you on behalf of 1 600 family farmers in eleven irrigation districts who have asked me to implore your Government to make a commitment to improving the state's water security from the River Murray starting with an emergency temporary weir at Wellington.

The 1 600 farmers are struggling on 60 per cent of their water allocation to irrigate ripening horticultural crops in the Berri, Cadell, Chaffey, Cobdogla, Kingston, Loxton, Lyrup, Moorook, Mypolonga, Pyap and Waikerie Irrigation Districts.

These families have been through enough hardship in the past five years as prices for the commodities they grow have diminished to levels much too close to the cost of production. Right now, they are also facing additional hardship created by water shortages that

have left too many families fighting for the survival of their farms and communities.

Ironically, such drastic water shortages for the households in our city and towns and our irrigated farms can be avoided by improving our ability to manage the massive losses from evaporation in our portion of the River Murray during periods of drought, particularly in Lakes Albert and Alexandrina. The City of Adelaide, townships over much of our state and irrigation farmers are now reliant on receiving 770 gegalitres of water from the River Murray each year. It is indefensible that they now face severe water restrictions because 900 to 1 300 gegalitres (depending on seasonal conditions) is used for river maintenance flows. The lesser quantities used for dilution flows and environmental needs are necessary but the biggest portion to replace massive losses from evaporation, especially in the lower lakes, must be better managed.

If South Australia had the benefit of control structures at both Wellington and the barrages, we would immediately have options to manage the level of the lakes according to the circumstances at the time. Prior to European settlement the lakes varied from freshwater for the majority of the time to sea water during low flow periods. Those circumstances can be partially recreated with controls at both ends of the lakes. In the process, during drought periods a savings of just 200 gegalitres can avoid the need for such severe water restrictions as we face this summer.

Our farmers fear that your departments will procrastinate far too long on this issue and that by the time they develop a solution it will be too late.

*The Hon. M.J. Atkinson interjecting:*

**The Hon. G.M. GUNN:** Look, I'll come to that later. It will be too late. I will come to that, because we know the Attorney has got himself quite flustered today. Tell him to keep calm. The letter continues:

If this drought goes for another year without the benefit of an emergency weir Mr Premier, the irrigated areas with permanent plantings to orchards and vineyards along the Murray in South Australia will have been decimated. Whereas city and township gardens will quickly be replanted and annual crops and pasture in the eastern states will recover following the first rain, our districts will take over a decade to recover.

It is my responsibility, as one of the members with the privilege of representing this fine organisation, to bring their concerns to the attention of the parliament.

**The Hon. M.J. Atkinson:** Yes, but you should use correct English in doing so.

**The Hon. G.M. GUNN:** The honourable member can make all the personal reflections on me he likes. He has done it for a long time, but it has not done him much good.

**The DEPUTY SPEAKER:** Order!

**The Hon. G.M. GUNN:** I suggest that he look in the mirror.

**The DEPUTY SPEAKER:** Order! The honourable member's time has expired.

## COUNTRY FIRE SERVICE

**Ms SIMMONS (Morialta):** Today I pay tribute to the fantastic work done by our Country Fire Service. At a time when we face one of the longest, driest and probably hottest summers of our time (if the long-range weather forecasts are correct), it is important that we lend our support to these extraordinary volunteers in our community. Last Sunday I was very privileged to accompany units from Norton Summit, East Torrens, Carey Gully, Basket Range, Summertown, Piccadilly, Cherryville and Onkaparinga along the fire track around my electorate of Morialta. Twenty-six vehicles drove in convoy, and this equates to nearly 100 volunteers who gave up their Sunday to ensure that they were familiar with the fire tracks so that, in times of emergency, they would know exactly how to access all parts of the Black Hill, Morialta Reserve and Basket Range areas and not waste

crucial and valuable time during bushfire circumstances. This was in addition to the weekly Monday night training and monthly group meetings they all attend to make these units so valuable in emergencies.

I was pleased to travel in the lead car with Doug Munn, Sandy Taylor and Rob Taylor, who between them have 100 years of volunteering experience in the CFS. Sandy, with 50 years' experience, went to his first fire when he was 12½ years old. He started with the brigade in 1957, when he was just 14½. Rob, with 25 years behind him, quite rightly commented that all CFS personnel are 'bloody legends', and I agree with him. He also shared his concern that the future of the CFS could be in jeopardy if we did not get a new crop of young volunteers training in the force.

We travelled from Norton Summit to Gorge Road and paid particular attention to the Sixth Creek area, which was washed away in the floods last November. Bouquets must go to the Adelaide Hills Council and, in particular, to Wayne Cook, who works closely with the CFS. The council worked extremely hard to rebuild the track using excavators to cut into the hillside to make the track big enough for the new fire vehicles to access. It has also built passing places, which are vital during times of fire. Track 18 has been particularly well done, but the area is very dry and many trees have fallen or have had fallen branches and, as part of a work on Sunday, we had to clear to these away.

The group was also accompanied by the local SES, Hills Council, national parks groups, Wendy Shirley (who does a wonderful job as the manager of the CFS volunteers) and, of course, the CEO of the CFS, Euan Ferguson. During the day, I tried to talk to all the groups, and everyone went out of their way to tell me what a great leader Euan is. He is respected for his hard work, leadership, motivation and inspiration to these amazing volunteers. I was pleased to be invited to join the Norton Summit CFS, and I thank Doug Munn for his invitation to this day last Sunday. I would like the house to recognise the fantastic work the CFS does before the season starts in earnest, with the fires in Onkaparinga and those now burning in the Riverland, and thank the volunteers for all the work they do on our behalf.

### WELLINGTON WEIR

**Mr PEDERICK (Hammond):** I rise today to speak on the Wellington weir proposal. This matter, which is a product of the worst drought in recorded history, has almost overshadowed the drought itself as it threatens lives, livelihoods, lifestyles, cultures, customs and even commonsense. While mother nature has dealt us a cruel hand with the weather, we cannot blame her for decades of mismanagement of the most precious resource of all: water. No-one wants to die of thirst, but if the supply of water remains severely limited, we all accept that tough decisions will have to be made. People on the land and around the river do not need to be told that. They make tough decisions constantly and they understand better than anyone the expression 'limited resource'.

The issue for people in the Lower Murray and lakes is one of fairness: being fair to them in consideration and consultation, being fair to them in sharing the limited resource and being fair to them in sharing the pain. They are also concerned that decision makers are fair in the environment and consider the permanent and irreversible damage such a temporary action might have. At meetings in Meningie yesterday, the minister kept reminding people that shortage of water is not the government's fault. She said, 'It's not the

government cutting off your water but low flows'. That is partly true but it is the government that is deciding who gets that water by building weirs, allowing so much waste of water in the metropolitan area and applying weak water restrictions. Lower Murray and lakes farmers and irrigators were told by Minister Maywald that the government could not guarantee that everyone will get pipe water, that is, everyone around the lakes. Yet the government seems to have made that promise to those who live in the city and in the Riverland. I will come back to that in a moment.

With regard to the weir, Minister Maywald was asked what it will look like. There has been discussion about a solid weir, a temporary weir, a rock wall, high levels, low levels, 250 metres wide, 2.5 kilometres wide, 13 metres deep, three metres deep, etc. It all seems very hasty and uncertain. I understand the steel for this weir has already been ordered. Just how certain is this possible temporary weir? Lower Murray and lakes people are still getting the message that it is only a plan and it may never happen. The minister has said more than once that if we do not have to build it, we will not, but a different message is being spoken further up the river.

At a meeting in Berri (the minister's electoral heartland), the faithful believers assembled heard words to the effect, 'If it takes me six months, I guarantee to get this weir built to guarantee your water.' Presumably one group was being told the truth and the other group was being told what the minister wanted them to hear. Quite clearly, they are not the same messages. Given that people down the river are still being promised full consultation, it would seem to be another example of this government's shoot first, ask questions later approach.

While people below the proposed weir are losing their water completely, without even a guarantee of a domestic supply, people up the river are being reassured that they will be looked after. There is no mention of their turning off their irrigation for the greater cause. Speaking of turning the taps off, the government's latest edict on water restrictions beggars belief: level 3 in a month's time—no wonder city people are not getting the message.

Many other issues are coming out of these meetings. A local doctor expressed concern about the likely increase in various diseases precipitated by lower lake levels. On top of this, he pointed out that, as population and commerce drop in these lakeside towns, so doctors will leave surgeries and hospitals, thereby magnifying the impact of illness and disease in the community. The region is a Ramsar-listed site. Questions have been asked in this house before about how we might maintain our promise to look after this internationally recognised environmental treasure. Minister Maywald's response was:

The international Ramsar agreement that the commonwealth has signed for the Coorong binds us to a moral agreement. There is no legal comeback.

Not only does this show contempt for the agreement and our international neighbours, it sends a very clear message to the rest of us that this government is prepared to abandon its morals and renege on a promise. It is not very reassuring to people around the lake looking for assurances from the government about water supply, permanent or temporary structures, consultation, etc. As for compensation, every time that subject came up at Meningie, the minister ducked it completely. At least she cannot be accused of breaking that promise.

Time expired.

### SCHOOLS, PROGRAMS

**Mr PICCOLO (Light):** Today I would like to speak of something about which I am very passionate, and that is the education of our children in our schools. Many of the schools in my area are doing some wonderful things and I would like to share a few of those success stories with the house today. On Friday 24 November I attended the Gawler East Primary School to acknowledge the success the school has had with the Premier's Reading Challenge. I am advised by the school that both students and teachers are still talking about the ceremony; in fact a couple of the students are still wearing their medals over a week later—they are so proud of their achievement.

At Gawler East Primary School 425 children completed the challenge, from an enrolment of 480, representing 88.5 per cent. Eleven out of the 18 classes achieved 100 per cent completion, and nine children from years 2 and 3 read more than 100 books each from the list. According to the teacher librarian at the school, Julie Nash, it has created an enormous amount of work for the staff and teachers in the resource centre, but they believe it is worth while.

The school has an Early Bird Borrowing program from 8.30 to 9.30 every morning. This has enabled parents to become more involved with their children's borrowing and reading. To encourage children to complete the challenge and read more, the school had a system of extra coloured sheets to record their individual progress, and a large column graph set up on the wall of the resource centre for the other students to see.

The Premier's Reading Challenge has done wonders in encouraging students to read at Gawler East Primary School. But there are many success stories. Yesterday I presented the awards at the Trinity College Gawler River school. In 2004 Trinity College Gawler River had 159 students complete the challenge. In 2006 they had 327 students complete the challenge. Because the school has so many avid readers they set a challenge for each class to see how many books they could actually read.

In the reception to year 2 category, Miss Rowett's year 2 class won by reading 1 776 books. In the years 3 to 5 category, Miss Hill's year 4 class won by reading 1 848 books. In the years 6 to 9 category, the Dawkins/Stevens House won by reading 300 books. Any program that encourages children to read more deserves the support of this house. The Premier's Reading Challenge has been an outstanding success. I regularly read the newsletters from schools in my own electorate and the Premier's Reading Challenge is mentioned many times.

I recently attended the Gawler High School citizenship ceremony as a guest speaker. This ceremony, which is organised by the students as part of their society studies, enables students to learn about citizenship and other civic matters. I would also like to talk briefly about the Smithfield Plains High School, which I understand has voted 75 per cent to 25 per cent, as a school community, to support the government's program under Education Works—which is great. The school has, over the past, received some bad publicity, and the staff and many students work in very difficult circumstances, but they do have some success stories and I would like to speak about one of those today.

To encourage students to do well at school I actually initiated the True Believer award. I would like to announce that the inaugural winner of the award is a young student there by the name of Ian Smith. Now, Ian, to say the very

least, had a rather chequered history at the school, but this year he has turned his life around. Ian has taken on family responsibilities by mentoring his younger brother; he has participated in the Premier's Reading Challenge; participated in the student representative council; participated in the flag raising ceremony every morning, irrespective of the weather; has volunteered on a number of community projects; acts as a tour guide for new parents at the school; organises barbecues and promotes the school; and takes a very positive student leadership role. I would like to congratulate Ian on being the first winner of the True Believer award.

**Honourable members:** Hear, hear!

**Mr PICCOLO:** The award is designed to reward those students who, against all odds, do very well, and I congratulate both Ian and the school on his success.

### SCHOOLS, SPECIAL PROGRAMS

**Mr PENGILLY (Finniss):** I am very pleased that the Minister for Education and Children's Services is still in the house because I would like to spend a few minutes talking about an event that I went to last week which relates to the aquatics program. She is leaving. She does not want to hear it.

**The DEPUTY SPEAKER:** Order, member for Finniss! It is not orderly to talk about who is or who is not in the chamber.

**Mr PENGILLY:** I would like to talk about the planned removal of the aquatics and special music programs. As I indicated, last week I was very fortunate to watch the aquatics program in operation at Middleton Point. I was invited by the teachers and parents. Seaford School was there, although they were just leaving when I got there, but about 80 children were participating in this wonderful activity. How any government in its right mind would even contemplate removing the aquatics program and, furthermore, the special music programs that operate beggars belief. I cannot believe that in this nation of ours, surrounded by sea with such a high participation in swimming and water sports, the government would even contemplate removing the aquatics program.

What these children have achieved in their primary education years through the aquatics program is quite remarkable; the confidence they show in the water and the ability to rescue people. These children are, generally speaking, under 12 or 13 years, so they are very young. What they have been taught—in particular, by the leader of the aquatics program there, Gary Oxley—has been superb, as has the way in which he has taken these young people through their aquatics courses. The program is very popular. It is fully supported by the parents, the community, the councils, and the schools right across the board.

I would sincerely like to think that on this one the government will reconsider its foolhardy and hasty decision to potentially remove these aquatics programs and, instead, to keep them in place. Water safety is absolutely paramount in our nation. Even the threat of removing this program has caused a great deal of distress to parents and children. They will remember—don't worry—it will not go away.

Just to add to that, I will talk about the music program. Over the past couple of weeks, along with many other members in this chamber, I have been attending the wind-ups for schools as they go towards the summer break, which they are all looking forward to. I suggest that most people in this chamber are probably looking forward to their break, as well. The ability of these children is evident—their musical talent,

what they have learnt and how they have been encouraged and supported by the teaching staff. I mention one teacher in particular, Mrs Elizabeth Stoldt, who works in the Victor Harbor area. This is quite profound and has a very deep effect on those who are fortunate enough to listen to them. Some of the children are only eight or nine years old, or even younger, and have been learning the flute for 12 months to two years. They perform in front of 200 to 300 people, which is a fairly formidable exercise. A lot of adults do not like standing up in front of five or six people, so to see these children getting up and performing, to me, is extremely important and it is a great example of the confidence they develop through these school music programs.

I urge members on the other side to lobby the education minister and the cabinet to keep these school music and aquatics programs in place. I believe it would be foolhardy, false economy and quite dreadful if they were to be removed.

#### MEMBER'S REMARKS

**Ms PORTOLESI (Hartley):** I rise to respond briefly—  
*An honourable member interjecting:*

**Ms PORTOLESI:** It will be good. I rise to respond briefly to comments made yesterday by my colleague the member for Unley, David Pisoni, and I am so pleased he is in the chamber today.

**The DEPUTY SPEAKER:** Order!

**Ms PORTOLESI:** Sorry, I cannot comment on who is or who is not in the chamber; I just learnt that earlier. In the spirit of Christmas and goodwill to all people I am going to do him a favour and give him a few tips and lessons about how to conduct himself in this place and in the community. In doing so, I acknowledge that I am as much a newcomer to this place as he is. He should do the same and acknowledge it, as I have. In order to refresh memories, yesterday, when referring to my column in *The Advertiser*, the honourable member said:

It can only be seen as an attempt to use her position as parliamentary secretary for political advantage rather than the benefit of her own community. If she is abusing her position in this matter she is there for the wrong reasons and should resign.

Lesson No. 1: the role of a member of parliament. Members of parliament do many things, but on a good day I would hope that members are turning their attention to ideas—ideas about their community, their state, climate change and working families (as is the case with me). Now some ideas are good and some ideas are bad. All sides suffer from this—

*Mr Pengilly interjecting:*

**Ms PORTOLESI:** Michael, I was quiet when you spoke, so you should pay me the same courtesy. All sides suffer from this, but the main thing is to try to do your bit for the greater good. When you have an idea as an MP you then try to promote the idea; and sometimes debate it, perhaps inside your party, in the community and, dare I say, in the media. For instance, I will give an example of an idea. The federal Liberals think that multiculturalism should be abolished. I think that is a bad idea so I am going to repudiate it—which is what I did and will continue to do.

*An honourable member interjecting:*

**The DEPUTY SPEAKER:** Order!

**Ms PORTOLESI:** Thank you for your protection, Madam Deputy Speaker. The member for Unley thinks this is an abuse of office. Does that mean Andrew Robb as parliamentary secretary has also abused his position? My friend, that brings me to my lesson No. 2: democracy. In my

humble view, this is the stuff that this place is made of. That means that, if you are lucky enough to have ideas (and I hope you do one day), in a democracy we are allowed—in fact, encouraged, in the Labor Party—to argue and debate them without fear or favour, and we then expect our parliamentary representatives to act accordingly. In fact, I did this yesterday when I moved a motion that this house reaffirms its commitment to multiculturalism—something the Leader of the Opposition seemed to think was a good idea. Thank you, Iain Evans.

That brings me to lesson No. 3—and this might be slightly more difficult for the honourable member to understand, but I will give it a go—try to be positive, not negative. When you have to go negative—as you did with me yesterday—

**The DEPUTY SPEAKER:** Order, member for Hartley! You should direct your comments through the chair.

**Ms PORTOLESI:** Thank you, Madam Deputy Speaker.

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! Members on my left will behave with respect to this chamber. If interjections continue and time is lost, the clock will be adjusted.

**Ms PORTOLESI:** When you have to go negative, as the honourable member did yesterday, you are admitting defeat. It is a desperate attempt to position yourself after the horse has bolted. The community does not like it because they can see through it. They want you to act responsibly with your power. Lesson No. 4: do not defend the indefensible. Why are you defending John Howard on this subject when even former Liberal prime ministers would agree that he has an appalling record on race relations? Let us remind ourselves of John Howard's record. In 1988 he made comments about Asian immigration. The honourable member should take a lesson from Steele Hall who, with others, had the courage of his conviction to reject Howard's views on Asian immigration and cross the floor to vote with the Hawke Labor government to oppose the use of race to select immigrants.

My advice to the honourable member is: do not stick your neck out for John Howard. First, he is wrong—and everyone knows it—and, secondly, he would not do the same for you. I am sure he does not even know who you are. Actually, I am probably wrong: he probably has heard that some guy in Adelaide nearly managed to lose the seat of Unley—a safe Liberal seat—and just about destroy the branch in so doing.

Finally, lesson No. 5—and this is borrowed from my father—if you have nothing to say then keep your mouth shut, as some of your colleagues, like Steven Griffiths, do. Despite the disappointing behaviour of the honourable member—

*Members interjecting:*

**The DEPUTY SPEAKER:** Order! Member for Hartley, you can conclude your sentence.

**Ms PORTOLESI:** I do welcome debate on this matter because the future of multiculturalism is bigger than all of us in here, bigger than all our parties and something worth fighting for.

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**Mrs GERAGHTY:** Mr Speaker, I draw your attention to the state of the house.

*A quorum having been formed:*

**PUBLIC WORKS COMMITTEE: LYELL McEWIN HOSPITAL REDEVELOPMENT PROJECT STAGE B**

**Ms CICCARELLO (Norwood):** I move:

That the 250th report of the committee, entitled Lyell McEwin Hospital Redevelopment Project Stage B, be noted.

Committee members had the good fortune to travel out to inspect the Lyell McEwin Hospital and saw the first stage of the redevelopment. Stage B redevelopment, together with its preceding stage A, completes the master plan of some seven or eight years, which had an objective of meeting the forward plan or the expected requirements for the next 20 years. The committee was advised that the project had already won 11 or 12 awards, which is quite unusual for health. In addition, four national awards have been awarded to the hospital redevelopment, and Mr Derek Exton said that the last one was probably the most significant because it is the first time that this state has won the national Ryder Hunt Property Council award, which judges projects in terms of their overall excellence, the value for money they have produced and the way in which they are delivered.

The stage A team will now be moving to deliver stage B. We must also put on record that the Lyell McEwin was the first hospital in South Australia to achieve a five-year accreditation. The Lyell McEwin Hospital provides a comprehensive range of specialist and diagnostic treatment services to a population base of approximately 196 000 people. In addition to its main hospital services, Lyell McEwin Hospital also provides services in the community such as mental health; pregnancy advice; diabetic outreach; and satellite renal dialysis services. The completed \$91.2 million stage A work replaced much of the core clinical and support infrastructure. Stage B will expand mental health capacity; enhance medical and palliative services; establish an extended emergency care unit, day surgery and ambulatory services; and expand support services. Stage B provides:

- a new 50-bed mental health in-patient unit;
- provision for up to 10 palliative care beds and 24 acute medical beds in an integrated unit;
- a 30-place day procedure unit;
- expansion from four to an eight chair day oncology unit;
- replacement and expansion of IMVS laboratory facilities;
- consolidation and expansion of pharmacy facilities;
- the accommodation needs of mental health administration, Lyell McEwin Hospital research and the palliative care team;
- priority asset sustainment works in the Joel and Banwell buildings and whole site services infrastructure; and
- the addition of angle car parking provision on bordering streets to compensate for loss of parks in accommodating the aged acute mental health facility.

The Stage B redevelopment provides for the full implementation of the Lyell McEwin Hospital element of the Mental Health Reform Strategy. The new 50-place mental health facility will accommodate 20 existing beds and 30 acute mental health beds transferred from Glenside. It will also provide for the required expansion of general acute clinical services essential for the expansion of health services to the community of northern Adelaide.

The total capital cost budgeted for the project is \$43.48 million. The provision of contemporary mental health in-patient facilities and their location adjacent to the emergency department will provide good patient and staff access to

the rest of the hospital through efficient movement and collocation of services, staff and patients. The creation of a new eight-bed extended emergency care unit will meet the increasing pressure on the emergency services and enable best practice emergency management for all patients. This unit will be a new built component adjacent to the emergency department created as part of stage A. The proposal provides additional permanent car parks on the site and bordering streets to meet current and anticipated demand.

Stage A is recognised for its exemplary approach to environmentally sustainable development, and these principles apply to stage B. The project goal is to reduce energy use at the hospital by 25 per cent. Because it accounts for 5.3 per cent of government building energy use, this will reduce energy use in the government buildings by about 1.3 per cent.

The principal purpose of the stage B works is to provide Lyell McEwin Hospital with the physical capacity to enable service growth and development in the key areas of mental health, day surgery, outpatient services and the effective management of emergency presentations through the addition of an extended emergency care unit. These works will:

- be aligned with the government vision for health service reform in South Australia;
- enable service synergies and enhanced collaboration between functions within the hospital environment and across the central and northern Adelaide health service region;
- achieve national benchmark standards for service provision and service planning;
- contribute to the hospital optimising its financial performance and achieving a balanced budget outcome; and
- provide a facility which will meet the needs of patients and staff for at least the next 20 years.

The facilities will support the effective and efficient provision of health care services by:

- improving functionality and enhancing workflow;
- enhancing the continuum of care for patients through better design and layout of the facility;
- providing facilities which meet the special needs of defined patients;
- providing a facility which is flexible in meeting current and future changing demand; and
- providing facilities that meet government objectives for environmental performance.

Greater use of resources within the hospital will be ensured by:

- sharing staff and critical skill sets between service areas;
- providing staff with a modern, safe and secure environment which enables the effective delivery of health care services and enhances staff morale;
- providing staff with equipment and infrastructure necessary to deliver effective services; and
- redesigning and streamlining current service practices and models of care.

The stage B redevelopment completes the masterplan which forms the basis of stage A redevelopment, and, as such, completes the expansion of services and modernisation of facilities required to meet the immediate health service needs for the community of northern Adelaide.

There will be no net impact on the operational funding of the Department of Health, but there will be a recurrent impact on Lyell McEwin Hospital. Additional activity worth \$7.6 million is being transferred from the Queen Elizabeth Hospital, and the cost of operating the additional 10 adult

acute and 20 adult acute mental health beds will be met from funds transferred from Glenside.

The project is expected to be completed by April 2009 and will be delivered through a collaborative contract process, as this procurement strategy was successfully employed for stage A. The collaborative contract process is aimed at creating mutually beneficial relationships between all involved parties so as to produce excellent results, and is an effective methodology for the management of the risks associated with this complex project.

The project is to address the needs of the local community for the next 20 years and so will need to address many changes as well as increases in-service demand. Accordingly, the committee is pleased to note the degree of strategic thought and planning which the project incorporates. For example, it ties into the government's plan for further development of primary health care services, and the Elizabeth Shopping Centre will be the site for one of the new GP Plus health care centres. There will be a relationship between that centre and services at the hospital, particularly in terms of diagnostic services.

The issue of key diseases has led to the improvement of the oncology and palliative care services, and services such as cardiology. The ageing of the local population will influence the partnership between the hospital and the development of the GP Plus health care centres, which will have a particular focus on chronic diseases, and particularly the clustering of those in old age. The Playford North development and the intention for an Army battalion to move into this area is being factored into future demand. The project allows space for future bed expansion, and a further 90 beds can be added without putting undue pressure on critical infrastructure. Stage B also takes into account the health needs across the wider area and, so, will enable the transfer of some activity from the Queen Elizabeth Hospital so that it may better meet the needs of its local population. With that, as I indicated at the beginning, the committee was very impressed with the Lyell McEwin Hospital Stage A. It certainly is a very welcoming environment. Stage B promises to be exactly the same, and will provide a much needed service for the people in the northern community. Based upon the evidence that it has considered, and pursuant to Section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public work.

**Mr PENGILLY (Finniss):** I rise to support the member for Norwood, indeed, the Chairman of the Public Works Committee. I fully support the extensions and the upgrade of the Lyell McEwin hospital. I have had a longstanding interest in the health system and, indeed, have some knowledge of hospitals, rebuilding, attempting to get money, appearing before the Public Works Committee, and all sorts of things. It gives me great deal of pleasure; it actually gave me a great deal of pleasure to go out to Lyell McEwin with my colleagues on that day and to be briefed on the redevelopment, to listen to the officers who spoke to us, to have an intensely interesting tour of the facility and to have pointed out the weaknesses and strengths of the general operation and those things that necessitated the referral of this matter to us for our examination.

I thought that the whole thing was put together extremely well, and I have full confidence in the fact that it will come in on budget and that the excellent facilities being provided will serve those people in the north for many years to come.

However, that is not to say that it will go on forever; it will not, and the long-term planning for the people in the north needs to be actively pursued and put in place for years to come, because that area, indeed, is not a wealthy one, and its people rely on the health services and facilities that exist in that area. I think it does great credit to the planners, designers and the people who have put forward the plan that came to the Public Works Committee on that day.

The only thing that failed on that day was that I instructed my three colleagues on the other side that they were to keep Kim Beazley there as long as possible, and they have dismally failed in that respect. That was a disappointment, but I am sure that they acknowledge their great loss and will work towards getting him back for a fourth time. However, I digress, although I do not need to speak at length, as I very much support the member for Norwood's comments. She has gone through the technical and finer details of the project, and I am very pleased to support it.

**The Hon. L. STEVENS (Little Para):** I am very pleased to support the report of the Public Works Committee, and I thank it for its assiduous attention to the issues that were put before it. I have spoken in this house before about the national awards that the Lyell McEwin Hospital Stage A development has received in terms of the innovative architecture involved, and the attention given to sustainable building in a variety of ways. I am pleased to see that this has been carried on through Stage B. The Lyell McEwin Hospital is, of course, situated in my electorate; in fact, it is just about opposite my electorate office. Of course, it provides a major hub of hospital service to a very wide range of suburbs in the northern area.

The final stage of the major upgrade of the Lyell McEwin Health Service has been in the pipeline and rolling out for some time. Most importantly, of course, in building this hospital the government has ensured that health services were located in those areas where population growth was occurring. That meant, of course, that it was very important to have a significant hospital service in the northern suburbs. What planners had seen was that many people from the north had had to travel considerable distances from their home to receive those services. And now, with an upgraded Lyell McEwin Health Service, they will be able to receive these services closer to home, and that, of course, is what we are aiming for.

It is pleasing to see that there will be a link with the primary health care services to be situated in the Elizabeth city centre. It is also very pleasing that the primary health care networks that have been established over the past couple of years or so are getting stronger and stronger, and will make an incredible difference in regard to issues such as handling chronic health needs at the grassroots level, avoiding the necessity for people going to hospital. I would like to particularly focus on the fact that there will be a 50-bed mental health unit at the Lyell McEwin Health Service; with 20 beds there at the moment, this will be extended by an extra acute 30 beds, which are being moved from the Glenside campus.

I am very pleased to see this because, of course, this is part of the mental health reform strategy to take acute services off the Glenside campus and to place them in hospitals in the metropolitan area closer to where people live. Of course, people in my electorate and other electorates in the north have been inconvenienced in the past by having to travel a long way to Glenside Hospital. People deserve to

have those services closer to where they live. I am really pleased to see this. I congratulate the Minister for Mental Health because I think that, in the end, she had to fight really hard to get the full extra 30 beds for mental health at the Lyell McEwen Health Service, and I congratulate her on doing so. That was the original plan and, for the sake of the people in the north, it needed to be part of this redevelopment. I congratulate the Hon. Gail Gago on carrying it through.

I want to comment on car parking, which is already an issue in the building of the new hospital. I note that some land has been set aside for new car parks, but an issue for the Lyell McEwen Health Service that has not yet been covered is the need for some on-site car parking—probably a multistorey car park.

*Ms Ciccarello interjecting:*

**The Hon. L. STEVENS:** The member for Norwood says that there are provisions for that. I did not notice that in the report, but I am pleased to hear it because, at the moment, there is quite a bottleneck all around the hospital. One of the problems with a hospital built in the middle of a community is that you do not have the land for much car parking space.

*The Hon. R.B. Such interjecting:*

**The Hon. L. STEVENS:** The member for Fisher mentions the Flinders Medical Centre. Flinders is a bigger hospital, but it has the same issue of needing off-road parking to enable people to access the hospital. I am pleased that the chair of the committee says that it is something it is continuing to look at.

I also congratulate the doctors, nurses and all the staff at the Lyell McEwen Health Service. I think they do a good job. There is quite a challenge in terms of the provision of health services for the northern suburbs into the future. As the chair mentioned in her contribution, it is a growing area and, with the Playford North redevelopment and the possibility of defence personnel being housed in the area, all these people will need health services. The Lyell McEwen Health Service will need to take a significant role in terms of acute services and, as I mentioned before, work very closely and in concert with primary health providers, GPs (and, of course, there is an issue with the number of GPs), community health workers and aged care providers to provide a comprehensive health service for residents into the future.

With those words, I congratulate the government on carrying through the final part of the redevelopment of the Lyell McEwen Health Service. It has been a long struggle. I remember campaigning for the redevelopment in the mid 1990s when it looked as though it would remain the poor cousin. We have come a long way since then and, when it is completed, we will really have a state-of-the-art hospital in the northern suburbs, where there is significant population growth.

**Mr RAU (Enfield):** I join with other members in congratulating the chair on the production of the 250th report of the Public Works Committee, entitled the Lyell McEwen Hospital Redevelopment Project, Stage B. At the end of the day, this is about best practice. It is about the big picture. It is about a focus on core business. It is about strategic fit. It is about synergy. It is about client focus. It is about results-driven, bottom-line game plans.

This committee has brought together the movers and shakers. They have been thinking outside the box and had the mindset to go the extra mile. Of course, there is a knock-on effect; that is, it has put so many other things to bed. They have gone in there, stretched the envelope and played hard

ball, but they have still used benchmarks. They have been proactive, not reactive, and they have left nobody out of the loop. It has been value-adding and, to my mind, it is knowledge-based. They have not moved the goalposts. They have really touched the bases and, from my point of view, it is a win-win situation.

**The Hon. P.L. WHITE (Taylor):** As a member of the Public Works Committee, and as a northern suburbs MP, I rise to also support this project and the start of construction. I endorse almost all the previous comments—or at least those I understand.

**The Hon. L. Stevens:** I am sure he doesn't understand them either.

**The Hon. P.L. WHITE:** I am going to ask for an explanation. I am almost timid to say this, but a lot of strategic thought and planning has gone into this project.

*An honourable member interjecting:*

**The Hon. P.L. WHITE:** I am trying very hard not to use any of these terms.

**Mr Rau:** This will help you.

**The Hon. P.L. WHITE:** I do not think I have any words that are not on this list! It is very good to see the added emphasis on and the improved facilities for mental health, particularly in this area, with the upgrade of the emergency offerings. The link with the Elizabeth Shopping Centre and new GP Plus facility is very important. I think that the committee was heartened to hear in evidence of the strategic fit, attuning the facility that will be delivered with the local needs as identified through the social atlas work that has been done. As the member for Little Para informed members, a lot of people in electorates like hers and mine travel quite some distances to access fairly important health services which will now, under this project, be delivered at Lyell McEwen Hospital.

When the Lyell McEwen Hospital opened, it was a collection of transportable buildings. The stage of development that was recently opened (probably about 12 months ago) has really changed the way services are delivered and, I think, the attitude of the community in accessing that hospital. I think that will be enhanced—and if I could find another word I would use it—with this new development. It is great to see the emphasis that the current state government is putting on hospital services in the northern suburbs.

Motion carried.

## SCHOOLS, GOVERNANCE

**The Hon. R.B. SUCH (Fisher):** I move:

That a select committee be established and inquire into DECS funded schools, with particular reference to—

- (a) the extent to which schools could and should be autonomous in regard to decision making, including finances, the employment and placement of teachers, and choice of curricula;
- (b) the particular roles of the principal, governing council, parents, teachers, the AEU and its members, and the PSA and its members; and
- (c) any other relevant matter.

I am very passionate about education, not only state education (which is the focus of this particular motion), but education generally, at all levels. I have had a long involvement in education, particularly school governance. I am still on two high school councils: Reynella East High School and Aberfoyle Park High School, two excellent schools in my electorate. I have been actively involved on each of those councils for approximately 18 years. I still have not passed



the subjects. I have been the chairperson of Coromandel Valley Primary School and I seek to actively involve myself in all the primary schools in my area, and I also interact with the private schools. Prior to becoming a member of parliament, I was involved in training teachers, so I have a long-standing interest in the matter of education.

This proposal is not in any way meant to criticise the current minister. I think the current minister is a very good minister, intelligent and capable. The member for Taylor was also an excellent minister for education. However, I believe that it is appropriate from time to time to look at how aspects of our education system are operating. I am not interested in engaging in a political point-scoring exercise, but I am interested in making, in this case, our state schools operate even better than they are currently. This is not about the performance, or otherwise, of the minister and it is not an attack on the government. I want to ensure that the governance of our state schools is of the very highest possible order.

Some members will recall that back in November 2000 an inquiry was set up to look at what were then called DETE funded schools. That was in response to the Partnerships 21 program. There were several illustrious members on that committee: the member for Flinders, the Hon. Jennifer Rankine, the Hon. Trish White, the member for MacKillop, and myself as chair. Unfortunately, we never got to report on that inquiry because parliament was prorogued on 15 February 2002. Nevertheless, a useful summary was made available as a result of that inquiry.

As I said, that looked particularly at the role of what was called Partnerships 21, but it also extended into other areas, such as retention rates, the requirements of children with special needs, the needs of children in various geographical areas of South Australia, the appropriateness, or otherwise, of the retention of the existing school-leaving age, the basis of employment and placement of teachers by schools, school fees, and any other education matter that the committee wanted to consider.

The motion before the house today is much more limited than that, and the focus is specifically on the issue of the governance of state schools. Prior to preparing for the motion, I spoke with several principals, and I will not identify them because I do not think it is appropriate. I did not indicate to them that I would make their comments public. I will just quote their responses when I sent them a draft copy of the proposed select committee. One principal, who is very well known and highly respected, wrote:

I am in favour of this move—it is . . . something that is being picked up on a national level by the Australian Secondary Principals Association—ASPAA [which] has lobbied the federal Minister, [the Hon.] Julie Bishop, and as a result [the federal department] is about to fund a research project into ‘self management’ of schools across Australia.

That would also look at international practice and, hopefully, come up with a best practice model. That was from one of our leading school principals. Another one from a different secondary school wrote, ‘I think the topics listed are very relevant.’ He then went on to say that he thought that the select committee could look at some other related issues. I will not elaborate on those.

The view amongst principals and others is that it is an opportune time to have a look at the way in which our state schools are governed. The motion specifically refers to the question of whether or not the schools should have more autonomy, but it does not set out to prejudge that question. What it does is raise the issue of whether the schools could

and should be more autonomous. So, it does not make a judgment. There is no point in having an inquiry if you already have a preconceived outcome in mind. That would be a nonsense.

The important aspects that school governing councils and principals are involved in relate to not only financial matters, important as they are, but also questions such as the employment of the principals. Many principals and governing council members have indicated to me that they do not feel that either of those two elements—that is, the governing council and the principal—do have a lot of autonomy at the moment. The act under which they operate suggests a degree of autonomy, but the principals I have spoken to confirm my own observation that they do not have a lot of autonomy. In fact, one of the principals who responded to me said:

The reality from a principal’s perspective is that promises of local management have not been realised and that any gains made under the original P21 concept have been slowly eroded.

So, there is a feeling abroad that school principals in state schools do not have the degree of authority and autonomy that is probably desirable. That is something the committee would need to look at.

Likewise, we have what is called a governing council but, in reality, governing councils do not do a lot of governing. They do not really have a lot of authority in matters relating to the school. I am not saying that schools should be able to hire and fire staff. There may be some merit in them having a greater say in hiring, but you would obviously need safeguards in relation to issues like the sacking or removal of a teacher. At the moment in the state school system I believe there is a problem—and it does not involve many teachers; we are probably talking about 1 or 2 per cent at most—where it is very difficult for a non-performing teacher to be moved on or moved out.

In the motion there is reference to the role of the AEU. I am certainly not anti-union. Whenever I was employed as an academic I always belonged to the appropriate union. When I was a teacher I belonged to the AEU or its predecessor. It is important that we have a look at those issues such as the selection of staff, the selection of the principal and the extent to which governing councils and principals should be able to influence not only the selection but also the possible removal of a non-performing staff member. Likewise, the PSA and its membership should have a say about the particular role of the governing council. And, importantly and fundamentally, the parents and the teachers should have a say, and, where appropriate, the students, particularly those in the upper secondary area.

This motion is not about looking for scapegoats or seeking in any way to diminish the importance of our state school system; quite the opposite. I make this quite clear: it is not about what may or may not have happened at Elizabeth Vale Primary School. It is not my intention that that would be a significant element, if any, in this inquiry. This select committee would be looking at the larger picture. I would not want it to be a cost-cutting or cost-shifting exercise.

I think the minister indicated some time back that she was mindful of the department looking at this issue. I do not think it is appropriate for the department to look at this issue because, in effect, it is judging itself and making recommendations about itself. The department could make a submission to the select committee—one would hope it would—but I think it is quite inappropriate for DECS to be reviewing its relationship with, and the autonomy (lesser or greater as it may be) of, a school council.

One of the issues that governing councils, principals and parents raise is that there is a feeling, rightly or wrongly, that DECS, through its structures, processes and practices, is actually giving schools less freedom to make decisions than has been the case in recent times. So, I believe it would be completely wrong for the department to be the body that looks at how its own structures operate, because I do not think the outcome of that would have any significant standing anywhere, because people would say, 'Look: Caesar has judged Caesar.'

I know the minister has indicated that possibility, but I trust that on reflection the minister might be mindful of supporting this select committee. I have chaired three select committees in recent years: those inquiring into cemeteries, juvenile justice and nurse education. I would say that those three select committees, along with others in this place, have been some of the most productive uses of MPs' time and expertise that I have experienced in nearly 18 years in this parliament. If you have a select committee, and the members on it are committed to doing the best for the state, I think you get a very productive outcome. In respect of a select committee set up in this chamber, obviously through its numbers the government has the authority to determine who sits on that committee and, therefore, it will have the numbers to dominate it. I do not have a problem with that, but I make the point that I think it would be more appropriate for this committee to be conducted via this house than have it conducted in the other place.

I do not say that as a threat, although I am aware that members in another place have indicated that, if we choose not to do something like this, they may well do it. I think that would not be as desirable as our conducting the inquiry in this chamber, because we have the minister here, and I think it is appropriate that the House of Assembly should conduct it. I commend this motion to the house. I trust members will support it; I trust the government will support it. I think it can help us improve our state school system, because I am passionate about that system. I want it to be the best, not only in Australia but the best in the world, and I ask members to support the motion.

**Mr HANNA (Mitchell):** I speak in support of the motion moved by the member for Fisher, Dr Bob Such. He wants to set up a parliamentary committee to look into departmental schools. In particular, Dr Such believes that we should be looking at the extent to which schools could and should be autonomous in regard to decision-making, including finances, the employment and placement of teachers, and the choice of curricula. He also wants us to look at the particular roles of the principal, governing council, parents, teachers, the AEU and its members, the PSA and its members, and any other relevant matter. At the outset, as with many of the motions moved in parliament, I might not exactly agree with the wording, but I certainly agree with the sentiment, and I think this is a very worthy proposal. It would be a very good thing for five members of this House of Assembly to examine and inquire into these matters. There is obviously an emphasis on what we used to call P21; that is shorthand for the proposition that more local autonomy should be permitted in the governance of our primary schools and high schools in South Australia.

I was an opponent of P21 when it was brought in by the Liberal government. I always suspected that it would follow the Victorian Kennett example whereby the public school system was given plenty of rope to hang itself. By that, I

mean that, by giving greater local autonomy, and at the same time halving public funding, it was left up to parents to decide where the painful cuts would take place. An element of that has existed in South Australia as well. But, when the Labor government came into power about five years ago, it was obvious that you could not have two funding systems for our public schools and, hence, the move was made to one system. So, we have a greater degree of local autonomy and there are some very good aspects to that. If schools can be motivated to save expenditure through more efficient use of energy and water on school premises and use the money saved on educational programs in the broadest sense, then that is an excellent thing, and it has been happening.

I have had quite a bit to do with the various primary school councils within my electorate over the years—some more than others. I know that there has been a succession of excellent, committed and passionate parents at Reynella Primary School, Woodend Primary School, Sheidow Park Primary School, Darlington Primary School, Seaview Downs Primary School, Dover Gardens Primary School and Seaview High School. I have also had a bit to do with Marion Primary School, Clovelly Park Primary School and Hamilton Secondary College, because they used to be within the electorate of Mitchell and, although they are now in the electorate of Elder, I still have some dealings with parents from those schools. The reality is that when you have a principal, obviously full-time in a public school, and a couple of teachers and a range of parents, the parents are always going to be hard-pressed to come up to the same level of knowledge and expertise as the principal and, inevitably, that gives the principal a very influential role in the actual governance of the school.

Of course, the day-to-day implementation of any decisions falls to the principal and the staff of the school in any case, but I have seen amazing personal development from members of school councils as they learn to deal with financial and other governance issues. On the whole, they have been doing a very good job, in my area at least. But Dr Such has raised questions in this proposal for a parliamentary committee, some of which are about the extent to which even the best of school councils can really govern to the extent of the aspirations of the P21 proposals years ago. One of the critical factors is having sufficient information, and right from when the P21 system was introduced there has never been a completely functioning and adequate financial reporting system to enable schools to make appropriate decisions. I realise it is a complex matter, especially when you get to high schools and you are talking about over 1 000 students in many different categories, but the EDSAS computing scheme has never really fulfilled its role as far as I can determine.

Factors such as that need to be looked at. If there is to be local school governance and a fair degree of autonomy to the local parents and staff of schools, then they have to have equipment and the knowledge to do that well. The member for Fisher also would have us look at the roles of the various players in the school arena, from staff through to parents through to union members. In my experience, union members in schools play a very positive role in raising questions sometimes critical of the government and sometimes critical of school management, but generally always with a view to the best possible education for the students for whom they have care. I see no problem in looking at the roles of all those different people. I suspect that the conclusion might be that if you give people adequate knowledge and autonomy they will come up with good decisions, because everyone is

involved in the process with good intentions. In summary, I support the matter. I think it is timely to review the degree to which schools can and should be autonomous in relation to decision making in our public schools. I commend the motion to the house.

**Mrs GERAGHTY** secured the adjournment of the debate.

**PUBLIC WORKS COMMITTEE: SA WATER  
ADELAIDE OFFICE AND LABORATORY  
ACCOMMODATION FITOUT**

**Ms CICCARELLO (Norwood):** I move:

That the 246th report of the committee, entitled SA Water Adelaide Office and Laboratory Accommodation Fitout, be noted. The entire functions of SA Water, including those of corporate, laboratory, engineering, customer support and research are currently divided between three sites at Thebarton, Bolivar and Grenfell Street in the city. None of these current sites meets government accommodation standards or parklands policy, or in fact supports SA Water's business needs and workplace strategy. Consequently, a new office and laboratory accommodation fitout for SA Water of approximately 16 700 square metres is to be undertaken in the 10-storey building being constructed at 250 Victoria Square by the Catholic Church Endowment Society. It is thought that this will revitalise a tired and underutilised piece of prime CBD land, play an important role in framing Victoria Square and be sympathetic to the architecture of neighbouring St Francis Xavier's Cathedral. It must be noted that the architect designing this building also did the court building which has elicited so much comment within the city. Mariano DeDuonni is a great architect, so this will be another notch in his belt or feather in his cap.

The government has entered into a project deed to lease space in this building and proposes to integrate the construction of the office and laboratory fitout with the construction of the base building. SA Water will occupy most of the ground level and levels 1 to 7 of the new building. It will become a one-stop shop for SA Water customers. Commercial tenants will lease the remainder of the ground floor and levels 8 and 9. The estimated capital cost for the fitout and associated works is \$46.1 million. The building will be leased for 15 years, with a five-plus-five right of renewal at a cost of \$390 per square metre and with an annual 3 per cent escalation and a market review after 10 years. It will be one of the most innovative and energy efficient developments in Australia and allow the government to fulfil one of its key ESD targets in the South Australian Strategic Plan.

The complex is designed to be the first in Australia with a six-star green-star rating for office design, office as built and office interiors. The six-star rating will be achieved through a range of measures including:

- An underfloor ventilation system for cooling and heating.
- A full height atrium to maximise natural light.
- Efficient use and reuse of water.
- An excellent indoor environment with a high percentage of outside air provided to building occupants.
- A gas-fired co-generation plant to provide on-site power generation and heat for the airconditioning system.

The design of the fitout demonstrates outstanding ESD principles. It will maximise natural light to all work stations and effectively use circulation space to create an open and light appearance. Wherever possible clear space will be provided adjacent to windows to provide daylight access and

create community interface spaces without impairing light penetration. Every employee will work in an open plan work station, with no enclosed offices. There will be interactive work spaces, meeting rooms, kitchens, utility areas and work spaces for private work. Personal computers will have flat screens to reduce energy consumption and heat load, and there will be an energy efficient lighting system with automatic dimming control. Records management regimes will reduce unnecessary paper production and work station storage. The building will also provide free on-site parking for customers, such as plumbers who will require the use of the building quite often. Some 140 bike parks, as well as shower facilities, will be provided in the basement. It will support a family friendly work environment with the provision of child-care places by sharing an early childhood education and child-care facility on the school grounds adjacent to the building. The ESD initiatives in the base building include:

- A veil on the western facade of the building to reduce solar loads while still retaining views and daylight.
- High performance glazing to north, south and east facades.
- A displacement ventilation system using a raised floor to give individual control to occupants. This will be the first building in the state to employ such a system.

As mentioned previously, the building will provide occupants with a high percentage of outside air and carbon dioxide monitoring on each floor, which will increase outside air rates when required.

The building will also incorporate an exhaust riser to printer and photocopy rooms and will incorporate several water-related initiatives. The Public Works Committee has long supported the collection and reuse of rainwater and is particularly pleased that this concept is incorporated into the ESD strategy. In addition, other water-related initiatives include:

- the use of class A recycled water for toilet flushing, irrigation and cooling towers;
- AAAA water-efficient taps, showers and toilets with waterless urinals; and
- treatment of stormwater leaving the site.

The building will have a gas-fired cogeneration plant for power generation interfaced to an absorption chiller to utilise the generated heat energy for the airconditioning system. This suite of measures, which has been designed to minimise energy and water use, will be subject to extensive metering and monitoring. Overall, as can be seen from the range of initiatives mentioned above, SA Water will demonstrate best ESD practice for office interiors, including a facility that will consume less energy, reduce waste and encourage reuse of resources that will provide benefits for government and the wider community. The financial assessment of the overall project (including lease costs) yields an NPV cost of \$101.2 million, which compares favourably to the NPV cost of the base cost of \$104 million.

The \$46.1 million fit-out cost exceeds the level that would normally be incurred to fit out office space, due to the significantly higher cost per square metre required to fit out the laboratories that take up approximately one-third of the tenanted area. SA Water will incur additional operational costs of up to \$0.9 million per annum, compared to SA Water's current operational costs. In addition, the investment will result in higher depreciation and interest costs of about \$5 million. The committee recognises that this major CBD building will provide significant social, economic and environmental benefits to South Australia.

It will create employment opportunities, increase private sector confidence and stimulate private sector investment multiplier effects. And it will become a template for the promotion of ESD principles for office and laboratory equipment. Therefore, pursuant to section 12C of the Parliamentary Committees Act 1991, the Public Works Committee reports to parliament that it recommends the proposed public work.

**Mr HAMILTON-SMITH (Waite):** The chair has left me only two minutes, I think, if we want to deal with this today so I rise to say that we will support this. We just make the point that we think it odd spending \$46 million on a headquarters for SA Water when we have so many water infrastructure challenges before us. It is a significant amount of money for a fit-out of a building that will look very nice on Victoria Square while we are talking about building weirs at Wellington, we have leaks through our water infrastructure, and there are so many projects for recycling that it does not seem to make sense. That is our main reservation with the matter. We appreciate the briefing. We understand that it will be a worthwhile and purposeful construction. I just think it is another example of a government with the wrong priorities.

There is a serious question about the financials on this as to whether or not we could have left SA Water where it is at this time and put this money to better effect to help prevent the effects of the worst drought we are likely to have in our history. That is a question that the government needs to answer. When you add this \$46 million together with the millions of dollars being spent on trams and you ask yourself where the money is for water infrastructure, you find yourself wanting. The government is crying poor. It has the money, but it is spending it on projects like this that I think are highly questionable.

For it to have come from SA Water itself at a time when all these other water infrastructures are there and there are massive dividends going to the government, we just think that it does not make sense. Having said that, the opposition supports the matter and looks forward to seeing it opened.

Motion carried.

### CLIMATE CHANGE AND GREENHOUSE EMISSIONS REDUCTION BILL

**The Hon. M.D. RANN (Minister for Sustainability and Climate Change)** obtained leave and introduced a bill for an act to provide for measures to address climate change with a view to assisting to achieve a sustainable future for the state; to set targets to achieve a reduction in greenhouse gas emissions within the state; to promote the use of renewable sources of energy; to promote business and community understanding about issues surrounding climate change; to facilitate the early development of policies and programs to address climate change; and for other purposes. Read a first time.

**The Hon. M.D. RANN:** I move:

That this bill be now read a second time.

Today I am proud to introduce bold and historic legislation designed to tackle the single biggest threat facing our state and our planet: climate change. Can I say at the outset that I want to dedicate this legislation to the inspiration over many years of Dr David Suzuki, and also to thank others, including Tim Flannery, Stephen Schneider, Paul Ehrlich and Tony Blair for their encouragement.

This legislation, the Climate Change and Greenhouse Emissions Reduction Bill 2006, reinforces South Australia's position as an exemplar to Australia and the rest of the world in the field of the environment. It lays down a series of ambitious yet vital goals for our state; goals backed by the weight of law. The bill breaks new ground on a number of fronts. For example, it is the first climate change legislation to be introduced in Australia, and only the third of its kind in the world, I am told, after California and the Canadian province of Alberta. Most importantly, the bill seeks to combat a phenomenon that I believe will strike Australia earlier and more severely than any other developed nation in the world; a phenomenon that many of us believe poses a greater threat to us all than even the grotesque threat of terrorism.

In order to place this bill in its proper context it is worth noting that its introduction is the culmination of four years of steady work and solid achievement by the South Australian Government. We have fostered the establishment and rapid growth of a thriving renewable energy sector such that South Australia is today the recognised national leader. For example, with less than 8 per cent of Australia's population, South Australia is home to 51 per cent of the nation's installed wind power capacity. We have gone from having no wind farms at all in 2002 to having six in 2006. When a further two wind farms are completed in 2007-08 including, I am told, the biggest ever to be built in Australia, the state's total investment in wind farms will exceed \$1 billion.

More importantly, our current and planned wind farms will save 1.2 million tonnes of greenhouse gas emissions a year, which is the equivalent of taking almost 300 000 cars off our roads annually. Recently we began a trial of mini wind turbines on office buildings in Adelaide's CBD, including on my own building in Victoria Square, and I certainly want to keep pursuing this approach and to see more mini wind turbines installed across the rooftops of Adelaide and hopefully be able to foster a local production industry in this area.

South Australia is also a leader in solar energy, with our state having 45 per cent of the country's grid-connected solar power. We have placed solar panels on major public buildings on North Terrace, such as the Art Gallery of South Australia, the South Australian Museum, the State Library and this parliament house, and soon we will install panels on Adelaide Airport. We are also in the process of installing solar panels on 250 public schools across the state as part of integrating environmental and conservation and sustainable energy into the science curricular, environment curricular and even the maths curricular. I must say it is terrific to go into schools and see often primary school children explaining how much power the solar panels on the roofs of their classrooms are producing.

Finally in renewable energy, South Australia accounts for about 90 per cent of the national effort now being put into the more experimental field of geothermal or hot rock energy. South Australia has this country's first Minister for Sustainability and Climate Change; a role I was proud to take on myself after the March state elections. We have introduced a number of energy and water-saving measures for the construction of new homes, including the mandating from July of this year of a five-star energy rating for all new homes and plumbed rainwater tanks for all new homes. We are also supporting the use of gas or solar water heaters in all new homes by introducing tough new greenhouse performance standards for hot water systems. We are planting 3 million

trees across Adelaide as part of a network of urban forest, and millions more will be planted as part of the River Murray forest initiative, and we are increasingly using alternative fuels in State Government cars, and bio-fuels in computer buses and trains.

In order to demonstrate leadership and to put our money where our mouth is, I recently committed the government to buying 20 per cent of its energy needs from certified green power sources by 1 January 2008. At present the highest jurisdiction is Victoria, with 10 per cent. Today I am urging businesses and local councils in South Australia to match the state government's 20 per cent commitment.

At the national level the state government has been promoting a national mandatory reporting scheme for greenhouse gas emissions. We are also proposing the establishment of a national emissions trading scheme, and if the commonwealth will not embrace it we will go it alone with the other states. This scheme is basically a market-based tool using industry caps and the issuing and trading of permits by companies designed to cut greenhouse gas emissions. The government is also encouraging the construction of energy and water efficient buildings in Adelaide's CBD. In line with this I was pleased to announce last month that South Australia's first council-approved six-star green star building, which is now starting to take shape in Victoria Square, will soon be the home of SA Water.

South Australia's practical efforts in relation to climate change have drawn endorsements from a number of international experts and campaigners on the environment. In September when he was touring Australia the former Vice President of the United States, Al Gore, commended South Australia 'for in many ways leading the world with visionary proposals to really do the right thing. And I congratulate you and your leadership for what you are doing, and I just wish the rest of the world, including my own country, was doing a lot of the things you now have in prospect there', Vice President Gore said. The Canadian environmentalist, broadcaster and author David Suzuki described the state government as 'among the most progressive' in the world, particularly for enshrining greenhouse gas emission targets in legislation as we are doing through this bill.

Also, in September, the former leader of the Soviet Union, and now Chairman of Green Cross International, Mikhail Gorbachev, wrote to me and welcomed the proposal to introduce this bill. Again, I want to quote directly. He stated:

South Australia should be proud of the strong leadership role it is taking in the fight against climate change in Australia and globally.

This legislation also has the support of the Prime Minister of Great Britain, Tony Blair, who told me the following in a letter:

I applaud your leadership on climate change and the goals you have set in your new bill.

Although the state government is very proud of this legislation, we remain deeply disappointed that it is not part of a concerted and necessary national action on climate change. We in South Australia may be taking the lead in relation to many aspects of climate change policy but, sadly, Australia as a country is still lagging behind other parts of the world.

The Prime Minister, Mr Howard, recently had a 'road to Damascus' moment announcing the establishment of a special working party to develop a carbon trading scheme for Australia. I must say this caught all of us by surprise, given the ferocity of his attack on me and other premiers when, just a few months ago, at Bondi Beach, John Thwaites, the

Deputy Premier of Victoria, Maurice Iemma, the Premier of New South Wales, and I released a discussion paper on setting up a carbon trading scheme for the states. Nevertheless, I believe that the federal government is continuing to bury its head in the sand on the issue of climate change, especially by refusing to ratify the Kyoto Protocol.

In the absence of genuine leadership at the federal level, states such as South Australia are acting in order to respond to and truly anticipate the effects of climate change. Obviously, through the COAG process and elsewhere, we will continue to call on the federal government to do the right thing by not only setting up a carbon trading scheme but also extending the MRET scheme.

For decades now the world has been given regular warnings about the deteriorating health of our planet—warnings that we have largely ignored. Still, evidence of climate change continues to mount, and the imperative for action is becoming clearer and more urgent by the day. In South Australia, 2005 was the warmest year since reliable records began in 1910. The most recent winter was our driest on record, prompting level 3 water restrictions from 1 January 2007. In October, the Murray-Darling Basin received its lowest monthly inflow on record, just 74 ggalitres, when the average October inflow is 1 100 ggalitres.

A recent CSIRO report tells us that, over the next 20 to 50 years, South Australia can expect higher temperatures, lower rainfall and an increase in the incidence of fires and drought. What is even more concerning is that these trends are occurring faster than the previously thought. I fear that South Australia's record low winter rains in 2006, the current devastating drought and record low inflows of water into the River Murray together represent a frightening glimpse of the future under the effects of climate change.

At the global level, the recent release of the Stern review by Sir Nicholas Stern, former chief economist to the World Bank, has attracted worldwide attention, primarily because it is the first report by someone of high international regard that puts the issue of climate change firmly on the economic agenda, not just the environmental agenda. In his report, Sir Nicholas describes climate change as the greatest market failure the world has seen. Sir Nicholas's key message is that action to reduce climate change is pro-economic, that the costs of climate change to the global economy are likely to be far higher than the costs of reducing emissions. Clearly, our window of opportunity for action is within the next 10 to 20 years. The Stern review tells us that failing to act on climate change could cost 5 per cent of global GDP each year from now on, and the costs could be more than 20 per cent of GDP if non-market issues, such as impacts on health, are considered.

In the state, national and global context which I have just outlined, today I am proud to introduce the Climate Change and Greenhouse Emissions Reduction Bill 2006. This legislation will position our state to take early action to reduce greenhouse gas emissions and to adapt the inevitable impacts of climate change. The Labor Party went to the March state election promising to introduce climate change legislation that would set a target for cutting greenhouse emissions by 60 per cent of 1990 levels by 2050; require a report to parliament on the issue of climate change; and establish a voluntary carbon offset program for business and government.

However, the legislation being introduced today goes further—as it must—as the evidence of the impact of climate

change mounts. The international debate on climate change is moving rapidly, and it is essential that South Australia stays ahead of the pack rather than lag behind. South Australia is by world standards a small jurisdiction, but this bill will demonstrate that we are an 'early mover' on climate change and, I hope, encourage other jurisdictions to follow suit. The overarching objective of the legislation is to set in place measures that will contribute to a more sustainable future for South Australia. It will do this by setting targets; promoting a commitment to action, including setting sector specific and interim targets; promoting business and community consultation; positioning us to rapidly take up new initiatives as they emerge; and keeping us accountable for progress through regular reporting.

Climate change is an issue for the whole community, not just for government. A total of 142 submissions and 36 letters of support were received during the public consultation on this legislation. As a result of the comments raised by business and community groups, I have made a number of important additions to the objectives of the bill. One of the new objectives relates to adaptation to climate change. The development of strategies that will allow us to adapt successfully to these changes will play a vital role in South Australia's response to climate change, alongside measures to reduce and mitigate emissions. To this end, a new objective to support measures to facilitate adaptation to the inevitable impacts of climate change has been included in the legislation. This recognises the need to improve the community's capacity to deal with global warming, especially its impact upon biodiversity, natural resources and ecosystems.

A second new objective is to encourage energy efficiency and conservation as a measure to reduce emissions. This is consistent with government policy and recent initiatives in this area, including the requirement for all new homes built in South Australia to have a five-star energy efficiency rating and the reduction in the government's own energy consumption as a consequence of the Government Energy Efficiency Action Plan. The final new objective is to promote research and development and the use of technology in order to reduce or limit emissions, or to support adaptation to climate change. This will support existing initiatives, such as the establishment of the Chair of Climate Change at Adelaide University (which the state government is very pleased to support financially), and will give South Australia a competitive advantage by developing cutting edge solutions.

Other major changes to be made as a result of the consultation process on this bill include:

- an increase in the frequency of reporting on progress from every four years to every two years;
- provision for the minister to set a target and interim targets for emissions by South Australian government agencies and instrumentalities;
- a requirement for sector agreements to be independently verified under the auspices of the Premier's Climate Change Council; and
- a requirement for the minister to support initiatives to develop a scheme to promote the generation of renewable energy in the state.

The Climate Change and Greenhouse Emissions Reduction Bill 2006 establishes three targets: first, to reduce by 31 December 2050 greenhouse gas emissions within the state by at least 60 per cent of 1990 levels; secondly, to increase the proportion of renewable electricity generated so that it comprises at least 20 per cent of electricity generated in the state by 31 December 2014; and to increase the proportion of

renewable energy consumed so that it comprises at least 20 per cent of electricity consumed in the state by 31 December 2014. So, the generation target and the consumption target are both 20 per cent.

As I said at the beginning, South Australia will be the first government in Australia, and one of only a few internationally, to legislate for realising targets to reduce greenhouse emissions. The United Kingdom has also indicated its intention to legislate for an emissions reduction target. I understand that that was in the Queen's Speech at the recent opening of the United Kingdom parliament. South Australia's setting of a long-term target to 2050 emphasises the need to make significant changes to the economy and the way we live if we are to make effective reductions in emissions. This target will be relevant to all government policy and strategy, and it will be a key determinant in economic, social and environmental decision making.

The legislation is based on three principles. The first principle is that the government will work collaboratively with business and the community in order to achieve the bill's targets. We want this legislation above all to be positive and workable—a goal that is very much based on my belief that, if you want to bring about profound and lasting change, it is always better to bring people along, rather than compelling or punishing them. The second principle is that the government is committed to realising the targets without compromising our economic development, environmental sustainability and social justice objectives. The third principle is that the legislation should provide for a flexible, adaptable and responsive approach to managing climate change.

National and international climate change policy is evolving at a rapid pace, so a flexible framework will allow South Australia to respond quickly and effectively, providing us with a strong competitive advantage and keeping us ahead of the game. In terms of collaboration, the legislation commits the government to working with business and the community to develop plans, policies and sector-specific and interim targets that will put us on the path towards achieving the headline targets. Working with the community is also important to ensure that greenhouse reductions go hand in hand with economic development and community wellbeing (the second principle of the legislation).

To this end, the Premier's Climate Change Council will be established to provide the government with an independent stream of advice on the impact of climate change on business and the wider community and on the effectiveness of policy responses. The council will have a role in disseminating advice to business and the community, including encouragement for the adoption of leading-edge practices. It will identify opportunities to reduce or eliminate red tape created by responses to climate change. The council will consist of between seven and nine members with expertise and interests representative of the South Australian community, including state and local government, business, science and the wider South Australian public. Members will be appointed for a period of three years.

An additional element of consultation is the requirement to prepare regular reports on the effectiveness of the legislation. Following public consultation, the frequency of reporting progress against the targets has been increased from four yearly to two yearly. The reports will outline progress towards achieving targets, including any interim or sectoral targets; new policy development, such as sectoral agreements entered into and voluntary offsets achieved; and any national or international commitments or agreements that have been

entered into. The first such report will be prepared in 2010. It is important that we keep a careful eye on progress and, to this end, it will be vital that we have the systems and processes in place to provide us with high-quality data and information that will inform this progress and any new policy developments that arise as a consequence.

The state government is hoping to lead the preparation of a new national approach to greenhouse gas emissions reporting that will be comprehensive yet streamlined and economically efficient. In support of this and in line with the commitment made at the March state election, the government is considering measures that will require greenhouse gas emissions assessments for all major projects. Indeed, cabinet on Monday approved an interagency inquiry into such measures with a view to cabinet considering recommendations early next year.

The plan may result in proponents of major projects being required as part of the approval process to report on the following: that risks of climate change and changing energy markets have been adequately analysed and addressed; whether all sources and levels of greenhouse gas emissions to be generated from the proposal have been identified; and that the methods to minimise emissions have been identified. This may include disclosing how opportunities for renewable energy, low emission technologies and energy efficient options have been analysed.

The third principle of the legislation is its flexibility. It seeks to provide an over-arching policy framework with operational aspects resting with other statutes and programs. This policy framework will be consistent with national and international developments, and its flexibility will allow for the implementation of state, national and international policies as they emerge. This flexible approach is intended to apply not only to policy responses but to new opportunities for the state. To this end, the legislation foreshadows the development of an industry plan for the state's renewable energy technologies industry.

As mentioned earlier, South Australia continues to host the highest proportion of renewable energy generation in all mainland jurisdictions. The renewable energy targets will support further development of both centralised and distributed renewable energy. The legislation provides for the minister to promote the use of distributed renewable electricity in the state and, flowing from this, the government recently announced that it has started preparing Australia's first feed-in legislation which will provide householders with up to twice the standard retail price for surplus power they feed back into the grid rather than the current dollar-for-dollar return.

The government is consulting with energy retailers, regulators and distributors, as well as the community, about the new legislation. Similar feed-in measures have been introduced into 16 European states and another seven countries outside of Europe, including Canada, China and Israel. The renewable energy industry will be supported further by the government's decision to source 20 per cent of its energy needs from certified green power sources from 1 January 2008 at the latest, and I should say that I hope to have that contract signed and sealed long before that.

The legislation will also support industry by providing the opportunity to publicly register its involvement in voluntary offset programs in a way similar to that already established by climate change legislation in California, under its governor, Arnold Schwarzenegger. The legislation provides

for the establishment of voluntary sector agreements between the minister and organisations, individuals or specific sectors.

Sector agreements will provide the basis for organisations to develop and commit to actions and strategies to address the objectives of the legislation and they will demonstrate serious intent to address climate change. Agreements will include actions to reduce emissions, adapt to climate change, develop appropriate technologies, reduce energy use and increase the use of renewable energy.

A register of all those who enter into a sector agreement will be established and be subject to public inspection. Due to their voluntary nature, there will be no sanctions for non-performance, and prior action to reduce emissions will be acknowledged. Emissions trading is now regarded as part of the climate change solution following lobbying by this state, New South Wales and Victoria for national discussion and debate on this issue.

A national blueprint for state-based emissions trading by the energy industry (which represents Australia's largest and fastest growing source of greenhouse gasses) has been released for public comment. Consistent with its flexible nature, the legislation includes specific provisions for the introduction of emissions trading in concert with other jurisdictions. In the absence of strong national leadership, South Australia has stepped up to take a leadership position.

In addition to lobbying for emissions trading, in 2005 I was successful in getting climate change placed on the agenda of the Council of Australian Governments. This led to the release of the COAG national plan of action on climate change. The COAG Climate Change Group has been set up to progress the action plan. I have also been able to reach agreement that the issue of climate change will be firmly on the agenda of the next COAG meeting.

The national approach to addressing climate change is largely based on technological solutions, such as clean coal, renewable energy, low emissions technologies and nuclear energy. South Australia's view is that, rather than focusing on one solution, a mix of complementary measures is required that can be delivered through a range of policy instruments, including market mechanisms, public education advocacy, legislation, regulation and new programs. We have already made considerable progress in this regard.

In tackling climate change, South Australia's Greenhouse Strategy is the state's plan of action for climate change, and it is scheduled to be released soon. It sets goals and objectives for a five-year plan of action for a government that will deliver the targets and policy measures outlined in the legislation.

South Australia's Strategic Plan commits South Australia to a range of greenhouse and energy efficiency targets, including the targets specified in this legislation. During public consultation on this bill, a number of groups called for the legislation to be strengthened through the inclusion of more mandatory measures to compel behaviours. However, the overall intent of the legislation will continue to focus on voluntary measures and collaboration to achieve change. One of South Australia's strengths is the close relationship between government and industry. Our aim is to reach our targets working with industry, not just by imposing new rules. It is the case that minimum standards need to be prescribed. This government believes that sufficient legislative force to achieve these standards exists already in other legislation such as the Environment Protection Act, the Development Act and the Mining Act.

The emphasis in this bill is to achieve progress through government and industry working together. The legislation provides for a review after four years to provide an objective assessment of the results of this approach. Consideration will be given to mandating behaviours and outcomes at that time in areas where further progress is required and where the climate change legislation is needed to cover any gaps in the other legislation as referred to previously. While the emphasis of the legislation remains on voluntary measures, the government has set itself compelling measures to demonstrate its leadership and commitment to take purposeful action.

The Climate Change and Greenhouse Emissions Reduction Bill 2006 is a considered, comprehensive and balanced piece of legislation. It seeks to bring about practical change for the better, to maintain South Australia's national and international leadership in relation to climate change and to secure the long-term prosperity of our state. For some people this bill will not go far enough, for others it will go too far, but I believe it boldly speaks to one proposition on which we can all agree, and that is that doing nothing on climate change is neither a reasonable nor responsible option in 2006. I commend this bill to the house.

**Mr HAMILTON-SMITH** secured the adjournment of the debate.

#### AUDITOR-GENERAL'S REPORT

In committee.

(Continued from 5 December. Page 1490.)

**The CHAIR:** Before calling the member for Waite I should remind everybody to do the right thing. Remember to stand, and the other thing that members seem to forget is that all questions must be referenced with a page, must relate to the Auditor-General's Report and not be of a generalised nature as with estimates or questions on notice. Member for Waite.

**Mr HAMILTON-SMITH:** Part B, Volume V, page 1313 refers to the signature register (about a third of the way down the page) and there is a quote from the Auditor-General, as follows:

... PIRSA staff who processed expenditure transactions on behalf of the department did not have a signature register to verify transactions were authorised by officers with delegated authority.

Treasurer, does this mean that payments may be, or are being, made for the department—I think the total is \$46 million in 2005-06—without sufficient checks to ensure proper approval has been given?

**The Hon. K.O. FOLEY:** There are no payments made outside a delegated authority, I am advised, but we will take the question on notice and look at it in more detail.

**Mr HAMILTON-SMITH:** I note that similar warnings were provided in last year's Auditor-General's Report where it stated (and I am quoting from last year's report):

... absence of a signature register to enable accounts payable officers of the service provided to verify payments were authorised by a financial delegate prior to payment of an invoice.

My specific question then would be—noting that you will get back to us—are you confident that there has been no breach of Treasurer's Instructions in regards to this—

**The Hon. K.O. FOLEY:** As I said, I will take that on notice. What I can say is that a signatory register has been provided to PIRSA, and any changes to delegates are

forwarded on a regular basis. We will have a further look at that question and come back to the member.

**Mr HAMILTON-SMITH:** In Part B, Volume V, page 1313, 'Accounts Receivable', I note the Auditor's remarks, as follows:

The audit noted that the department's delegations of authority did not specifically provide for authorisation of credit notes or invoice adjustments and there were unresolved reconciling items associated with the reconciliation of the accounts receivable ledger to the general ledger.

What is the department's response to this?

**The Hon. K.O. FOLEY:** I can respond. During the year the Department of Trade and Economic Development continued to improve processing controls with the accounts receivable function. The financial delegations and accounts receivable policies are currently being reviewed to ensure a streamlined process and to be specific in relation to delegations for credit notes and invoice adjustments. During 2005-06 the accounts receivable to general ledger reconciliations were delayed due to the processing required to remove the IAAF debtors which were transferred to the Department of Treasury and Finance as at 1 July 2005.

The accounts receivable to general ledger reconciliations have been completed by PIRSA for the financial year ending 30 June 2006, with all reconciling items being resolved. A year to date reconciliation for the month ending September 2006 has been received and the department is continuing to monitor the progress of PIRSA in this area. The internal audit program for 2006-07 includes a requirement to reassess the completion of any outstanding action items that were raised by the Auditor-General in the 2005-06 year.

**Mr HAMILTON-SMITH:** Can the Treasurer tell us what is the dollar value of those unassigned reconciling items on the same page of the accounts receivable ledger to the general ledger? Is there a dollar value?

**The Hon. K.O. FOLEY:** I will come back to the chamber with that answer.

**Mr HAMILTON-SMITH:** I refer to Part B, Volume V, page 1332. Note 16 deals with other revenues, recoveries and shared services. To whom does the department provide shared services?

**The Hon. K.O. FOLEY:** DTED purchases its shared services, corporate functions, in this area, from PIRSA. This line, I am advised, relates to the Venture Capital Board which purchases its services from DTED.

**Mr HAMILTON-SMITH:** I move to the SA Asset Management Corporation. I refer to Part B, Volume III, page 944 at note 24. The Australis property was valued as at 30 June 2005, and I was wondering what the protocol is regarding how often it should be valued.

**The Hon. K.O. FOLEY:** I am awfully tempted to enter into an absolute spray at members opposite about Australis. That was one of the first deals of the Brown Liberal government. We lost a fair bit on that one, I think—that was a few millions down the tube. Australis, she lit up like the beautiful rocket that she was but she just did not lift off; it blew up and took everything with it.

**Mr Hamilton-Smith:** I wasn't here.

**The Hon. K.O. FOLEY:** No, you weren't; I was. I will take that question on notice and I will get the appropriate officers to come back with a considered answer on that.

**Mr HAMILTON-SMITH:** On that same reference at page 944 in relation to SA Water's tenancy of the building, what proportion of the building in terms of floor space and



lease rental payments per annum does SA Water currently take up?

**The Hon. K.O. FOLEY:** We think it is pretty much all of the building but I think it would be a question better put to the Minister for Administrative Services.

**Mr HAMILTON-SMITH:** I thank the Treasurer. I suppose his answer to this question would be the same but I am interested in when SA Water might be leaving the building and whether new tenants have been found for it.

**The Hon. K.O. FOLEY:** My advice is that, given the location and the prime asset that it is in the city's main boulevard, we do not expect any difficulty in reletting that building. The exact timing will depend upon the construction and completion of the building that it tends to lease in Victoria Square. I heard the member earlier talking about whether that is money that should be spent elsewhere. At the end of the day, SA Water's head office has to live somewhere and, whether it negotiates a lease here or at another building, it is not uncommon for government agencies to have different accommodation requirements when their leases expire and, so, move accordingly.

**Mr HAMILTON-SMITH:** On that same subject and reference, is it the opinion of the Treasurer and his advisers that the value of the building has been impacted upon by the loss of SA Water as a tenant and, in particular, is now lower than the \$40 million valuation on June 2005?

**The Hon. K.O. FOLEY:** The Auditor-General stated:

The risk that the value of the building in 2008 will be less than \$39.5 million is considered low on the basis of an assessment of the property by Savills (SA) Pty Ltd on 30 June 2005. The independent assessment valued the property at \$40 million.

As we said, we will not have any problem in leasing that. We have plenty of time to get those leases in place.

**Mr HAMILTON-SMITH:** At that same reference, was a new valuation performed for June 2006 and, if not, why not?

**The Hon. K.O. FOLEY:** I do not know the answer to that. I am not sure how often we value these buildings. I will come back with an answer.

**Mr HAMILTON-SMITH:** I move now to the RISTEC project. I refer to Part A: Audit Overview, pages 21 and 22. On page 22, the audit report states:

Over the past four years Cabinet has been formally provided with some updates of changes in the project. However, the advice to Cabinet has not been comprehensive with respect to providing detailed particulars concerning scope, reasons for project delay, and the revised cost and timeframe expectations in regard to significant components of the replacement system.

Will the Treasurer offer an update on that matter?

**The Hon. K.O. FOLEY:** I accept that this project has been a little longer in implementing than we would have liked. As I am rapidly learning, IT projects rarely go to script. In regard to time frame, the project board chaired by the Under Treasurer has taken action consistent with a commitment not to take unnecessary risks. It is in this context that detailed consideration has been given to available and potential solutions. The time taken to do this has been necessary and worthwhile. It is a cautious approach, which positions the government well for the next stage of the project.

The Under Treasurer has made the point to the Auditor-General that the delays have not involved significant additional costs, and they have enabled government to mitigate some significant risks that the project may otherwise have faced. The project board not only closely monitors and

applies corrective action in order to minimise potential time and cost overruns but also minimises the risks associated with the size and specific revenue collection nature of this project.

On the issue of cost, it is premature to advise that the project is expected to exceed previously approved expenditure allocations when the board itself has not reached that conclusion, but, further, there is no basis on which to draw that conclusion. To date the cost of the project has not been revised. In relation to scope, cabinet was informed in January 2006 that the potential for the inclusion of ESL in the project would be investigated and that, if a sound basis case emerged in the RFP response, approval for scope modification would be sought. To date the scope of the project has not changed.

In relation to the current status of the project, an open market RFP was released in August this year seeking proposals for the implementation of a commercial off-the-shelf product to replace Revenue SA's existing systems. The RFP response period closed on 21 November 2006. Following completion of an evaluation process to select the best value for money proposal, a cabinet submission will be forwarded for consideration. If a sound business case can be established, the cabinet submission will include a request to add replacement of the ESL system to the scope of the project. The cabinet submission is expected to be ready for consideration in June 2007.

**Mr HAMILTON-SMITH:** If I missed this in your answer, please correct me. I note last year (I think 8 November) that the Treasurer, when asked what the total cost of the project to date was and how this compared with the original budget, answered that the total budget was \$21.6 million, but he did not at that time provide the total cost of the project to that date. What is the latest figure as to the total cost and what is the latest budgeted cost for the whole project?

**The Hon. K.O. FOLEY:** I am advised that we are still working on a \$21.6 million figure, but we may need to increase it slightly by a couple of million dollars—that is slight to the Under Treasurer—if we include the ESL; but we are doing that business case now.

**Mr HAMILTON-SMITH:** In relation to the same reference, are there any reasons for the project delays about which you can inform the committee, other than what has already been mentioned?

**The Hon. K.O. FOLEY:** I am advised that we looked closely at the implementation of new systems in Victoria and Queensland. There were a number of problems with both those projects with cost overruns and not getting suitable outcomes for this government; and I might add that is our opinion, but it may not be the opinion of those respective governments. We have looked at those two projects and taken away some good and bad points from the projects; and we are including them in our scoping.

**Mr HAMILTON-SMITH:** I want to move to general questions about state finances and related matters. The supplementary report, page 40, paragraph 84.4, talks about savings initiatives, DAIS and shared services. Will the Treasurer provide an update on the abolition of the Department for Administrative and Information Services?

**The Hon. K.O. FOLEY:** I was advised in a meeting this morning that things are on track. The break-up of DAIS may take longer than we initially thought. The scheduled date was 1 January 2007, but I was advised this morning it might be slightly delayed. The legal arrangements have changed from 1 October in terms of those agencies, but, in terms of the actual physical separation of those agencies and their going

into their new homes, we hoped to have it operational by 1 January 2007; it may be slightly delayed.

**Mr HAMILTON-SMITH:** I refer to the same reference. Can the Treasurer provide an update on the shared services initiative?

**The Hon. K.O. FOLEY:** There is a lot of new news. The Shared Services Reform Office was established within the Department of Treasury and Finance on 27 September 2006 to implement shared services across the SA government. The governance model approved by cabinet includes the establishment of a chief executive of the shared services steering committee to assist the Under Treasurer in implementing the shared services reform. The Shared Services Reform Office will undertake a data collection process involving all portfolio agencies from 8 January to 16 February 2007 to establish an accurate benchmark of current agency costs and activity levels for the delivery of corporate services.

In order to support the reform process, a communication strategy has been developed to ensure that stakeholders remain informed and engaged during the reform process. Following analysis of the data collected from agencies, the Department of Treasury and Finance will put forward a cabinet submission detailing implementation options for shared services, including expected benefits, time frames, transition strategies and risk management.

**Mr HAMILTON-SMITH:** Page 41 of the supplementary report states that 'specific reporting would be in place whereby portfolios will classify each amount in relation to whether the budget initiative is proceeding or whether the initiative is at risk'. Will the Treasurer clarify the status of this matter?

**The Hon. K.O. FOLEY:** I am advised that three times a year there are requirements for reporting from agencies as to whether they are achieving their savings and, if not, why not.

**Mr HAMILTON-SMITH:** Could the Treasurer confirm what reporting arrangements will be in place to monitor that?

**The Hon. K.O. FOLEY:** That monitoring for general government savings is to the ERBCC. On the issue of the shared services implementation, we are working through the governance of that internally, within government, as we speak. That, too, I am sure, will be referred to the appropriate ministers, ERBCC and, ultimately, cabinet. Given the size of the project, it is my view that cabinet would be kept informed.

**Mr HAMILTON-SMITH:** On the same reference, on the matter of the absorption of DAIS, the Treasurer might point me to the Minister for Transport but he may have some knowledge of this. There are some shared customer service centres that were formerly run by transport and went across to DAIS some time ago. Will they now be going back to Transport, Energy and Infrastructure and what would be the cost of that relocation?

**The Hon. K.O. FOLEY:** To the best of my knowledge, that function would have been transferred to Services SA, which was part of DAIS. Services SA will now go back to the Department of Transport, so its ultimate reporting body will be the chief executive of transport, but it will still be within the Services SA operational unit.

**Mr HAMILTON-SMITH:** That same supplementary report on page 51 talks about service risks and contingent liabilities. The second sentence in the paragraph interested me. It reads:

Matters that have arisen over recent years highlight the importance of public sector entities understanding the nature of risk in their

circumstances and having relevant controls and processes in place to mitigate and monitor identified risks.

Will the Treasurer tell the house what is meant by that statement? For example, what matters have arisen in recent years?

**The Hon. K.O. FOLEY:** I am not sure of the specific point the Auditor-General was making in that paragraph. The general principle of what he is saying is one that we follow, but I am not certain of the specific references that he is making there.

**Mr HAMILTON-SMITH:** On page 61 of the same supplementary report, under Financial Performance, I am looking at table 12.1. Does the Treasurer accept that, for the years 2002-05, this table shows that the whole of government financial performance was a deficit in each of these years, including up to \$1.5 billion in 2005 and, if not, will he clarify what these figures represent?

**The Hon. K.O. FOLEY:** I will come back with a more accurate statement, but I am advised by the Under Treasurer that AAS31 Financial Performance is not the accounting standard that is used in state government budgetary papers. This is an accounting standard used by the Auditor-General and therefore gives a different—

*Mr Hamilton-Smith interjecting:*

**The Hon. K.O. FOLEY:** No, because my guess is that, under your government, if this is in deficit your deficits would have been much larger. I do not think it is one that the honourable member can make mileage on.

*Mr Hamilton-Smith interjecting:*

**The Hon. K.O. FOLEY:** Maybe you would have been a better treasurer than the former treasurer: I do not doubt that for one moment, to be perfectly honest; it would not have been difficult. I will come back as to why that particular table shows a negative number.

**Mr HAMILTON-SMITH:** I move on to the South Australian Government Captive Insurance Corporation, and in particular Part B, volume IV of the Auditor-General's Report at page 1026, dealing with policy and procedures manuals. What further progress has been made since 21 July 2006 on policies and procedures for SAICORP?

**The Hon. K.O. FOLEY:** I like that name: South Australian Government Captive Insurance Corporation. I have never had that properly explained to me. I assume it is because no government agencies have any choice but to be captive of our insurance. It is a great name: who thought that one up? The Government Captive Insurance Corporation was incorporated into SAFA. We are undertaking a review of the policies of the insurance corporation to ensure that it aligns itself with those for SAFA in general, and that work is currently under way.

**Mr HAMILTON-SMITH:** Looking at the same volume, page 1031, Catastrophe Reinsurance Program, what factor specifically led to a reduction in the reinsurance premium expense from \$9.4 million to \$7.9 million?

**The Hon. K.O. FOLEY:** We will come back to the honourable member with a detailed answer on that.

**Mr HAMILTON-SMITH:** With that answer, could the Treasurer also advise us in regard to that same program what changes are in the Catastrophe Reinsurance Program, if any?

**The Hon. K.O. FOLEY:** Absolutely.

**Mr HAMILTON-SMITH:** Page 1032, 'Risk management activity across the public sector': what issues exactly did audit identify in respect of clinical risk management within public hospitals?

**The Hon. K.O. FOLEY:** We do not know the detail. I will get an answer on that, but obviously medical risk is one of our most significant exposures, if not the most significant exposure, I guess, other than general catastrophic exposure. It is no secret that, tragically, from time to time there are issues arising from our public hospitals that require settlements. That is the tragedy of hospitals, be they public or private hospitals, or be they our hospitals or those in other states or countries. But, clearly, the management of those, to try and avoid those type of incidents, is very much in the state's financial and moral interest. That is work that I understand will go on, but I will get a considered answer for the member.

**Mr HAMILTON-SMITH:** I thank the Treasurer for coming back to us in regard to the issues. Is he in a position, on that same subject, to tell us which hospitals were identified by the Auditor-General as requiring further focus and evaluation?

**The Hon. K.O. FOLEY:** I will take that on notice and consider an answer. Whether or not identifying the hospitals is in the public interest, I will take advice as to whether we will disclose that. However, what the Under Treasurer has informed me is that, since we have moved SAICORP into SAFA, we are actually increasing our effort in all government agencies, including our hospitals, to work with those entities to advise them of their risks and to assess their risk management policies and approaches. So it is a general across-government initiative to improve risk management in all government-exposed sites.

**Mr HAMILTON-SMITH:** Moving on to page 1041 of Volume IV, and note 4, 'Segment Reporting', under 'Professional Indemnity and Directors and Officers Liability' there is a claims expense of \$7.14 million. Could the Treasurer explain what incidents have resulted in claims to that expense of \$7.14 million?

**The Hon. K.O. FOLEY:** I am not sure of that answer. We are just looking at the table, Madam Chair. We will come back with a considered answer.

**Mr HAMILTON-SMITH:** On that same page, note 4, 'Segment Reporting', under 'Medical Malpractice' there is a claims expense of \$27.27 million. Could the Treasurer explain the reasons for that \$27.27 million figure and why it seems to have nearly doubled since 2005? Is it an increase due to systematic factors or is there some other explanation?

**The Hon. K.O. FOLEY:** We will check that out, but, as the Under Treasurer obviously points out to me, the nature of these claims are very lumpy. In a technical sense it is not a nice way to have to describe someone's tragedy, but these are accidents, they are mistakes, they are terribly unfortunate incidents, and they do come along at different stages. But I will have the chief executive officer of that agency come back to us. It is a good question, and it is one that the house deserves an answer for.

**Mr HAMILTON-SMITH:** Referring to that same page and the tables, under 'Industrial Special Risks and Business Interruption', I note there is a negative claim expense of \$10.491 million. Could the Treasurer tell the house what has led to that negative claims expense?

**The Hon. K.O. FOLEY:** I apologise to the member, but again we cannot give you that answer off the top of our head, but we will get you a considered answer.

**Mr HAMILTON-SMITH:** On page 1042, note 11, I see an underwriting expense involving detail, I think, of \$190 000 in risk management grants provided. Could you tell us the

name of the grant recipient, and how much went to each grant recipient and the purpose of the grant?

**The Hon. K.O. FOLEY:** We can get you that information; but we give grants to government agencies to assist them to prepare their risk management policies.

**Mr HAMILTON-SMITH:** Page 1043, same section, 'General and Administrative Expense': could the Treasurer explain to the house the reasons for the increase in investment management fees paid externally to government? I see it has increased from \$176 000 to \$258 000.

**The Hon. K.O. FOLEY:** I will come back to you with an answer but, of course, whilst SAICORP had managed its own investments, bringing in external consultants to advise them on their asset allocations, etc., all those functions are now being transferred to Funds SA or being incorporated within that organisation.

**Mr HAMILTON-SMITH:** In the same volume on page 1057, note 4, I see a claims expense—section 2, the SAGIRM Fund. Could the Treasurer explain the reason for the \$6.421 million property expense for 2006 and, in particular, was the increase relating to an uninsurable risk or a pre 1 July 1994 incident?

**The Hon. K.O. FOLEY:** I do not know the answer, Madam Chair. I will come back to the house with an answer.

**Mr HAMILTON-SMITH:** I refer to Treasurer's Financial Statements, Part B, Volume V, page 35, statement I, dealing with capital equity contributions. Can the Treasurer outline (or take on notice, if he cannot) all movements in equity contributions for all agencies listed and the reason for the movements?

**The Hon. K.O. FOLEY:** It has to do with the cash movements in accordance with our cash alignment policy. It is an extremely large amount of work, I assume, and I do not see the purpose of providing all that information. The main two instruments of agencies complying with our cash alignment policy are through equity transfers or through loans.

**Mr HAMILTON-SMITH:** Can the Treasurer take that on notice and come back to us? We asked questions about this last year, which apparently remain unanswered. We are keen to explore those movements in equity contributions.

**The Hon. K.O. FOLEY:** The member is obsessed with the trivia and the minutia. If this somehow gives him some pleasure, I will endeavour to undertake that exercise.

**Mr HAMILTON-SMITH:** I refer to Part B, Volume V, Department of Treasury and Finance, page 1424, the Accrual Appropriation Excess Funds Account. Has the department made a cabinet submission to advise the government of the status of the account and, if so, can the Treasurer tell us when? In fact, what is the purpose of the account in the context of the cash alignment policy?

**The Hon. K.O. FOLEY:** We do not readily recall whether or not such a submission has been done, but we will take that question on notice.

**Mr HAMILTON-SMITH:** Can the Treasurer tell us the purpose of the account in the context of the cash alignment policy?

**The Hon. K.O. FOLEY:** It is an account into which we sweep agencies and surplus cash in agencies, which we control. If agencies need access to that cash, we will consider that, but it is an account that allows us to have control over the surplus cash that we sweep back from agencies, which is the centrepiece of our cash alignment policy.

**Mr HAMILTON-SMITH:** In regards to the Motor Accident Commission, Part B, Volume III, page 759, note 7,

'Other Underwriting Expenses'. Under management expenses, how much relates to fees paid to Allianz in 2005 and 2006?

**The Hon. K.O. FOLEY:** I will take that on notice. For commercial in confidence reasons, I am not sure whether we actually publicly disclose the contractual figures—I guess we do; I am not sure—because of the competitive nature of that particular contracting. I will take that question on notice and come back to the house. If it is not appropriate that that figure be released publicly, I am happy to make a private briefing available for the opposition.

**Mr HAMILTON-SMITH:** I refer to the same Auditor-General's reference. I am interested in information and advice from the Treasurer about the amount the Motor Accident Commission paid for contractors in 2005 and 2006, specifically, who those contractors were, the method of engagement used, the purpose of the contract and the amount paid to each contract.

**The Hon. K.O. FOLEY:** I will come back to the house with that.

**Mr HAMILTON-SMITH:** I will move on to the Superannuation Board. I refer to Volume 4, Part B, page 1171. The audit report states:

The department is in the process of finalising arrangements for an off-site Disaster Recovery Site.

Can the Treasurer update the house about that matter?

**The Hon. K.O. FOLEY:** We are not sure of the completion details, but we do have a back-up site should a disaster occur, as I am sure that all of us would not want the state's superannuation office lose all that data, would we?

**Mr HAMILTON-SMITH:** I think that is pretty much it for Treasury and Finance but I have missed a couple on trade and economic development.

**The Hon. K.O. FOLEY:** You can ask me.

**Mr HAMILTON-SMITH:** You can take it on notice if need be. I refer to Part B, Volume V, page 1330, 'Contractors'. Note 7 refers to supplies and services, and outlines that contractors used a total of \$4.916 million on this page. We are interested in the name of the contractor, the method of appointment, the purpose of the contract and the cost paid to each contractor with that sum.

**The Hon. K.O. FOLEY:** I am happy to get that information for the member.

**Mr HAMILTON-SMITH:** I refer to Volume V, page 1331, 'Grants and Subsidies'. For the \$23.3 million in grants and subsidies, can the Treasurer outline the name of the recipient, the amount of the grant subsidy to each grant recipient, and the purpose of the grant subsidy?

**The Hon. K.O. FOLEY:** Yes. I am happy to do that for the honourable member.

**Mr HAMILTON-SMITH:** Moving forward to page 1333 of the same volume, note 22, 'Non-current Assets Classified as Held for Sale'. What were the three lots of land at Monarto previously used for, and for how long were they held by the government?

**The Hon. K.O. FOLEY:** I do not know the answer. Maybe they were held for a town 30 years ago, or maybe they were there for the extension of the zoo. I do not know the answer, but I will happily come back to the house with one.

**Mr HAMILTON-SMITH:** Finally, moving forward to page 1337, Volume V, 'Cash Flow Reconciliation', can the Treasurer provide a breakdown of the \$7.284 million described as 'Asset write-downs and transfers'?

**The Hon. K.O. FOLEY:** I am happy to accommodate the member.

**Mr HAMILTON-SMITH:** I thank the Treasurer for his assistance, and that is us completed.

**The Hon. K.O. FOLEY:** It is rather nice when Martin and I are both civil, polite and friendly to each other. It is much nicer than when I am dominating the debate and you are subjected to it and wilting under the harrowing onslaught from me!

*[Sitting suspended from 6.08 to 7.30 p.m.]*

**The CHAIR:** Before I call the member for Goyder, as we have two new principal players I remind people that the rules are according to the formal committee procedures here. Members need to stand, and all questions must be referenced to the Auditor-General's Report. They are quite distinct from estimates and questions without notice.

**Mr GRIFFITHS:** I preface my questions by confirming that they relate to Part B, Agency Audit Reports, Volume II, within the page range of 532 to 545. My first question relates to page 545, and 'Employee Benefits' and 'Remuneration of Employees'. I note that the number of employees whose remuneration is over \$100 000 has decreased from 113 to 108. That is quite a pleasing result and somewhat different from that occurring in other departments. However, in noting this reduction in numbers, it is with some concern that I refer to the number of people who earned about \$150 000. In 2004-05, the remuneration above this level was received by nine employees, but for 2005-06 this number has jumped to 19. Can the minister outline the reasons for such a substantial increase in the number of people receiving above \$150 000?

**The Hon. P. CAICA:** I thank the honourable member for his question. As he quite rightly highlights, the number of employees paid \$100 000 or more decreased by five in the current year. With respect to the specific question, as I understand it, as to employees earning \$150 000 or more, a number of factors contributed to the changes across the bandwidths. These main factors include the increase in the maximum bandwidth that represents the Chief Executive Officer, Mr Cunningham, and that figure reflects that the CE was paid for the full year, whereas the previous year was only reflective of six months' pay. The TVSP uptake in the current year moved a significant number of employees into higher bandwidths than in previous years. In addition, there were salary increases as a result of award increments. Those would be the primary reasons behind that specific occurrence.

**Mr GRIFFITHS:** As an extension to that question, minister (and you may have partially answered this), I note that last year only one person earned above \$220 000. I am not sure whether or not that was the CE, given the fact that he was paid for only six months of that financial year. I note that four people are now above the \$220 000 figure, with one person receiving between \$260 000 and \$270 000 and one person receiving between \$290 000 and \$300 000. Minister, can you outline the reasons for such a substantial increase in the remuneration at the senior levels, given that the previous year's highest paid person, the remuneration paid last year, represents an increase of some 16 per cent?

**The Hon. P. CAICA:** Two employees earned over \$260 000 compared with one in the previous year, and those two employees, as I partly answered, include the chief executive officer and an employee who received a targeted voluntary separation package in June 2006. In addition, one employee received in excess of \$250 000 in 2004-05 and

retired in 2005-06. The chief executive was not appointed until January 2005 and, accordingly, only a part year of the earnings is included in the 2004-05 figures for that employee, the chief executive. In addition (and I have just checked to make sure that my answer is correct), with the revamping of the structure within the executive of DFEEST, we have engaged two deputy chief executives whose bandwidth falls in that category you have identified.

**Mr GRIFFITHS:** I recognise that the minister has had portfolio responsibility for only one quarter of this financial year we are asking questions about, but I have full confidence in the fact that he can provide detailed answers. I refer to page 531, 'Employment Program—Regions at Work'. I note that a review of this program, which during the 2005-06 year provided \$7.6 million to 17 regions for approximately 200 projects, was undertaken by the Auditor-General to determine whether objectives had been achieved. In reading this, I was a little confused about what he meant by that. Can you provide clarification on whether the comment related to the overall objectives of the program being achieved (as in the Regions at Work) via the projects that were funded, or does it question the objectives of the individual projects that were funded?

**The Hon. P. CAICA:** I thank the honourable member for his question and, like him, I have a strong opinion about the effectiveness of Regions at Work—hence the question today. I know that he is very familiar with those programs as well. Having said that, it is most appropriate that there is a review of such a program, given the expenditure that occurs. I am of the understanding that the draft evaluation report has been prepared and is expected to be finalised very soon. The report will be made publicly available once it is concluded, and it will be a report that encompasses the area you have mentioned—the effectiveness of the program—and, for want of a better term, it will be an all-encompassing report.

*Mr Pengilly interjecting:*

**The Hon. P. CAICA:** We just show people the way things should be done, mate.

**Mr GRIFFITHS:** All working towards the common purpose of good things in South Australia.

**The Hon. P. CAICA:** We are; dead right.

**Mr GRIFFITHS:** Certainly, having been involved previously in regional development boards, minister, I concur with the fact that a lot of times everybody is focused on trying to get the money out to good projects and sometimes it is hard to quantify what the real benefits are. I refer again to page 531, 'Employment Program—Regions at Work'. I note that the Auditor-General also makes specific comments about the practice of making a first grant payment of 70 per cent of the total grant to the regions within 14 days of signing the funding agreement. The Auditor has gone on to comment that there is often a two-month period between this occurring and the first of the projects commencing. I know it depends on budget lines and so forth, and it is hard to coordinate it better, but the response of the minister's department to the Auditor-General in this matter was:

The regions will be supported to commence projects as soon as possible following ministerial approval of their plans and the signing of funding agreements.

Can you please inform the committee what processes have been put in place to deal with this issue?

**The Hon. P. CAICA:** I am told, amongst other things, that that will be subject to the process of review. I stand to be corrected if this is not the case, but I understand that one of the things that has been welcomed by the various organisa-

tions within the regions is going to a three-year funding process as well. That will not only give them some surety but it will ensure that the projects they implement, that go across financial years, will not only be better organised but will certainly be more objective about the outcomes they are trying to achieve. So, there is that aspect of it in the main. We are trying to make and administer it in such a way that it provides some security to programs within the regions and, in addition to that, it allows for a determination of what programs should be implemented over that three-year period with respect to the plans that are developed.

**Mr GRIFFITHS:** While it is not my role to tell you how to do that job, I would certainly support that because the longer funding arrangements are in place, the more strategic planning can be undertaken to ensure that the training and the programs that are supported are worthwhile. I refer again to page 531, on financial management reporting. The commentary for the report notes that these reports are now prepared monthly on an accrual basis and that further improvements are planned for 2006-07. Can you please provide details on what these further improvements are and what stage you are at?

**The Hon. P. CAICA:** I thank the honourable member for his question. The overall DFEEST result was impacted upon by a number of factors, and part of this was the increase in industry demand on the department to fund training for the highest number of apprentices and trainees that we have had in a single year. I understand that previously we did not adopt the accrual accounting processes as we should have. We will be moving (and we have moved) to an accrual accounting process based on the advice that has been received, and we are expecting that, to this extent, some of the instances that provided a lack of sufficient explanation to the variations will be far more easily identified through that process. To that extent, I am very pleased that it has been identified. In fact, I understand that the department was working on this prior to the report being done, that is, the move from cash to accrual.

**Mr GRIFFITHS:** As an extension of that, I wonder if the minister can provide me with the details of these further improvements that are being made at a later date?

**The Hon. P. CAICA:** As is always the case for the member for Goyder, I will provide anything that he requires to assist him being better informed. So, to that extent, I will arrange a briefing. In addition to that, presumably he wants me to bring back some answers to the house, or just take it on notice and get back to him?

**Mr GRIFFITHS:** That would be fine.

**The Hon. P. CAICA:** It will be my pleasure.

**Mr GRIFFITHS:** I refer to page 532, risk management. The report from the Auditor-General notes that a risk management framework has been completed, but at the time the audit was undertaken it was being reviewed and updated to reflect the departmental strategic plan, with a specific audit and risk management committee to be appointed to advise the chief executive. Software to assist in this and the training of staff was intended to commence early in the 2006-07 financial year. Minister, I certainly agree entirely that risk management is an important aspect for government to undertake, and importantly so within your organisation, but can you please confirm if training of staff has been undertaken, and what level of management responsibility within the staffing structure has been involved in this training?

**The Hon. P. CAICA:** I am told that the risk audit management committee will be functioning early next year.

In addition to that, online information arising from the preliminary stage of development has been delivered. It is being put online for the middle management structure at this point in time, and it will be expanded to all levels of management in the new year.

**Mr GRIFFITHS:** The advisory committee to the chief executive will be in place soon. I think that is what the minister said, or is it already in place?

**The Hon. P. CAICA:** Online training for all levels of management will be in place next year. In addition to that, I am told that certain aspects of that have commenced, but the more structured delivery of that operation online to other levels outside of middle management will be available early next year.

**Mr GRIFFITHS:** Again, on page 532, under the heading 'Bank Reconciliation', I note that the report highlights that at the time of the audit review occurring the value of the unrepresented cheques could not be determined. Personally, this comes as a significant surprise to me as bank reconciliations really are an important part of all financial control mechanisms. Can the minister provide details on how the situation actually arose and indicate what steps have been taken to ensure that it does not occur again?

**The Hon. P. CAICA:** In the main it has arisen because of shortcomings that existed within our operating systems. Those were identified by the PKF report, and measures have been put in place to address those shortcomings.

**Mr GRIFFITHS:** So there have been problems in previous years with bank reconciliations also, or was last year the first instance of it?

**The Hon. P. CAICA:** Again, I will correct the record if I am wrong, but I think there had been problems previous to this financial year, based on the fact—amongst other things—that we operated previously as eight independent reasonably autonomous institutes and accompanying that were some practices that have been (thankfully) identified to ensure that those practices that have created this situation can be eliminated from the system. That is, to a great extent, a greater centralisation of the system and common practices between our now three institutes.

**Mr GRIFFITHS:** Still on page 532, under the heading 'Payroll', the comments about the lack of appropriate controls for bona fide certificates for the central office and the regional institutes are rather disappointing. Given that, from memory, I believe that over 3 000 people work in the department that the minister controls and employee benefits amounted to some \$255 million, I personally consider this to be a serious issue. Can the minister confirm what action has been taken to ensure that this situation is controlled and that the problems do not arise again?

**The Hon. P. CAICA:** To a certain extent, that relates to the previous answer I gave, and what you have asked now has a connection to what I said previously. As part of the transition from the former eight institutes to three, there were numerous staff movements and short-term appointments, together with changes to the management structures. These changes impacted upon the effectiveness and accuracy of the bona fide certificates within TAFE institutes, as the payroll system failed to keep up with the continuing staff movements.

In some cases the bona fide certificates were not distributed until an audit of staff was undertaken against the payroll information to correct the details in order to increase the accuracy and effectiveness of the bona fide certification process. So, controls within this area have been improved—and that is where it links to what I said previously—to ensure

the process is well understood by our managers and that it is working effectively.

**Mr GRIFFITHS:** The minister's previous answer referred to bank reconciliation, unrepresented cheques and that sort of thing. I must admit, I would have worked on the presumption that the staff would actually be paid by electronic fund transfer. I understand that that affects the bank reconciliation, but surely unrepresented cheques are a completely different issue.

**The Hon. P. CAICA:** Yes; they are different issues. I guess I am giving you a hand here by saying that our practices within the organisation in areas of financial management and these specific areas are those that were common to the extent that there were shortcomings. That was the point I was making. We are in the process of and, in fact (I am told), well down the track of eliminating those problems that existed within the system. I did not mean to make a correlation between unrepresented cheques and bona fide certificates, except to say that the practice and procedures within those areas of financial responsibility left a little bit to be desired.

**Mr GRIFFITHS:** Still referring to page 532, under the heading 'Capital Works', this is one of the areas noted by the Auditor-General as being a matter of significance. Several concerns were raised, and I just want to take these up on an individual basis. The initial concern to which I refer relates to several projects in which the level of expenditure exceeded the chief executive's financial delegation and, as such, required the minister's (and his predecessor's) approval. This approval had not been obtained. Minister, what process have you actually put in place to ensure that this does not occur again? Was disciplinary action taken against the chief executive for this breach?

**The Hon. P. CAICA:** No disciplinary action was taken against the chief executive or any of the officers in this area. I guess we will have a chat later on about what your definition of disciplinary action is but, certainly, there have been discussions based on what occurred as against something that should not have occurred. To that extent—and I will not try to take too much time because I want you to ask more questions—a strategic across-government contract exists for the supply of electric document and records management system (EDRMS).

The contract includes a panel of three approved suppliers that meet the needs of the South Australian government's record-keeping requirements under the State Records Act. As part of the EDRMS panel, the three approved suppliers established a heads of agreement contractual arrangement managed on behalf of the South Australian government by DAIS. Given the existence of a heads of agreement with Tower Software and the South Australian government's State Records requirements, the risk to the department of this contract not being executed prior to the delivery of goods and services was assessed as a low risk. That is not to say that it should have been undertaken in the way it was, but that is how it was assessed by the people concerned. The payments made prior to the signing of the final contract were made only for goods and services already provided by Tower Software. The contract with Tower Software was developed by EDRMS contract managers in DAIS in association with the Crown Solicitor's Office and DFEEST.

It is correct that work by Tower Software had commenced by training DFEEST staff in the acquisition of software prior to the signing of the contract—that component of the operations with which I am not very happy. The payments

made to Tower Software were only for software received and training delivered in consultation with the legislation and delegations group within DFEEST. The risk of proceeding was assessed at a low risk given that all of the services and software had been received at the time of payment. But, as you have identified, it is acknowledged that the minister's approval for the expenditure was not obtained prior to the commencement of training and software acquisition. In future, approvals by officers holding the correct delegations—and these are my instructions—will be obtained prior to the purchase of goods and services. In essence, it is something that has been identified and corrected and, certainly, my officers know what my expectations are in that area.

**Mr GRIFFITHS:** When you have that steely look in your eye, I can tell that actually. Did this occur during the period in which you have been in charge or was it under the previous minister?

**The Hon. P. CAICA:** No, it did not happen during my tenure.

**Mr GRIFFITHS:** I am not sure whether that answer would relate to my next question but, given that the Auditor-General's Report commented on several projects where questions were raised, in another instance a contract was signed by the minister—again, I am not sure whether it was you or your predecessor—after the contracted party had provided the service and been paid. I note that the report includes details of the departmental reply to the Auditor-General's questions but, to me, it appears as though he has just been 'fobbed off'—and they are my words, not anyone else's—as to the importance of this inappropriate action. It concerns me, as I believe that this demonstrates very poor management and financial controls. What processes have been put in place to ensure that this does not happen again? Was any disciplinary action taken against any employee within your department for this action?

**The Hon. P. CAICA:** I will take that question on notice and get back to you. Presumably, the answer is going to be very similar to the one I provided earlier about the instructions I have put in place. I will need to get more detail on this question; in fact, I have just been advised that it refers to the same instance, and I am very thankful that it is the only one.

**Mr GRIFFITHS:** You can understand my query given that it mentioned 'several projects'. Again, on page 532, under the heading 'Highlights of the Financial Report', I note a deficit in 2005-06 of \$28 million, and this follows on from a deficit of \$13 million in the previous year. I have two questions on this: what has been done within the department to correct this deficit situation; and, secondly, will it impact on the department's ability to provide TAFE training opportunities and employment creation programs to South Australians?

**The Hon. P. CAICA:** They are two very good questions, as I expect from you. To put it in context, I think it is important that we understand how we got to this position, if that is not too indulgent. The overall DFEEST result of a deficit of \$27.8 million was impacted upon by a number of factors, one of which was the increased industry demand—and we know that we are training record numbers of trainees and apprentices and that demand for User Choice funding will be ongoing. I am pleased about that given that it is a demand driven component of our budget. We also returned some cash to Treasury of \$3.5 million that had to be provided in relation to long service leave and other expenses. In addition to that, the department has been faced with cost

growth in a number of areas including internet and other ICT. The accrual accounting practice that we talked about earlier had been implemented and also it had an impact in 2005-06.

Also underlying these pressures was an increase in full-time equivalent numbers, and that was its main component. The department has undertaken a review of the cost and revenue pressures in the 2006-07 budget. Some of these, as you have identified, will be recurring from the 2005-06 outcome and others relate to addressing critical risks and policy development. Overspending in the department, I believe, as I said earlier, was facilitated by poor management practices, and we are on the road to correcting that. Part of that was because managers were unclear about what component of their budget they had spent within the year in question which, again, relates to one of your earlier questions about our fiscal management. We now have in place much tighter budget controls, improved management reporting systems and financial data integrity.

We have also implemented a fortnightly tracking of full-time equivalent levels coupled with comprehensive monthly financial management reporting including variance analysis. The TAFE institutes have developed financial business plans setting out their budget strategies. We have also entered into what I believe are meaningful and constructive discussions with Treasury, as is appropriate, to look at the cost pressures that will be ongoing because, in specific response to your question, and I think we have discussed this previously, we have cost pressures but there will be no slash and burn approach to how these are addressed in that area. I know that you agree with this: we need to ensure, and we will ensure, that our delivery of service—particularly in the areas that you have identified—will continue. We still need to be able to continue to deliver the range of services, but that does not mean that there will not be reprioritisation of where our training dollar goes, based on the research which has been undertaken and which shows that training leads to meaningful and sustainable employment for the participants in those training programs. That is our aim. We have challenges in front of us, but our focus will remain on the delivery of service at the coalface for the training of young and not so young South Australians.

**Mr GRIFFITHS:** Certainly, that answer is an extension of the reply you gave to the question I asked in the house last week about the \$5 million deficit within regional TAFE, but your commitment is to provide more training hours without taking away services. I refer to page 533, 'Liabilities'. I note that employee benefits have increased from \$50 million to \$56 million—a 12 per cent increase. What component of this liability is funded and will this level of liability impact on programs or training opportunities?

**The Hon. P. CAICA:** I am told that line will not have an impact on the delivery of training. In the main it has arisen through the increase in FTEs within our organisation and, amongst the other components we have discussed, it will be a component of those conversations, discussions and collaborations we will have with Treasury.

**The CHAIR:** Time for examination of this section having expired, we will conclude this examination and move to the Minister for the River Murray, Minister for Regional Development, Minister for Small Business and Minister for Science and Information Economy.

**Mr GRIFFITHS:** I refer to the Auditor-General's Report, Volume V, page 1563, 'Save the River Murray Fund'. Throughout the 2005-06 financial year how much water did

the government purchase from SA Water using Save the River Murray funds?

**The Hon. K.A. MAYWALD:** I am advised that the amount of water that was purchased from SA Water was 10 gegalitres.

**Mr GRIFFITHS:** With reference to the same page, was the price paid for this water the current market value or was it cost price? In turn, did SA Water profit from the sale?

**The Hon. K.A. MAYWALD:** The purchase price for the parcels of water that SA Water purchased was at market price and it was transferred to the Department of Water, Land and Biodiversity Conservation to the minister's licence at that cost plus holding costs—no profit, just holding costs.

**Mr GRIFFITHS:** If the plans go ahead to construct the weir at Wellington, will the minister guarantee that the Save the River Murray Fund will not be used for the construction but actually preserved for the River Murray projects when sufficient flows return?

**The Hon. K.A. MAYWALD:** I am advised that there is no intention to use the Save the River Murray Fund for the construction of the weir.

**Mr GRIFFITHS:** I refer to page 1564, Murray-Darling Basin Commission Assets and the River Murray Salt Interception Infrastructure Program. The Department of Water, Land and Biodiversity Conservation cannot recognise departmental interests in Murray-Darling Basin Commission assets until financial reporting matters are resolved by the Murray-Darling Basin Commission, although the department is contributing funds on an annual basis. At 30 June 2005 the commonwealth reported a 20 per cent interest (\$272.6 million) in Murray-Darling Basin Commission assets, highlighting the magnitude of this item so far unrecognised in the Department of Water, Land and Biodiversity Conservation reports. For how long has the department been making financial contributions to the commission and therefore had a residual interest in Murray-Darling Basin Commission assets?

**The Hon. K.A. MAYWALD:** I am advised that the South Australian government has been contributing to infrastructure assets along and throughout the Murray-Darling Basin jurisdiction since the Murray-Darling agreement was struck, and the department has been advised that the Murray-Darling Basin Commission has agreed to develop a set of principles for accounting for jurisdictions' interests in the assets of the Murray-Darling Basin Commission by the first quarter of 2007.

**Mr GRIFFITHS:** I apologise: I am not sure if this relates to page 1564 or page 1571. but I refer to note 2(d) of the Department of Water, Land and Biodiversity Conservation financial statements, which state that further consultation is pending in order to resolve these financial reporting matters. Considering the financial significance that these matters are causing for the department, what effort has the department made or is it planning to make towards securing a resolution from the Murray-Darling Basin Commission?

**The Hon. K.A. MAYWALD:** I am advised, as I noted in the previous answer, that the department has been advised by the Murray-Darling Basin Commission that it has agreed to develop a set of principles for accounting for jurisdictions' interests in the assets of the Murray-Darling Basin Commission by the first quarter of 2007.

**Mr GRIFFITHS:** Again referring to note 2(d), which uses the words 'further consultation', will the minister confirm what consultation is needed and when it will occur?

**The Hon. K.A. MAYWALD:** It is an ongoing process, and I am advised that South Australia is negotiating with the other jurisdictions in regard to the different treatments that each jurisdiction applies to assets within the Murray-Darling Basin Commission. We are working on coming to an agreement on a consistent approach to these assets.

**Mr GRIFFITHS:** Can the minister put a time frame on when the department will be able to recognise the interests in the Murray-Darling Basin Commission assets?

**The Hon. K.A. MAYWALD:** We are looking to have these negotiations concluded by the first quarter of 2007.

**Mr GRIFFITHS:** Therefore, is the minister able to estimate the interests of the Department of Water, Land and Biodiversity Conservation in Murray-Darling Basin Commission assets that, had matters been resolved earlier, would be available for funding River Murray projects?

**The Hon. K.A. MAYWALD:** The issue that the honourable member refers to is just reflecting the interests that each jurisdiction has in the assets and liabilities of the commission. It is not reflective of funding that would be available for jurisdictional expenditure.

**The CHAIR:** We are now moving to regional development, if we need to change advisers.

**Mrs PENFOLD:** My question refers to Volume V, Part B, page 1329, Program 7, Small Business Growth, which states that this program will deliver advice and training on business management and skills, on-the-ground support in emergencies and the promotion of small business in South Australia. Will the minister advise what the expenditure breakdown was between each of these three objectives within the program, and was any of this expenditure for consultancies?

**The Hon. K.A. MAYWALD:** It is quite possible that there is a whole range of different expenditure breakdowns, and we will obtain the detail for the honourable member. We do not have that information to hand.

**Mrs PENFOLD:** I refer to the same page and reference. Will the minister advise whether any grant funding was provided as part of the on-the-ground support in emergencies given to small businesses, and will the minister advise what form the on-the-ground support and emergencies took?

**The Hon. K.A. MAYWALD:** The grants that were provided particularly for bushfire assistance in the Lower Eyre Peninsula amounted to a total of \$240 000 in 2004-05.

**Mrs PENFOLD:** I refer to the same reference, page 1329. Can the minister advise what form the promotion of small business in South Australia took and how much was spent?

**The Hon. K.A. MAYWALD:** I am advised that the amount spent in promoting small business was around \$250 000, but we will confirm that figure for the member. That was largely expended in relation to Small Business Week, an inaugural event, which occurred during the 2004-05 year to promote small business in a two-day conference and a number of promotional activities that occurred through business enterprise centres. I understand that some regional development boards were also involved in that.

**Mrs PENFOLD:** My reference is again to page 1329, 'Board Fees'. Can the minister advise what the expenditure was for sitting fees for the Small Business Development Council?

**The Hon. K.A. MAYWALD:** The expenses for the Small Business Development Council, including sitting fees, were around \$20 000.



**Mrs PENFOLD:** I again refer to page 1329, 'Targeted Voluntary Separation Packages'. Can the minister advise how many were within the small business portfolio?

**The Hon. K.A. MAYWALD:** My advice is that there were no TVSPs in the small business portfolio.

**Mrs PENFOLD:** I refer to page 1330. Can the minister explain the difference between contractors and consultants?

**The Hon. K.A. MAYWALD:** I am advised that consultants are employed within the department for a specific task, whereas contractors are employed for a time frame to do a number of tasks.

**Mrs PENFOLD:** I again refer to page 1330. Will the minister provide a breakdown of expenditure on contractors and consultants for 2005-06 for the department responsible for small business, listing names of the contractors and, if possible, costs, work undertaken and the method of appointment?

**The Hon. K.A. MAYWALD:** I have some information to hand that we need to break down into specific portfolios from the departmental information. Then we will provide that information to the member.

**Mrs PENFOLD:** My last question for the sector of small business refers to page 1330. Can the minister advise how many employees were paid between \$100 000 and \$310 000 in the small business portfolio?

**The Hon. K.A. MAYWALD:** I am advised that the number in that bracket is one.

**Mrs PENFOLD:** I move on to regional development. I refer to page 1329, 'Board Fees'. Can the minister advise what sitting fees are paid to members of the Regional Communities Consultative Council?

**The Hon. K.A. MAYWALD:** I am advised that the total amount of board fees is \$10 000.

**Mrs PENFOLD:** I refer to page 1329. Can the minister advise how many employees were paid between \$100 000 and \$310 000?

**The Hon. K.A. MAYWALD:** I am advised that we have two employees in that pay bracket in the regional development portfolio.

**Mrs PENFOLD:** I refer again to page 1130. Will the minister provide a detailed breakdown of expenditure on contractors and consultants for 2005-06 in the regional development portfolio, listing names of the contractors, costs, work undertaken and method of appointment?

**The Hon. K.A. MAYWALD:** I do not have that level of detail with me, but we will provide that information.

**Mrs PENFOLD:** I refer to page 1329. Can the minister advise the number of TVSPs within the regional development portfolio?

**The Hon. K.A. MAYWALD:** Once again, the answer to that question is zero.

**Mrs PENFOLD:** My last question relates to page 1329 and grant funding. Can the minister advise what grant funding has been provided under the regional development portfolio in the 2005-06 financial year, to whom it was made, and what it was for? I am aware that there is quite a lot of grant funding given out under regional development; an objective 'will be achieved by working in partnership with the three spheres of government and local communities, in addition to the enhancement of community and business capacity'.

**The Hon. K.A. MAYWALD:** I am advised that the grant programs involving regional development boards amounted to \$2.81 million, and for the regional infrastructure fund it was \$5.08 million.

**The CHAIR:** That information is on page 1331.

**Mrs PENFOLD:** I am aware of that, Madam Chair; I wondered whether there was any funding other than that. That was really my question—other than the known funding, were there any minor grants that went out from this portfolio? I was under the impression that there were.

**The Hon. K.A. MAYWALD:** I am aware that possibly some other funds have been provided through MAP, our export program, and possibly some other funds have come from ORA that have been assigned to particular projects, and I will provide those details to the honourable member.

**Mrs PENFOLD:** I thought there may be federal or local government funding, and I was interested to know what state funding there was. That was the last of my questions.

Progress reported; committee to sit again.

#### LIQUOR LICENSING (AUTHORISED PERSONS) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

#### FOREST PROPERTY (CARBON RIGHTS) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

#### PHARMACY PRACTICE BILL

**The Hon. J.D. HILL (Minister for Health)** obtained leave and introduced a bill for an act to protect the health and safety of the public by providing for the registration of pharmacists, pharmacy students, pharmacies and pharmacy depots; to regulate the provision of pharmacy services for the purpose of maintaining high standards of competence and conduct by the persons who provide it; to repeal the Pharmacists Act 1991; and for other purposes. Read a first time.

**The Hon. J.D. HILL:** I move:

That this bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

This Bill is one of a suite of health professional registration measures which have been reviewed and reformed in line with the requirements of National Competition Policy. Unlike other health professionals legislation reviews however, pharmacy legislation was reviewed at the national level on behalf of the Council of Australian Governments.

As has been the case for the other health professionals registration Bills, this Bill has been based on the model provided by the *Medical Practice Act 2004* with variations designed to respond to the specific issues unique to pharmacy and the conclusions of the national review.

The *Pharmacy Practice Bill 2006* replaces the *Pharmacists Act 1991*. Firstly, the key features which this Bill shares with the other health practitioner registration Bills will be discussed. This will be followed by a discussion of those aspects of the Bill which are particular to pharmacy.

Consistent with the Government's commitment to protecting the health and safety of consumers, the long title of the *Pharmacy Practice Bill 2006* states that it is a Bill for an Act "to protect the health and safety of the public by providing for the registration of pharmacists, pharmacy students, pharmacies and pharmacy depots". At the outset it is made clear that the primary aim of the legislation is the protection of the health and safety of the public and that the registration of persons and premises is a key mechanism by which this is to be achieved.

The Bill establishes the Pharmacy Board of South Australia which replaces the existing Board. The composition of the Board as prescribed in the *Pharmacists Act 1991* has been largely retained.

This is to ensure that the Board has expertise from the various pharmacy professional groups, including those with relatively small numbers of pharmacists such as hospital pharmacies. As with other health practitioner registration boards, the Bill provides scope for the Minister to appoint 2 members to the Board who are not eligible for appointment under any of the provisions that prescribe specific qualifications.

A provision is included in all the health practitioner registration Acts that restricts the length of time any member of the Board can serve to 3 consecutive 3 year terms. This provision is designed to ensure that the Board has the benefit of fresh thinking. It will not restrict a person's capacity to serve on the Board at a later time but it does mean that after 9 consecutive years they are required to have a break for a term of 3 years.

Standards and expectations by Government in regard to transparency and accountability are now much more explicit than in the past. The *Public Sector Management Act 1995*, as amended by the *Statutes Amendments (Honesty and Accountability in Government) Act 2003*, provides a clear framework for the operation of the public sector, including the Pharmacy Board of South Australia.

Provisions relating to conflict of interest and to protect members of the Board from personal liability for acts or omissions in the exercise or purported exercise of official powers or functions are included in the *Public Sector Management Act 1995* and will apply to the Pharmacy Board.

Consistent with Government commitments to better consumer protection and information, this Bill increases the transparency and accountability of the Board by ensuring information pertaining to pharmacy services providers is accessible to the public.

New to the *Pharmacy Practice Bill 2006* is the registration of students. It requires that students undertaking a course of study in pharmacy be registered with the Board before they are permitted to provide pharmacy services as part of their studies. This provision ensures that students of pharmacy are subject to the same requirements in relation to professional standards, codes of conduct and medical fitness as registered pharmacists while working in a practice setting in South Australia.

The Board will have responsibility for developing codes of conduct for pharmacy services providers that will need to be approved by the Minister for Health to ensure that they do not conflict with competition policy commitments. To assist the Board in its role of monitoring compliance with the standards, the Bill introduces a requirement for pharmacy services providers to notify the Board of the names of the pharmacists through the instrumentality of whom they are providing pharmacy services, and to report to the Board any cases of potential unprofessional conduct or medical unfitness of these pharmacists. The Board may also make a report to the Minister for Health about any concerns it may have arising out of the information provided to the Board.

Similar to the *Medical Practice Act 2004*, this Bill deals with the medical fitness of registered persons and applicants for registration and requires that when making a determination of a person's fitness to provide pharmacy services, regard is given to the person's ability to provide these services personally without endangering a person's health or safety. This can include consideration of the mental fitness of a pharmacist or pharmacy student.

While the *Pharmacy Practice Bill 2006* shares the same principles and structure as the other health practitioner registration Bills there are some matters which are unique to pharmacy and I will now discuss these.

There are 2 central definitions provided for the regulation of pharmacy practice. The term "pharmacy service" is used when the broad practice of pharmacy is considered, for example, when discussing premises standards or restrictions on the number of pharmacies that may be operated by a natural person or corporate pharmacy services provider. This term includes the supply of goods and the provision of advice provided in the course of practice by a pharmacist.

The term "restricted pharmacy service" is defined as dispensing drugs or medicines on the prescription of a medical practitioner, dentist, veterinary surgeon or other person authorised to prescribe drugs or medicines. Other services may be declared by the regulations to be restricted pharmacy services. This narrower term is used to define what services should only be provided by or through the instrumentality of a competent pharmacist.

The National Competition Review of Pharmacy recommended that States and Territories should implement competency-based

mechanisms as part of re-registration processes for all registered pharmacists.

In 2003 the Pharmacy Board of South Australia introduced a system of continuing professional development for pharmacists through the issuing of annual practising certificates to those pharmacists who participate in the Board's continuing professional development program. This program aims to ensure a competent pharmacy profession by assisting pharmacists to maintain and improve their ability to provide quality pharmacy services to the community.

The Bill allows this program to continue by requiring pharmacists who provide restricted pharmacy services to have gained a practising certificate. Pharmacists who do not gain such a certificate will only be permitted to provide such a service through the instrumentality of pharmacists who do have practising certificates.

One of the significant differences between the provisions of the Bill and other health practitioner legislation is the retention of restrictions on who may operate pharmacies.

The Bill provides strict restrictions on who is permitted to provide restricted pharmacy services and what will be taken to be providing restricted pharmacy services. Essentially the Bill allows pharmacists, companies that meet certain prescribed requirements and friendly societies that meet the criteria set out in the Bill to provide restricted pharmacy services. Companies grandfathered from the current Act that have provided pharmacy services since 1 August 1942 and continue to do so, have also been permitted to continue to provide restricted pharmacy services, although there will be restrictions in place which will prevent a grandfathered company from continuing to operate under certain circumstances—for example, if shares in the company are issued or transferred to a person who is not a pharmacist.

A provision has also been included in the Bill to allow for a 12-month transition in the event of the death of a pharmacist, a pharmacist becoming bankrupt or insolvent or a corporate pharmacy services provider being wound up or placed under administration or receivership.

There is also provision to prescribe by regulation the circumstances in which an unqualified person may provide restricted pharmacy services. This provision will be used to prescribe the hospitals that have on-site pharmacy departments servicing hospital patients. This will include the public hospitals and health services that currently dispense medicines on-site, and allow the Board to approve private hospitals to do the same. This is consistent with the provisions of the current Act and regulations under which a private hospital is permitted to operate its own on-site pharmacy to provide services to the patients of that hospital. It is not envisaged that any such regulation would allow hospital pharmacies to compete with community pharmacies, but will rather enable such hospitals to provide pharmacy services to their own patients.

It is this Government's policy that the public interest is best served by restricting the provision of pharmacy services to those operated by pharmacists or by corporate pharmacy services providers as defined in clause 3(5) of the Bill. This is intended to exclude non-pharmacists and organisations such as supermarkets from owning pharmacies. Clause 3(4)(a) of the Bill provides a regulation-making power to prescribe arrangements between a pharmacist and a non-pharmacist, including a supermarket, which may have been made for the purpose of avoiding the pharmacist-only ownership rules. Regulations could be made to prevent arrangements involving the use of voucher schemes and the like that provide an incentive or benefit and create an impression that the 2 businesses are connected. Other provisions of the Bill will enable the co-location of pharmacies within or adjacent to supermarkets to be prohibited. In addition, the Bill will enable regulations to be made to prohibit or regulate the use of certain names in connection with pharmacies or pharmacy businesses.

The Bill retains restrictions on the number of pharmacies from which individual operators may provide pharmacy services. An individual pharmacist will be able to provide pharmacy services from 6 locations, an increase from the cap of 4 under the current Act. Friendly Society Medical Association, a South Australian based friendly society which operates pharmacies under the trading name of National Pharmacies will be permitted to increase the number of pharmacies it may operate in South Australia from 31 to 40. This increase will allow members of this friendly society to be better serviced through access to more pharmacy locations.

Other friendly societies that meet the strict criteria set out in clause 3(5)(b) of the Bill will also be permitted to operate pharmacies in South Australia, with a new cap permitting 9 such pharmacies in

total. This new cap effectively limits the total number of friendly society pharmacies in the South Australian market to 49, of which 40 can only be operated by FSMA. This figure was chosen as it provides the equivalent proportion of friendly society pharmacies in the market as was in place at the time that the limit on friendly society pharmacies was first introduced into South Australian legislation.

The Government believes this position is a reasonable compromise which retains some restrictions, while allowing increased scope for competition within the South Australian pharmacy market.

The Bill retains requirements for annual registration of pharmacy premises. This is to ensure that there is a proactive mechanism in place to allow the Pharmacy Board to protect public health and safety by dealing with issues such as the safe and secure storage and display of medicines. The provision in the Bill has been structured so that premises registration requirements can be prescribed by the regulations and by the Board.

An explicit provision for registration of pharmacy depots has been included in the Bill. Pharmacy depots are premises located in rural and remote communities where prescriptions may be left by consumers for pick up and dispensing by a pharmacy services provider. The prescription is then dispensed at the pharmacy services provider's registered premises and the dispensed medicines delivered to the pharmacy depot for collection.

These premises are therefore handling prescriptions and dispensed medicines which must be stored securely and under appropriate conditions, such as controlled temperatures. The Pharmacy Board currently registers pharmacy depots through the provisions in the regulations. It was considered more appropriate however to establish a system of registration in the Bill.

The Bill includes a provision which prohibits certain other businesses from being carried on at a pharmacy. This replaces the current provisions of the *Pharmacists Regulations 2006* which require businesses not commonly associated with the practice of pharmacy to be approved by the Board. In line with National Competition Policy principles, the requirement for Board approval has been removed and certain businesses have been prescribed. For hygiene reasons, the sale of animals and the preparation of food or beverages have been prohibited. The sale of tobacco and alcohol have also been prohibited as it is not appropriate for health professionals to be associated with the sale of products which cause the community harm. This provision also allows other business activities to be prescribed by the regulations should any other activities be considered unsuitable in the future.

The Pharmacy Practice Bill 2006 will bring pharmacy into line with the other registered health professions in many areas. It will ensure that the Pharmacy Board operates in a transparent and accountable manner and that complaints from the public are dealt with in an appropriate way.

The Government believes that the Bill provides an improved system for ensuring the health and safety of the public in regulating pharmacy practice in South Australia while recognising the unique position that pharmacists play in the provision of health services to the community.

I commend this Bill to all members.

#### EXPLANATION OF CLAUSES

##### Part 1—Preliminary

###### 1—Short title

###### 2—Commencement

These clauses are formal.

###### 3—Interpretation

This clause defines key terms used in the measure.

###### 4—Medical fitness to provide pharmacy services

This clause requires a person or body making a determination as to a person's medical fitness to provide pharmacy services to have regard to the question of whether the person is able to provide pharmacy services personally to another person without endangering the other person's health or safety.

##### Part 2—Pharmacy Board of South Australia

###### Division 1—Establishment of Board

###### 5—Establishment of Board

This clause establishes the Pharmacy Board of South Australia as a body corporate with perpetual succession, a common seal, the capacity to litigate in its corporate name and all the powers of a natural person capable of being exercised by a body corporate.

###### Division 2—Board's membership

###### 6—Composition of Board

This clause provides for the Board to consist of 9 members appointed by the Governor (6 pharmacists, 1 legal practitioner and 2 other members). It also provides for the appointment of deputy members.

###### 7—Terms and conditions of membership

This clause provides for members of the Board to be appointed for a term not exceeding 3 years and to be eligible for re-appointment on expiry of a term of appointment. However, a member of the Board may not hold office for consecutive terms that exceed 9 years in total. The clause sets out the circumstances in which a member's office becomes vacant and the grounds on which the Governor may remove a member from office. It also allows members whose terms have expired, or who have resigned, to continue to act as members to continue and complete part-heard proceedings under Part 4.

###### 8—Presiding member and deputy

This clause requires the Minister, after consultation with the Board, to appoint a pharmacist member of the Board to be the presiding member of the Board, and another pharmacist member to be the deputy presiding member.

###### 9—Vacancies or defects in appointment of members

This clause ensures acts and proceedings of the Board are not invalid by reason only of a vacancy in its membership or a defect in the appointment of a member.

###### 10—Remuneration

This clause entitles a member of the Board to remuneration, allowances and expenses determined by the Governor.

###### Division 3—Registrar and staff of Board

###### 11—Registrar of Board

This clause provides for the appointment of a Registrar by the Board on terms and conditions determined by the Board.

###### 12—Other staff of Board

This clause provides for the Board to have such other staff as it thinks necessary for the proper performance of its functions.

###### Division 4—General functions and powers

###### 13—Functions of Board

This clause sets out the functions of the Board and requires it to perform its functions with the object of protecting the health and safety of the public by achieving and maintaining high professional standards both of competence and conduct in the provision of pharmacy services in South Australia.

###### 14—Committees

This clause empowers the Board to establish committees to advise the Board or the Registrar, or to assist the Board to carry out its functions.

###### 15—Delegations

This clause empowers the Board to delegate its functions or powers to a member of the Board, the Registrar, an employee of the Board or a committee established by the Board.

###### Division 5—Board's procedures

###### 16—Board's procedures

This clause deals with matters relating to the Board's procedures such as the quorum at meetings, the chairing of meetings, voting rights, the holding of conferences by telephone and other electronic means and the keeping of minutes.

###### 17—Conflict of interest etc under Public Sector Management Act

This clause provides that a member of the Board will not be taken to have a direct or indirect interest in a matter for the purposes of the *Public Sector Management Act 1995* by reason only of the fact that the member has an interest in the matter that is shared in common with pharmacists generally or a substantial section of pharmacists in this State.

###### 18—Powers of Board in relation to witnesses etc

This clause sets out the powers of the Board to summons witnesses and require the production of documents and other evidence in proceedings before the Board.

###### 19—Principles governing proceedings

This clause provides that the Board is not bound by the rules of evidence and requires it to act according to equity, good conscience and the substantial merits of the case without regard to technicalities and legal forms. It requires the Board to keep all parties to proceedings before the Board properly informed about the progress and outcome of the proceedings.

###### 20—Representation at proceedings before Board

This clause entitles a party to proceedings before the Board to be represented at the hearing of those proceedings.

#### **21—Costs**

This clause empowers the Board to award costs against a party to proceedings before the Board and provides for the taxation of costs by a Master of the District Court in the event that a party is dissatisfied with the amount of costs awarded by the Board.

#### **Division 6—Accounts, audit and annual report**

##### **22—Accounts and audit**

This clause requires the Board to keep proper accounting records of its financial affairs and have annual statements of accounts prepared in respect of each financial year. It requires the accounts to be audited annually by an auditor approved by the Auditor-General and appointed by the Board, and empowers the Auditor-General to audit the Board's accounts at any time.

##### **23—Annual report**

This clause requires the Board to prepare an annual report for the Minister and requires the Minister to table the report in Parliament.

#### **Part 3—Registration and practice**

##### **Division 1—Registers**

##### **24—Registers**

This clause requires the Registrar to keep certain registers and specifies the information required to be included in each register. It also requires the registers to be kept available for inspection by the public and permits access to be made available by electronic means. The clause requires registered persons to notify the Registrar of a change of name or nominated contact address within 1 month of the change. It also requires a person who ceases to carry on a pharmacy business at a pharmacy to notify the Registrar within 1 month after the cessation. A maximum penalty of \$250 is fixed for non-compliance.

##### **25—Authority conferred by registration**

This clause sets out the kind of pharmacy services that registration on each particular register authorises a registered person to provide. To provide restricted pharmacy services personally a pharmacist must hold a current practising certificate.

##### **Division 2—Registration of pharmacists and pharmacy students**

##### **26—Registration of natural persons as pharmacists**

This clause provides for full and limited registration of natural persons on the register of pharmacists.

##### **27—Registration of pharmacy students**

This clause requires persons to register as pharmacy students before undertaking a course of study that provides qualifications for registration on the register of pharmacists, or before providing pharmacy services as part of a course of study related to pharmacy being undertaken outside the State, and provides for full or limited registration of pharmacy students.

##### **28—Application for registration and provisional registration**

This clause deals with applications for registration. It empowers the Board to require applicants to submit medical reports or other evidence of medical fitness to provide pharmacy services or to obtain additional qualifications or experience before determining an application. It also empowers the Registrar to grant provisional registration if it appears likely that the Board will grant an application for registration.

##### **29—Removal from register**

This clause requires the Registrar to remove a person from a register on application by the person or in certain specified circumstances (for example, suspension or cancellation of the person's registration under this measure).

##### **30—Reinstatement on register**

This clause makes provision for reinstatement of a person on a register. It empowers the Board to require applicants for reinstatement to submit medical reports or other evidence of medical fitness to provide pharmacy services or to obtain additional qualifications or experience before determining an application.

##### **31—Fees and returns**

This clause deals with the payment of registration, reinstatement and annual fees, and requires registered persons to furnish the Board with an annual return in relation to the

provision of pharmacy services, compliance with conditions of practising certificates and other matters relevant to their registration under the measure. It empowers the Board to remove from a register a person who fails to pay the annual fee or furnish the required return.

#### **Division 3—Practising certificates**

##### **32—Issue of practising certificate**

This clause requires the Board to issue practising certificates to pharmacists.

##### **33—Conditions of practising certificate**

This clause provides for a practising certificate to be issued subject to conditions, if the practice rules so require—

(a) requiring the holder of the certificate to undertake or obtain further education, training and experience required or determined under the rules; and

(b) limiting the kind of pharmacy services that the holder of the certificate may provide until that further education, training and experience is completed or obtained.

The clause also provides that if an applicant for a practising certificate has not held a practising certificate during the period of 12 months immediately preceding the making of the application, or the Board is satisfied that the applicant has not complied with the conditions of a practising certificate held by the applicant during that period, the Board may, in accordance with the practice rules, do either or both the following:

(a) before issuing a practising certificate, require the applicant to undertake or obtain further education, training and experience specified by the Board;

(b) impose 1 or more of the following additional conditions on the applicant's practising certificate:

(i) a condition restricting the places and times at which the applicant may provide pharmacy services;

(ii) a condition limiting the kind of pharmacy services that the applicant may provide;

(iii) a condition requiring that the applicant be supervised in the provision of pharmacy services by a particular person or by a person of a particular class;

(iv) such other conditions as the Board thinks fit.

##### **34—Duration of practising certificate**

This clause provides that a practising certificate remains in force from the date specified in it until the next date for payment of the annual fee fixed by the Board, unless sooner cancelled.

##### **35—Application for practising certificate**

This clause deals with applications for practising certificates.

##### **36—Non-compliance with conditions of practising certificate**

This clause provides that if a pharmacist fails to satisfy the Board of compliance with the conditions of his or her practising certificate, the Board may impose further conditions on the certificate or cancel the certificate and disqualify the pharmacist from holding a practising certificate.

#### **Division 4—Pharmacies and pharmacy depots**

##### **37—Registration of premises as pharmacy**

This clause makes it an offence for a person to provide restricted pharmacy services except at premises registered as a pharmacy and fixes a maximum penalty of \$50 000.

##### **38—Restriction on number of pharmacies**

This clause makes it an offence for Friendly Society Medical Association Limited (FSMA) to provide pharmacy services at more than 40 pharmacies in South Australia. A person other than a friendly society must not provide pharmacy services at more than 6 pharmacies, and a friendly society other than FSMA must not commence to provide pharmacy services at a pharmacy if friendly societies other than FSMA already provide pharmacy services at 9 pharmacies, or if another number is prescribed, that number. The maximum penalty for a breach of these restrictions is \$50 000.

##### **39—Supervision of pharmacies by pharmacists**

This clause requires a person who carries on a pharmacy business to ensure that a pharmacist is in attendance and available for consultation by members of the public at each pharmacy at which the business is carried on while the pharmacy is open to the public unless restricted pharmacy services or prescribed pharmacy services are not offered to the public and access to those areas of the pharmacy used for

the provision of such services is physically prevented. A maximum penalty of \$50 000 is fixed for non-compliance.

**40—Certain other businesses not to be carried on at pharmacy**

This clause makes it an offence to carry on certain kinds of businesses at a pharmacy. The maximum penalty fixed is \$50 000.

**41—Registration of premises as pharmacy depot**

This clause makes it an offence for a person to use premises outside Metropolitan Adelaide as a pharmacy depot unless the premises are registered as a pharmacy depot and fixes a maximum penalty of \$50 000.

**Division 5—Special provisions relating to pharmacy services providers**

**42—Information to be given to Board by pharmacy services providers**

This clause requires a pharmacy services provider to notify the Board of the provider's name and address, the names and addresses of the pharmacists through the instrumentality of whom the provider is providing pharmacy services and other information. It also requires the provider to notify the Board of any change in particulars required to be given to the Board and makes it an offence to contravene or fail to comply with the clause. A maximum penalty of \$10 000 is fixed. The Board is required to keep a record of information provided to the Board under this clause available for inspection at the office of the Board and may make it available to the public electronically.

**Division 6—Restrictions relating to provision of pharmacy services**

**43—Only qualified persons and corporate pharmacy services providers able to provide restricted pharmacy services**

Subclause (1) makes it an offence for a person to provide a restricted pharmacy service unless, in the case of a natural person, he or she is a qualified person and provides the service personally or through the instrumentality of another natural person who is a qualified person or, in the case of a body corporate, the body corporate is a corporate pharmacy services provider and the body corporate provides the service through the instrumentality of a natural person who is a qualified person. A maximum penalty of \$50 000 or imprisonment for 6 months is fixed for a contravention. A qualified person is either—

- a pharmacist who holds a current practising certificate and is authorised by or under this measure to provide a restricted pharmacy service; or
- a person authorised by or under other legislation to provide a restricted pharmacy service.

However, subclauses (2) and (3) provide that subclause (1) does not apply in relation to—

- a restricted pharmacy service provided by a natural person who is an unqualified person if the person carried on a pharmacy business before 20 April 1972 and has continued to do so since that date and the service is provided through the instrumentality of a natural person who is a qualified person; or
- a restricted pharmacy service provided by the personal representative of a deceased pharmacist or person referred to above within 1 year (or such longer period as the Board may allow) after the date of death if the service is provided through the instrumentality of a natural person who is a qualified person; or
- a restricted pharmacy service by the official receiver of a bankrupt or insolvent pharmacist if the service provided for not more than 1 year (or such longer period as the Board may allow) and is provided through the instrumentality of a natural person who is a qualified person; or
- a restricted pharmacy service provided by a person vested by law with power to administer the affairs of a corporate pharmacy services provider that is being wound up or is under administration, receivership or official management if the service is provided for not more than 1 year (or such longer period as the Board may allow) and is provided through the instrumentality of a natural person who is a qualified person; or
- a restricted pharmacy service provided by an unqualified person in prescribed circumstances; or

- a restricted pharmacy service provided by an unqualified person pursuant to an exemption.

The Governor may grant an exemption by proclamation if of the opinion that good reason exists for doing so in the particular circumstances of a case. The clause makes it an offence punishable by a maximum fine of \$50 000 to contravene or fail to comply with a condition of an exemption.

**44—Illegal holding out as registered person**

This clause makes it an offence for a person to hold himself or herself out as a registered person of a particular class or permit another person to do so unless registered on the appropriate register. It also makes it an offence for a person to hold out another as a registered person of a particular class unless the other person is registered on the appropriate register. In both cases a maximum penalty of \$50 000 or imprisonment for 6 months is fixed.

**45—Illegal holding out concerning limitations or conditions**

This clause makes it an offence for a person whose registration is restricted, limited or conditional to hold himself or herself out, or permit another person to hold him or her out, as having registration that is unrestricted or not subject to a limitation or condition. It also makes it an offence for a person to hold out another whose registration is restricted, limited or conditional as having registration that is unrestricted or not subject to a limitation or condition. In each case a maximum penalty of \$50 000 or imprisonment for 6 months is fixed.

**46—Use of certain titles or descriptions prohibited**

This clause creates a number of offences prohibiting a person who is not appropriately registered from using certain words or their derivatives to describe himself or herself or services that they provide, or in the course of advertising or promoting services that they provide. It is also an offence for a person to use the word "pharmacy" in the course of carrying on a business to describe premises that are not registered as a pharmacy or pharmacy depot. In each case a maximum penalty of \$50 000 is fixed.

**Part 4—Investigations and proceedings**

**Division 1—Preliminary**

**47—Interpretation**

This clause provides that in this Part the terms *occupier of a position of authority*, *pharmacy services provider* and *registered person* includes a person who is not but who was, at the relevant time, an occupier of a position of authority, a pharmacy services provider, or a registered person.

**48—Cause for disciplinary action**

This clause specifies what constitutes proper cause for disciplinary action against a registered person, a pharmacy services provider or a person occupying a position of authority in a corporate pharmacy services provider.

**Division 2—Investigations**

**49—Powers of inspectors**

This clause sets out the powers of inspectors to investigate certain matters.

**50—Offence to hinder etc inspector**

This clause makes it an offence for a person to hinder an inspector, use certain language to an inspector, refuse or fail to comply with a requirement of an inspector, refuse or fail to answer questions to the best of the person's knowledge, information or belief, or falsely represent that the person is an inspector. A maximum penalty of \$10 000 is fixed.

**Division 3—Proceedings before Board**

**51—Obligation to report medical unfitness or unprofessional conduct of pharmacist or pharmacy student**

This clause requires certain classes of persons to report to the Board if of the opinion that a pharmacist or pharmacy student is or may be medically unfit to provide pharmacy services. A maximum penalty of \$5 000 is fixed for non-compliance. It also requires persons who provide pharmacy services to report to the Board if of the opinion that a pharmacist or pharmacy student through whom the person provides pharmacy services has engaged in unprofessional conduct. A maximum penalty of \$10 000 is fixed for non-compliance. The Board must cause reports to be investigated.

**52—Medical fitness of pharmacist or pharmacy student**

This clause empowers the Board to suspend the registration of a pharmacist or pharmacy student or impose registration

conditions restricting practice rights and requiring the person to undergo counselling or treatment, or to enter into any other undertaking if, on application by certain persons or after an investigation under clause 51, and after due inquiry, the Board is satisfied that the pharmacist or pharmacy student is medically unfit to provide pharmacy services and that it is desirable in the public interest to take such action.

**53—Inquiries by Board as to matters constituting grounds for disciplinary action**

This clause requires the Board to inquire into a complaint relating to matters alleged to constitute grounds for disciplinary action against a person unless the Board considers the complaint to be frivolous or vexatious. If after conducting an inquiry, the Board is satisfied that there is proper cause for taking disciplinary action, the Board can censure the person, order the person to pay a fine of up to \$10 000 or prohibit the person from carrying on business as a pharmacy services provider or from occupying a position of authority in a corporate pharmacy services provider. If the person is registered, the Board may impose conditions on the person's right to provide pharmacy services, suspend the person's registration for a period not exceeding 1 year, cancel the person's registration, or disqualify the person from being registered. If a person fails to pay a fine imposed by the Board, the Board may remove them from the appropriate register.

**54—Contravention of prohibition order**

This clause makes it an offence to contravene a prohibition order made by the Board or to contravene or fail to comply with a condition imposed by the Board. A maximum penalty of \$75 000 or imprisonment for 6 months is fixed.

**55—Register of prohibition orders**

This clause requires the Registrar to keep a register of prohibition orders made by the Board. The register must be kept available for inspection at the office of the Registrar and may be made available to the public by electronic means.

**56—Variation or revocation of conditions imposed by Board**

This clause empowers the Board, on application by a registered person, to vary or revoke a condition imposed by the Board on his or her registration.

**57—Constitution of Board for purpose of proceedings**

This clause sets out how the Board is to be constituted for the purpose of hearing and determining proceedings under Part 4.

**58—Provisions as to proceedings before Board**

This clause deals with the conduct of proceedings by the Board under Part 4. It empowers the Board to make an interim order suspending a person's registration or imposing registration conditions restricting practice rights if in the opinion of the Board, it is desirable to do so in the public interest.

**Part 5—Appeals**

**59—Right of appeal to District Court**

This clause provides a right of appeal to the District Court against certain acts and decisions of the Board.

**60—Operation of order may be suspended**

This clause empowers the Board or the Court to suspend the operation of an order made by the Board where an appeal is instituted or intended to be instituted.

**61—Variation or revocation of conditions imposed by Court**

This clause empowers the District Court, on application by a registered person, to vary or revoke a condition imposed by the Court on his or her registration.

**Part 6—Miscellaneous**

**62—Offence to contravene conditions of registration**

This clause makes it an offence for a person to contravene or fail to comply with a condition of his or her registration and fixes a maximum penalty of \$75 000 or imprisonment for 6 months.

**63—Registered person etc must declare interest in prescribed business**

This clause requires a registered person or prescribed relative of a registered person who has an interest in a prescribed business to give the Board notice of the interest and of any change in such an interest. It fixes a maximum penalty of \$20 000 for non-compliance. It also prohibits a registered person from referring a customer to, or recommending that

a customer use, a health service provided by the business and from recommending that a customer use, a health product manufactured, sold or supplied by the business unless the registered person has informed the customer in writing of his or her interest or that of his or her prescribed relative. A maximum penalty of \$20 000 is fixed for a contravention. However, it is a defence to a charge of an offence or unprofessional conduct for a registered person to prove that he or she did not know and could not reasonably have been expected to know that a prescribed relative had an interest in the prescribed business to which the referral or recommendation that is the subject of the proceedings relates.

**64—Improper directions to pharmacists or pharmacy students**

This clause makes it an offence for a person who provides pharmacy services through the instrumentality of a pharmacist or pharmacy student to direct or pressure the pharmacist or student to engage in unprofessional conduct. It also makes it an offence for a person occupying a position of authority in a corporate pharmacy services provider to direct or pressure a pharmacist or pharmacy student through whom the provider provides pharmacy services to engage in unprofessional conduct. The clause also makes it an offence for pharmacy banner company, a person who has a right to exercise significant control over a pharmacy business or a person who supplies drugs or medicines to pharmacists to direct or pressure a pharmacist to engage in unprofessional conduct. In each case a maximum penalty of \$75 000 is fixed.

**65—Procurement of registration by fraud**

This clause makes it an offence for a person to fraudulently or dishonestly procure registration or reinstatement of registration (whether for himself or herself or another person) and fixes a maximum penalty of \$20 000 or imprisonment for 6 months.

**66—Statutory declarations**

This clause empowers the Board to require information provided to the Board to be verified by statutory declaration.

**67—False or misleading statement**

This clause makes it an offence for a person to make a false or misleading statement in a material particular (whether by reason of inclusion or omission of any particular) in information provided under the measure and fixes a maximum penalty of \$20 000.

**68—Registered person must report medical unfitness to Board**

This clause requires a registered person who becomes aware that he or she is or may be medically unfit to provide pharmacy services to immediately give written notice of that fact of the Board and fixes a maximum penalty of \$10 000 for non-compliance.

**69—Report to Board of cessation of status as student**

This clause requires the person in charge of an educational institution to notify the Board that a pharmacy student has ceased to be enrolled at that institution in a course of study providing qualifications for registration on the register of pharmacists. A maximum penalty of \$5 000 is fixed for non-compliance. It also requires a person registered as a pharmacy student who completes, or ceases to be enrolled in, the course of study that formed the basis for that registration to give written notice of that fact to the Board. A maximum penalty of \$1 250 is fixed for non-compliance.

**70—Registered persons and pharmacy services providers to be indemnified against loss**

This clause prohibits registered persons and pharmacy services providers from providing pharmacy services unless insured or indemnified in a manner and to an extent approved by the Board against civil liabilities that might be incurred by the person or provider in connection with the provision of such services. It fixes a maximum penalty of \$10 000 and empowers the Board to exempt persons or classes of persons from the requirement to be insured or indemnified.

**71—Information relating to claim against registered person or pharmacy services provider to be provided**

This clause requires a person against whom a claim is made for alleged negligence committed by a registered person in the course of providing pharmacy services to provide the Board with prescribed information relating to the claim. It also requires a pharmacy services provider to provide the Board with prescribed information relating to a claim made

against the provider for alleged negligence by the provider in connection with the provision of pharmacy services. The clause fixes a maximum penalty of \$10 000 for non-compliance.

#### **72—Victimisation**

This clause prohibits a person from victimising another person (the victim) on the ground, or substantially on the ground, that the victim has disclosed or intends to disclose information, or has made or intends to make an allegation, that has given rise or could give rise to proceedings against the person under this measure. Victimisation is the causing of detriment including injury, damage or loss, intimidation or harassment, threats of reprisals, or discrimination, disadvantage or adverse treatment in relation to the victim's employment or business. An act of victimisation may be dealt with as a tort or as if it were an act of victimisation under the *Equal Opportunity Act 1984*.

#### **73—Self-incrimination**

This clause provides that if a person is required to provide information or to produce a document, record or equipment under this measure and the information, document, record or equipment would tend to incriminate the person or make the person liable to a penalty, the person must nevertheless provide the information or produce the document, record or equipment, but the information, document, record or equipment so provided or produced will not be admissible in evidence against the person in proceedings for an offence, other than an offence against this measure or any other Act relating to the provision of false or misleading information.

#### **74—Punishment of conduct that constitutes an offence**

This clause provides that if conduct constitutes both an offence against the measure and grounds for disciplinary action under the measure, the taking of disciplinary action is not a bar to conviction and punishment for the offence, and conviction and punishment for the offence is not a bar to disciplinary action.

#### **75—Vicarious liability for offences**

This clause provides that if a corporate pharmacy services provider or other body corporate is guilty of an offence against this measure, each person occupying a position of authority in the provider or body corporate is guilty of an offence and liable to the same penalty as is prescribed for the principal offence unless it is proved that the person could not, by the exercise of reasonable care, have prevented the commission of the principal offence.

#### **76—Application of fines**

This clause provides that fines imposed for offences against the measure must be paid to the Board.

#### **77—Board may require medical examination or report**

This clause empowers the Board to require a registered person or a person applying for registration or reinstatement of registration to submit to an examination by a health professional or provide a medical report from a health professional, including an examination or report that will require the person to undergo a medically invasive procedure. If the person fails to comply the Board can suspend the person's registration until further order.

#### **78—Ministerial review of decisions relating to courses**

This clause gives a provider of a course of education or training the right to apply to the Minister for a review of a decision of the Board to refuse to approve the course for the purposes of the measure or to revoke the approval of a course.

#### **79—Confidentiality**

This clause makes it an offence for a person engaged or formerly engaged in the administration of the measure or the repealed Act (the *Pharmacists Act 1991*) to divulge or communicate personal information obtained (whether by that person or otherwise) in the course of official duties except—

- (a) as required or authorised by or under this measure or any other Act or law; or
- (b) with the consent of the person to whom the information relates; or
- (c) in connection with the administration of this measure or the repealed Act; or
- (d) to an authority responsible under the law of a place outside this State for the registration or licensing of persons who provide pharmacy services, where the

information is required for the proper administration of that law; or

(e) to an agency or instrumentality of this State, the Commonwealth or another State or a Territory of the Commonwealth for the purposes of the proper performance of its functions.

However, the clause does not prevent disclosure of statistical or other data that could not reasonably be expected to lead to the identification of any person to whom it relates. Personal information that has been disclosed for a particular purpose must not be used for any other purpose by the person to whom it was disclosed or any other person who gains access to the information (whether properly or improperly and directly or indirectly) as a result of that disclosure. A maximum penalty of \$10 000 is fixed for a contravention of the clause.

#### **80—Service**

This clause sets out the methods by which notices and other documents may be served.

#### **81—Evidentiary provisions**

This clause provides evidentiary aids for the purposes of proceedings for offences and for proceedings under Part 4.

#### **82—Regulations**

This clause empowers the Governor to make regulations.

#### **Schedule 1—Repeal and transitional provisions**

This Schedule repeals the *Pharmacists Act 1991* and makes transitional provisions with respect to the Board and registrations.

**Mr GRIFFITHS** secured the adjournment of the debate.

### **OCCUPATIONAL HEALTH, SAFETY AND WELFARE (PENALTIES) AMENDMENT BILL**

**The Hon. J.D. Hill**, for the **Hon. M.J. WRIGHT (Minister for Industrial Relations)**, obtained leave and introduced a bill for an act to amend the Occupational Health, Safety and Welfare Act 1986. Read a first time.

**The Hon. J.D. HILL:** I move:

That this bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

In 2005 the Rann Labor Government introduced reforms that streamlined and modernised the administration of occupational health, safety and welfare legislation in South Australia. This legislation established SafeWork SA and the SafeWork SA Advisory Committee and came into effect on 15 August 2005.

At that time the Government indicated to both houses of Parliament that these amendments were the first stage in the Government's ongoing commitment to achieve reform in the area of occupational health and safety.

Today I introduce into this house a Bill that will continue the Government's commitment and build upon the workplace safety initiatives already achieved.

This Bill has been developed largely in response to recommendations contained in the 2002 *Stanley Report Into the Workers Compensation and Occupational Health Safety and Welfare Systems in South Australia*. In particular, Recommendation 31 of the Stanley Report proposes that there be a review to consider increasing the current level of penalties.

The Bill has been developed through open and extensive consultation. In June 2006 the SafeWork SA Advisory Committee, which involves representatives of employers, workers and the Government, commenced a broader review of current penalties. The committee's recommendations are reflected in the Bill.

At the same time, SafeWork SA invited consultation from stakeholders on the level of fines and the structure of penalties under the Act, the offence of industrial manslaughter and the use of the current aggravated offence provisions. SafeWork SA consulted with some 75 organisations and individuals. A total of 18 written submissions were received and their high calibre and consideration of the issues is to be commended.

The key changes proposed in the Bill are:

- an increase in the maximum level of fines for corporations;
- a new offence of reckless endangerment; and

clarification of corporate liability and conduct of officers.

The Bill proposes to treble the maximum fines payable by corporations across all of the divisional fines. Penalties under the Act were last amended in 2001. Since that time most other jurisdictions have amended their OHS legislation and increased the amount of their penalties. The Stanley Report recommended that penalties should be increased to be more in line with interstate fines.

A distinction has been made in the Bill between the maximum penalty that can be imposed on a corporation and an individual. Such a distinction is necessary to reinforce to employers that the development of a safety culture in their workplace should be a fundamental cornerstone of their business.

It should be recognised that the penalties only apply when there has been a criminal conviction where a corporation has failed to provide a safe working environment for employees and other persons engaged at the workplace.

As a society we can no longer tolerate the idea that safety in the workplace is someone else's responsibility. It is in fact the responsibility of every person who is involved in, or has an interest in a workplace. From the shareholders to the Boardroom, the Chief Executive Officer to the manager, supervisor, leading hand and the employee, all persons must understand the obligations that they have to secure the health, safety and welfare of persons at work. Given their role the failure by a corporate employer to develop and implement a culture of safety is particularly inexcusable.

Many members of the business community treat workplace safety seriously, and I commend these businesses for doing the right thing. Encouraging a positive and cooperative focus on workplace safety amongst all employers, will lead to the reduction of injuries and deaths in employment, which is of paramount concern to this Government.

Increasing penalties for corporations will act as a significant deterrent for those employers who disregard their obligations and duties under the Act. Further the differential in fines recognises the different economic capacity of corporations as compared to individuals.

South Australia remains the only State to not distinguish between bodies corporate and individuals. Most States and Territories have also significantly increased fines for OHS&W offences, in particular corporate offences. Presently, OHS&W fines for corporations in South Australia are comparatively low. Trebling the fines for corporations will put South Australia within the range adopted by the other States and Territories.

The Bill also creates a new offence, which replaces the current section 59 aggravated offence. With the new offence a breach of the Act occurs where a person knowingly or recklessly acts in a manner that may seriously endanger another person at the workplace.

The current aggravated offence provision requires proof of the person's state of mind. It requires proof that they knowingly contravened the Act *and* were recklessly indifferent to the consequences. This creates major evidentiary hurdles and there has not been a single successful prosecution under this section in almost 20 years of its operation.

Reckless endangerment is a more effective and powerful alternative to aggravated offences and industrial manslaughter. The new offence is applicable to the conduct of an individual or a body corporate where it is demonstrated that there was a conscious or reckless disregard for the safety of others in the workplace.

The new offence is consistent with the principles underlying other offences in the Act. It is based on the existing concept that underpins our OHS legislation, that it is the exposure to risk of harm in the workplace, not the resultant harm, that forms the basis for a breach of the Act.

The new offence ensures that there is an appropriate and credible penalty for the most heinous offences that are committed in the workplace. This is reflected in a significant fine of up to 1.2 million dollars in some circumstances, and potential imprisonment of up to 5 years.

This offence will have a deterrent effect on those employers and workers who believe that they can continue to flout workplace safety obligations and responsibilities and not be answerable to the courts and the community.

The Act is currently silent on the issue of dealing with corporate liability in regard to actual or implied knowledge of a corporation relating to the acts and omissions of directors, officers and employees.

The introduction of the provisions in the Bill will clarify the liability of corporations based on the conduct of their officers, and

the liability of officers when a corporation has breached the Act. The provisions in the Bill are related to, and assume more importance in light of, the introduction of separate penalties for corporations and individuals and the trebling of penalties for corporations and the introduction of the new reckless endangerment offence.

The corporate liability provisions of the Bill are not limited in their application to the new offence of reckless endangerment. The provisions will have wider application across the Act, including offences for a breach of the substantive duty of care provisions in Part 3.

The Bill contains provisions that represent a contemporary legislative approach to the issue of corporate liability. The provisions are consistent with current practice in relation to Acts in other jurisdictions and in the *Environment Protection Act 1993*.

The changes effected by the Bill will provide greater consistency with other states and bring penalties broadly into line with other jurisdictions. They build on the existing framework of the OHS Act, with positive additions that will benefit the community as a whole.

Every South Australian worker should have the right to believe that when they go to work each day it is with the prospect of returning safely to their home and family at the end of that working day.

A safe and healthy workplace fosters productivity, competitive-ness and investment in our state and the changes I am introducing today will deliver long-term benefits for South Australian employers, employees, the community and the economy.

The Government recognises the important contribution made by all organisations and individuals who contributed through the consultative process. I wish to convey my thanks to the SafeWork SA Advisory Committee and its Presiding Member Mr Tom Phillips, who has guided the Advisory Committee through the penalty review process.

This collaborative approach is a testimony to the capacity and commitment of all interested stakeholders and demonstrates that a cooperative approach results in better occupational health and safety outcomes and performance.

I commend the Bill to Members.

#### EXPLANATION OF CLAUSES

##### Part 1—Preliminary

##### 1—Short title

##### 2—Commencement

##### 3—Amendment provisions

These clauses are formal.

##### Part 2—Amendment of *Occupational Health, Safety and Welfare Act 1986*

##### 4—Amendment of section 4—Interpretation

This clause amends section 4 of the principal Act to provide 2 different streams of penalties for defendants, 1 for natural persons and another for bodies corporate. The proposed maximum penalties in relation to bodies corporate are triple those for natural persons for each divisional penalty.

##### 5—Substitution of section 59

This clause inserts a number of new sections into the principal Act as follows:

##### 59—Offence to endanger persons in workplaces

This section provides that it is an offence for a person to knowingly or recklessly act in a manner in, or in relation to, a workplace that may seriously endanger the health or safety of another person.

The offence not only covers the situation where the conduct of the defendant actually causes harm to a person, it also covers conduct that has the potential for harming a person, thus allowing dangerous conduct to be prosecuted without the need for someone to first be injured.

The section does, however, provide a defence for the situation where the person had a lawful excuse for acting in such a manner. This covers situations where the work undertaken by the person is inherently dangerous to others.

##### 59A—Imputation of conduct or state of mind of officer, employee etc

This sections provide a scheme for establishing corporate liability by imputing conduct or knowledge of an officer, employee or agent of the corporation to the corporation. A natural person who is convicted of an offence because of the operation of the new section is not liable to be imprisoned.

This provision, and those following, are consistent with provisions in the *Environment Protection Act 1993* relating to similar issues of corporate responsibility.



### **59B—Statement of officer evidence against body corporate**

This section allows, in proceedings for an offence against the Act by a body corporate, a statement made by an officer of the body corporate to be admissible as evidence against the body corporate (which otherwise may not be admissible due to the privilege against self-incrimination).

### **59C—Liability of officers of body corporate**

This section is, essentially, the reverse of new section 59A, and provides that officers of a body corporate that commits an offence are (subject to the general defence inserted by new section 59D) also guilty of a contravention of the Act. This is true even where the body corporate has not been found by a court to have committed the contravention. An officer who knowingly promoted or acquiesced in the contravention is also guilty of contravening the relevant provision.

The section also provides evidentiary rules and exceptions, in particular dealing with the situation where an officer of a body corporate has been required to give information or produce a document under a provision of the Act that incriminated the body corporate and hence resulted in the officer's liability under the section.

A person who is convicted of an offence because of the operation of the new section is not liable to be imprisoned.

### **59D—General defence**

This section provides a general defence to proceedings under new section 59A or 59C if it is proved that the alleged contravention did not result from any failure on the defendant's part to take all reasonable and practicable measures to prevent the contravention or contraventions of the same or a similar nature (but the defendant will nevertheless be taken to have contravened the relevant provision for the purposes of the issuing of improvement notices or prohibition notices).

**Mr GRIFFITHS** secured the adjournment of the debate.

## **DANGEROUS SUBSTANCES AND MAJOR HAZARD FACILITIES BILL**

**The Hon. J.D. Hill**, for the **Hon. M.J. WRIGHT (Minister for Industrial Relations)**, obtained leave and introduced a bill for an act to provide for matters relating to dangerous substances and major hazard facilities; to repeal the Explosives Act 1936; to amend the Dangerous Substances Act 1979, the Environment Protection Act 1993 and the Road Traffic Act 1961; and for other purposes. Read a first time.

**The Hon. J.D. HILL** I move:

That this bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

Earlier this year the Rann Labor Government introduced controls on activities involving ammonium nitrate as part of a national effort to prevent the potentially criminal misuse of this substance.

This Bill will continue the Government's commitment and build upon this and other workplace and public safety initiatives already achieved.

In recent years States have been progressively modernising their dangerous substances laws. The Bill represents the outcome of reviews of the existing *Dangerous Substances Act 1979* and the *Explosives Act 1936*. These two Acts have been combined and modernised.

The Bill seeks to regulate dangerous substances. By definition these are comprised of explosives, dangerous goods, goods too dangerous to be transported, combustible liquids and other substances or articles declared by regulation. A "dangerous good" or a "good too dangerous to be transported" is as defined by the Australian Dangerous Goods Code, used by all States and Territories.

This South Australian Bill will assist the progress towards nationally consistent legislation that will be of benefit to businesses based in more than one State. For example, the Bill will provide for

use of the National Standard and Code for the Control of Major Hazard Facilities.

The Government has previously indicated the need for legislation to enable an appropriate level of control over those places which pose the most significant risks, in the event of an incident, to the safety of workers and any nearby residents as well as to the economy. This Act will enable specific controls for Major Hazard Facilities. Major hazard facility sites use, manufacture and store exceptionally high levels of dangerous goods and operate in a high-risk environment. The Bill contains a specific emphasis on regulating safety and security at these sites.

While there are currently fewer than 15 sites in South Australia liable to be classified as major hazard facilities, they are all significant to the State's economy and their safety and security is of great interest to this Government – a Government that has shown itself to be absolutely committed to improving safety and security at workplaces.

Major Hazard Facility operators will need to develop plans to manage safety and security. These plans must be supported by a comprehensive case identifying and assessing the risks associated with the activity, and how these risks will be managed at that particular major hazard facility.

Operators of major hazard facilities will be required to provide SafeWork SA with a compliance plan that sets out the manner and the period within which the operator will develop and implement their safety management plan.

Operators of these facilities will be required to involve employees in the development and implementation of safety management systems and provide them with appropriate training. They will also be required to provide certain information to the local community and to local emergency services in respect to procedures should an emergency arise.

SafeWork SA inspectors and technical specialists have been assisting the operators of sites likely to be classified as a major hazard facility to prepare to meet these requirements. This work will continue. These operators have been aware for the last few years of the advent of this legislation and have been fully consulted on the Bill. SafeWork SA has been in regular contact with these operators and other relevant government agencies to ensure the development of compliance plans and associated material can occur without undue impact on the normal operations of these businesses.

In a more general sense, the Bill enables the regulation of all classes of dangerous goods (except for radioactive materials). This means that some classes of goods, such as flammable gases (other than LPG), which have not been subject to regulation will now have controls over their transport, storage, use and other facilities. These classes are already regulated in other States.

The Bill provides for the issuing of licences for terms of up to three years for various activities including import/export, manufacture, transport, storage, sale and use. One licence may be issued for a number of activities. Major Hazard facilities aside, it is not intended that application fees for a licence differ from the present levels (subject to annual whole of government variations).

Existing appeal rights in relation to licensing matters and review of any decision by the regulator remain. This right is extended to decisions to classify a site as a major hazard facility. The appeal provisions in the Bill improves upon the existing Explosives Act under which no administrative appeal is possible and the only recourse is to a judicial review by the Supreme Court.

Significantly, the Bill provides for a licensee to apply to SafeWork SA for approval of an alternative compliance scheme. This may be in the form of an approved safety or security plan or another approved scheme. Alternative compliance schemes allow licence holders the flexibility to comply with dangerous substances legislation without having to meet the requirements of specified regulations. This is providing the method used eliminates or minimises the safety and security risks associated with the activity to at least the same extent as would have compliance with the regulations.

The Bill extends coverage to security matters by including a security duty as well as a safety duty. This reflects the growing awareness of the need for greater attention to securing dangerous substances, such as ammonium nitrate and other explosives against loss or theft. I draw Members' attention to the recently reported theft of some 400 kilograms of ammonium nitrate from a railway wagon in New South Wales.

The Bill provides that those substances requiring the greatest level of control, such as the various types explosives, be registered with SafeWork SA. The Bill allows particularly dangerous products

such as bombs, hand grenades and military style projectiles to continue to be prohibited.

The impact of the Bill will vary according to the whether or not a particular substance is already regulated and the extent to which people who use these substances are complying with existing dangerous substances and explosives legislation. Many members of the business community already comply with dangerous substances and explosives laws. These businesses will, in many instances, have nothing further to do to comply with their safety or security obligations.

For example, paints which are flammable, such as oil based paints, are regulated, in terms of the requirements for safe transport and storage, by the *Dangerous Substances Act 1979* and regulations. This will not change. Paint retailers will still need to store and handle these types of paint in a safe manner, consistent with existing laws. No additional responsibility is placed on the purchaser of these paints.

Conversely, people who sell pool chlorine must already do so in a safe manner and adopt safe work practices. Under the proposed legislation there will be an increased responsibility on the part of pool chlorine dealers to ensure that stocks of pool chlorine are transported, stored and handled in a safe and secure manner which meets regulations (which are currently being developed and will be consistent with relevant national standards). Those who wish to deal in large quantities of pool chlorine may require a licence to do so. There are no extra obligations for swimming pool owners and other purchasers of pool chlorine—they should continue to use the product in a safe manner, as indicated by the manufacturer or supplier.

The Bill has been developed through open and extensive consultation. This includes industry forums, a discussion paper and a 15-week period for public comment on the draft Bill. Licence holders and others likely to have an interest in the contents of the Bill were invited to comment.

Greater attention to the safe storage, handling and transport of dangerous substances by employers, employees and the general public will reduce the risk of workplace and domestic injuries and deaths, which is of paramount concern to this Government.

As in the existing *Dangerous Substances Act*, distinctions are made in the Bill between the maximum penalty that can be imposed on a corporation and an individual found by a Court to have committed an offence. Such a distinction is necessary to reinforce to those using dangerous substances that the maintenance of safety and, where relevant, security arrangements and systems should be a fundamental aspect of their operations. The penalties imposed by the *Explosives Act* have been increased substantially.

In the section of the Bill dealing with offences, individuals or corporate entities that act in a reckless and indifferent manner to the safety or security risks associated with a dangerous substance are distinguished from other types of offences.

The Bill contains provisions that represent a contemporary legislative approach to the issue of reducing the risks associated with dangerous substances – particularly where they are present in very large quantities. The legislative approach is generally consistent with current practice in relation to Acts in other jurisdictions.

The changes effected by the Bill will provide greater consistency with other States and are aimed at lifting the general level of awareness of and attention to safety and security when people are using dangerous substances. The provisions complement those in occupational health and safety legislation with positive additions that will benefit the community as a whole.

Regulations to support the provisions set out in the Bill are being developed and there will be significant consultation on their content. This will occur through direct contact with industry associations whose members are likely to have an interest in the specific types of substance to be regulated (particularly where such regulation does not currently exist) and a lengthy public comment period for these regulations.

The Bill amends the *Dangerous Substances Act 1979* so that it will continue to contain the provisions supporting the uniform scheme for the transport of dangerous goods. This scheme is the subject of a national review and it is expected that early in the new year there will be agreement on a new scheme. A Bill to reflect the outcome of the national agreement is foreshadowed.

Safe and secure workplaces are of paramount importance to the Rann Government. This Bill will assist South Australian employers, employees, the community and ultimately the economy.

I commend the Bill to Members.

#### EXPLANATION OF CLAUSES

##### Part 1—Preliminary

##### 1—Short title

##### 2—Commencement

These clauses are formal.

##### 3—Interpretation

This clause defines terms for the purposes of the measure.

##### 4—Dangerous substances

This clause sets out the meaning of dangerous substances. The term covers explosives, dangerous goods (classes of goods under the Australian Dangerous Goods Code), goods too dangerous to be transported, combustible liquids and other substances or articles declared by or under the regulations to be dangerous substances.

Explosives are defined by their nature. Dangerous goods and goods too dangerous to be transported are defined according to their form and classification under the Australian Dangerous Goods Code. Combustible liquids are defined by the requirements set out in the relevant Australian Standard.

##### 5—Activity involving dangerous substance

This clause sets out various examples of the broad range of activities to which the measure may apply—including possessing a dangerous substance, or manufacturing, importing, storing or transporting a dangerous substance.

##### 6—Identification and assessment of risks

This clause describes matters that must be considered when identifying and assessing safety risks and security risks.

This approach reflects that in the National Standard for the Storage and Handling of Workplace Dangerous Goods.

##### 7—Application and interaction with other Acts

The measure is in addition to other laws but does not apply in relation to an explosive to which the relevant Commonwealth Act applies.

This clause also states that documents prepared for the purposes of other Acts (in particular, the *Petroleum Act 2000*, the *Environment Protection Act 1993* and the *Occupational Health, Safety and Welfare Act 1986*) may be accepted for the purposes of this Act.

See section 4 *Dangerous Substances Act 1979*.

##### 8—Civil remedies not affected

The Bill does not derogate from any civil right or remedy.

See section 4 *Dangerous Substances Act 1979*.

#### Part 2—Duties and standards for safety and security

##### 9—Safety duty

This clause imposes an obligation on a person carrying on an activity involving a dangerous substance to take such precautions and exercise such care as is reasonable in the circumstances in order to eliminate or minimise, as far as reasonably practicable, safety risks associated with the activity.

Safety risks are risks of harm to a person, property or the environment.

The clause lists matters to which regard must be had in determining what measures are required to be taken.

See sections 11 and 12 *Dangerous Substances Act 1979*. The approach is also designed to reflect that in the National Standard for the Storage and Handling of Workplace Dangerous Goods.

##### 10—Security duty

This clause imposes an obligation on a person carrying on an activity involving a dangerous substance to take such precautions and exercise such care as is reasonable in the circumstances in order to keep the substance secure.

Secure means secure from loss, theft or being used for a criminal purpose.

Again, the clause lists matters to which regard must be had in determining what measures are required to be taken.

##### 11—Safety and security standards imposed by regulations

This clause provides a general regulation making power for the purposes of eliminating or minimising safety risks and security risks in activities involving dangerous substances.

Other aspects of the National Standard for the Storage and Handling of Workplace Dangerous Goods may be reflected in the regulations. Matters that could have been dealt with in approved codes under the *Dangerous Substances Act 1979* may be dealt with in the regulations (including by incorporation or reference to a code).

##### 12—Offences

Because a breach of the standards imposed by regulation may amount to a breach of the duties imposed by the measure, the

clause creates a series of different offences with a range of penalties.

The highest penalties apply where harm results and there is knowledge or reckless indifference about the safety risks or security risks. Midrange penalties apply where there is harm but no knowledge or reckless indifference. The lower penalties apply where there is a breach of a duty but harm does not result. The level of penalty in this case is the same as the maximum that can be imposed for breach of a regulation.

	Penalty—body corporate	Penalty—natural person
Contravention of Safety duty or regulations plus harm plus knowledge or reckless indifference	\$500 000	\$100 000 or imprisonment for 4 years or both
Security duty plus knowledge or reckless indifference	\$250 000	\$50 000 or imprisonment for 2 years or both
Safety duty or security duty	\$50 000	\$10 000

This clause enables the regulations or licence conditions to provide that compliance with specified regulations or specified licence conditions would satisfy the duty in its application to the activity concerned in the alleged contravention. In such a case the onus is on the defendant to prove compliance with the regulations or licence conditions.

See section 26 *Dangerous Substances Act 1979*.

**14—Prohibitions by proclamation**

This clause allows the Governor to impose a prohibition relating to dangerous substances by proclamation. This provides a quick method to achieve a necessary control. It is intended that permanent prohibitions would be accomplished by regulation so that the offences in clause 12 would apply to a contravention of the prohibition.

See section 49 *Dangerous Substances Act 1979* and section 48 (proclamation) *Explosives Act 1936*.

**Part 3—Register**

**15—Register of explosives and registrable dangerous substances**

The register takes the place of the current classification system for explosives. The regulations may apply the registration system to dangerous substances other than explosives. Applications for registration are formalised and to be made by the manufacturer or importer of the explosive or registrable dangerous substance. Registration is to last for a maximum period of 10 years. The dangerous substance would then need to be registered again.

The information on the register may cover not only the details of composition, quality and character but also packaging and labelling details.

Various grounds for cancellation of registration are set out in the clause.

See section 6 *Explosives Act 1936*.

**Part 4—Licensing**

**Division 1—Licences**

**16—Requirement for licence**

This clause requires the following activities to be licensed:

- (a) manufacture or import—
  - (i) a substance or article for use (whether in its manufactured form or in a modified form) as an explosive; or
  - (ii) a registrable dangerous substance; or
- (b) carry on or personally engage in an activity involving an unregistered dangerous substance; or
- (c) carry on or personally engage in a prescribed activity involving a dangerous substance.

The clause allows a person to continue to use a dangerous substance after cancellation of its registration for a 10 year period or such shorter period as is specified on the register. See Part 3 Divisions 2, 3 and 4 *Dangerous Substances Act 1979* and Parts 2, 3 and 4 *Explosives Act 1936* and regulations under those Acts.

**17—Grant or renewal of licence**

The Regulator may grant single or multiple licences authorising activities. A conditional approval in respect of proposed premises is also contemplated.

**18—Temporary grant or renewal of licence**

Temporary licences may be granted for a term not exceeding 6 months.

**19—Term of licence**

The term is to be specified in the licence but must not exceed 3 years. If a licensee should continue to be bound by conditions, the Regulator may renew a licence on the Regulator’s own initiative.

**20—Annual fees and returns**

Annual licence fees and returns are provided for licences for a term of 2 years or more.

**21—Licence non-transferable**

Licences are not transferable.

**22—Surrender of licence**

The Regulator may refuse to approved the surrender of a licence if the licensee should continue to be bound by conditions.

**Division 2—Licence conditions**

**23—Licence conditions**

Examples of the conditions that may be imposed by the Regulator are set out in this clause.

**24—Safety management plan**

Certain licensees must develop and comply with safety management plans.

The safety management plan is to be a fully documented plan that incorporates a written report identifying and assessing safety risks and incorporates a set of processes adopted by the licensee to apply to authorised activities, and to emergencies that might arise, for the purposes of protecting persons, property and the environment from harm.

The licensee or proposed licensee is to pay for the assessment of a safety management plan conducted by the Regulator. The conditions of licence may also set out a basis for payments for auditing of compliance with the licensee’s approved safety management plan.

The nature and complexity of the plan would vary according to the nature and complexity of the activities authorised by licence.

**25—Security management plan**

Certain licensees must develop and comply with security management plans.

The security management plan is to be a fully documented plan that incorporates a written report identifying and assessing security risks and incorporates a set of processes adopted by the licensee to apply to authorised activities for the purposes of keeping dangerous substances secure.

The licensee or proposed licensee is to pay for the assessment of a security management plan conducted by the Regulator. The conditions of licence may also set out a basis for payments for auditing of compliance with the licensee’s approved security management plan.

Again, the nature and complexity of a security management plan would vary according to the nature and complexity of the activities authorised by licence.

Safety management plans and security management plans may be combined.

**26—Security clearance of certain persons**

Certain licences are subject to the following conditions:

- (a) each person who supervises or manages the activities authorised by the licence must be an approved security cleared manager for that licence; and
- (b) each person—
  - (i) who has responsibility for ensuring compliance with an approved security management plan or tasks included in the plan; or
  - (ii) who may have access to a dangerous substance other than in the presence of and under the direct supervision of an approved security cleared manager or approved security cleared agent,
    - must be an approved security cleared manager, or an approved security cleared agent, for that licence; and
- (c) if required by licence condition imposed by the Regulator, each approved security cleared manager and approved security cleared agent for the licence must wear, while undertaking duties relating to the activity authorised

by the licence, an identification card that is in a form approved by the Regulator and is clearly visible to other persons.

**27—Reporting of loss, theft or unauthorised interference**

This clause requires the theft, loss or apparent unauthorised interference with a dangerous substance to which the licence relates to be reported immediately to a police officer and the Regulator.

**28—Offence to contravene licence conditions**

This clause makes contravention of a licence condition an offence.

**Division 3—Alternative compliance schemes**

**29—Alternative compliance scheme comprised of approved safety or security management plan**

Under this clause the Regulator may approve compliance by a licensee with an approved safety management plan or approved security management plan instead of specified regulations.

This approval operates as an exemption from the regulations.

**30—Other alternative compliance schemes**

Under this clause the Regulator may approve compliance by a licensee with a scheme to be implemented by the licensee instead of specified regulations.

This approval does not operate as an exemption but in proceedings (civil or criminal) where it is alleged that a licensee with an approval contravened regulations specified in the approval, it will be a defence if it is proved—

(a) that the licensee complied with its alternative compliance scheme and any conditions of the approval; and

(b) that compliance with the scheme eliminated or minimised the safety risks or security risks associated with the activity (as the case requires) to at least the same extent as would have compliance with the specified regulations.

This clause is designed to provide a level of flexibility for licensees.

**Division 4—Making and determination of applications**

**31—Applications**

This clause governs the form of applications and empowers the Regulator to obtain additional information or material. The applicant or a close associate of the applicant (as defined in clause 3) may be asked to submit to the taking of photographs and finger prints.

**32—Licence may include photograph**

This clause facilitates a photograph being included on a licence.

**33—Criteria—general**

This clause requires the Regulator to always have regard to the safety duty and the security duty.

The regulations may prescribe essential requirements for licensees.

**34—Criteria—minimum age**

18 years of age is fixed as the minimum age for a licensee or a security cleared manager or agent.

**35—Criteria—suitability of person**

Suitability of a licensee extends to suitability of the licensee's close associates. The clause sets out various offences and orders that may be taken into account. The provision also applies in relation to security cleared managers and agents.

**36—Criteria—capacity and purpose**

An applicant must have a genuine reason for a licence and there must be appropriate arrangements for compliance with the measure.

**37—Criteria—approvals of plans and schemes**

A safety management plan or security management plan must adequately eliminate or minimise safety risks or security risks and, if it is to form an alternative compliance plan, compliance with the plan must eliminate or minimise the risks to at least the same extent as would compliance with the regulations from which the licensee is to be exempt.

In respect of an alternative compliance scheme that does not amount to an exemption, the Regulator must be satisfied that the applicant has the capacity, or has made or proposes to make arrangements, to implement an alternative compliance scheme that will eliminate or minimise the safety risks or security risks (as the case requires) associated with the activity authorised by the licence to at least the same extent

as would compliance with the regulations proposed to be specified in the approval.

**Division 5—Suspension, cancellation or variation**

**38—Application by licensee for variation of licence or cancellation or variation of approval**

This clause provides for variation of a licence or cancellation or variation of an approval on application.

**39—Suspension, cancellation or variation of licence or approval by Regulator**

This clause provides for suspension, cancellation or variation of a licence on the following grounds:

(a) the licence was obtained improperly; or

(b) the licensee—

(i) has ceased to carry on or engage in the activity authorised by the licence; or

(ii) has not paid fees or charges payable to the Regulator within the required time; or

(iii) has contravened the measure or a law of the Commonwealth or another State or a Territory of the Commonwealth that regulates activities involving dangerous substances; or

(iv) has ceased to be a suitable person to hold the licence; or

(c) the activities authorised by the licence should not be continued (or should not be continued under the licence conditions) because the safety risks or security risks associated with the activity are unacceptably high.

A cancellation may also lead to a disqualification from obtaining a licence.

The clause provides for cancellation of an approval of a person as a security cleared manager or security cleared agent on the following grounds:

(a) the approval was obtained improperly; or

(b) the person has contravened the measure or a law of the Commonwealth or another State or a Territory of the Commonwealth that regulates activities involving dangerous substances; or

(c) the person has ceased to be a suitable person to be approved.

The clause provides for cancellation of an approval of an alternative compliance scheme on the following grounds:

(a) the approval was obtained improperly; or

(b) the licensee has contravened a condition of the approval; or

(c) the scheme should not be continued because the safety risks or security risks associated with the scheme are unacceptably high.

**40—Variation of plans**

This clause provides a scheme for variation of a safety management plan or security plan at the instigation of the Regulator.

**Part 5—Major hazard facilities**

**41—Classification as major hazard facility**

Under this section, the Regulator may classify a facility or proposed facility as a major hazard facility having regard to the criteria set out in the Major Hazard Facilities Standard and the Major Hazard Facilities Code. The operator of the facility (as a licensee or applicant for a licence) is to be given the opportunity to make submissions about the classification.

**42—Criteria for applications relating to major hazard facility**

The Regulator is required, in considering an application under Part 4 relating to a major hazard facility, to have regard to the Major Hazard Facilities Standard and the Major Hazard Facilities Code.

**43—Application of safety and security measures to major hazard facility**

Special requirements for major hazard facilities are set out in this clause. In the case of a major hazard facility, the safety management plan is to focus on identifying and dealing with potential dangerous situations. An auditing scheme for compliance is an essential characteristic.

In the case of an existing major hazard facility, the clause requires the development of a compliance plan as a first step—a plan setting out the manner in which, and the period within which, a safety management plan and its associated documentation will be prepared. The compliance plan must involve identification and assessment of safety risks in consultation with employees. The associated documentation

must include a proposed scheme for auditing compliance with the safety management plan and a detailed explanation of the grounds on which it is alleged that the plan should be approved. The compliance plan may contemplate the safety processes being developed, reviewed or implemented on an incremental basis.

The requirements for preparation of security management plans apply to licensees of major hazard facilities in the same way as for safety management plans.

#### **Part 6—Notification**

##### **44—Information to be provided to Regulator by person other than licensee**

This clause provides for a system of notification for non-licensed activities. The scope of the requirement to notify is to be determined by regulation.

#### **Part 7—Enforcement and emergencies**

##### **Division 1—Approved auditors**

##### **45—Approved auditors**

This clause establishes a scheme for Ministerial approval of auditors for the purposes of auditing compliance with a safety management plan or security management plan.

##### **46—Duty of auditors to report certain matters**

An auditor must report conduct creating a serious safety risk or serious security risk. The regulations may specify other reportable incidents.

##### **47—Offence to hinder or obstruct auditor**

This clause makes it an offence to hinder or obstruct an auditor.

##### **Division 2—Authorised persons**

##### **48—Appointment of authorised persons**

This clause provides for the appointment of authorised persons and provides that all police officers are authorised persons.

See section 7 *Dangerous Substances Act 1979* and section 6 and definition of inspector in section 4 *Explosives Act 1936*.

##### **49—Identification of authorised persons**

This clause provides for certificates of identity.

##### **50—General powers of authorised persons**

This clause sets out general enforcement powers relating to inspection, collection of evidence and asking of questions. The powers may be exercised in relation to—

- (a) a place or vehicle subject to a licence;
- (b) a place or vehicle that an authorised person reasonably suspects is being, or has been, used for or in connection with an activity involving a dangerous substance;
- (c) a place or vehicle in which an authorised person reasonably suspects there may be, records relating to an activity involving a dangerous substance or anything that has been used in, or may constitute evidence of, a contravention of the measure;
- (d) a commercial vehicle (as defined) or a vehicle that an authorised person reasonably suspects is a commercial vehicle.

See section 27 *Dangerous Substances Act 1979* and sections 42 and 43 *Explosives Act 1936*.

##### **51—Warrant procedures**

The procedures for obtaining a warrant to authorise the use of reasonable force to break into or open a place or vehicle in the exercise of an authorised person's powers are set out in this clause.

See section 28 *Dangerous Substances Act 1979*.

##### **52—Provisions relating to seizure**

The procedures for dealing with items seized by an authorised person in the exercise of powers are set out in this clause.

See section 29 *Dangerous Substances Act 1979* and, in respect of the power to destroy certain substances, section 46 *Explosives Act 1936*.

##### **53—Offence to hinder etc authorised persons**

This clause makes it an offence to refuse to comply with a requirement of an authorised person or the like.

See sections 10 and 30 *Dangerous Substances Act 1979* and section 44 of the *Explosives Act 1936*.

##### **54—Self-incrimination**

A person is required to answer a question despite the fact that the answer may be incriminating but the answer is not admissible in evidence against the person in proceedings for an offence other than proceedings in respect of the making of a false or misleading statement or declaration.

See section 31 *Dangerous Substances Act 1979*.

#### **Division 3—Notices and emergencies**

##### **55—Notification of dangerous situations**

The person in charge of an activity involving dangerous substances when a dangerous situation (as defined in clause 3) arises must make a report to the Regulator as soon as reasonably practicable.

See regulations under *Dangerous Substances Act 1979* and *Explosives Act 1936*.

##### **56—Notices**

This clause empowers an authorised person to issue a notice for the purposes of—

- (a) securing compliance with a duty or other requirement imposed by or under the measure; or
- (b) averting harm to persons, property or the environment, or eliminating or minimising safety risks, arising out of a dangerous situation.

The notice may impose—

- (a) a requirement that the person discontinue, or not commence, a specified activity indefinitely or for a specified period or until further notice from the Regulator;
- (b) a requirement that the person not carry on a specified activity subject to specified conditions;
- (c) a requirement that the person take specified action within a specified period.

It is an offence to fail to comply with a notice or to hinder or obstruct a person complying with a notice.

See section 33 *Dangerous Substances Act 1979*.

##### **57—Action on default**

If a person fails to comply with a notice, an authorised person is empowered to take the action required by the notice.

See section 34 *Dangerous Substances Act 1979*.

##### **58—Action in emergencies**

If a dangerous situation exists and immediate action is required, an authorised person is empowered to take action to avert harm.

See section 35 *Dangerous Substances Act 1979*.

##### **59—Review of notices by Regulator**

This clause enables a person to whom a notice is issued under this Division to apply to the Regulator for a review of the decision to issue the notice.

#### **Part 8—Appeal**

##### **60—Appeal to District Court**

The following decisions are subject to appeal to the Administrative and Disciplinary Division of the District Court:

- (a) classification of a facility as a major hazard facility;
- (b) any decision made in the licensing scheme (other than a decision in relation to a temporary licence);
- (c) a decision of the Regulator on review of a notice under Part 7 Division 3.

See section 37 *Dangerous Substances Act 1979*.

#### **Part 9—Miscellaneous**

##### **61—Exemptions**

The Regulator may grant individual exemptions and it is an offence to breach a condition of an exemption.

See section 36 *Dangerous Substances Act 1979*.

##### **62—Delegation by Minister, Regulator or Registrar**

The Minister, Regulator or Registrar may delegate functions or powers.

See section 6 *Dangerous Substances Act 1979* and section 51C *Explosives Act 1936*.

##### **63—Police reports**

The Commissioner of Police is obliged to provide information to the Regulator on request for the purpose of determining an application for a licence or approval or whether a licence or approval should be suspended or cancelled.

##### **64—Forfeiture of dangerous substance on conviction**

A court convicting a person of an offence may order forfeiture of a dangerous substance in relation to which the offence was committed.

See section 43 *Dangerous Substances Act 1979* and section 51 *Explosives Act 1936*.

##### **65—Recovery of administrative and technical costs associated with contraventions**

Under this clause the Regulator may recover from a person who has contravened the measure—

(a) a fee for investigation of the contravention of the measure or the issuing of a notice in respect of the contravention; or

(b) costs and expenses of causing action to be taken if such a notice is contravened; or

(c) costs and expenses incurred in taking samples or in conducting tests, examinations or analyses or in storing or disposing of dangerous substances in respect of the contravention.

See section 44 *Dangerous Substances Act 1979* (a more limited provision enabling cost recovery of certain costs on conviction).

**66—Cost recovery for dealing with dangerous situations**  
Under this clause a government authority or council may recover costs and expenses incurred as a result of taking action to avert harm to persons, property or the environment, or to eliminate or minimise safety risks, arising from a dangerous situation (as defined).

See section 46 *Dangerous Substances Act 1979*.

**67—Immunity**

This clause provides immunity from personal liability for persons engaged in the administration of the measure.

See section 47 *Dangerous Substances Act 1979* section 45 *Explosives Act 1936*.

**68—Requirement to return licence on request**

It is an offence to fail to return a licence on request in order for the licence to be replaced or altered to record action taken under the measure.

**69—False or misleading statements**

It is an offence to make a statement that is false or misleading in a material particular (whether by reason of the inclusion or omission of a particular) in information provided, or records kept, under the measure.

**70—Statutory declaration**

This clause enables the Minister, Regulator or Registrar to require information to be verified by statutory declaration.

**71—Confidentiality**

This clause makes it an offence to divulge information relating to trade secrets, business processes or financial information obtained in the administration or enforcement of the measure.

See section 9 *Dangerous Substances Act 1979*.

**72—Giving of notice**

This clause sets out how notices may be served.

**73—General defence**

This clause provides that it is a defence if it is proved that the alleged contravention did not result from any failure on the defendant's part to take all reasonable and practicable measures to prevent the contravention or contraventions of the same or a similar nature.

**74—Notice of defences**

Under this clause notice of reliance on a defence under the measure must be notified to the Regulator.

**75—Proof of intention etc for offences**

This clause makes it clear that, subject to any express provision in the measure to the contrary, it will not be necessary to prove any intention or other state of mind in order to establish a contravention of the measure.

**76—Imputation in proceedings of conduct or state of mind of officer, employee etc**

The conduct and state of mind of an officer, employee or agent of a body corporate acting within the scope of his or her actual, usual or ostensible authority will be imputed to the body corporate.

The conduct and state of mind of an employee or agent of a natural person acting within the scope of his or her actual, usual or ostensible authority will be imputed to that person. In this case if the natural person would not have been convicted of an offence but for this provision, the person is not liable to imprisonment.

**77—Statement of officer evidence against body corporate**  
A statement made by an officer of a body corporate is admissible as evidence against the body corporate.

**78—Liability of officers of body corporate**

This clause provides for officers of a body corporate to be responsible for contraventions by the body corporate.

See section 41 *Dangerous Substances Act 1979* and section 51A *Explosives Act 1936*.

**79—Continuing offences**

This clause is a standard provision providing penalties for continuing offences.

See section 42 *Dangerous Substances Act 1979* and section 51B *Explosives Act 1936*.

**80—Commencement of proceedings for summary offences**

Proceedings for summary offences may only be commenced by an authorised person or the Regulator. The prosecution period is extended to 3 years or a longer period (up to 6 years) authorised by the Attorney-General.

See section 45 *Dangerous Substances Act 1979*.

**81—Evidence**

This provision provides evidentiary aids for proceedings.

See section 38 *Dangerous Substances Act 1979*.

**82—Land acquisition**

Land (or an interest in land) may be acquired in accordance with the *Land Acquisition Act 1969* by the Minister for the purposes of a storage or testing facility for explosives or security sensitive substances or for other purposes relating to the administration of this Act in connection with explosives or security sensitive substances.

See Part 4A *Explosives Act 1936*.

**83—Regulations**

This clause provides general regulation making power.

See section 50 *Dangerous Substances Act 1979* and section 52 *Explosives Act 1936*.

**Schedule 1—Amendments, repeals and transitional provisions**

**Part 1—Preliminary**

**1—Amendment provisions**

This clause is formal.

**Part 2—Amendment of *Dangerous Substances Act 1979***

**2 to 17—Various amendments**

This Part renames the Act as the *Dangerous Goods Transport Act 1979*. The provisions on matters that are dealt with in the measure are removed, so that all that remains is the provisions supporting the uniform scheme for the transport of dangerous goods.

**Part 3—Amendment of *Environment Protection Act 1993***  
**18—Amendment of Schedule 1—Prescribed activities of environmental significance**

The *Environment Protection Act 1993* lists prescribed activities of environmental significance and in connection with this list specifies dangerous substances as waste relevant to a particular activity. The reference is altered to exclude explosives to ensure that the current meaning is retained.

**Part 4—Amendment of *Road Traffic Act 1961***

**19—Amendment of section 47A—Interpretation**

This clause is relevant to the zero alcohol limit for drivers of prescribed vehicles. The definition currently refers to a vehicle that is used to transport dangerous substances within the meaning of the *Dangerous Substances Act 1979* or has such substances aboard. The reference to the Act is updated and this will have the effect of extending the provision to vehicles used to transport explosives.

**Part 5—Repeal of *Explosives Act 1936***    **20—Repeal of Act**

This clause repeals the *Explosives Act 1936*.

**Part 6—Transitional provisions**

**21—Licences**

Licences in force under the repealed Acts are converted to licences under the measure.

**22—Permits to purchase explosives**

Permits in force under the *Explosives Act 1936* are converted to licences under the measure.

**23—Permits to carry out gas fitting work**

Permits in force under the *Dangerous Substances Act 1979* are converted to licences under the measure.

**24—Notices**

Notices under section 33 of the *Dangerous Substances Act 1979* are converted to notices under the measure.

**25—Register**

Classification of an explosive under the *Explosives Act 1936* is converted to registration under the measure.

**Mr GRIFFITHS** secured the adjournment of the debate.

**STATE LOTTERIES (MISCELLANEOUS)  
AMENDMENT BILL**

**The Hon. J.D. Hill**, on behalf of the **Hon. M.J. WRIGHT (Minister for Administrative Services and Government Enterprises)**, obtained leave and introduced a bill for an act to amend the State Lotteries Act 1966. Read a first time.

**The Hon. J.D. HILL** I move:

That this bill be now read a second time.

I seek leave to have the second reading explanation inserted in *Hansard* without my reading it.

Leave granted.

This Bill is to give effect to a number of amendments to the *State Lotteries Act 1966*, most notable of those being the raising of the allowable age to play lottery games to 18 years, and providing SA Lotteries with the ability to promote and conduct special appeal lotteries to raise funds for particular causes.

Part 1 of the Bill deals with preliminary issues and contains the citation (Clause 1) and provides that it is to come into operation on a day to be fixed by proclamation (Clause 2). All amendments contained in the Bill apply only to the State Lotteries Act (Clause 3).

Part 2 contains the substantive amendments. Clause 4 amends the Interpretation clause by introducing, *inter alia*, the concept of a special appeal lottery, and defining an 'Australian lotteries body' and a 'foreign lotteries body'. There are two arms to these definitions. Firstly, SA Lotteries is currently able to promote and conduct a lottery with an authority constituted under the law of another State or Territory of Australia. This has facilitated the very successful arrangements whereby the individual Australian lottery operators can pool prize monies to create larger and more attractive prizes. Consumer demand exists for larger jackpots and increased prizes and the view is that this can only be generated through enhanced pooling and co-operative activities on an international perspective. For SA Lotteries to take advantage of such international pooling or co-operative opportunities, the Act must be broadened to include international authorities as well as retaining the current ability to conduct joint lotteries within Australia. This will bring the South Australian legislation into line with the other Australian lotteries jurisdictions.

Secondly, the Minister with responsibility for SA Lotteries will have the power to declare a body to be within the intended ambit of the definition. The intention of this provision is to allow SA Lotteries to enter into co-operative dealings of a commercial nature with either an Australian or international body, subject to the approval of the Minister. SA Lotteries is established as a body corporate and should, to the maximum extent permissible, be allowed to undertake a range of commercial activities that are appropriate for the administration and affairs of SA Lotteries and which align with the functions and objects of the State Lotteries Act. Clause 4(7) has been inserted into the legislation to clarify certain terms used in the Act when applied to a lottery conducted jointly by SA Lotteries with another appropriate body.

Clause 5 broadens the powers and functions of SA Lotteries to allow it to enter into any jackpot pooling or co-operative dealing that may present itself on the international stage, subject to the approval of the Minister.

Clause 6 introduces two new sections into the Act to ensure differentiation between special lotteries and special appeal lotteries. The legislation made previous provision for special lotteries, the net proceeds of which are paid to the Recreation and Sport Fund. The introduction of a provision for special appeal lotteries will allow SA Lotteries to promote and conduct lotteries with the specific purpose of raising funds for approved purposes within South Australia. In the past, SA Lotteries has been approached to promote and conduct fund raising type lotteries. Unfortunately, SA Lotteries has had to decline as the current legislation does not provide for lotteries of this nature. With these amendments, SA Lotteries will be in a position to offer its experience in the conduct of lotteries thereby providing assurance to the South Australian public that special appeal lotteries are transparent and credibly organised. Each proposal will be presented to the Minister on a case by case basis for approval. This amendment will also enable SA Lotteries to increase its commitment to community causes in addition to its current contributions to the provision, maintenance, development and improvement of public hospitals and equipment for public hospitals, and support and

development of recreational and sporting facilities and services within South Australia.

Clause 7 amends the manner of application of moneys in The Lotteries Fund by making provision for the payment of the net proceeds arising from a special appeal lottery together with any unclaimed prizes that may arise in respect of those particular lotteries, to the beneficiaries as specified by the Minister. This will not mean a redirection of funds away from the current Hospitals Fund or the Recreation and Sport Fund, but rather the specific application of proceeds resulting from the introduction of special appeal lotteries.

Clause 8 amends the provision relating to unclaimed prizes. Whilst all current lotteries conducted by SA Lotteries allow for a 12 month claim period within which to collect a prize, it was considered appropriate that with the introduction of special appeal lotteries, a shorter claim period should be considered for this particular lottery. This is due to the fact that the proceeds of such lotteries will normally be distributed within a short time frame to provide immediate benefit to the approved cause.

A further amendment to this section will now allow the claim period to be met in the instance of a lottery prize being paid over an extended period in instalments, if at least the first instalment is collected or taken delivery of within the twelve month period.

Clause 9 amends the provision establishing the Unclaimed Prizes Reserve by excluding its application to prizes in special appeal lotteries. In that instance, unclaimed prizes will be paid to the beneficiary of the special appeal lottery.

Clause 10 amends the provision dealing with the value of prizes to be offered in a lottery. Unlike other Australian lottery jurisdictions, SA Lotteries has been unable to fund the payment of 'missed prizes' from the Prize Reserve Fund. The amendments will allow such a payment to be made so long as certain criteria as outlined in the amendments are satisfied. These criteria are consistent with those applied by other Australian lottery entities.

Amendments have also been made to ensure that there is no creation of a Prize Reserve Fund in relation to special appeal lotteries. It will be SA Lotteries' intention to return the maximum net proceeds of such lotteries to the beneficiaries.

Clause 11 gives effect to the Government's policy of increasing the age at which persons can play lottery games from 16 to 18 years. Community sentiment supports this increase, and brings the playing of lottery games into line with other forms of gambling within South Australia. The penalties for selling an SA Lotteries ticket to a minor, or purchasing a ticket on behalf of a minor or claiming or collecting a prize won on a ticket on behalf of a minor have been increased to act as a greater deterrent. The higher level of penalties is reflective of the wider South Australian situation.

Clause 12 amends the provision prescribing offences under the Act to ensure that there is consistency between the prescribed penalties throughout the legislation. Certain offences have been deleted as they are a duplication of provisions contained within the Criminal Law Consolidation Act. Furthermore, a higher level of penalty will provide a greater level of deterrence. As a result of third party promotions seeking to determine financial benefits by associating their products and marketing initiatives with SA Lotteries' games, a new penalty provision has been inserted into the legislation requiring that third parties are to obtain the written authority of SA Lotteries before giving away or offering to give away tickets in an SA Lotteries game for any advertising, promotional or commercial purpose.

Given the age and style of the Act, a complete review of the Act has been undertaken to correct obsolete references and modernise the language used. These amendments do not have a substantive effect on the Act, and are contained in Schedule 1—Statute Law Revision attached to the Bill.

I commend the Bill to Members.

**EXPLANATION OF CLAUSES**

**Part 1—Preliminary**

**1—Short title**

**2—Commencement**

**3—Amendment provisions**

These clauses are formal.

**Part 2—Amendment of State Lotteries Act 1966**

**4—Amendment of section 3—Interpretation**

This clause inserts or amends definitions used in the Act to reflect changes made by this measure. In particular, it amends the definitions related to a corresponding Authority to enable the Commission to jointly conduct lotteries with bodies declared by the Minister to be included in the ambit of the

definitions of Australian lotteries body or foreign lotteries body.

**5—Amendment of section 13—Powers and functions of the Commission**

This clause makes a consequential amendment.

**6—Insertion of sections 13AA and 13AB**

This clause inserts new sections 13AA and 13AB into the Act. Section 13AA is former section 13(1a) that has been relocated. Section 13AB provides that the Minister may direct the Commission to conduct special appeal lotteries, that is, a lottery for the purpose of raising funds for an approved purpose, itself a term defined in the clause. The net proceeds of any such lottery must go to the body or bodies specified by the Minister as the beneficiary or beneficiaries of the lottery. The clause also sets out procedures relating to conducting such lotteries and payment of prizes etc.

**7—Amendment of section 16—The Lotteries Fund**

This clause consequentially amends section 16 to allow payments to bodies in relation to special appeal lotteries to be made from the Fund.

The clause also substitutes the Minister for the Treasurer in relation to administrative functions related to the fund.

**8—Amendment of section 16B—Unclaimed prizes**

This clause makes a consequential amendment to acknowledge the shorter period within which prizes in special appeal lotteries must be claimed provided for in new section 13AB, and provides that, in the case of prizes paid by instalment, the prize will be taken to have been collected or taken delivery of when the first instalment is paid.

**9—Amendment of section 16C—Unclaimed Prizes Reserve**

This clause makes a consequential amendment.

**10—Amendment of section 17—Value of prizes to be offered**

This clause provides for the payment of "missed prizes", that is prizes incorrectly omitted for the winning entries, from money held back by the Commission in certain lotteries for the purpose of paying missed prizes or paying additional or increased prizes in subsequent lotteries.

The clause also substitutes the Minister for the Treasurer in relation to the determination of prescribed percentages.

**11—Amendment of section 17B—Minors not to participate in lotteries**

This clause increases the minimum age at which a person can be sold a ticket in a lottery to 18 years.

Current section 17(2) of the Act also provides a defence for a person charged with an offence of selling a ticket in a lottery to a minor if the person believed on reasonable grounds that the minor was at least 16 years old. This clause increases the age from 16 to 18 years old, in accordance with the increased minimum age limit.

The clause also increases penalties under that section from a maximum fine of \$200 to one of \$5 000.

**12—Amendment of section 19—Offences**

This clause increases the penalties for offences under the Act to maximum fines of \$5 000, with the exception of current subsection (3a), which is increased to \$20 000 or 4 years imprisonment.

The clause also revokes current subsections (1) to (3), which duplicate more appropriate offences in the *Criminal Law Consolidation Act 1935*, and introduces a new offence of giving away, or offering to give away, a ticket in a lottery of the Commission for any advertising, promotional or commercial purpose.

**Schedule 1—Statute Law Revision**

This Schedule makes amendments to the principal Act of a statute revision nature, amending obsolete references and styles.

**Mr GRIFFITHS** secured the adjournment of the debate.

**SOUTHERN STATE SUPERANNUATION  
(INSURANCE, SPOUSE ACCOUNTS AND OTHER  
MEASURES) AMENDMENT BILL**

Adjourned debate on second reading.

(Continued from 5 December. Page 1501.)

**Mr GRIFFITHS (Goyder):** This bill seeks to amend the Southern State Superannuation Act 1994, the statute that establishes and maintains the Southern State Superannuation Scheme, known as the Triple S scheme. The Triple S scheme provides superannuation benefits for government employees, including police officers, who commenced employment after May 1994.

**The Hon. K.O. Foley:** You fit into that role quite well. You could be my dark horse.

**Mr GRIFFITHS:** I wish I did one day.

**The Hon. K.O. Foley:** That's a nice revelation.

**Mr GRIFFITHS:** True. The main amendments proposed in this bill deal with the invalidity and death insurance arrangements in the Triple S scheme. Further amendments provide for spouses of members to have their own superannuation account in the Triple S scheme and access to post-retirement investment products.

*An honourable member interjecting:*

**Mr GRIFFITHS:** Not quite that one. The proposals will enable members to split or share their contributions with their spouse in line with the principles introduced for the superannuation industry by the commonwealth government. The healthy state of the insurance pool as identified in an actuarial review in 2005 has given the government the opportunity to implement enhancements to the scheme as recommended by the actuary and the superannuation board.

The government has advised that changes to the insurance arrangements that have already been made by regulation, combined with the remaining changes dealt with in this bill, will combine to make the total insurance package available through the scheme more attractive to members and ensure that the arrangements are competitive with insurance cover being offered by other government and industry superannuation schemes. The most significant of the package of insurance changes are those already introduced by regulation. The regulations introduced in October 2005 brought a reduction of at least 25 per cent in the amount of premiums for most members and an increase in the value of a unit of insurance of at least 50 per cent.

In relation to invalidity and death insurance arrangements, this bill proposes the following: an increase in the age at which a member is eligible for a temporary disability pension under what is often called income protection insurance from age 55 to 60; an increase in the amount of temporary disability pension from 66.6 per cent of salary to 75 per cent of salary; an increase in the maximum period over which a temporary disability pension can be paid from the existing 18 months to 24 months; members will no longer have to exhaust their sick leave entitlements prior to accessing a temporary disability pension, as a member who qualifies for a temporary disability pension will commence to be paid the benefit after 30 days from the date that the member ceased to be able to work due to disability; members who do not contribute will have an option to take out temporary disability insurance cover, provided they can provide satisfactory proof of no impending disability and commence making the required premium payment; the age at which members can access total and permanent invalidity insurance will be increased from 60 to 65; and some of the current restrictions on certain members taking out voluntary insurance cover will be removed. In particular, this will enable members of the closed defined benefit schemes, who are salary sacrificing contributions to the Triple S scheme, to take out insurance.

In relation to spouses, the commonwealth government recently passed the Tax Laws Amendment (Superannuation



Contributions Splitting) Act 2005 and brought into operation several sets of associated regulations that enable members of superannuation schemes to split and share with their spouse contributions made to a scheme on or after 1 January 2006. The bill introduces legislation that will not only enable members to split their contributions with their spouse in terms of the commonwealth law, but also legislation that will more generally enable a member to establish a spouse member account. Once a spouse member account has been established by a member, a spouse may make contributions directly to the spouse account; may have an option to take out insurance through the Triple S insurance arrangement; will be able to have access to death insurance cover; and members who invest in the post-retirement product, known as the flexible rollover product, will be able to access voluntary invalidity and death insurance cover.

This new scheme will generally allow members and spouse members of the Triple S scheme, who retire with insurance cover, to continue with that cover if they roll over part or all of their benefit to the flexible rollover product offered by the superannuation board. The insurance cover for persons investing in the flexible rollover product would be available only until the person attained the age of 65.

The government has advised that all of the proposed enhancements to the insurance arrangements have been actuarially costed and can be provided within the new lower level of premiums that have been prescribed by regulation under the act for about some 15 years. The government, in its second reading explanation advises that the unions and the Superannuation Federation have been consulted with respect to this bill and have indicated their support.

The opposition has sought advice from a number of outside sources on this bill. The Association of Superannuation Funds of Australia Limited, the Public Service Association and a former senior executive in the public sector, with experience in superannuation issues, have all indicated support for the legislation. I want to confirm that the opposition will certainly support the bill, but I will be seeking clarification on one minor point during the committee stage. I note the extensive discussion that occurred in the other place in the second reading and committee stages where, I believe, all the questions raised by the opposition were dealt with.

**The Hon. K.O. FOLEY (Treasurer):** I thank the member for his contribution but, more importantly, I thank him for his honesty in being the first Liberal to openly canvass the position of Leader of the Opposition. I am pleased that—

*Mr Griffiths interjecting:*

**The Hon. K.O. FOLEY:** No; I am pleased that we now have an honest member of the opposition who is openly now here tonight admitting that he would like the job of leader of the opposition. The deputy leader has obviously heard the news that the member for Goyder has admitted that and she is now scurrying back to her office to start shoring up her numbers, as we know many members are counting numbers and options to replace the existing Leader of the Opposition. I say to the member for Goyder: honesty about your leadership ambitions is a welcome development. Not too often do people openly canvass so early in their career.

*Mr Pengilly interjecting:*

**The Hon. K.O. FOLEY:** Now the member for Finnis would like to say he also would like to be a candidate.

**Mr PENGILLY:** On a point of order, I would like to inform the Treasurer that the member for Goyder has only got one vote.

**The SPEAKER:** I am not sure that is a point of order.

**The Hon. K.O. FOLEY:** We have opened up division in members opposite. The open wounds of the Liberal Party internal divisions are there for all to see. I thank the opposition for their support of the bill.

Bill read a second time and taken through its remaining stages.

### **ROAD TRAFFIC (NOTICES OF LICENCE DISQUALIFICATION OR SUSPENSION) AMENDMENT BILL**

Adjourned debate on second reading.

(Continued from 5 December. Page 1484.)

**Ms CHAPMAN (Deputy Leader of the Opposition):** The Bill seeks to tidy up the original legislation dealing with immediate disqualification for certain road traffic offences. The bill substantially addresses the consequences of the Supreme Court decision in the cases of *Police v Conway* and *Police v Parker* on 26 June 2006, and makes other amendments aimed at clarifying and improving the relevant provisions of the Road Traffic Act 1961.

The brief history of the matter is that in the Supreme Court cases the court found that the notices of immediate licence disqualification for driving with a blood alcohol content of .08 or more were invalid because the notices contained, in a footnote, an incorrect reference to section 47B(2) of the Road Traffic Act 1961, instead of section 47B(1). This error has since been rectified by amending schedule 1AAA of the Road Traffic (Miscellaneous) Regulation 1999 on 27 June 2006.

The government has received advice from the Crown Solicitor that the major impact of the notices having been declared invalid was that any period of disqualification already served under an invalid notice could not automatically be taken into account to reduce the period of disqualification imposed by a magistrate when the matter was heard in court. Frankly, this is a very embarrassing situation for the government because the government had advised that the immediate disqualification invalidity affected 2 360 people in total, about 1 260 of whom had already had their cases dealt with and about 1 100 cases were outstanding.

The government, as we understand it, received advice that if the bill was not passed, the remaining 1 100 persons may end up with an extended period of disqualification; in other words, they have received a notice, they have acted as though they have been disqualified, it then had to be dealt with and it was found that the disqualification period that they had already been 'sentenced to' was not sufficient and that their new period would start.

Apparently with the cases that have already been dealt with, the magistrates had been reasonably creative in ensuring that the sentencing accommodated what they had already experienced and had been subject to in order to avoid being unfairly disadvantaged. We have been informed that, for the remaining 1 100, it is necessary to remedy this matter legislatively. It is possible that people have already been unfairly hit for an extended period of disqualification but, quite frankly, I think the minister would agree that this is a legislative 'stuff up'. It is important that we look to remedy the balance.

The minister's second reading explanation identifies the general background of this matter and we must consider a number of features. Perhaps in relation to the validity of the notices, it is not necessary for me to recount it any further, but we clearly need to have a law that is accurate, enforceable and fair to those who are penalised in the disqualification process. That is pretty clear; we need to remedy that. The notices have been identified, legal advice has been obtained, and we need to fix it.

The bill also proposes amending sections 45B(8) and (9) and sections 47IAA(10) and (11) by adding into the phrase 'exercise of powers' the words 'or the purported exercise' to ensure that the Crown and police officers acting in good faith are protected from claims of compensation where an action may be held to be invalid through some deficiency in process. Essentially, that means that the government is saying that, if there is any compensatable entitlement by someone who has been unfairly dealt with as a result of receiving a disqualification period and then comes along to find that they have to start all over again, there should be a protection against the persons investigating or prosecuting—that is, any person of the Crown or the police—who have acted in good faith; there is no issue about that. They should be protected against any compensation.

The opposition's view on this is that, although we generally support the bill, we should try to remedy this defect and ensure that the government not only avoids embarrassment over this but also remembers that it is real people out there who are affected by the laws we pass in this house. Therefore, it is important that we support the government in remedying an error. It is important that we deal with the compensation of these people but that we also understand that, if they have been unfairly dealt with and if there is a process inflicted by this house which is inadvertently an error but which is still compensatable, that is not something we should give away lightly.

In those circumstances, we recognise the importance of ensuring that, if there is a compensatable claim—if someone has suffered injury, loss or damage—they should be compensated. This is the one area of this bill that the opposition does not support because, frankly, it is likely to be a very unusual circumstance where someone could successfully seek a compensation claim.

I think it is important to recognise—and I am sure the minister would be interested in this—that sometimes errors are made inadvertently in legislation and people do get hurt and suffer loss. I will give a classic example of this, and I give the minister the opportunity to recognise this situation. Assume for the moment that someone is disqualified from holding a licence, and the situation as we know it is that that is defective and they will actually have to start their disqualification at a later date but, as a result of the disqualification, they contact their employer and say, 'I'm sorry, Boss. I have received notice of my disqualification of licence. I now cannot get to work. I am not on public transport.' The employer replies, 'If you are unable to get to work, I am sorry but we will have to let your job go. We will find somebody else to do this job.' As a result of this, they are suffering a loss.

We accept absolutely that this is not an intended consequence by the government because we accept the government's position that this was almost an unintended technicality. However, it is a situation where real people can be affected by legislation and, if in unusual circumstances they have suffered loss or damage, it is something that they should

be compensated for, frankly. I do not imagine that there will be many of them, if any, but if they have suffered legitimate loss or damage then, quite frankly, they should be entitled to recover. We are not expecting police officers to be responsible for that, but if someone is suffering a legitimate loss they ought to be compensated. That is one of the consequences of having to remedy legislation which is not fair.

I say to the house on behalf of the opposition that, while we support this legislation to remedy this defect, we make it clear that the one aspect with which we differ is that, if someone has been penalised and suffered damage or loss, particularly something as important as loss of employment, arising out of the inadvertent consequence, they should be compensated and it should be available to them.

The minister may be happy to remedy the situation in his response, but I am a little puzzled as to how 1 260 cases have been dealt with fairly in a creative manner in order to ensure that they have not suffered any loss. In any event, their cases have been dealt with and the situation has been remedied, and they are in the process of fulfilling their period of disqualification without any complaint. Perhaps there are some; perhaps the minister will indicate whether anyone has been upset with the way in which they have been dealt with. We understand the plight and we understand the importance to remedy it. We support it, but we say when someone has suffered a loss (which is not their fault) as a result of this then they should be reasonably compensated. There may not be any cases in that category but, if there are, that option should be available.

It is always disappointing when such legislation comes before the house. Sometimes it is hurriedly pushed through; sometimes parliamentary counsel do not always have an opportunity to consider all the consequences. In this case, it seems the legislation was dealt with quite appropriately, but the publication of the notice was defective, so we are left with a situation that has to be remedied. I indicate that the opposition supports the bill, but does not support the amendments in relation to the exempting of or excluding from the opportunity for compensation.

**The Hon. J.W. WEATHERILL (Minister for Families and Communities):** I acknowledge that the opposition has indicated it is prepared to support the bill, and we are grateful for that. In relation to the points that were made about compensation, there are two broad points to make. First, the government's legal advice through the Crown Solicitor is that the circumstances which may lead to the invalidity of the notice and which the honourable member suggests may be rare nevertheless may affect a relatively large class of persons. There might be a further what we regard as minor technicality that could lead to a relatively large class of people having invalid notices issued in relation to them. Further, the honourable member observes that it would not necessarily be the case that someone with an invalid notice issued against them would automatically have a right to compensation.

Our advice is that it is likely, in view of more recent interpretations of the High Court in relation to these matters, it would not be a difficult proposition for someone who had an invalid notice that had caused them loss to recover damages. The sum total is that the state could be exposed to a significant liability, so it is prudent for the state to address that matter.

I know the honourable member contends that these rights ought to be preserved for citizens, but one needs to remember

that the citizens about whom we are talking are citizens who would otherwise have their licences removed from them for quite serious matters, including drink driving and, in some cases, excessive speed. Those citizens whose rights the honourable member seeks to protect are citizens who otherwise have committed a relatively serious transgression of the law for which they will ultimately receive penalty. We are now talking about the invalidity of the pre-emptory removal of their licence. That is the context in which the government proposes these matters. I hope that adequately addresses the matters raised by the honourable member.

Bill read a second time and taken through its remaining stages.

#### DEVELOPMENT (BUILDING SAFETY) AMENDMENT BILL

Adjourned debate on second reading.  
(Continued from 5 December. Page 1481.)

**Mr GRIFFITHS (Goyder):** The opposition supports this bill. I have had the opportunity of reviewing the second reading explanation of the minister and the contributions made by members in the other place and note the support that existed there. The tragedy several years ago at the Riverside Golf Club prompted a review of the structural strength of roof truss technology. This review identified problems with some trusses manufactured within a specific period, which would have used gang nails with a straight shank instead of a twisted shank, thus allowing them eventually to work free. This legislation will allow the current gap that exists in the dates within which action can be taken to be corrected, and has the full support of the opposition.

**The Hon. J.W. WEATHERILL (Minister for Families and Communities):** I am grateful for the indication of support by the opposition. This provides us with the necessary powers to address what could be a serious safety issue in respect of some buildings.

Bill read a second time and taken through its remaining stages.

#### ADJOURNMENT DEBATE

**The Hon. J.W. WEATHERILL (Minister for Families and Communities):** I move:

That the house do now adjourn.

#### GUERIN FAMILY HISTORY

**The Hon. L. STEVENS (Little Para):** Recently, I received a letter from Mr Paul Guerin, which began:

Dear Ms Stevens,

The decision not to demolish the heritage listed house situated at 29 Spruance Road, Elizabeth East, is good news. Better good news is the decision to renovate the house in keeping with its heritage character and use it to house seriously disadvantaged young people and their carers.

I was very interested to receive his letter, accompanying which he included a few pages outlining the history of the Guerins of Salisbury. I would like to relate some of that information to the house. He said in his attachment the following, in part:

During the period 1907 to 1911, three Guerin brothers, Patrick Joseph, Michael Francis and Lawrence Edward, after disposing of their farming interests at Yearinga and Lillimur near Kaniva in Victoria, purchased three adjacent farms at Salisbury in South

Australia. In present-day terms, the farms ran from Womma Road along the railway to Elizabeth South rail siding and eastwards across Phillip Highway and the Main North Road to near the eastern boundary of Elizabeth. In total, the Guerin farms encompassed a large area of the town of Elizabeth.

As I stated, there were three Guerin brothers. Lawrence Edward Guerin had a small farm house, which was the property on Spruance Road. Mr Guerin continued:

The Guerin brothers grew good quality cereal hay, which was eagerly sought for feeding dairy cattle and horses. Feeding horses at that time was a huge growth industry because the draft horse was the prime source of power to pull farm and road making implements and to pull wagons to transport goods. Light horses were the people movers. Dairy cows supplied their families with fresh milk, cream and butter. The cream was made with a separator turned by hand. Butter was made through a churn operated by hand. The cows were milked by hand. Prime lambs were grown for meat. Their farmlands rank highly in the prime agricultural lands of the state.

As I said before, the heritage listed house in Spruance Road, Elizabeth East is the farm homestead occupied by Lawrence and Mary Bridget. In 1963, Alex Ramsay negotiated the purchase of Guerin House and surrounding farmlands from the Guerin family. The Housing Trust utilised the surrounding farmlands to facilitate the development of Elizabeth and retained the original homestead known as Guerin House during that process. This existing property is a double fronted, symmetrical villa built around 1900, approximately 190 square metres in size, surrounded by eight currently tenanted Housing SA properties located, as I said before, at 27 Spruance Road, Elizabeth East. Guerin House is significant to the township of Elizabeth and is listed on the local heritage register maintained by the City of Playford.

Between 1988 and 1999, Guerin House was leased to the Elizabeth Arts Society, a community-based organisation. Since 1999, Asset Services and Housing SA have strived to improve the use of the site and have held discussions with community housing, the local council and private community-based organisations. A range of options was explored. Unfortunately, after seven years of extensive investigations, the use of the site was not resolved, given the property's physical attributes, severely restricted access and poor amenity standards. I visited that house a number of times when it was being used as the Elizabeth Arts Society and it is in pretty poor repair. In 2006, having received council support, Asset Services lodged a formal request to demolish Guerin House.

As a consequence of this action, the Guerin family, local community and Planning SA raised concern about the planned demolition of this historic property. In light of these concerns, Asset Services withdrew the demolition application and undertook to explore alternative options for the property in conjunction with the Guerin family and the local community.

On 10 August 2006, representatives from Asset Services, Housing SA, and the Guerin family and their supporters met to discuss the future of the house. At this meeting, the family highlighted the historic value of this property to the township of Elizabeth, the Housing Trust and the state of South Australia. Given the property's historic significance of local heritage listing, senior representatives of Asset Services and Housing SA gave an undertaking to the Guerin family to restore this structurally sound property in accordance with local heritage concerns and the input that they had received from the descendants of the Guerin family.

We now know that Asset Services is currently preparing a detailed plan of the work required to restore the property.

This includes: installation of the new kitchen and wet areas; re-roofing; significant termite treatment and subsequent repairs; re-levelling of the floors; repairs to the verandah; treatment of salt damp throughout the property; electrical rewiring; demolition of the attached lean-to; and repair and replacement of window fittings and ceilings. The preliminary costing for this is in the range of \$270 000. That will be absorbed by Asset Services within its existing 2006-07 maintenance budget. It is anticipated that this will be completed in about six months.

I am really pleased to be able to tell the house about this. I understand that, as part of the regular dialogue between Housing SA and Disability Services SA, it has been identified that Guerin House rejuvenated will be used to provide additional supported accommodation for people in the northern suburbs with a disability. But, most of all, I want to congratulate Housing SA and the Asset Services department, and Mr Malcolm Downey, the representative who the Guerin family group mentioned as their link person. I want to congratulate them for listening to the concerns of residents in the community in terms of a property that was part of our state's history that really needed to be saved. So often there have been occasions when the result has not been positive like this, and important parts of our heritage have been lost. But, in this case, because we had a persistent group of residents—descendants of the Guerin family—and we had public servants in Housing SA and Asset Services who were prepared to listen, we have been able to have a result that serves a very good purpose in terms of providing much-needed accommodation for people with a disability and, most importantly, preserves a piece of South Australia's heritage for perpetuity.

#### **BRIDGES, Mr D., RETIREMENT**

**Mr VENNING (Schubert):** Tomorrow is quite an important day in the parliamentary calendar—it is the last day that we will be served by our Clerk. Tomorrow is the last time that our Clerk will be serving us in this chamber, and that, of course, is Mr David Bridges. I want to pay a tribute to Mr Bridges because he has been here the whole time I have; in fact, he was here a long time before that. He came here basically as a junior officer in this place, and he has been here for all of my nearly 17 years. I have not done my exact sums, but I think he has been the Clerk for five years. He has been a very valued member of this place, because I think he has assisted all members in the time that he has been here. He has quite a unique but very friendly style, particularly after his predecessor, who was quite the opposite.

**Mrs Geraghty:** That's a mean thing to say.

**Mr VENNING:** Well, I will not say the opposite; his predecessor was certainly very professional, but you could say he got pretty grumpy sometimes—fairly grumpy, to say the least. But I have personally appreciated the support and advice given to all of us over the years by Mr David Bridges. Particularly when he first came here he was very much involved, I am told, with the Parliamentary Bowls Club, of which I am the current president, and he has always been very sympathetic to our bowls club. He has also been a valued member and, indeed, the secretary of the Parliamentary Wine Club—and I apologise that it has not actually met this year, and some of the members have intimated to me that we certainly will in the new year. As I said, I have been very grateful for his support and advice over the years, which was always freely given, without malice, and, of course, always

totally apolitical. We do wish David well in retirement and we certainly will miss him.

I want to briefly finish off by talking about the very successful day we had last week in the Barossa—the occasion of the Masters Ashes at Chateau Tanunda. What a unique occasion it was to see all these old great names of cricket on the turf at Tanunda. It was a fantastic day for both the old English team and, of course, the old Australian team. It was a fantastic day; very successful. I was pleased to note that the Premier was the 12th man, and I sat with him in the gallery. I am also pleased that minister Lomax-Smith was also there, as indeed was past premier John Bannon, in all his glory.

I want to pay a tribute to John and Evelyn Geber for all the work they have done at Chateau Tanunda. They have done a fantastic job with this beautiful oval they have created—it is a beautiful setting—and with the restoration they have undertaken with the Chateau Tanunda. A lot of people would not believe we have this iconic building there. I note that the Treasurer has just walked in; I do not know whether he has been there lately, but he ought to. I pay them the highest tribute. It would have been lovely—and it is a pity that they were not able to—for them to have come up on the train, because the train line is right there in front of the building, and it would have been lovely, after a day like that, for us all to get on the wine train and come back to Adelaide. However, I will thank the government (and there are not too many thanks) for their financial contribution to assist with getting the train back on the rails—

*An honourable member interjecting:*

**Mr VENNING:** It was a small contribution, but that does not matter; it is a move in the right direction. I say to the Treasurer, as he walks out, that I will acknowledge any assistance at all in this matter. I also noted the member for Light's comments in the local media about our comments on the reintroduction of the rail service, and I have to say that I think I won that little stoush: not him. I think the member for Light has learnt that in issues like that—

*Mr Piccolo interjecting:*

**Mr VENNING:** I do not think it is relevant at all. Anyway, it was a very successful day. Members of the government were there, as were members of the opposition. It was one of those days when you could marvel at the names that were out there playing cricket, names that have been synonymous with the game both here in Australia and in England over the last 20 years. To see them out there in all their past glory was something to behold. It was a great day and I certainly enjoyed it.

Again, I want to pay the highest tribute to the Geber family for investing heavily in the Barossa. I only wish that their dreams could further come true by enabling the wine train to run again, because they have bitten the bullet and are now part-owners of that. Hopefully that train will run again. While the contribution the government has intimated it will make is not a lot of money (and I will not say the figure because I do not think it is proper that I do that; I think the government will be making that announcement shortly), it is appreciated all the same. It all augurs well for the future. The Gebers bought this place and they have done a fine job with it, and I am very pleased that they bought it in the first place.

#### **BUSHFIRES**

**Mr BIGNELL (Mawson):** I rise on behalf of householders and property owners around the state to pay tribute and give thanks to the band of volunteers and full-time emergency

services personnel who have battled bushfires across our state this past week. I talk about fires at Waikerie, at Clare, and down in Millicent, and I talk most personally about the fantastic effort of 250 or more volunteers who fought a fire in the Onkaparinga Gorge which broke out about 4 o'clock yesterday afternoon. The way that the CFS, the SES, the MFS, the Department for Environment and Heritage, the South Australian Ambulance Service, and St John Ambulance volunteers worked together with the police was remarkable. I was at the Morphett Vale CFS station, the Mawson brigade headquarters, and it was fantastic to see them all working well together as properties came under threat from a fire that could have wiped out dozens, if not scores, of homes. We owe these people a great deal of gratitude.

We also owe a great deal of gratitude to another great bunch of volunteers—the people from the Salvation Army. I was at the Kangarilla oval until 1 o'clock this morning, helping them feed the masses as the fire crews changed over. Many of these people had been up at Waikerie the previous day; they had come home and had a little bit of sleep, had gone off to do their full-time job, and then had put their hand up to volunteer again in the evening—and they did it with smiles on their faces, with a determined attitude, and with absolutely no sense of personal thanks. They did it because it was the right thing to do. We would be in all sorts of trouble if we did not have these fantastic people, and it was a great honour to be there—particularly with yesterday being the International Day of Volunteers.

They are wonderful South Australians, and I am sure this is something that would get bipartisan support. I notice the member for Hammond is over there; he was out on his own and neighbours' properties fighting fires. The member for Chaffey has been helping fight the fires in recent days. And also the people in the electorate of the member for Finniss had their fair share of fires back in January on Kangaroo Island. People who were there last night from both the CFS and the Salvos had worked together side by side, as well as our Premier and our Minister for Volunteers, both volunteers with the CFS. I would like to thank them, one and all.

One of the interesting things last night was at crew change-over time at about 10.30 p.m. When the crews came in one of their first questions was, 'What happened in the cricket?' They did not realise that Australia had pulled off an amazing win in the Second Ashes Test. The headline in *The Advertiser* today read, 'The test match that stopped the

nation', but it did not stop any of these 250 to 300 people. They were out there; they did not care what the result of the test match was until their job had been done—and that was fighting the fires. These people are as much Australian heroes as Ricky Ponting and Shane Warne, and I am sure that the Australian cricket team would love to have the fighting courage that our people in the CFS, the SES, the Department for Environment and Heritage, the SA Ambulance Service, the St John Ambulance volunteers, the MFS firefighters and the Salvation Army showed yesterday, the fighting courage they will continue to show over the coming months as we face a very serious fire risk.

I would also like to thank employers who release their staff who volunteer to fight these fires. It is becoming harder and harder for the CFS to get together strike crews because it is a busy time of year and, with the early onset of the fire season, it is very hard for employers to release staff. To those who have, we thank you from the bottom of our hearts, because it is very important that we have people on the ground to get on top of these fires before they pose a serious risk to property around the state. I would also like to thank the government for the aerial fire support, which has grown over the past five years to now almost \$5 million—and I think we saw the Ericsson air crane put to good effect yesterday.

Motion carried.

**WATERWORKS (WATER MANAGEMENT  
MEASURES—USE OF RAINWATER)  
AMENDMENT BILL**

Received from the Legislative Council and read a first time.

**SEWERAGE (WATER MANAGEMENT  
MEASURES—USE OF WASTE MATERIAL)  
AMENDMENT BILL**

Received from the Legislative Council and read a first time.

**SEWERAGE (GREYWATER) AMENDMENT BILL**

Received from the Legislative Council and read a first time.

At 9.32 p.m. the house adjourned until Thursday 7 December at 10.30 a.m.