

HOUSE OF ASSEMBLY**Tuesday 20 November 2007**

The **SPEAKER (Hon. J.J. Snelling)** took the chair at 11:00 and read prayers.

ELECTRICITY (FEED-IN SCHEME—RESIDENTIAL SOLAR SYSTEMS) AMENDMENT BILL

Consideration in committee of the Legislative Council's amendments.

The Hon. P.F. CONLON: I move:

That the Legislative Council's amendments be disagreed to.

I wish to explain briefly the purposes for moving that motion. First, I am somewhat mystified that these amendments won the support of the Liberal Party in the Legislative Council. I am sure there was a reason for that, but I do not believe that the amendments were supported here by the Liberal Party and I cannot imagine why they would support them. They are very ill thought out amendments moved by the Hon. Mr Parnell in another place. They will have the purpose, if pursued by the Legislative Council, of destroying the opportunity for the first feed-in law in Australia.

Perhaps that is the motivation of the Liberal Party but, make no mistake, these amendments are so unacceptable and, in some cases, so unworkable that we would have no option but to oppose them, which will result in the bill not proceeding. So, the Greens who pride themselves, as I understand it, on protecting the environment will have cut off the environment's nose to spite its face by declining to introduce the first feed-in law in Australia.

I will deal briefly with the Democrat amendments supported by the Liberals in another place. The first is to extend the scheme to include small business customers. There is a number of problems about all these amendments. One is that we have consulted industry about them and we like to keep faith on the indications of what we have done but, even more importantly, the class to which they wish to extend the bill is not a class that is identified by ETSA. It would require an extraordinary administrative cost to create a new class and determine who is in it.

We believe it really would make the administrative costs a burden that the scheme should not be required to pay. Of course, we all recognise—and it was part of the debate—that the cost of the scheme is borne by all energy users. As we explained, it was a scheme that was originally addressed to residential customers, and that remains the government's position.

There are a number of amendments that deal with that, but another amendment increases the amount paid per kilowatt hour from 44¢ to \$1. Again, I do not understand how supporting this in the Upper House is consistent with the approach of the Liberal Party in this place; however, the shadow minister can explain that. We believe that the 44¢ rate set is quite reasonable for a number of reasons. First, it complements a capital subsidy that already exists at the commonwealth level, so comparisons that the Greens have made with the German feed-in scheme, which relies entirely on the feed-in scheme, are simply not valid. The other issue relating to a comparison between Germany and Australia is that there will be a lot more sunlight falling on solar panels in South Australia than there will be in Germany, so you will get a higher return.

Mr Williams interjecting:

The Hon. P.F. CONLON: It did; amendment No. 8. Sorry; you may be right and it did not get up. Well, I am glad you did not support that one. I may have misunderstood the advice I was given; I now understand the Liberal Party's position and it is consistent.

However, I do not understand why the Liberal Party has agreed to a 20-year time period for this bill. Even though the commonwealth government has been very slow to move on greenhouse emissions, we believe there will be a national scheme within 5 years—which we have always called for—to deal with carbon emissions, and we also believe that that is an appropriate time period to see how this bill works. It may be that this will be kept, but in 5 years it will be a decision for the government of the day. It is an entirely appropriate period of review: 20 years is not an appropriate period of review.

Again, I stress that industry participants were consulted on the nature of this bill and, having consulted on 5 years, I do not think it is appropriate to go to 20 years. I fail to understand the logic. I mean, if you are going to have a scheme you might as well have it forever and not have

a period on it because 20 years is a very long time—and who knows what the energy world will look like in 20 years.

I apologise to my colleague for misleading the committee regarding the attitude of the Liberal Party on the feed-in law, but the amendments by the Greens are either administratively unworkable or go so far away from the intention of the scheme as to make it unworkable. Make no mistake—and I signal this to the Legislative Council—if those amendments are insisted upon all that will be achieved is the defeat of the first feed-in law in Australia.

Mr WILLIAMS: That was quite an amusing contribution from the minister. I recall recently that the minister and I were debating an electricity issue and the minister berated me for not doing my homework and not being all over the issue; yet here we have several pages of amendments and the minister presumed that all the amendments of the Hon. Mark Parnell in another place got up, when indeed they did not. It is amusing that the minister started off by suggesting that he could not understand why the Liberal Party would have supported such amendments when, in fact, I do not think we supported the particular one he was talking about (and on which he was in error) at all. That is my understanding. I will talk about the amendments we have before us and bring to the committee the reasons why the Liberal Party supported some of the amendments moved by the Hon. Mark Parnell in the other place.

I was under the impression, as was the opposition, that what is driving this bill is a want to have people invest in photovoltaic cells for two reasons. One reason is that it will have some impact on the greenhouse emissions; the other reason is that it will have some impact on our electricity generation and distribution system such that it may allow us to reduce the burden at peak demand and therefore reduce the cost to all consumers, thereby reducing the cost to the state, in very general terms, of supplementing both distribution and generation assets to meet peak demand.

The first amendment moved by the Hon. Mark Parnell and most of the amendments, apart from amendments Nos 1 through to 15, are aimed at achieving one thing, and that is to extend the scheme from domestic consumers to small business consumers. However, the minister has not convinced me that that is not in the spirit of what the scheme is about, that is, extending the availability of this scheme beyond domestic consumers to commercial consumers. I think that is exactly what the scheme is designed to do; that is, it is designed to increase the installation of small photovoltaic generation systems, to reduce greenhouse gas and to reduce the burden, particularly at times of peak demand. That is why the opposition supported the amendment in the other place, that is, because it actually does more than what the government intended with regard to encouraging more people to put in photovoltaic cells.

The minister did make the point that, administratively, this is very difficult because these are not seen as a separate class and so are not easily identifiable, and it is not so easy, I guess, to do the paperwork. I accept that that is possibly the case. I am not sure that I accept fully that it is impossible for—

The Hon. P.F. Conlon interjecting:

Mr WILLIAMS: Yes. I think the minister's own expectation is that the actual take-up of the opportunity to install photovoltaic cells will be quite small in the domestic sector, and I would expect that it would also be quite small in the commercial sector or the small business sector. I say to the minister that I am not yet convinced that, in the administration of the scheme, it would be overly costly if we had an arrangement whereby a small business operator was obliged to apply to be part of the scheme and prove that they, in fact, met the conditions contained in the bill, if this amendment is accepted by the government; that is, that they are a small business and, obviously, that they had installed the photovoltaic cells and the appropriate metering and everything so that it could be monitored.

I am not convinced that that would be at a huge cost to the scheme, to be quite honest. I am a realist; I know the government has the numbers here, with or without the opposition's support, but I will need—and I think the opposition will need—more information from the minister and from the government than what has been provided so far in the debate to convince us not to support this amendment when, obviously, it will go back to the upper house.

With regard to amendment No. 16 from the Legislative Council, I can see no reason whatsoever for the government not to support this. Even with the benefit of the feed-in scheme and the return of the electricity to the network by somebody who has installed a small photovoltaic

system, I understand that the payback period—from memory, I think it was suggested that it would probably be somewhere between 17 and 20-odd years—will still be very lengthy.

To be quite honest, I fail to understand how the government expects this scheme to encourage—I will just talk about domestic consumers at this stage—domestic consumers to be more encouraged because of the scheme when they understand that the benefit that they are going to get will only last for five years. I would have thought that if you ask a householder to go out and expend a large sum of money to put in a photovoltaic system, and bearing in mind that the commonwealth government—the government that the Labor Party claims is doing nothing towards greenhouse gas emissions and the abatement of global warming, is giving a rebate of, I think, \$8,000—

The Hon. P.F. Conlon interjecting:

Mr WILLIAMS: —to residential customers—

The Hon. P.F. Conlon interjecting:

Mr WILLIAMS: We are talking about the other amendment now, minister. This government, in its magnanimity, is saying, 'We will make sure that the electricity consumers pay a rebate to those who put it in.' So, the government itself is not taking any tax revenue and putting it towards this scheme. The other mealy-mouthed part of this is that the government is saying, 'We expect people to make a decision, because we're going to give them this encouragement,' but the encouragement will only last for five years, when the payback period is actually much more than that: at least three times, possibly four times more. I can see no reason at all why the government cannot accept this particular amendment.

One thing on which I agree with the minister—and I think it is probably pretty obvious to anybody who has any understanding of the energy market and where we may be going over the next period—is that, as we go forward, we will see dramatic changes in the viability of these systems, the types of generators we use and the method of distribution. There will be massive changes. I believe that this sort of legislation will regularly come back to this parliament for updating, amending and upgrading—a whole range of reasons.

I do not see the problem with having a 20-year period which further reflects the payback period. I cannot see any downside to it; there is no administrative problem. It actually fulfils the object of the bill; that is, to give encouragement to domestic consumers to invest notwithstanding the long payback period. This will give the added surety that it is the intention of this parliament that they will continue to receive the benefit for 20 years, rather than five.

I will remind the house of my cynicism when the bill first came into this place and when we debated it last time. I am very cynical about the benefit that many people will get from this because, in reality, the net input from a photovoltaic system here in South Australia into the network is very small. My information is that the average household uses something like 2 kilowatts during daylight hours and the average generation capacity of these systems is about 1.5 kilowatts.

So, the reality is that a very marginal amount of electricity will be put back into the system. I have heard no convincing argument at all from the minister as to why the 20-year time frame would be unacceptable to the government. If the minister is going to put the proposition that the bill will fail if the upper house insists on the 20 years, not only is he being very petty but he is looking for excuses not to proceed with the bill.

The Hon. P.F. CONLON: First, it is really strange that the opposition spokesperson should support an amendment which requires an extension to business customers, when he has not actually been onto his commonwealth counterparts to suggest that they should do it. The scheme is designed around complementing a capital contribution from the commonwealth. That capital contribution is not made to small-business customers: it is made to residential customers.

It is two-faced to be in here criticising the government for its approach—exactly the same one as the commonwealth has—but, of course, talking about what a wonderful government it is. There is just a trace of mealy-mouthed criticism of us, with the opposition wanting to amend our scheme because it apparently has the same failing as the commonwealth scheme has. The scheme is designed around residential customers, as is the commonwealth scheme, and it is designed around complementing the capital contribution from the commonwealth.

To impose it on small business, the problem is that that has to be a category. ETSa, which is responsible for this scheme, has to create a category. Because there is no capital contribution, what we will do is get all of the administrative costs—the capacity to do it—and in this case you are

right: you have had very little uptake because it is not complemented by the commonwealth scheme. So, what you will do is make people spend money for absolutely no point whatsoever.

To come back to the 20 years: what we have said is that finally it is clear that regardless of who wins the federal government there will be, in five years' time, a completely different way of dealing with carbon emissions. It may well be that that way of dealing with carbon emissions provides a reward to those who have photovoltaic panels that exceed this; it may not. The simple intention, and what we have said to industry, is that if that is the case then we will not need this any more. But I have absolutely no doubt that if, God forbid, we did need these schemes in five years time parliament would renew it, because parliaments are very slow, once they have given something, to take it away.

It would, I think, remove the point of having any sunset clause at all to make it 20 years: why don't you just be honest and take it out? Goodness me, in 20 years I do not expect—unless it is Graham Gunn—that any of the same faces will be in here. Gunny might still be here: he is pretty hard to get rid of!

So, it makes no sense. Make no mistake, we have said all along that states have schemes because the commonwealth has failed to step up to the mark on emissions trading and greenhouse emissions. It may well be that the good thing will happen and the last Liberal government in Australia gets its marching orders on Saturday, and we may well have a much better approach from a federal government; that is why we believe it should be five years. Above all, the reason we will not accept it is that this scheme was discussed with industry. It was a very lengthy consultation process (about a year) with industry to come up with this. Having done a year of consultation, we will keep faith with the industry.

All I say to the opposition is I know they are cynical about this bill and this strikes me as being a completely cynical way of knocking it off. You did not have the courage to oppose it, so you have found a cynical way of knocking it off. You know that we will not accept it. You have been told; it has been made clear. We have tried to talk to you and give you briefings that, in turn, we have not been able to talk to you about. We have not been able to elicit your position because, in my view, this is a completely cynical way for the Liberal Party to knock off the first feed-in law in Australia. You have made it clear that you are cynical about it; you have made it clear that you do not like it. You only voted for it because you were too embarrassed not to and now you have found a way to knock it off.

Be that as it may, we will be making sure that people know about that because I refute the notion that the Liberals are doing this to assist people. Some people in this place, like the member for Mitchell, make genuine contributions on long-held views. But I have to tell members that the contribution of the Liberal Party that it wants to make the feed-in law better is not genuinely based on long-held views. The shadow spokesperson has belled the cat; he has been cynical about this. He would have opposed it if he had the political courage, so he has found a backdoor way of attempting to knock it off. I tell you that we have consulted for a year in industry, it is a five-year scheme on impeccable logic—that is what it is. I hope at least the Greens see through you and do not use your support for their amendments as a backdoor way of knocking off Australia's first feed-in law.

Mr WILLIAMS: That contribution demands a response, and I will give it. I think we are giving this matter more of the house's time than it deserves at this stage. Certainly, if the minister thinks that by imposing a sunset clause of 20 years, rather than a sunset of five years, it is reason to withdraw the bill altogether and not have the scheme and, therefore, that would be the Liberal Party's fault, I think it shows that the minister is in cloud cuckoo land. The reality is—

The Hon. P.F. Conlon interjecting:

Mr WILLIAMS: And he is right; none of us will be here in 20 years' time and, as I said, I am absolutely certain that this parliament would have to review this matter as time goes on. I would be surprised if this piece of legislation is not back in the parliament within the five years. I expect that it may well be. I am arguing this matter to express my cynicism at what the minister is actually trying to achieve when he says and acknowledges, and when the government knows, that the payback period for the capital cost of these schemes is extensive. I think that the briefing I got from his officers suggested that it would be between 17 and 20-something years depending on the exact system, so it is extensive. The minister is now arguing that the parliament should have a five-year sunset clause and that, by offering the feed-in rebate over a period of five years, it will change people's minds and encourage people to install a small photovoltaic generator, which I think is

nonsense. I cannot for the life of me understand why the minister will not accept the 20 years and get on with it.

An honourable member: He's being difficult to get on with.

Mr WILLIAMS: He is being difficult to get on with. With regard to the other matter, I have said to the minister that I accept there may be a burdensome administrative cost. The minister has not, to my mind, made the case. As I said, the minister will carry the numbers here, and it will go through, but the attitude that the opposition takes in the other place may well be swayed if the minister is able to make a case. He has failed to make it here, and I suggest that he gets out his pencil and does a bit of work because I cannot see for the life of me that, if 20, 100 or even 200 small businesses were encouraged to take up the option, that it would cause a huge administrative cost if they had to put in an application and maybe even put in a return on an annual basis.

The administrative cost would largely fall with the individual small business. But the benefit, if a benefit were to be derived from this scheme, surely would be that more small photovoltaic generators would be operating. That is what the bill is about—trying to encourage people to install these systems. That is the whole basis of this piece of legislation, yet the minister argues, 'We want it to work only at the edges. We don't want to have a real red-hot go at it.'

With regard to his comments about the commonwealth government, it is nice that the Labor energy minister here in South Australia acknowledges that this state government will only follow the lead of the commonwealth Liberal government in relation to greenhouse gas abatement and global warming matters. I wish that they were big enough to put this in their television advertising for the current election campaign. They are certainly not in the business of leading the pack. The minister said, 'We are not going to go down the path of encouraging small business to be involved in putting in photovoltaic generators because the commonwealth hasn't done so. If they won't do it, we won't do it. We'll be followers, not leaders.' Thank you, minister for that acknowledgement.

I will not take any more of the committee's time, but can I say that the opposition is yet to be convinced that it got it wrong in the upper house. I said that we were willing to be swayed by a cogent and compelling argument. We await the minister's response.

Mr HANNA: I speak today on the first amendment, which has come back to the House of Assembly from the Legislative Council.

The CHAIR: The minister moved that all amendments be disagreed to.

Mr HANNA: Thank you, Madam Chair. I speak in relation to the amendments that have come from the Legislative Council to the House of Assembly in relation to the electricity feed-in law. The amendments are, essentially, to include small businesses and to provide them the benefit accorded to residential customers under the original government proposal; and, secondly, to have a 20-year commitment in legislation so that the feed-in benefit to residential customers persists for at least 20 years. It means that those who go to the trouble and capital expense of putting solar panels on their roof know that they will have the benefit of a feed-in return on their investment for at least 20 years.

These are both matters I addressed in my second reading contribution in this place on 26 September this year. Indeed, I referred extensively to the experience in Germany, where they have a remarkably higher take-up of solar panel installation; in fact, the contrast with the Australian experience is absolutely staggering, bearing in mind that there is less sunshine in Germany. I think that last year something like 1,000 times more solar panels were installed in Germany than in Australia.

One of the benefits to German consumers is the guarantee of a 20-year minimum benefit in terms of their feed-in return. I strongly support what the Legislative Council has decided. Good on Mark Parnell of the Greens for moving his amendments, and I am glad that my comrades in the Liberal Party saw fit to support them.

The Hon. G.M. Gunn interjecting:

Mr HANNA: Even my comrades with beards in the Liberal Party! I am very pleased to have their support today. In my view, the minister has not satisfactorily defended the government's opposition to these amendments.

The minister, as usual, has taken something of a bullying approach to the Liberal opposition, alleging that it is too embarrassed to oppose the amendments. Well, I hope that the

government is too embarrassed to oppose the amendments. I hope that the government will see reason once a conference is set up between members of the House of Assembly and the Legislative Council. For those who are unaware, the way it works is that, when the House of Assembly rejects Legislative Council amendments, if the Legislative Council insists on its amendments, what normally happens is that there is a conference of MPs from both of the houses who get together and ultimately decide whether there will be a compromise, whether amendments will be adopted, or whether, in fact, the government will withdraw the bill. It would be shameful if it did that.

The minister said that, if that occurred, the government would blame the Liberals, and the minister would make sure that everyone knows about it; in other words, making sure that everyone knows that it is the fault of the Liberals. It is a piece of government legislation. The government obviously has a majority in the House of Assembly, and if the bill is withdrawn that will rest squarely on the minister's shoulders and on Mike Rann's shoulders. The government has brought forward this legislation, and it is good legislation. The amendments improve it, and it would be to their shame if the legislation did not proceed as a result of the Legislative Council improving it.

I am glad to see that the amendments that I suggested on 26 September in my speech were, in fact, taken up in the upper house. I will see how things progress after the matter is dealt with here today.

The Hon. P.F. CONLON: I thank the member for Mitchell for his contribution. As I said, while I disagree with him, calling me a bully was rather harsh, given that I have never frightened him in my life—I know that. I doubt that I frighten Mitch very much either, but so be it.

Mr Williams: Not at all.

The Hon. P.F. CONLON: Not at all. I did not notice a lot of intimidation oozing out of the big farmer over there. I will come back to the point: the unsightly lining up of the Liberal Party with the Greens. I can understand the Greens accepting the support of the Liberal Party—why not? But do not for a moment think that it is done for any genuine purpose, because it would be completely counter to every attitude it has taken to this every step of the way at this level and in Canberra. The other thing that I want to get on the record is that it is the first feed-in law in Australia, and we are the first government to do it. It is a government that already has—

Mr Williams: That's what's important for you, isn't it?

The Hon. P.F. CONLON: Please, you cannot complain about bullying, and try to throw me off with your regressive interjecting. Not only will we be the first government in Australia to have a feed-in law but we already have an outstanding record on greenhouse measures—the best record in Australia—recognised internationally, with the best carbon footprint in mainland Australia. It is so very much like the Greens to actually tackle the people who are doing the job rather than the people who are failing, but that is their attitude. I will come back to the point, and I know that the member for MacKillop says that he is not convinced; I cannot help him with that. I do not think that he will ever allow himself to be convinced, so it is probably a waste of my time trying to do that.

Members should make no mistake: this was the subject of extensive consultation over a year with industry and lots of interested groups. We thought that it was the right balance; it is the right balance. It is our initiative, and if the Legislative Council for various motivations of different members wishes to frustrate this state government introducing the first feed-in law they can do so, but it will be on their heads. We are not going to betray those people, with whom we have consulted for a year, by delivering something entirely different to that which we first proposed. I say to them that if they wish to knock it off, do so.

I have made no secret of the fact that I have a very firm belief that a comprehensive national emissions trading scheme is the answer. I have said this for five years; I have said it at ministerial councils on energy when the commonwealth refused to discuss it, refused to even have it on the agenda, refused to talk to any state minister from any state that wanted to talk about it. Here we go, here is the Liberal Party lining up with the Greens, and here is Labor saying it, because it will allow the market to respond and use the initiative of the market, use the innovation through the market, allow the marketplace to find the right way to respond to a carbon-constrained future.

We will not find a solution unless the market has a reason to find a solution. It is strange that a Labor person is over here talking about what I would have thought to be Economics 101 for the Liberals, but that is the primary reason that we believe five years is correct. We believe that there will be a carbon trading market, and we want to see how it works. We want to see what

solutions are found by the marketplace, because that is where the big ticket items will be found. That does not mean that we will resile from the promotion of green energy.

Can I just point out that, for all the criticism we get, South Australia has something like half the wind generation in Australia, with more being built; we have more photovoltaic cells than anyone else; we have the first feed-in law but, of course, that is not good enough for some people. The fact is that we sought to strike a balance. If the Liberal party does not accept that balance there is not much we can do about it. But, make no mistake about it: if the Legislative Council wants to cut off the environment's nose to spite its face, it can insist upon amendments that were never consulted about and are unacceptable to the government.

Mr WILLIAMS: I think that was a rare moment of candour from the minister and we got to the nub of what this bill is about. The minister is arguing now that we should pass it, as he would have us pass it, because this will give the first feed-in law in Australia; this will be the first government in Australia. I think I addressed this matter in my second reading contribution; that is the driver of this piece of legislation. It is not (and the minister has convinced me now that he has let the cat out of the bag) about encouraging people to put in photovoltaic cells and generating schemes: it is about getting that headline: 'We are the first to do this and we are the first to do that.'

I absolutely agree with the minister when he says that he expects that there will be a carbon trading market in Australia within five years. I totally agree with that; I do not reject that at all. Both the major parties in the upcoming federal election have committed to going down that path, but that does not prevent us from implementing a measure now which goes well beyond that, because we are not tying the hands of parliament to come back and review it in a few years. The reality is that, time and time again, our expectations—although they are often met—of meeting deadlines or dates are often pushed out well beyond when we would expect.

We all expect that there will be a carbon trading system up and operating by 2013. The reality is that, in the world we live in, it may not get up until 2014; it may not be up and running until 2015. After 10 years in this place, I am even more cynical about the claim that something is going to happen in two or three years and that it is going to meet its deadline. My experience is that very few of the things that we set out to do in this place, in fact, meet their deadline. Often they are pushed out a little beyond that.

I reiterate that I do not think the amendment, which puts a 20-year life into this bill rather than a five-year life, is a show stopper. The minister obviously disagrees. He thinks that is a show stopper. Maybe the minister can see even a bigger headline by blaming someone else, because he is not doing very much beyond being a facilitator here. All he is doing is being a facilitator: he is not making any commitments on behalf of his government. All he is doing is being a facilitator and a regulator and putting obligations on third parties.

I am sure he is weighing up in his mind, 'Do I get the biggest headline by saying that we are the first to get a feed-in law in Australia?' We are the first government in this broader jurisdiction to have achieved this. Or will he get the bigger headline by blaming the Liberal Party? I suspect that he is weighing up the relative merits of those two propositions. I am sure—because the minister does not mind a stoush—that the prospect of being able to blame the Liberal Party is weighing fairly heavy in his calculations. I reiterate that I am still not convinced of the problems the minister would have us believe these amendments cause.

I want to mention another matter the minister raised when he talked about wind power in South Australia. Yes, we are very fortunate in South Australia that we have had a significant investment, and all from the private sector. The minister knows full well that the decisions to build the Starfish Hill facility were taken whilst we were in government.

The Hon. P.F. Conlon interjecting:

Mr WILLIAMS: You may well. The minister knows full well that the decisions to build the wind farms in my electorate by Babcock & Brown Wind Partners were well underway before he came to power. He knows that probably all the wind farms that have now been established in South Australia would have been established no matter who was in government. There are two reasons they have been established in South Australia and not in New South Wales. One reason is that South Australia has a very good wind resource. Western Australia has a very good wind resource but it is not connected to the national grid, so that causes some limitation in Western Australia.

South Australia is connected to the national grid, and we have a very good wind resource at least as good if not better than any of the other states. The other reason is that we have encouraged private investment in electricity generation in South Australia. I am sure that not even

this minister will claim that that was his doing, because it was not. However, it is one of the large reasons why we have such a huge investment not only in wind power but also in electricity generation per se here in South Australia.

The minister should look at what his government will do to encourage investment in baseload in South Australia because that is potentially a looming problem into the future. The minister and his government may well overcome that problem by continuing to stifle the economy, and the demand may not grow as it no doubt should, but that is something the minister might see as one way of getting out of the problem that is looming in the energy area.

The Hon. P.F. CONLON: Given that the contribution of the opposition is now going off into absolute fantasy, I think we had better cut it short and get the bill over with.

The committee divided on the motion:

AYES (27)

Atkinson, M.J.	Bedford, F.E.	Bignell, L.W.
Breuer, L.R.	Caica, P.	Ciccarello, V.
Conlon, P.F. (teller)	Foley, K.O.	Fox, C.C.
Geraghty, R.K.	Hill, J.D.	Kenyon, T.R.
Key, S.W.	Koutsantonis, T.	Lomax-Smith, J.D.
Maywald, K.A.	McEwen, R.J.	O'Brien, M.F.
Piccolo, T.	Portolesi, G.	Rann, M.D.
Rau, J.R.	Simmons, L.A.	Snelling, J.J.
Stevens, L.	White, P.L.	Wright, M.J.

NOES (15)

Chapman, V.A.	Evans, I.F.	Goldsworthy, M.R.
Griffiths, S.P.	Hanna, K. (teller)	Kerin, R.G.
McFetridge, D.	Pederick, A.S.	Penfold, E.M.
Pengilly, M.	Pisoni, D.G.	Redmond, I.M.
Such, R.B.	Venning, I.H.	Williams, M.R.

PAIRS (4)

Weatherill, J.W.	Hamilton-Smith, M.L.J.
Rankine, J.M.	Gunn, G.M.

Majority of 12 for the ayes.

Motion thus carried.

MARINE PARKS BILL

Adjourned debate on second reading.

(Continued from 23 October 2007. Page 1261.)

Mr GRIFFITHS (Goyder) (11:56): I confirm that I am the lead speaker for the opposition in regard to the Marine Parks Bill, and the opposition is prepared to support the bill in its current form. This bill has a long history and, while being introduced in the Legislative Council in June of this year, it had its genesis from 1995 when the then Liberal government initiated discussions to form marine parks. The intention of these discussions was to introduce legislation designed to meet international and national marine conservation standards that would provide certainty for all stakeholders who want to use our magnificent marine environment.

In 2001 the then minister for the environment (Hon. Iain Evans) and the minister for primary industries (Hon. Rob Kerin), with key stakeholders (including the Conservation Council and the Seafood Council), announced that agreement had been reached on a broad framework for the development of a bill. When Labor won government in 2002, the legislation took a back seat until the announcement in March 2005 when the government announced its intention to create the Encounter Marine Park, which covers much of the southern coast south of Adelaide and the Kangaroo Island marine area.

I am confident that the member for Finnis will have quite a bit to say about this bill, especially about the way the introduction of a marine park was to occur. A word that others have

used to me to describe the process for the creation of the Encounter Marine Park is 'debacle'. No doubt the member for Finniss will expand upon whether that was the word used and what it means.

From my briefings and conversations about this bill, it is clear that the reaction to this proposal was, from the government's perspective, not very good, so the proposal was stopped and the minister and the department for the environment and conservation has been 'consulting' the community since. The member for Finniss will describe quite clearly whether or not this attempt to consult has been successful. I think he has a different opinion. Also, no doubt, the member for Flinders, who represents that wonderful area of Eyre Peninsula (which it is intended will have 11 of the 19 marine parks) will speak on the bill. From my own point of view I am grateful to have responsibility in the House of Assembly for this bill because I am the lucky person who represents the Yorke Peninsula and Adelaide Plains in this house and, as Yorke Peninsula (as we all know) is a wonderful sea environment, I thought it opportune.

My electorate has probably close to 700 kilometres of coastline (and, depending how you measure it, it could be closer to 900 kilometres), but I will use that as a conservative estimate. Clearly, and without a hint of bias, Yorke Peninsula also is recognised as one of the best fishing opportunities in South Australia. There will be others in this place who will make statements about that, but I will claim fame for the best fishing.

Professional and net line fishers (and I know of some operations that are fourth generation) have existed and prospered in the waters off Yorke Peninsula for many years. These fishers have supplied the local and Adelaide markets with a wonderful abundance of fish, always of good quality, for all those years. Importantly, the absolute majority of these professional fishers have always respected the need to preserve the marine environment. Without this, their long-term livelihood would be threatened. So, they are some of the best conservers of that area that I know of.

Recreational fishers (and my understanding is that South Australia has about 300,000 recreational fishers, or approximately 20 per cent of the population), and 40,000 people who own recreational fishing boats know that Yorke Peninsula is a great place to come for a holiday and try your luck, be it from one of the many recreational or commercial jetties, off the beach or from a boat.

A significant player in the economy of my electorate and a lot of others with coastal waters is the money generated from the operations of professional fishers, as well as the money that comes into an area associated with recreational fishers, many of whom pursue, as I did when I had a bit more spare time, the dream of bagging out and getting their full quota of (in my case) King George whiting. I know that the Minister for Transport, Energy and Infrastructure is a keen fisherman and has been to Yorke Peninsula, fishing in the waters off Port Vincent, I believe, so he would want to ensure that this law still encourages recreational fishers.

To encourage recreational fishers to the area, not just in my electorate but in many others as well, councils are spending large amounts of ratepayer funds to provide the best possible boat ramp facilities. The support of the SA Boating Facility Advisory Committee, which allocates funds from the levy paid by all recreational fishers (which I think is about \$28 per boat per year), involving a maximum of 50 per cent contribution to supported capital works, has been a major factor in those works being undertaken.

The growth in caravan parks across all electorates with coastal waters is due to a large extent to the recreational fisher, so it is easy to see why any legislation that potentially impacts upon professional and recreational fishers should be a concern not only to me but to all members in this place. Many people who have moved to Yorke Peninsula have done so on the basis of making a lifestyle choice. For a large number of this group, the opportunity to fish in magnificent waters would have been part of that attraction.

Minister Gago's second reading explanation, delivered in the Legislative Council in June 2007, mentioned that the intention of the bill is as follows:

...to provide effective management to protection of marine environments and the plants and animals that depend on them from increasing human pressures, whilst ensuring opportunities for ecologically sustainable development, use and enjoyment occur.

It is human nature that people are concerned by change, and that occurs in virtually every aspect of life in general. Clearly, the way the government has gone about the process of introducing the 19 marine parks now in existence has created enormous anxiety across much of South Australia, as people have suddenly become concerned as to whether their ability to go out on the waters and

catch fish will be compromised by government legislation. People can understand if the weather is against them or if fish are not in the area, but they cannot understand if government legislation will make it impossible to go out fishing or to fish in certain areas.

To a large degree I now know that this concern should not exist, but for the ordinary person, who hears part of the story from a neighbour or, say, from a person who is at the boat ramp, that they will no longer be able to go out and throw a line over the side of a boat in an area where they have fished, often for many years, it is a very real concern. I attended a meeting held at Kadina about two months ago, convened by the Department for Environment and Heritage, to work out the community consultation plan for the region as it related to the marine parks legislation.

I was not invited to the meeting, as I felt I should have been as the local member, but became aware of it through other contacts and invited myself. There were about 20 people in attendance at that meeting and the group was made up of local government, regional development boards, professional fishers, tourism marketing officers and natural resource management people, who broke up into groups and were asked to come up with the names of all parties who should be consulted and advised about the legislation and the marine parks.

I am advised that similar meetings were held in the other regions of the state, so I am confident that as an outcome of those meetings information will be provided to all necessary bodies who will then be asked to convey it to their members and contacts. So people will have the information, but the question I pose today is whether they will read it and consider the implications for them from the legislation, or whether they will continue to rely on the large amount of misinformation that exists in the community.

The challenge for the government is to make South Australians understand—and I stress 'understand'—the marine parks, the zones within each marine park and what they will do in each zone. That will be the crucial exercise for the government. It has to ensure that it gets that information out to the community in a way that the community can understand, appreciate and react to. If it fails to do this, it will lead to a large amount of community unrest. As a member who represents an area with 700 kilometres of coastline, I know that the expectation of those people who approach me about this matter is that I will be involved in leading the charge. The government needs to ensure that consultation is immense here. It is fair enough to have the plan in place, but we have to make sure that people can understand it in a way to which they can relate.

One thing that is very clear to me is that the bill in its current form is a far superior piece of legislation than that introduced into the Legislative Council by minister Gago in June. The *Hansard* record of the debate in the Legislative Council reflects the various contributions made by the opposition, the Democrats, Family First and the Greens. Clearly, the Hon. Caroline Schaefer has performed her task as the opposition member responsible for the bill in the other place with great knowledge, skill and effort. I have spoken to her several times about this bill, and it is clear to me that she is across this matter exceptionally well.

It is interesting to note that in her contribution in the Legislative Council she referred to the expressions of concern that the opposition had received. For the purpose of the *Hansard* record I will repeat them. Expressions of concern were received from the Eyre Peninsula Local Government Association, Grant District Council, the Wilderness Society, the Conservation Council, the Seafood Council of South Australia, the South Australian Fishing Industry Council, the Aquaculture Council, the South Australian Recreational Fishing Advisory Council, the South Australian Survey Charter Boats Association, the South Australian Rock Lobster Advisory Council, the Abalone Industry Association of South Australia Incorporated, the South Australian Marine Scale Sardine Industry Association, the Spencer Gulf and West Coast Prawn Fishermen's Association, the South Australian Blue Crab Pot Fishers Association, the Seafood Processors and Exporters Council Inc., the Marine Fishers Association and the South Australian Oyster Growers Association.

I did not know that all these groups even physically existed, but it is obvious that those people—all of whom have an interest in the sea—want to ensure that their opinions are heard. The Hon. Caroline Schaefer ensured that she received their comments and she prepared a detailed submission to deliver to the joint party room meeting of the opposition; and they have been considered as part of the amendments she proposed in the other place.

It is interesting to note that these groups were generally supportive of the introduction of marine protected areas, but they wanted to ensure that transparency existed, that certainty was provided and that the input of the users of the marine environment was considered at all times. Sadly, from our perspective we believe that none of these concerns was considered or covered by

the original bill. Pleasingly, however, the amendments introduced and supported in the Legislative Council in the main ensure that this protection exists.

My discussions with the Hon. Caroline Schaefer have highlighted the following points. Compensation now exists for displaced commercial fishers. Importantly, this also extends to charter boat operators. My immediate question was whether this compensation money was coming from the industry via a levy or from Treasury. I was pleased to be advised that Treasury is responsible for that compensation. An advisory council has been established, with representation from key stakeholder groups. While appointed by the minister, the minister is required to take note of their recommendations, the boundaries of each marine park and the zone within those marine parks—which must be proposed by the advisory council.

A local consultation group will be established for each of the 19 marine parks; and that is the key thing. It is important that local people are involved in the decisions that are made and that local people—who can become champions for it—have the opportunity to know exactly what is proposed, so they can ensure they talk to people within their networks of friends and associations they represent.

Six weeks minimum consultation is to occur after the proposed boundaries and economic impact study are published. This replaces a previous 28-day period; so that is a good step forward, also. The importance of ecologically sustainable development is now highlighted in the bill. As I understand it, each of the 19 management plans (which will be developed) is required to be referred to the Environment, Resources and Development Committee of the parliament, with a possibility of further referral to both houses of parliament if the ERD committee does not agree. Clearly, this proves that the democratic process is alive and well, and that sound, well-intended amendments will be supported in the other place. Let us hope that the government recognises this in the House of Assembly also. Similar, legislation has been introduced into other states, with South Australia being one of the last states to introduce it.

Given the fact that the exercise in Queensland has resulted in several hundreds of millions of dollars in compensation being paid for lost professional effort, no doubt the government will have learnt from that experience and will ensure that any no-go zones established in the 19 marine parks will have as minimal effect as possible, given that compensation payments must come from Treasury. Consultation and information will be the key in this process—and I know it is a word I have used quite often and, no doubt, other members will refer to this in their contributions. People must be told what is being planned and provided with the opportunity to have input in those decisions.

The fact is that the boundaries of the proposed 19 marine parks have not yet been determined. However, we on this side have certainly noted that the Adelaide metropolitan beaches will not have one. The fact that the zones within the boundaries have not yet been determined really does put enormous pressure on the consultation process to get it right and to ensure that the best possible decisions are made on all matters.

I know from informal discussions with members of the opposition that there is a lot of concern that the regulations have not been prepared and that we have no idea of the zones. A degree of trust exists, but there is also a degree of mistrust because, in the past, people have put their faith in others and it has not necessarily been delivered. We hope that the faith that is being shown by agreeing to the bill (as it currently stands) without the knowledge of what the regulations will say and where the zones will be will still allow that degree of trust to exist in the future.

There has also been significant talkback radio commentary on this bill. I have made sure that, when I have not had the chance to listen to the radio, I have reviewed the media précis comments on it. I think, upon reflection, that a degree of informed comment is made when professional people from associations are talking, but the confusion begins when people ring up—quite often late at night—to talk about issues about which they know only some of the story. It makes it even more important for the government to ensure that, when the consultation occurs, it is detailed and very widespread. With those few comments, I confirm that the opposition is supportive of the bill.

Ms BREUER (Giles) (12:12): I rise today to support the second reading of this bill not only as the member for Giles but also in my capacity as Presiding Member of the ERD Committee. The ERD Committee reviewed—

The Hon. R.B. Such: A very good committee.

Ms BREUER: A very good committee, as the member for Fisher says. The ERD Committee reviewed the process and issues surrounding the establishment of a system of marine protected areas (also known as marine parks) between June 2004 and December 2005. During this time, the committee received evidence from a range of stakeholders—some wanting the process to move quicker, others wanting more certainty about how the process will run and again others challenging the concept, of course. However, one issue that appeared to be common was the need for certainty about the process, and I believe that this bill before the parliament amply provides this.

If I look at the recommendations from our inquiry, I am pleased to report that the majority of the recommendations are either incorporated into the legislation or, I am advised by the Minister for Environment and Conservation, are built into the thinking and processes that support the legislation. In the interest of brevity, I will not address all 25 of the formal recommendations of the committee, but I would like to take the opportunity to highlight some of the key outcomes sought by the ERD Committee that certainly have been clearly addressed in this legislation.

The first recommendation is that the committee recommends that the government provide adequate resources to establish and implement the MPAs. As members would be aware, the committee increased the funding to this initiative by an additional \$4 million over four years in the last state budget. This clearly demonstrates the government's commitment to marine conservation. The second recommendation was that the committee recommends that the government implement legislation for the establishment and management of MPAs as soon as possible.

It is pleasing that, in the less than two years from the inquiry, we have legislation drafted, we have had three months of formal consultation and community engagement and amendments from the community feedback. The bill has been passed by the upper house, including amendments by the Greens, Democrats, Family First, the opposition and supported by the government, and now we have this before us today.

The committee also recommends that the government implement MPAs expeditiously and, where possible, concurrently. Now that we have certainty about the process (which has recently been supported by all key stakeholders), the government can move forward with confidence. I understand the government has committed to proclaim and develop management plans for 19 marine parks concurrently. This will avoid a piecemeal approach and give certainty to all those parties with an interest in the marine environment. There are certainly a lot of them out there, and I believe many of us have heard from them.

The committee's recommendation 4 is that the government identify how, and to what extent, it will manage and compensate displaced livelihoods from MPAs. This has certainly generated a lot of conflict and concern out there in the community; however, the bill before the house provides a head of power for managing this important and sensitive issue for the commercial fishing and aquaculture sectors, and I have been able to reassure people who have spoken to me regarding this issue.

Recommendation 10 of our report is that the government ensures there is adequate recognition and consistency between the local NRM plan and the MPA management plan, and we see this as being particularly important. This is provided for in clause 13 'General nature and content of management plans'.

Recommendation 11 is that the ecosystem-based management principles be included in the legislation. I am pleased to see that the objects and definitions in the bill pick up more than just species and habitats. They include ecological processes, functioning of ecosystems and, importantly, resilience to adapt to the emerging pressures of climate change (a real issue that has emerged since that report).

Recommendation 13 of the report is that the government provide the all-over authority to the Minister for Environment and Conservation and that one of the minister's departments takes the lead in the implementation of the new marine legislation. I would like to commend the former minister for environment and conservation, the Hon. John Hill MP, and certainly the current minister, the Hon. Gail Gago MLC (who, incidentally, also served with me on the ERD Committee during this inquiry), and would like to thank them for providing leadership. I would also like to commend the officers of DEH for their efforts in developing this legislation and consulting with stakeholders and regional communities. It would not have been an easy or thankful role, but it has been done thoroughly and, I believe, very professionally.

Recommendation 16 is that the government provides for a consistent approach to fishing irrespective of whether it is commercial or recreational fishing. This is a real issue out there in our communities. While this is primarily a role for the Fisheries Management Act 2007, I am pleased to see that the marine parks are considering restrictions based on impacts and not making winners and losers out of different groups in our community undertaking similar activities.

Recommendations 18 and 19 are that the government works with the relevant sectors to determine a compensation package for displaced operators and that compensation criteria be included in regulations. I was very pleased to be advised by the Minister for Environment and Conservation that this is supported and is provided for in the bill, and, importantly, that the first meeting of the Displaced Effort Working Group, comprising a range of representatives from the commercial fishing and aquaculture industries, is meeting for the first time today to start this important work. As can be seen, the government is taking this matter very seriously and is getting on with the job.

Recommendation 22 is that the government undertakes extensive consultation with the local community and interest groups regarding establishment and implementation of MPAs—and, as I mentioned earlier, I am thankful for the consultation that has occurred in my electorate to date. More importantly, the bill currently before the house provides detailed processes for local community engagement throughout the development of marine parks—consultation on foundries, opportunities to provide information at various stages, mandatory consultation on management plans, provision of a marine parks council—thanks to well developed amendments by the Hon. Caroline Schaefer MLC and a range of stakeholders. In addition, the government has committed to establish non-statutory regional consultative committees for each marine park to further engage local communities, and I believe that is particularly important because local communities want to feel that they are being listened to and are being heard.

Recommendation 24 is that the government consults with local indigenous groups from an early stage. Again, I was very pleased to see that the legislation specifically addresses indigenous issues and has been framed to ensure that it complements and engages the Indigenous Land Use Agreement (ILUA) and native title processes.

I look forward to the passage of this bill today, and to the ongoing work with communities across South Australia, as we deliver target 3.4 of South Australia's Strategic Plan. I commend the bill and I commend the minister on her work.

Mr PENGILLY (Finniss) (12:19): I do not know whether I am pleased to speak on this bill, but I am glad that I have the opportunity to speak on it. If we go back some years, it was actually the Liberal Party that first came up with the proposal to float marine parks legislation in South Australia.

I do not have a great problem with the concept of marine protected areas and marine parks—in fact, I am quite supportive of the idea—but, in this particular case, because my area was the prototype and the first marine protected area that was going to be put in place before the wheels fell off, I would like to have the opportunity to make a few points. Hopefully, we will see a considerable amount of common sense coming back into the way in which this process finally ends up.

The original Encounter MPA idea was flawed from the outset. The committee was heavily weighted in favour of those who sought to stop people from doing everything. I believe that the information they were given was not correct and, in fact, that the leadership at departmental level left a lot to be desired. So, it was a weighted committee. Instead of taking the community on the South Coast and eastern Kangaroo Island with them, they actually got everyone up in arms, and it was an absolute and a categorical disaster. At the time, I could not believe that it could have gone so badly wrong. Indeed, what happened was that everything was put on the backburner, and we are here today.

I do not want to go back to the way it was. I understand that 19 parks are to be proclaimed. However, I have a great problem with the fact that the entire metropolitan area, as I understand it, has been left out. We have 1.2 or 1.3 million people in the metropolitan area who will not have a marine park within their boundary. Members may well ask why that is happening. Well, I will tell you why it is happening: the government does not want to risk upsetting people who may or may not vote for it in the March 2010 election.

So, the information I have is that we are not going to have any metropolitan park. That is just an act of plain errant stupidity when you think that the majority of the pollution is generated in and around the metropolitan area—that is where all the people live, and that is where everything,

including the stormwater, runs out to sea. I think that not proclaiming a park there is, quite frankly, absolute lunacy. What also really concerns me in relation to this matter is that the government seems to have introduced a fisheries management bill, not a marine protected areas bill. The question I would like answered is: is this indeed a fisheries management bill?

In South Australia, we have among the world's best managed fisheries. It is a credit to those who were around in the past that the fisheries are so well managed and that our species are well run. I have no problem whatsoever with the quotas that have been introduced into the fisheries, whether it be shark, prawns, cockles, lobster, or whatever else. However, I think that this issue will get everyone totally offside, and I do not think that is smart. I know there is a lot of angst among fishermen, who are greatly concerned about the enforcement of this measure and about what will happen.

How will this bill be enforced? The problem is that we can put the legislation in place but, ultimately, it will be the regulations that will kill the thing. I simply do not have confidence that the regulations, when they are introduced, will be in the best interests of the people of South Australia. I can see it being a dictatorial, bureaucratic exercise in putting everyone in their place, and I think that will come back to haunt the government, quite frankly. Indeed, the Kangaroo Island council and the three councils in the mainland part of my electorate (Alexandrina, Yankalilla and Victor Harbor) are concerned to the extent that last week the Victor Harbor council moved some motions that were absolutely critical of where we are going with this bill, led by the Mayor, Mary-Lou Corcoran, who is a good Labor Party supporter. So I have to ask the question: what is going on? As far as consultation, the Victor Harbor council asked to have somebody put on the consultative committee, but it was refused. The council actually put forward Mr David Hall's name (a former director of fisheries)—to whom I will return later—but that was pooh-poohed.

I do not believe that the current consultative committee is quite right yet. I think Mr Hall should be put on the committee. To some extent it is not balanced, in my view; it still weighs heavily on the side of conservation, with an over-green approach, and I do not think that is helpful. I do not think it will show enough leadership and I do not think there will be balance.

We then come to the question of compensation. The architect of much of what is happening in South Australia came to us from Queensland. Currently in Queensland, \$400 million in compensation has been paid out to people displaced. So, where will we go? It ought to be a lesson to the government that we should not run around and start kicking fishermen out. The recreational fishing organisation called for compensation. I can tell members here and now that I do not support that. My understanding is that there are 300,000 people—and I stand to be corrected—who go fishing in South Australian waters.

One of the problems is that, amongst those recreational fishermen, we have many fishermen who come over from Victoria or the Eastern States. Victoria has shut up shop, so to speak, so they all come over here and fish our waters. They come into my electorate in droves and they take fish. They do not always limit themselves to the numbers that they should, and that is also of major concern to me. I do not think that the compensation issue has been addressed properly. I am most grateful that the Hon. Caroline Schaefer in another place, with the support of the Independents and other members of the Liberal Party, was able to amend many of the clauses in the bill to get it into the form in which it has come to the lower house.

When this legislation goes through, it will impact heavily on the people of South Australia forever and a day. The regulations are what will make or break it, and I am concerned that they might break it. I say to the government and to the minister in another place: you need to get this right, because it will come back and bite you. You need to think it through. You need to think through the outcomes and you need to think about whether ordinary, decent South Australians need to be subject to some sort of dictatorial bureaucracy running around in brown shirts who are going to belt the daylights out of everybody if they move over a line.

One of the problems on the water—and I have been involved with the sea all my life in one way or another—is that it does not have fences. It is not like farming land or blocks, or whatever, which can have a distinct boundary. It is a little bit difficult to put fences out there, so to speak. So, the ordinary man in the street—or the ordinary man out in the water, in this case—does not have the liberty of knowing exactly where the boundaries are. Not everybody can afford a GPS and not everybody will be aware of everything that goes with it. I will return later to some of the concerns that are coming through from my community.

I do not know whether ecologically sustainable development will be suitably enhanced by this bill. Along the shorelines I think those things are important. There is no question that people

are flocking to the coast during this current sea change, and eventually, I suppose, we will have a tree change and we will all go inland. Indeed, the South Coast of the Fleurieu Peninsula is growing so rapidly that it is causing great angst and it is putting pressure on local government authorities, without a lot of help from the government.

A few things concerning recreational fishing and the fishing industry generally need some tidying up. We have differing groups who have no respect whatsoever for the law. They tend to go and take all. I have no problem at all with these people being pulled into gear. I also have no problem with those that go out in the morning and catch their quota of whiting, go out after lunch and catch their quota of whiting and go out again that evening: that happens. I think these people are plain foolish. Go out and get your 12 whiting, that is fine: that is 24 fillets and that is enough to feed anybody, quite frankly.

I am not trying to confuse the issue, but I will turn to a paper that was put out by Mr David Hall, who is the managing director of Hallprint in Victor Harbor and also a former director of fisheries in South Australia. His paper is entitled, 'The Encounter Marine Park proposal—why anglers are upset'. I would expand on that and say that not only are anglers upset: there are a few others, including tourism operators, potential developers and many others. I quote from Mr Hall's paper, as follows:

Why then, you might ask, are so many anglers and a few commercial fishers on the South Coast of the Fleurieu Peninsula in particular so concerned about the proposed Encounter Marine Park and why, in my opinion, is the South Australian fishing public being subjected to one of the biggest confidence tricks of our times?

There is no doubt whatsoever that well designed marine parks or, more correctly, aquatic reserves potentially have an important role to play in the management of our living and non-living aquatic resources. There are indeed many real threats to the sustainability of our marine resources in our region, including pollution from stormwater, human sewage, agriculture and industrial effluent, introduced species and diseases, overfishing, aquaculture, coastal and riverine developments including marinas, and potentially destructive and unsustainable activities including certain forms of bottom trawling, gill netting and mining, to name but a few. Given the extreme sensitivity of marine ecosystems to the slightest changes in average water temperature, you can add climate change to the list.

A sensibly designed marine park or aquatic reserve system should actively assess these threats in regions recognised as having a rich biodiversity and come up with practical measures that contribute towards minimising the potential impact of these threats.

The Encounter Marine Park proposal as it stands and the process that has been followed to date achieves next to none of this. The documentation that has been released to date in support of the draft proposal includes mostly generic statements about the importance of biodiversity conservation and contains almost none of what I consider are the key prerequisites required to support a proposition for a marine park in the area:

1. A detailed spatial account of the habitat types across the region...habitats that are considered to be representative of the bioregion and critical to biodiversity conservation.
2. A detailed spatial and temporal account of the oceanography of the region.
3. A detailed spatial and temporal account of the distribution and abundance of animal and plant species of the region, especially threatened or vulnerable species, and associations with key habitat types and oceanographic events.
4. A detailed account of what the principal threats are to biodiversity conservation within the marine park (e.g. stormwater and effluent) and development of alternative measures to address these threats.
5. A detailed analysis of the impacts of proposed sanctuary zones and alternate sanctuary zones on recreational and commercial fish stocks; e.g. rock lobster, snapper and King George whiting.

Mr Hall goes on with a number of other points, then says:

What we have seen in the Encounter region since the formation of the consultative committee in 2002 has been the release in 2005 of a...zoning plan for the marine park, together with a 'Basis for Zoning' document. The 2005 draft zoning plan had zero...input from the community, other than through a consultative committee that appeared to meet in secret and not publish minutes. It had none of the above prerequisite documentation, other than a several hundred page so-called technical report...

In fairness, the new advisory committee that is put in place is open most of the time—it is not open to the public all of the time—and it does take minutes. So, that is a step in the right direction. My concern is that when we ultimately do get these advisory committees you are going to see ideologically-based committees that are weighted heavily in favour of over-exuberant greenies that have no real touch with the world and just want to push their own particular cause, and that is not what it is all about. I would like to think that my children, who are grown up now, or my potential grandchildren, would have the opportunity to do what I have done all my life, which is to go out to sea to go fishing and diving and respect the water for what it is and look after the sea because it is the basis of so much of what we take for granted.

I am appalled when I go into fish shops and see the amount of fish that comes in from Asia. I have no great desire to eat fish from Vietnam or Thailand or anywhere else when we can produce the quantity of fish that we need and, indeed, fish of a greater quality when you compare it to what comes down the Mekong River and grows the fish out. That is of great concern to me.

We have a fantastic fishing industry. We have a wonderful land-based aquaculture industry. We have abalone farms in my area and on the West Coast, and the member for Flinders may mention them. We have fantastic lobster, a great range of scale fish, oysters and everything. The fishermen are not so stupid as to wipe out the industry that provides their way of life and income. I have great fears about where this will go if it gets hijacked by some idiot in the bureaucratic system who wants to put in regulations on an ideological basis. I do not know where these advisory committees will come into it. I suspect that they are just another Labor plot to put in place people who think they will have input when really they will have none at all.

A document addressed to The Australian Society for Fish Biology in Canberra in September this year was written by Bob Kearney, Emeritus Professor of Fisheries at the University of Canberra, in which he quotes the pros and cons of marine protected areas as follows:

There is not such good consensus on exactly what benefits users of MPAs can actually anticipate. Benefits, have unfortunately, been more often assumed and proven, particularly for mobile species and complex ecosystems.

Once again, I get back to the matter of fences. You do not have fences in the sea, so the fish do not stay there—they move around. I think attempts to wipe out net fishing in some areas, as proposed on Kangaroo Island, are just stupid no-brainers. These people live in the community. Why would you wipe out people who live and work in the community and act carefully and who know what they are doing, who fish the areas at different times of the year, who provide cheap fish—and that should appeal to members opposite—that a lot of people in lower socio-economic levels can afford. If you want to wipe that out, it will be on your backs I am afraid. Professor Kearney goes on to say:

The actual title of this Science Paper is, 'A review of benefits of Marine Protected Areas and related zoning considerations' (Marine Parks Authority New South Wales undated). Here the issue of balance, or lack thereof, begins to emerge; one may well question the objectivity in having 'the Science Paper' on MPAs consider only the benefits.

Here we go. Here are the wise men from the East who have come to South Australia. They are full of everything. We are pretty ignorant over here, according to them. The government brings these people in and my view is that they should have left them where they were and we should have worked through this thing sensibly. Professor Kearney goes on to say:

It is noteworthy that fishing is fourth on a list of five key threats. Then, dealing specifically with New South Wales, the Science Paper states, 'approximately 60% of coastal wetlands lost or degraded over the last 200 years' and 'Increased nutrient levels and turbidity from urban and industrial discharges and catchment usage are the key causes of increased turbidity and nutrient levels that often result in a decline of seagrass habitats and diversity of species in soft-sediment areas'. Here I am not trying to draw attention to the repetition, but rather to note that this pivotal listing of key and direct threats to coastal environments, which are reported to have resulted in serious damage to 60% of wetlands, does not include fishing.

This document is widely available and I suggest that a few people read it.

In conclusion, I return to the issue of regulations. I will be watching with great interest and I will slam dunk the architects of this, if these regulations destroy the way of life of South Australians. You can expect that I will stand here and I will name the authors of these things. I will name the bureaucrats in this place and I will pillory them because it is absolute stupidity. It is about time that the Minister for Environment and Conservation grabbed hold of this by the scruff of the neck and showed a bit of testicular fortitude (which is probably difficult in her case) and fix up this thing properly. I do not have confidence in the government to do it properly. Indeed, I hope that I am wrong; I would love to be proved wrong.

Time expired.

The Hon. R.B. SUCH (Fisher) (12:40): I welcome this bill. It has taken a long time to come before the parliament; in fact, its genesis was with the member for Davenport and the member for Frome. I think that some people then got cold feet, and there was some agitation around the place—as there always is when someone wants to protect the environment. There is always agitation from those who want to use the environment for their own personal benefit. Certainly, if any money is involved, the environment usually gets secondary consideration. I commend the government and the minister on finally getting the bill to the parliament.

It saddens me to hear the member for Finniss talk in the way he does, because he is guaranteeing that the Liberal Party is unlikely to be elected with any support from the metropolitan area when it takes an anti-environmental approach. Over time, some Liberals, such as David Wotton, David Brookman and a few others, have distinguished themselves by having concern for the environment. Sadly, when it comes to the crunch, too often the Liberal Party looks at the almighty dollar and forgets about the environment. In that regard, it is slightly better than the National Party, which is the most skilful environmental vandal in the nation.

I come to this proposal with great support. In one sense, it probably does not go far enough, and I agree with the member for Finniss (and it is probably the only thing I agree with him on) that it avoids facing up to reality in metropolitan waters. We know that, since European settlement in South Australia, the land has been raped environmentally by we Europeans. The record of the treatment of the natural environment in South Australia has been nothing short of appalling.

Less than 5 per cent of native vegetation is left in Adelaide (perhaps 3 per cent if we are lucky). There are probably three pieces of significant vegetation left in the metropolitan area. Beyond that, in the Adelaide Hills, it is between 20 and 30 per cent, most of which is degraded; and, further out, huge areas have been cleared unnecessarily, some of which is as a result of a government requirement on people who took a lease.

The oceans have been similarly plundered and raped. The coastline off the metropolitan area is literally a marine desert: sea grasses have been destroyed and the reefs close to the CBD have been essentially destroyed. This is partly as a result of ignorance (and you can say that for years gone by) but, in more recent times, it is just greed that has resulted in the destruction. We are slowly moving to address the protection of the marine environment, and this bill will help in matters such as storm run-off and the treatment of grey water. It is happening far too slowly, but it is happening.

However, whenever there is a move to protect the environment, all the usual suspects come out, work together and say that their inalienable rights are being taken away. It is a pretty thin argument, because the consequence of such a cowboy mentality and approach, by people who are basically philistine in their outlook, is that the environment is not only degraded but also destroyed. We hear people talk about global warming, using the rhetoric of greenhouse gases and so on but, at the same time, they are doing very little to protect what little is left of biodiversity on the earth. It is just nonsense.

You cannot be partly for the environment; you cannot be partly an environmentalist. You are either an environmentalist, who understands the interrelation and interdependency of the ecological system or you are not. It is like saying that you are partly pregnant: it is a nonsense. You cannot have your cake and eat it, too. You cannot say, 'I am for the environment here, but I am not for the environment there.' Nature is interrelated and interdependent. I will provide the literature to people who do not understand that in order to let them understand basic ecological principles. You cannot be selective in regard to the environment; you have to be consistent in your application. We need to be consistent in terms of managing the environment on land but also in regard to the ocean and the marine environment.

Slowly, attention is focusing on the marine area, because a lot of it, sadly, by definition is out of sight and therefore out of mind. We have had people rape and plunder it. It is exactly the same as used to happen in relation to killing whales, and, sadly, we still see the Japanese fleet heading off under the ruse of scientific research to kill whales, which we know they will eat. We get the same sort of nonsense from people here who suggest that they can have their cake and eat it too in terms of the environment, that people can do what they have always done in relation to fishing, and whatever, and that it will not impact on the environment.

The reality is that the sea off Adelaide has been largely fished out. The people who catch the fish now are those who can go out in decent sized professional units, because close to Adelaide it has been fished out. It is the same as the fauna on land that has been wiped out in many areas. It is a disgraceful record. I would call the people who fail to understand 'the unAustralians', because they do not understand the ecology of this country, they do not practise protection of the environment, and they are in the true sense unAustralian. They could be living anywhere. They have no regard for the natural environment of this continent, just as they often have no regard for the traditional culture of the indigenous people. I categorise those two groups, who lack that understanding, who practise vandalism against the environment, and who have a lack of respect and understanding for traditional people, as unAustralian.

So, what do we have in this bill? We have a mechanism which may help and should help to protect and conserve examples of the various marine habitats around South Australia. It is a big call; it is a big challenge for the legislation to deliver. I am not as cynical as the member for Finniss about the regulations that will be drawn up. I do not know why so many people in here continually bash public servants.

In my experience, I have yet to come across a public servant who is not dedicated to the task of serving the people of South Australia. Yet, too often in here we get references, innuendo or inferences about public servants in these departments, who are often highly educated and highly trained people, who put forward recommendations. They are subject to disparaging remarks by people in here who are nowhere near as enlightened, often, as the public servants whom they denigrate.

As I said at the outset, I compliment the government on this bill. There have been some fantastic people in the Labor Party tradition—I am not a member of the Labor Party; I am a small 'l' liberal—who have done great things in terms of protecting the environment in South Australia—people such as Don Hopgood. If it was not for people such as Don Hopgood there would be very little native vegetation left in South Australia. If you look at places such as New South Wales, Bob Carr has a fantastic record in terms of what he set aside for national parks. He will be long remembered for that—long after people forget all the other things about trains, buses and anything else—as a premier who contributed so much to New South Wales in terms of protecting and providing for the continuation of ecosystems that have evolved over millions and millions of years.

Locally, as I said, I pay particular tribute to people such as Don Hopgood. Thank God for someone of his character, vision and foresight, who was able to be innovative in relation to environmental measures in this state.

In fact, we are still living off the back of people like Don Hopgood. We are still in debt to people like David Wotton who, often against great odds, in cabinet managed to do a lot in a positive way for the environment. Much of our legislation dates back to the early '70s. I refer to the Coast Protection Act, for example. The Coast Protection Board is an organisation that needs to have its teeth sharpened and given a bit more clout because, too often, its recommendations are ignored by councils and other bodies around the state.

We have not been good at managing the marine environment. One only has to look at the coastline close to Adelaide to see what a hotpotch it is. We used to have a natural system which filtered rivers coming down to the ocean, through wetlands and sandhills and the like, but now there is a system where stormwater and greywater gush out into the ocean denuding seagrasses and the like. Clearly, a measure like this ideally needs to be integrated with what should be happening in other states, because the ocean does not stop at the state border. One would hope that we are increasingly moving towards an integrated approach to environmental management of the whole of Australia.

There have been a lot of cowboys in Queensland who have delighted in raping that state, as well, in terms of destruction. Those sorts of people unfortunately still exist around the country—in Tasmania, for instance. Generations to come will look back and say, 'Why did those people do that? Why did they rape their motherland in the way that they did?' Sadly, we see it in relation to the use and abuse of water in the Murray system and, once again, it is not just National Party cowboys upstream (although a lot of them are) who come into that category.

The people concerned have no regard for the environment. One can see what is happening to the River Murray. We know there is a drought and we know there is a shortage of water, but there is no concern for environmental aspects. We just have to look at the Coorong and what is happening there; there is no concern for the environment at all. There is a lot of talk, there is a lot of claptrap and a lot of ideological spin, but when it comes to the nitty-gritty, there is not a lot of on-ground protection and respect for the environment.

I do have a degree of passion for this issue because we are and should be custodians of this land. The Aboriginal people, the traditional custodians, could have lived their lifestyle forever. No-one is saying that we should live that lifestyle, or indeed that they should; however, the reality is that they could have lived forever in that particular lifestyle because it was self-sustaining. They had the philosophy that the land owned them, not the other way around; not the way that we see the land as something that we can own and do what we like with and abuse and misuse. We need to increasingly adopt some of the value systems that the traditional people had. Sadly, many of their own people these days are not aware of the fantastic values within the traditional cultures of the 300 tribes that inhabited this land.

To conclude, this bill is a step forward. It will not necessarily do what we would all wish, but it does show that, in some aspects at least, this government is committed to protecting the environment. There are issues, at times, where I am critical of this government and will continue to be, where I do not believe it is acting quickly enough, vigorously enough or comprehensively enough. However, when it does the right thing, I will support it all the way. This is an example of where it is taking a positive step forward. It is not perfect; there are people who will still be unhappy, but you cannot protect and conserve without treading on the toes of some people.

The member for Finnis mentioned compensation, and I do not have a problem with compensation where it is appropriate. However, you have to remember that many of the people who are using the natural environment never paid a cent for it, or paid very little by way of licence fees, but expect to get a big payout when society says that what they are doing is inappropriate and needs to be controlled or curtailed. The sooner this measure is in place the better. I have confidence that the regulations will help deliver what is needed. It is one small step, and it is a welcome step by the Rann government. I commend the minister for it; and in so doing I acknowledge the original genesis from the members for Frome and Davenport.

Mr HANNA (Mitchell) (12:55): I speak in support of the marine parks proposal brought into the parliament by the government. The legislation has been the subject of extensive consultation, and the consultation has raised considerable anxiety. However, at the end of the day, in principle, the legislation has the support, I think, of just about every member in parliament. The legislation sets up a scheme for marine parks. It is important to note that the detail is yet to be worked out.

The detail will come in management plans to be worked out by the department in consultation with water users and other groups. I am told that the ambition is that initially there will be about 19 marine parks. It will take some time for that to work out. In terms of the content of the management plans, it is probably fair to say that there are anxieties on the part of recreational and commercial fishers on the one hand and environmental groups on the other hand, because we just do not know what the detail will be.

I trust that the government has the right intention in this matter. Ultimately it is a matter of creating balance. At the moment there is not sufficient balance in the sense that there is not sufficient protection of the environment, in particular the creatures that live in the sea. With those short comments, I am pleased to add my support to the bill; and, with many others, I look forward to seeing the fine print when management plans are ultimately produced.

Mrs PENFOLD (Flinders) (12:57): When this bill was put before the house I felt very angry. Once again, Eyre Peninsula (most of which I represent) is targeted with the possibility of 11 of the proposed 19 marine parks despite this region producing about 65 per cent of the state's seafood while having what are widely acknowledged as the best practice fisheries in the world, for example, the prawn and rock lobster fisheries.

The implementation of the Great Barrier Reef Marine Park in North Queensland has caused a huge amount of grief to users, with compensation blowing out from an estimated \$500,000 to \$2 million (suggested by the Great Barrier Reef Marine Park Authority) to more than \$200 million since its inception.

This government's initial marine park at Encounter Bay on Kangaroo Island caused a major uproar—about 13 per cent of which was designated as sanctuary and restricted-access zones, that is, no take areas. However, in reality, a much larger area has been segregated and quarantined. In fact, it is about 35 per cent of the fishable area, with no compensation to fishers. The outcome has resulted in a greater effort in a smaller area putting more pressure on what is already deemed to be fully exploited fish stocks.

A number of factors determine the waters where commercial fishing and aquaculture industries operate, therefore effort occurs only in areas where production is viable. In South Australia this equates to a very small percentage of the total marine environment. Fishing and aquaculture industries have voiced concerns that a significant proportion of this productive water will be designated for marine protection, just as it was at Encounter Bay.

To avoid the angst that was caused with this initial marine park, the government turned the process around so that the legislation would be passed without actually designating the locations and boundaries of marine parks. This is a very risky option from the point of view of users of these areas who will have to rely on subordinate legislation to ensure that their interests are protected. Hopefully, the formation of the Marine Parks Council will now provide a conduit to stakeholders to voice their knowledge and opinions to the minister, but will the minister listen? Further to this, each

marine park should have a local consultative committee that will provide a tangible medium to engage adjacent communities, local knowledge and even encourage some local ownership.

Chris Thomas, who was involved with the Great Barrier Reef Marine Park Authority, is in charge of South Australia's marine parks, and in an ABC transcript of 6 December last year, is quoted as saying:

The Department for Environment and Heritage says the state's 19 new marine parks will be located where they will inconvenience the least number of people.

Debate adjourned.

[Sitting suspended from 13:01 to 14:00]

INTEREST RATES

Mr BIGNELL (Mawson): Presented a petition signed by 4,562 residents of South Australia requesting the house to urge the government to abandon the proposal to cap interest rates inclusive of fees and charges so South Australians can continue to have choice in the marketplace for financial solutions.

MEMBERS' INTERESTS REGISTER

The SPEAKER: I lay on the table an erratum to the Register of Members' Interests Registrar's Statement June 2007.

Ordered to be published.

PAPERS

The following papers were laid on the table:

By the Speaker—

Pursuant to Section 131 of the Local Government Act 1999 the following 2006-07 annual reports of Local Councils:

Mount Gambier, City of
Tumby Bay, District Council

By the Premier (Hon. M.D. Rann)—

Promotion and Grievance Appeals Tribunal—Report 2006-07
State Emergency Management Committee—Report 2006-07

By the Minister for the Arts (Hon. M.D. Rann)—

Adelaide Festival Corporation—Report 2006-07
Art Gallery Board of South Australia—Report 2006-07
JamFactory Contemporary Craft and Design Inc—Report 2006-07
Museum Board, South Australian—Report 2006-07
State Opera of South Australia—Report 2006-07

By the Treasurer (Hon. K.O. Foley)—

SA Metropolitan Fire Service Superannuation Scheme—Report 2006-07
Final Budget Outcome—Report 2006-07

By the Minister for Transport (Hon. P.F. Conlon)—

Regulations under the following Act—Harbors and Navigation—Mooring Prohibition

By the Minister for Energy (Hon. P.F. Conlon)—

Australian Energy Market Commission—Report 2006-07

By the Minister for Health (Hon. J.D. Hill)—

Native Vegetation Council—Report 2006-07
National Parks and Wildlife Council, South Australian—Report 2006-07

By the Minister for Tourism (Hon. J.D. Lomax-Smith)—

Adelaide Convention Centre—Report 2006-07
 Adelaide Entertainment Centre—Report 2006-07
 Tourism Commission, South Australian—Report 2006-07

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

Child Death and Serious Injury Review Committee—Report 2006-07
 Council for the Care of Children—Report 2006-07
 Families and Communities, Department for—Report 2006-07
 Guardian for Children and Young People—Report 2006-07
 Supported Residential Facilities Advisory Committee—Report 2006-07

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

Julia Farr Services—Report 2006-07

By the Minister for Agriculture, Food and Fisheries (Hon. R.J. McEwen)—

Citrus Industry Development Board, South Australian—Report 2006-07
 South Australian Industry Fund—
 Apiary—Report 2006-07
 Cattle—Report 2006-07
 Deer—Report 2006-07
 Pig—Report 2006-07
 Sheep—Report 2006-07

By the Minister for Consumer Affairs (Hon. J.M. Rankine)—

Regulations under the following Act—
 Liquor Licensing—
 Beachport Short Term
 Glenelg Short Term

By the Minister for Employment, Training and Further Education (Hon. P. Caica)—

Education Adelaide—Report 2006-07

By the Minister for Gambling (Hon. P. Caica)—

Club One (SA) Ltd—Financial Report—Report 2006-07
 Gaming Machines Act 1992—Report 2006-07
 Licensing Agreement, Variation of Approved (Second Amending Agreement)—Between
 the Minister for Gambling and SkyCity Adelaide Pty Ltd
 Problem Gambling Family Protection Orders Act 2004—Report 2006-07.

MOTORCYCLE GANGS

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:04): I seek leave to make a ministerial statement.

Leave granted.

The Hon. M.D. RANN: The government has today announced the next phase of comprehensive laws designed to disrupt and dismantle criminal bikie gangs. These are the toughest anti-outlaw bikie gang laws that we can find anywhere in the world where these gangs operate. I understand that they are not big in China and some other countries, including India, but certainly they proliferate all around the world.

These new laws will be backed by almost \$14 million in new funding to give our criminal justice system the resources it needs to take on the bikies. The extra money will be spent on providing SA police with 17 extra non-uniformed staff, including legal specialists, forensic accountants, specialist criminal intelligence support and high level analytical staff to track the activities of the bikie gangs.

It is all about following the money tree. They will bolster the work already being done by the newly formed Crime Gang Task Force which the government announced in August would receive

an additional 24 uniformed officers, bringing the total number of police dealing directly with bikie gangs to around 45. There will also be extra funds allocated to the Office of the DPP and the Crown Solicitor's Office, resulting in a total of about 15 extra legal and administrative staff. There will also be extra money for the Legal Services Commission.

This next phase of legislation is designed as the most sophisticated attack on criminal bikie gangs ever attempted by any jurisdiction, not just in Australia but anywhere in the world. We have taken a series of measures over the past 5½ years. Now we are ramping it up significantly with comprehensive legislation across the board backed by more resources, more funding, more police, more resources for the DPP, and more resources for the police in terms of legal, forensic and specialists skills. This government has every intention of chopping off the tentacles of these criminal networks and then going through to the very centre of their operations. Among the new laws in the first phase of this legislation:

- The Attorney-General can declare a criminal bikie gang an outlaw organisation.
- Police will be able to seek control orders from a magistrate prohibiting members of declared organisations and others who engage in serious criminal activity from associating or communicating with one another and attending premises such as gang clubrooms.
- Police will be able to prohibit members of a bikie gang from attending a place, event or area where this would pose a serious threat to the public.
- The old law of consorting will be replaced with a new law of criminal association that prohibits telephone calls as well as meetings in the flesh.
- Stalking a person with the intention of intimidating a victim, witness, court official, police officer or public servant will become a serious offence.
- Gang members who engage in acts of violence that threaten and intimidate the public will be guilty of serious offences.
- Gang members charged with some of these new offences will find it much more difficult to get bail and it will be easier for police to secure orders to dismantle fortifications protecting gang clubrooms.

Cabinet has also given the Attorney-General permission to draft legislation that will target the profits of bikie gang crimes by:

- allowing the DPP or police to apply to the court to have serious repeat drug offenders declared drug traffickers (as such, they will forfeit all of their assets, not just those that are clearly linked to their criminal activities); and
- forcing bikie gang members to explain the source of their unexplained wealth without having to prove first that the individual has been involved in a crime. (The onus will be on the individual to prove that the asset was acquired legitimately: what they cannot prove they will lose.)

These new laws send a clear message to the criminal bikie gang members and their offiders. We are coming after them, and we will hit them where it hurts by taking away their criminally acquired gains, their Harley-Davidsons and their liberty.

Members interjecting:

The Hon. M.D. RANN: I would like to think that this is the most advanced, toughest and comprehensive legislation in the history of Australia—the toughest legislation anywhere in the world—and I challenge members opposite to let us know whether or not they will support the legislation. I will wait to hear the people on the other side who did not want von Einem to be DNA tested, and that is the difference.

Breaches of control orders or public safety orders could result in up to five years' imprisonment, and breaches of orders preventing criminal association would have a maximum penalty of two years' imprisonment. In addition, the new offence of violent disorder will carry a maximum penalty of two years' gaol; riot will carry a maximum of 10 years' imprisonment for an aggravated offence and seven years for a basic offence.

Ms Chapman interjecting:

The Hon. M.D. RANN: So do you know what the current penalty is?

Ms Chapman interjecting:

The Hon. M.D. RANN: She does not know the current penalty. That is because there isn't one! It is a new offence. Affray will carry a maximum penalty of five years for an aggravated offence and three years for a basic offence; and stalking of public officials by outlaw bikie gang members will carry a maximum penalty of seven years' imprisonment.

This legislation—these laws—have been the result of submissions to the cabinet by the Police Commissioner and the Assistant Police Commissioner. In fact, Police Commissioner Mal Hyde and Assistant Police Commissioner Tony Harrison briefed cabinet for nearly an hour on Monday.

A huge amount of work has been done on this matter, because we have seen that the bikie gangs hire the top lawyers in the state to try to defeat the will of this parliament. There is no doubt that they will try all their tricks in the future and there will be challenges—as there were against our anti-fortification laws. We won that in the court, but the point is that we are going much further.

I pay tribute to SAPOL for its lead role in developing this new legislation. The Police Commissioner and the Assistant Police Commissioner briefed cabinet yesterday about the new legislation. SAPOL has been very helpful and clear about what laws it needs to take up the fight against bikie gangs and onto the next level; and we have responded with this package of measures.

I am informed that the police are already ahead of the game in preparing for the new laws when they are expected to pass parliament in the first half of next year. This is giving the police the laws they want, the laws they need, the resources they want and the resources they need.

STATE BUDGET

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:12): I seek leave to make a ministerial statement.

Leave granted.

The Hon. K.O. FOLEY: Strong financial management has been a hallmark of the Rann Labor Government.

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: The Rann government has consistently delivered strong budget surpluses, repaid debt, delivered nearly \$2 billion in tax relief, invested heavily in our hospitals, schools and police, and, after a decade of budget neglect, is reinvesting in our state's infrastructure.

Today I have great pleasure in tabling the 2006-07 final budget outcome. The outcome shows that the state continues to be in a strong financial position, and a much stronger financial position than when this government was elected. The outcome shows a net operating surplus of \$209 million for 2006-07, up from the projected \$38 million surplus at the time of the 2007-08 budget. The significant improvement in the 2006-07 net operating surplus is due to lower operating expenses of \$80 million, along with higher than anticipated revenues of \$92 million.

The net lending surplus was \$71 million in 2006-07, up from the projected deficit of \$176 million in net lending at the time of the 2007-08 budget. The improvement is due to the higher net operating surplus and also \$68 million worth of capital project slippage in 2006-07. It should be noted that some of the underexpenditure, as well as the capital slippage, will be carried over into the 2007-08 year. General government net debt has also improved, compared with the budget time position, as a direct result of a higher than forecasted cash surplus.

Members interjecting:

The Hon. K.O. FOLEY: Trust me, you had slippages all through your budget periods. Net debt as at 30 June 2007 is negative \$24 million—which is, therefore, a surplus—and a \$175 million improvement on the level projected at the time of the 2007-08 budget. This means that, for the second year running, this government has delivered in the general government sector a debt-free position.

The state's balance sheet has also strengthened significantly. The general government sector net worth has increased by some \$2.4 billion to \$22.1 billion. Superannuation earnings were very strong in 2006-07, contributing \$657 million to a reduction of over \$1 billion in the unfunded liability from 30 June 2006 to 30 June 2007. The strength of the state government's balance sheet is important to note. This strength has given the government the ability to reinvest heavily in much needed infrastructure. The strength of the state finances is what the rating agencies look for when considering our AAA credit rating. Having strong operating surpluses means that we can afford to run net lending deficits—deficits that reflect the state government's investment in infrastructure. As the Auditor-General noted in his report last month:

Maintaining forecast net operating balance surpluses represents overall good financial planning, providing some flexibility and buffer against unfavourable influences and events that may affect Budget outcomes.

His report also noted:

The state's balance sheet is expected to strengthen over the four years of the 2007-08 budget as measured by net worth. Net financial worth however, declines due to the growth of financial liabilities. Both these trends are consistent with borrowing to build infrastructure.

The Rann Labor government has done the hard work to rebuild the state's finances. We have delivered—

Members interjecting:

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: I don't know: five budgets, five budget surpluses—eight budgets, eight budget deficits. And they had to sack Rob Lucas because he was no good. We have delivered strong financial management and strong budget results each and every year, and we have delivered tax cuts and increases in spending while being able to deliver those very strong budget outcomes—

The Hon. P.F. Conlon: Which is why Greg Kelton said that you were an outstanding Treasurer.

The Hon. K.O. FOLEY: He did, did he?

The Hon. P.F. Conlon: Yes.

The Hon. K.O. FOLEY: Can you say that louder?

The Hon. P.F. Conlon: He did, he said that.

The Hon. K.O. FOLEY: What did he say?

The Hon. P.F. Conlon: You're an outstanding Treasurer.

The Hon. K.O. FOLEY: Thank you, Mr Speaker, I will conclude on that point.

ENVIRONMENT, RESOURCES AND DEVELOPMENT COMMITTEE

Ms BREUER (Giles) (14:22): I bring up the 61st report of the committee, on the subject of coastal development.

Report received and ordered to be published.

VISITORS

The SPEAKER: I draw honourable members' attention to the presence in the chamber today of students from Emmaus Catholic School, who are guests of the member for Mawson; students from the English Language Centre, who are guests of the member for Adelaide; students—if they are not already here, they will be soon—from Sunrise Christian School, who are guests of the member for Reynell; and students from Horizon Christian School, who are guests of the member for Goyder.

QUESTION TIME**CRIME PREVENTION UNIT**

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:23): My question is to the Premier. Why has the Premier axed the state's Crime Prevention Unit?

The Hon. M.J. ATKINSON (Croydon—Attorney-General, Minister for Justice, Minister for Multicultural Affairs) (14:23): The Rann government spends most of its money for crime prevention on the police, the Office of the Director of Public Prosecutions, the courts, and the prison system, and we are making a massive investment in a gigantic prison at Murray Bridge.

Mrs Penfold: That's not crime prevention.

The SPEAKER: Order!

The Hon. M.J. ATKINSON: I am glad that the member for Flinders regards prison as no deterrent. The last time we read about the member for Flinders—

Members interjecting:

The SPEAKER: Order!

The Hon. M.J. ATKINSON: —in the media she was defending the governor of Port Lincoln Prison. What does she say now?

Mrs Penfold: I still do.

The SPEAKER: Order!

The Hon. M.J. ATKINSON: Whenever we pay our police or our prosecutors a decent amount of money and their salaries click over \$100,000, what do we have? Liberal Party members hollering that there are more fat cats. Who do they think puts criminals inside prisons here in South Australia? It is the police and prosecutors, under the auspices of the Rann government. This government has a crime prevention program. We make grants totalling hundreds of thousands of dollars not just to local government but to other organisations that show that they have a plan that could help prevent crime in South Australia.

We have made grants to these groups and we will continue to make grants to these groups but, having said that, I do not require a dedicated desk somewhere in the Attorney-General's Department (at 45 Pirie Street) writing in the deconstructionist language of Derrida the ideology of crime prevention. We know what does and does not work in crime prevention. We are well aware of what can be done, and we do not need to reinvent the wheel in the Attorney-General's Department.

PREGNANCY SA TELEPHONE SERVICE

The Hon. S.W. KEY (Ashford) (14:26): Can the Minister for Health update the house on a new phone service to help pregnant women plan their pregnancy?

The Hon. J.D. HILL (Kaurana—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (14:26): I thank the member for her question, but I should say that the phone service does not actually help them plan their pregnancy; they do that on their own. However, what we do is help in the management of their pregnancy.

Members interjecting:

The Hon. J.D. HILL: It would be a very interesting telephone service if it were to do that. The Department of Health has established a new statewide telephone service for women seeking their first antenatal appointment in a public metropolitan maternity unit.

Mrs Redmond interjecting:

The Hon. J.D. HILL: No, I didn't catch it on the phone. The telephone service was a recommendation made by the South Australian Maternal and Neonatal Clinical Network, which is a group of leading clinicians, including specialist doctors, formed to provide strategic advice to the state government.

The Maternal and Neonatal Clinical Network has called for a single point of telephone contact for the public and health professionals to allow a coordinated approach to antenatal bookings. The telephone service will also act as a single point of contact for general practitioners, obstetricians, gynaecologists and midwives who may wish to make antenatal bookings on behalf of

their patients. The telephone service will initially be available to women giving birth in public hospitals across metropolitan Adelaide, but it is expected to eventually be expanded to provide linkages to intrapartum, postnatal, neonatal and lactation advice services.

The telephone service will assist the caller in arranging a first antenatal appointment at the closest public maternity unit. It will be managed by the Children's Youth and Women's Health Service. At her first antenatal visit, a woman, with support from the staff, will make a decision on where she will receive her antenatal care and the hospital where she will give birth. The Department of Health will talk to health professionals and doctors about the implementation of the new Pregnancy SA telephone line during coming weeks, with the service expected to start early next month. Pregnant women will be advised of the phone number through their GPs when it begins operation. Information regarding the service will also be available on the Pregnancy SA web page and information sheets will be placed at chemists and doctors rooms, and at the antenatal clinics.

This is an initiative of the clinical network that has been established for maternal and neonatal health. The Department of Health has established eight clinical networks, and the advice from the clinical networks will very much drive policy in relation to clinical services into the future. I am very pleased to see this first initiative from that particular clinic.

FIREARMS ACT

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:29): My question is again to the Premier. Why has the government failed to keep its promise to help police fight crime by fast tracking amendments to the Firearms Act? On 23 June this year, police minister Holloway said:

It is a well-known fact that guns and other weapons are key instruments of violence in bkie gang culture. That is why this government is fast tracking a number of amendments to the Firearms Act.

The weekend media reported that the draft amendments were not approved by cabinet when presented last month, outraging police.

The Hon. M.J. ATKINSON (Croydon—Attorney-General, Minister for Justice, Minister for Multicultural Affairs) (14:30): The Leader of the Opposition relies on the press clippings service exclusively. There is no question that we will deliver on our promise of fast tracking firearms legislation, and the house will see it soon.

NETBALL WORLD CHAMPIONSHIPS

Ms PORTOLESI (Hartley) (14:30): Can the Premier inform the house of Australia's netball world championship win in Auckland and South Australia's involvement?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:30): I think that I can do this not so much as Premier but as the very proud patron of the Thunderbirds, former patron of the Ravens and former vice-president of Garville. I want to thank the honourable member for her question.

Australia is once again the world champion of netball following the absolutely thrilling performance at the weekend in a 42 to 38 goal victory against New Zealand in Auckland on Saturday night. I think people would know that it was a very robust game.

Ms Chapman interjecting:

The Hon. M.D. RANN: Who did I barrack for? If anyone raises any issues about the deputy leader, she squeals, but here she is questioning my patriotism. Who does she think I would be barracking for? I am sure we will see a story in tomorrow's *Tiser* about this ethnic slur against me. Years and years of sheep jokes—no wonder I have low self-esteem.

The New World Netball World Championships consisted of an arduous six-match schedule in seven days. Australia entered the championship as No. 2 in the world behind the host nation New Zealand. Of the 12 member Australian squad, only three had played in the world championships before. They are retiring Australian captain, Liz Ellis, vice-captain, Sharelle McMahon, and goal shooter, Catherine Cox.

South Australia was strongly represented again by three Adelaide Thunderbirds champions in Laura and Natalie von Bertouch and rookie Natalie Medhurst. Natalie von Bertouch, a graduate of the South Australian Sports Institute, played centre for the full 60 minutes of the final. Natalie was selected in 2004 for Australia's open team and made her debut against the New Zealand

Silver Ferns during the three test international series in Australia. Natalie is known for her blistering speed, agility and quick reflexes.

Laura von Bertouch, older sister of Natalie, also plays in the centre court as wing attack and she is also known for her speed through the mid-court. The combination of the two sisters caused serious headaches for the Silver Ferns. Laura has been in the Australian netball squad on and off since 2003 and she made her debut for Australia against New Zealand in 2006.

Natalie Medhurst, also a graduate of the South Australian Sports Institute, playing in her first world championships for Australia, was called up by coach Norma Plummer four minutes into the final quarter after Susan Pratley suffered an eye injury. I do not want to be critical of the Silver Ferns, but they were a little on the rugged side. Natalie has been rated as one of the most accurate shooters in Australia in the past three years and she has been described as one of Australia's emerging netball talents.

Although Australia led throughout the game with an eight goal lead in the third quarter, the Silver Ferns kept fighting back in a very physical contest, clawing back the lead to within three goals going into the final quarter. The Australian team maintained its composure to nail its ninth title since the inception of the world championships in 1963.

It was a great achievement to have the South Australian trio on court in the final minutes of this thrilling game. Netball has had a long and proud history in South Australia. I was very pleased to be the motivational coach for the famous Danielle Grant when she was with the Ravens. We have provided a foundation of excellence in netball training for many players who have gone on to wear the green and gold for Australia like Natalie, Laura and Natalie. Not only have we produced a number of Australian players but also the leaders of our national team, including Kathryn Harby-Williams and Michelle den Dekker.

I take this opportunity—I hope (and I am sure) on behalf of all members of this house and parliament—to congratulate the Australian netball team for their stunning victory against New Zealand and, in particular, our South Australian representatives on their fantastic achievements.

RAIL, TRAIN AND BUS UNION

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:35): My question is to the Minister for Transport. Can he confirm whether enterprise bargaining negotiations have broken down between TransAdelaide and the Rail, Tram and Bus Union, and is the union preparing for industrial action?

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON (Elder—Minister for Transport, Minister for Infrastructure, Minister for Energy) (14:35): I spoke to the secretary of the union just a short while ago—and I will go to some length to explain how the system works—who explained to me, as I have explained to others today, that what he is doing is obeying the ordinary strictures of John Howard's WorkChoices law, that is, the rules imposed on him by John Howard's WorkChoices laws—exactly what he said, just repeating it to you.

Members interjecting:

The Hon. P.F. CONLON: Well, there you go, I thought they were in the federal commission today. But perhaps I am wrong about that. That is what has been told to me today. Can I say that we expect trade unions to obey the law. That is what we expect. We expect, if they wish to engage in enterprise bargaining, according to the law, they do do it according to the law. So, not in the least bit surprised to be there today. But I draw that in stark contrast to the urgings last week by the shadow minister for transport for them to engage in an illegal strike.

An honourable member interjecting:

The Hon. P.F. CONLON: He says it is all rubbish, but here is what the Rail, Tram and Bus Industry Union (not Rail, Train and Bus Industry Union, as you put out in your press release) said last week—and you know this is what they said. They said:

The RTBU is outraged that opposition transport spokesman, Duncan McFetridge, has tried to convince our members to flout the federal Liberal government's IR laws, urging tram workers to undertake illegal strike action.

We were stunned to receive an email from him urging us to break laws enacted by his federal masters. We were further amazed that he was prepared to urge our members to risk huge fines and possible gaol terms for breaching laws enacted by his party federally.

Members interjecting:

The Hon. P.F. CONLON: He did say the Liberals clearly haven't got a clue, and I tend to agree with him.

An honourable member interjecting:

The Hon. P.F. CONLON: No, it was written by the Rail and Tram Union, and it was in response—

Members interjecting:

The Hon. P.F. CONLON: Just to make it clear: he said, 'Did I write it for them?', but, funny, a few days ago he wasn't suggesting that; he was suggesting that they are his great mates, because here is his email and he said, 'Hi Ashley,' and he said:

To allow the driver to cop the flak is not what I would have expected. I am surprised you have not called your members out until Conlon apologises.

Members interjecting:

The Hon. P.F. CONLON: He not only sent that to his mate Ashley, he also went down and handed out copies to individual members of the union. So, I have to say that, while we do not agree with John Howard's work laws, we do expect unions to abide by the law. Can I say that I am much less concerned by the union following the law in the Industrial Commission than I am by shadow ministers urging the union to break the law for shallow political reasons.

OUTBACK TOURISM

Mr RAU (Enfield) (14:39): My question is to the Minister for Tourism. How will the state promote South Australia as the gateway to the Outback in the future?

The Hon. J.D. LOMAX-SMITH (Adelaide—Minister for Education and Children's Services, Minister for Tourism, Minister for the City of Adelaide) (14:39): Can I thank the member for Enfield for his important question. I must say that whenever I go to the Outback I always start by driving through his electorate! The Great Australian Outback Cattle Drive is truly an iconic South Australian event, which showcases South Australia as the gateway to the Outback and the Outback experience. Staging the Outback Cattle Drive is a massive logistical undertaking, perhaps the biggest event staged in remote Australia besides activities undertaken by the Australian Defence Force.

On the back of this mammoth effort, the cattle drive has forged a stellar reputation around the world as an amazing absolutely unique tourism experience in our state. The last event was a sell-out success, with 15 per cent of the participants coming from our important international markets, including New Zealand, the UK and the USA, as well as Ireland, France and Switzerland.

In addition to having this three-week amazing Outback experience, significant media coverage has been generated by this event, amounting to \$8 million a year, with media coming and taking films and videos and taking back articles for newspapers, magazines and illustrations. One of the really significant outcomes of the event has been a documentary called *The Great Australian Outback Cattle Drive*, which has been screened on the Discovery Channel and which, during its premiere, went to 2.2 million viewers in key tourism markets. This program is still being shown around the world, and if anyone would like to see it I can arrange a copy, because it is really quite an exciting video. The media representatives who join the drive certainly take the experience back to the world.

Overall, there are 1,200 nights on the cattle drive experience, and one experiences first-hand the life of a drover on horseback before retiring to an open campfire for bush tales and gourmet dining. Many of the people are shocked by the quality of the accommodation and, in particular, the up-market luxury tent experience.

This event has been a really important marketing tool for South Australia, so I was very pleased to be in attendance while an important announcement was made today by Martin Ferguson, the federal shadow minister for tourism, and Mark Butler, the candidate for Port Adelaide. It was announced that a Rudd Labor government would help to boost international tourism in South Australia if elected into government, with an injection of half a million dollars in funding, to ensure the continued success of this highly popular Great Outback Cattle Drive.

I am delighted that federal Labor has acknowledged the merits for South Australia to own such an event and to promote regional South Australia, because it brings activity, employment and

an experience of the Outback that otherwise we would struggle to promote around the world. So, I thank the member for his question.

VICTORIA PARK REDEVELOPMENT

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:42): Will the Premier show leadership by introducing legislation this week to secure the lease to enable the government's grandstand at Victoria Park to be built on time and on budget?

The opposition offered, on 27 October 2007, to support legislation so that the government could secure its lease for redevelopment at the site. The offer still stands, but if legislation is not introduced this week, before the summer recess, legislation to advance the matter cannot again be considered until February 2008, which will be too late for work to commence immediately after next year's Clipsal 500 race.

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:43): This is very interesting, because earlier in the year I ruled out legislation in this parliament. It just seems that a few people have forgotten that. Some people opposite will say anything in here and change their mind on a daily basis. Can I just say that the way the—

Members interjecting:

The SPEAKER: Order! The Premier has the call.

The Hon. M.D. RANN: Thank you, sir. I need your protection, being the delicate person that I am. We have a situation here where the way the Adelaide City Council is going will almost inevitably lead to people in the racing industry saying, 'Why bother with Victoria Park? Let's consolidate at Morphettville, or Gawler and Morphettville together.' This is, basically, the antipathy of the Adelaide City Council towards horse racing. That will be the next, in my view, inevitable call from the racing industry, for the Adelaide City Council basically is saying that it does not want horse racing in Victoria Park. That is the next inevitability, in terms of what it is suggesting—and maybe that is what the whole design plan is about.

Earlier in the year, I ruled out legislation in this parliament, because you cannot legislate for a partnership and you cannot legislate for cooperation. However, I have to say that I share the frustration of the Deputy Premier, with an Adelaide City Council which, basically, does not mean what it says and does not say what it means.

PUBLIC SECTOR WEEK

Mr O'BRIEN (Napier) (14:45): My question is to the Minister Assisting the Premier in Cabinet Business and Public Sector Management. How is the government acknowledging the valuable work performed by our public sector?

The Hon. J.W. WEATHERILL (Cheltenham—Minister for Families and Communities, Minister for Aboriginal Affairs and Reconciliation, Minister for Housing, Minister for Ageing, Minister for Disability, Minister Assisting the Premier in Cabinet Business and Public Sector Management) (14:45): Unlike those opposite, we value our public servants, and the public sector is, of course, the government's means of taking action. We view the public sector as our most important asset but also an asset whose value we need to realise, not a burden to be minimised.

Members interjecting:

The SPEAKER: Order!

The Hon. J.W. WEATHERILL: I would have thought those opposite might have learnt their lesson from the last election, many of them having near-death experiences after they decided to take an axe to the Public Service.

We have great ambitions for the public sector but, to achieve this, we realise we have to not only encourage the Public Service but also extract the most from it that we can. Public Sector Week is designed to do just that. It is another of the Government Reform Commission's proposals that have been implemented, and it is about opening up the public sector to the public to show people how their tax dollars are being spent.

Mr Pederick interjecting:

The SPEAKER: Order, member for Hammond!

The Hon. J.W. WEATHERILL: But it is also to showcase careers in the public sector to enable us to attract and retain the people that we need. One of the major ways of doing that this week has been a range of tours in such diverse workplaces as the police barracks, fire service headquarters, a fisheries vessel, the traffic control centre, the botanic gardens, the Naracoorte caves, a hyperbaric chamber, an operating theatre and a cemetery. So, there is a whole range of behind-the-doors tours that have been made available. They are incredibly popular. Many of them have been booked out, and most are heavily subscribed.

We are also trialling some service delivery innovations during the week as a way of teasing out good ideas that our public employees have come up with around the question of customer service. Public Sector Week also involves a big philanthropic exercise to assist homeless people by contributing to the common ground project.

Also, last night I was very pleased to assist the Premier in presenting his Premier's Awards, which are designed to recognise excellence in the public sector. There were six categories of awards to reflect the six objectives of our State Strategic Plan. The winners were:

Growing prosperity:

The Plan for Accelerating Exploration, or PACE (the Department of Primary Industries and Resources). PACE has contributed to a large upsurge in exploration from around \$42 million to \$260 million in just four years, which has led to the development of 30 projects which are currently in various stages of approval.

Improving wellbeing:

Oral Health for Older People (the South Australian Dental Service), which trialled an oral health assessment screening tool for older people in residential care, completing 3,500 check-ups and referring more than 30 per cent of those people for dental treatment.

Attaining Sustainability:

Living and breathing the Zero Waste Ethos (Zero Waste SA). The work of Zero Waste has contributed to the level of waste going to landfill in metropolitan areas falling by 11 per cent, a remarkable reduction given South Australia's growing economy.

Fostering Creativity:

Bio Innovation SA, which has overseen a doubling in the number of biotechnical companies in South Australia, employing around 1,200 people and generating \$180 million in revenue.

Building Communities:

South Australia Works in the Regions (the Department of Further Education, Employment, Science and Technology), has helped train nearly 28,000 people across the state since 2004 in 1,100 individual projects.

Expanding opportunity:

The Coordinated Response to Aboriginal Disadvantage on the APY lands has coordinated services across all levels of government in a way that no other intervention has been able to do, including a 60 per cent reduction in the number of petrol sniffers on its last count.

There were two individual winners chosen by the judges for going 'beyond their job' to produce outstanding results. The first is Paul Herzich from the Department for Transport, Energy and Infrastructure, who was recognised for his outstanding contribution to increasing our community's understanding of Aboriginal cultures by designing road corridor landscapes that incorporate aspects of our Aboriginal heritage. The second is Sunny Yang, Director of Immigration SA, herself a migrant to South Australia, who has steered Immigration SA to achieving record high international migration to the state to assist in population growth. She is a passionate and dedicated advocate for the state's international migration program. I congratulate all the winners.

VICTORIA PARK REDEVELOPMENT

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:50): My question is to the Premier. Did the Minister for the City of Adelaide have the Premier's full support when she wrote to the Adelaide City Council in September 2007 expressing her objections to the government's grandstand in Victoria Park?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:50): It has taken the Leader of the Opposition a while to get around to this question. Sometimes it is quite difficult to understand the way in which the mind of the Leader of the Opposition works, but we do remember his absolutely slavish following of the writings of Sun Tzu and *The Art of War*.

Ms CHAPMAN: I have a point of order, Mr Speaker. Clearly, the Premier is not on topic on this matter and is casting aspersions on the intent of the questioner.

The SPEAKER: Order! I do not uphold the point of order, but I draw the Premier back to the substance of the question.

The Hon. M.D. RANN: Everyone would be well aware where the Minister for Tourism and Minister for the City of Adelaide stands because she announced her position publicly. She did something that is quite different from members opposite: she said what she means and means what she says. There is absolutely no inconsistency between what she said publicly earlier in the year and what she said in terms of her submission.

VICTORIA PARK REDEVELOPMENT

Mr HAMILTON-SMITH (Waite—Leader of the Opposition) (14:52): I have a supplementary question. If the Minister for the City of Adelaide enjoyed the Premier's support in her opposition to the grandstand, did the Treasurer concurrently have the Premier's support when at the same time he was presenting, on behalf of the government, the case for a grandstand development in the Parklands?

The Hon. M.D. RANN (Ramsay—Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, Minister for Sustainability and Climate Change) (14:52): The Leader of the Opposition would be well aware that the Minister for Tourism, with the sanction of both me and cabinet, was empowered and encouraged to explain her position in relation to Victoria Park, given her previous positions both as Lord Mayor and, indeed, in her election campaigns. The opposition would be also aware that, in fact, the Deputy Premier and I are ad idem because we both signed the letter to the Lord Mayor explaining our position.

All I can say to the Leader of the Opposition is that we are consistent, unlike the Leader of the Opposition who said to Rob Kerin, 'I'm right behind you and I am supporting your leadership'—which he repeated to Iain Evans. The position of the Minister for the City of Adelaide and Minister for Tourism, as announced through her submission to the city council, is totally consistent with what she announced publicly earlier in the year.

SOUTH AUSTRALIA WORKS

Mr KOUTSANTONIS (West Torrens) (14:53): My question is to the Minister for Employment, Training and Further Education. What contribution has the South Australia Works program made in tackling the critical challenges of skills development and linking people with sustainable employment?

The Hon. P. CAICA (Colton—Minister for Employment, Training and Further Education, Minister for Science and Information Economy, Minister for Youth, Minister for Gambling) (14:54): I am sure that every member of this chamber is immensely proud of the South Australia Works program. It is a remarkable program, which is run by DFEEST and which has achieved outstanding results since 2002. In echoing the words of my ministerial colleague, I too was pleased last night to be in attendance at the Premier's awards showcasing some of the outstanding work being undertaken by our Public Service.

As was mentioned, South Australia Works in the Regions program—the centrepiece of South Australia Works—took out top honours in excellence in building communities and improving the way in which learning, training and employment programs are delivered in the regional areas. This recognition is well deserved and it is certainly testament to the exceptional quality of the SA Works program and the hard work and dedication of the DFEEST staff involved in linking thousands of South Australians with skills, training and sustainable jobs. It was a pleasure and a privilege for me as minister to attend last night and to see the many staff involved in this program accept their well-deserved award.

Under this government, there has been unprecedented jobs growth, with around 77,000 jobs created since 2002, yet we know that the challenge ahead is significant if business, governments and communities are to meet the increase in demand for skilled employees. South

Australia Works has played a major role in taking up this challenge. Last year alone more than 7,900 people were supported into employment: in total more than 24,000 people participated in a South Australia Works program. Of course, critical to the success of SA Works are the partnerships forged with regional development boards, local industry, local government, employers, and employment and service providers. It is a real partnership arrangement and that is the secret of the success. I know the member for Goyder—

Mr Griffiths interjecting:

The Hon. P. CAICA: We have record numbers in employment. This is a good news story, Steven.

An honourable member interjecting:

The Hon. P. CAICA: This program works collectively and collaboratively with people in the regions, and you know that, in your area, this is an outstanding program and it has had outstanding success, so I do not think that you can bad mouth this particular program. It is by working in partnership that we have been able to develop local solutions in response to local needs. I offer my wholehearted congratulations and sincere thanks to the hundreds of local people from communities across South Australia who have helped to make South Australia Works such a success. While it has been another successful year for SA Works, we know that much more needs to be done. Next year, it is anticipated that a further 24,000 people will participate in a range of learning, training and employment programs, and that an estimated 7,900 South Australians are expected to transition successfully to employment.

SA Works is an outstanding program which is delivering real job outcomes and which is providing training opportunities for South Australians to ensure that we have a dynamic and skilled workforce into the future. It is a program that makes a tremendous contribution to the state government's goals of economic development and social inclusion, and again I congratulate my departmental people and all those involved in the SA Works program.

Honourable members: Hear, hear!

VICTORIA PARK REDEVELOPMENT

Mr PENGILLY (Finniss) (14:57): My question is to the Treasurer. If the project to build the grandstand at Victoria Park does not succeed, will the status of the Clipsal 500 car race as the nation's premier V8 event be at risk? There is speculation that, if Melbourne loses the Formula One Grand Prix, its fixed facilities may become home to a reinvigorated V8 supercar championship.

The Hon. K.O. FOLEY (Port Adelaide—Deputy Premier, Treasurer, Minister for Industry and Trade, Minister for Federal/State Relations) (14:58): I like it when opposition members say words to the effect that there is speculation, but which means 'I made this question up before I came into question time.' Next year, we have the 10th anniversary of the Clipsal 500. It is a very good initiative of the former Liberal government under John Olsen to get the first few races, and I would argue also that it has been a very good period under this government as we have grown the Clipsal into the truly international event that it is today.

Mr Hamilton-Smith: So far.

The Hon. K.O. FOLEY: Thank you. I thank the Leader of the Opposition for his constructive input.

An honourable member interjecting:

The Hon. K.O. FOLEY: Thank you. There is no doubt that we need to make a decision on new infrastructure. The government has had a proposal for fixed infrastructure—

An honourable member interjecting:

The Hon. K.O. FOLEY: It is funny that they say they are with me, because I can remember the last Liberal government attempting to put a fixed facility in the Parklands and that got nowhere, when members opposite—

Members interjecting:

The SPEAKER: Order!

The Hon. K.O. FOLEY: —were not prepared to bring the project forward.

Mr Williams: You did not support one project.

The SPEAKER: The member for MacKillop will come to order!

The Hon. K.O. FOLEY: Oh, you are such a negative person. When we were in opposition, we were the most supportive opposition of a government that this state had ever seen.

Members interjecting:

The Hon. K.O. FOLEY: We were—

An honourable member interjecting:

The SPEAKER: Order!

An honourable member interjecting:

The Hon. K.O. FOLEY: Ninety per cent. I heard the Premier say on many occasions, opposition leader: that more than 90 per cent of initiatives were put forward. I will not allow my good name to be trampled by those suggesting that I was a negative, whingeing opposition member.

Members interjecting:

The SPEAKER: Order! The Deputy Premier has the call.

An honourable member interjecting:

The Hon. K.O. FOLEY: Yes, he probably has. Well, I think I have. As you would recall, sir, I was a very constructive member of a constructive opposition. The Clipsal 500 is the most pre-eminent touring car event not just in Australia but, according to Murray Walker, in the world. Modesty prohibits me from going on too much about my personal involvement in making this the greatest motorsport event in the world, because—

Mr Hamilton-Smith: You are a petrolhead.

The Hon. K.O. FOLEY: Yes, we are petrolheads. I am not going to brag about my great love of motorsport and my great input into the race, because it isn't much, actually. Roger Cook, Andrew Daniels and the board can take all the credit.

Mr Hamilton-Smith interjecting:

The Hon. K.O. FOLEY: Pardon?

Mr Hamilton-Smith interjecting:

The Hon. K.O. FOLEY: You think? Really? I quite like that.

An honourable member interjecting:

The Hon. K.O. FOLEY: Ah, that's it. I have even forgotten what the question was.

WORKCHOICES

Ms BEDFORD (Florey) (15:02): My question is to the Minister for Industrial Relations. Has any new evidence come to the minister's attention about the likely effect of WorkChoices on South Australia's working families?

The Hon. M.J. WRIGHT (Lee—Minister for Industrial Relations, Minister for Finance, Minister for Government Enterprises, Minister for Recreation, Sport and Racing) (15:02): I thank the member for her question; I know she has a passionate interest in this particular topic. Monash University has recently released an extremely important report about WorkChoices. The university report makes it clear that WorkChoices is hurting working families, including South Australian working families.

The report found that WorkChoices is unbalanced. It states that in at least 15 ways WorkChoices has shifted the balance of bargaining power away from employees. The Howard government has claimed that the so-called fairness test has fixed any problems with WorkChoices. This is what the Monash University report had to say:

Contrary to the government's assertions, the Fairness Test is not, by any measure, stronger than the former 'no disadvantage test'...Overall, there must be considerable doubt that the Fairness Test will provide outcomes that are procedurally or substantively fair for employees.

One of the most damning findings made by Monash University, which makes a mockery of the Howard government claim that WorkChoices is all about tailoring agreements to individual circumstances, is that there is 'very little genuine bargaining taking place', and the reason stated for

that situation is that, under WorkChoices, employers can simply impose template agreements. The report also refers to provisions in WorkChoices agreements that fall below the 'safety net', or which mislead employees about their legal entitlements.

One of the most concerning elements of WorkChoices dealt with by the report, despite all the Howard government claims, is 'starving out employees by holding back pay rises until the employees enter into AWAs'. The evidence that WorkChoices is bad for working families is overwhelming. The Monash University report's last finding is that, if WorkChoices remains, 'it is inevitable that the working conditions of vulnerable employees will be further diminished.' WorkChoices is hurting South Australia's working families and has gone too far.

WATER SAVINGS

Mr WILLIAMS (MacKillop) (15:04): My question is to the Premier. Premier, why is your government holding business to one set of standards on water savings while requiring a less stringent regime of its own departments? Since 1 July this year, industrial users of water from the River Murray system have been required to adopt stringent water saving measures, and major users have been required by SA Water to develop water efficiency plans, incorporating industry best practice water efficiency targets. According to SA Water, when it comes to the state government—one of the biggest users of water in the state—only 31 of the 40 government agencies have even responded to this regime.

The Hon. K.A. MAYWALD (Chaffey—Minister for the River Murray, Minister for Water Security, Minister for Regional Development, Minister for Small Business, Minister Assisting the Minister for Industry and Trade) (15:05): The question of industrial water use is a very important one, and any savings that we can achieve in this area are extremely important. Industrial water users use about 9 per cent of the water that is used by SA Water customers in Adelaide. We are working one-on-one to ensure that we can maximise the water savings. Yes, 31 of the 40-odd government agencies have returned their plans, and they have done a great job. Over two-thirds, at this stage, have returned their water efficiency plans, and we are continuing to work with the other users.

We need to ensure that we have a reasoned approach to this to ensure that we can maximise those water savings. It is not about driving a need, by 31 October, for everyone to have their plans in by that date if it is not possible for them to actually undertake the work in that time frame. We are being reasonable to ensure that we can maximise the water savings across the industrial users, and we will continue to do so. So far, the water savings identified by industry have been very impressive, and we look to do more.

WORKCHOICES

The Hon. L. STEVENS (Little Para) (15:06): Can the Minister for the Status of Women inform the house on the outcomes of recent research into the commonwealth WorkChoices legislation and, in particular, how these results will stand to affect women in the workforce?

The Hon. J.M. RANKINE (Wright—Minister for State/Local Government Relations, Minister for the Status of Women, Minister for Volunteers, Minister for Consumer Affairs, Minister Assisting in Early Childhood Development) (15:06): We have just had the second anniversary of the Howard government's extreme WorkChoices legislation being passed. At the time, the Rann Labor government, along with those in New South Wales, Victoria and Queensland, challenged the fairness of this legislation in the High Court. While the challenge was subsequently rejected, as the Minister for Industrial Relations has pointed out, this government's opposition to WorkChoices has continued to be validated by solid academic research about its effect, particularly on men and women in low paid and vulnerable positions in the workforce.

I will outline a few examples from other studies that illustrate the level of damage being inflicted on South Australian workers, and in particular on women since the introduction of this legislation. In June 2007, the National Foundation for Australian Women produced the report 'What Women Want: Consultations on Welfare to Work and Work Choices'. This report found that women with disabilities and women coming off welfare payments are not receiving sufficient federal government support to enter the paid workforce and that there is widespread concern that, under this legislation, young women workers, as well as those from culturally and linguistically diverse backgrounds, and other marginalised groups, have poor bargaining skills and, as a result, are being exploited.

These findings are replicated in 'Going too far: WorkChoices and the experience of 30 Victorian workers in minimum wage sectors', which indicates a drop in real wages in the two

lowest paid industries of retail and hospitality. It also highlights the problem that John Howard's Welfare to Work strategy, combined with WorkChoices, creates a larger pool of people who churn through low paid jobs and are forced to continually rely on supplements from the welfare system, even when they are employed.

Another report, 'Women and WorkChoices: Impacts of the Low Pay Sector', published by the South Australian Centre for Work and Life in August this year, indicated:

Increases in employer prerogative have resulted in direct cuts to workers' conditions—cuts which have not been compensated for by other positive changes in wages or conditions.

It went on to say:

Greater insecurity at work, flowing from changes in the operation of unfair dismissal, is having a significant impact on women in many workplaces.

Recently, the University of Sydney released 'Australia @ Work—A Benchmark Report', which assessed changes to workplace bargaining since the introduction of the government's WorkChoices industrial relations laws. This study has been billed as the most comprehensive yet around the impact of WorkChoices, concluding that those on AWAs earned on average \$106 a week less than those on collective agreements, with both groups working an average of 44 hours a week. Most recently, as we now know, the South Australian Industrial Relations Commission has found that WorkChoices:

- is unfair and lacks balance;
- is not a simplified system of workplace relations;
- has created a pervasive sense of job insecurity;
- has increased the gender gap and detrimentally affected the ability to manage the work/life balance; and
- has failed to result in any benefits for workplaces, employees or employers in terms of increased productivity.

This government's opposition to WorkChoices has been validated repeatedly by research from respected organisations, including the independent umpire, the Industrial Relations Commission. WorkChoices has a disproportionate effect on women who occupy many of the lowest paid and most precarious positions in the workforce. It is oppressive legislation that impacts on those most vulnerable in our community.

NOARLUNGA RAIL LINE

Dr McFETRIDGE (Morphett) (15:11): My question is to the Minister for Transport. That was quite a good speech last night, Patrick. Will the minister apologise to the mayor and the council members of the City of Onkaparinga for his comments made on Thursday 25 October 2007 in response to a question on extending the Noarlunga rail line to Seaford? In a letter to the minister the Mayor of the City of Onkaparinga said:

Your attack on me and the views I have expressed, which are those of the elected Council, discredits my Council and this is unacceptable. I therefore seek an apology on behalf of Council.

The mayor continued:

You have attempted to blame the Council—

Members interjecting:

The SPEAKER: Order!

Dr McFETRIDGE: The mayor continued:

You have attempted to blame the Council for the delays in the feasibility study for the proposed rail extension. This is most unfair and is factually incorrect.

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON (Elder—Minister for Transport, Minister for Infrastructure, Minister for Energy) (15:12): From memory, I think what I said was that we were not dealing with a political cleanskin and that she was the former Liberal member for Kurna. I also said that we held up the feasibility study because the council, not once but twice, came back with alternatives—

all absolutely true. I will go further and tell you—just so that we understand who is playing games here—that last week at the request of the council we agreed to meet on the subject of another idea about the route for a possible rail extension. But at the eleventh hour that meeting was cancelled by the council.

Dr McFetridge: You moved the time then.

The Hon. P.F. CONLON: Yes; he says I moved the time. If you remember last week, it is a parliament and we do have to work around it. Here is how I moved the time.

Dr McFetridge interjecting:

The Hon. P.F. CONLON: Just listen. You know what he was out telling people before question time today? That the union was in the Industrial Commission because of my comments about a driver—another complete invention. The media knows; they heard your invention.

The Hon. M.J. Atkinson: The fabricator.

The SPEAKER: Order!

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: Here is what happened. My office spoke to the council and said, 'Can we hold the meeting after question time instead of before?' My PA was put on hold. The council went away, came back and said yes. Then, just before the meeting, the council cancelled. If they had told us they could not make it at that time, we could have accommodated it, because I do not like games being played.

If you think I should complete the feasibility study without looking at the alternatives that are argued, can you please say that now? Just please say it now. Do you think I should shut it down and say, 'I'm not looking,' because I will do that for you if that is what you reckon? I am not looking at any more options from the council. Is that what you want?

Dr McFetridge interjecting:

The Hon. P.F. CONLON: No, you won't say anything, will you? Because once again—

The Hon. M.J. Atkinson: Lorraine will stop voting Labor.

The Hon. P.F. CONLON: Yes. Lorraine wants an apology. Well I am sorry, she is not going to get one because I am fed up with the games that are being played. It is absolutely clear that they wanted to come and talk—

Members interjecting:

The SPEAKER: Order!

The Hon. P.F. CONLON: —to us about an alternative. We agreed to it and then they did not turn up. It is also absolutely clear that Lorraine Rosenberg used to be a Liberal member of parliament. I am not certain whether she wants to run again. Maybe she could clear that up. Maybe she could clear up whether she wants to run again but, until such time, I will keep telling the truth and Duncan McFetridge can keep doing what he does best.

WOMEN'S AND CHILDREN'S HOSPITAL, BREAST CANCER

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (15:15): My question is to the Minister for Health. Will the minister now conduct a survey of the workforce at the Women's and Children's Hospital to ascertain the incidence of breast cancer? Last Thursday I asked the minister to provide the number of cases of breast cancer in the workforce during the last five years that have been identified. Since that time the opposition has received a number of further calls from nurses and former nurses who have suffered breast cancer, and one in particular who identified that she was one of three cases out of a unit of 14 working at the hospital.

The Hon. J.D. HILL (Kaurua—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (15:15): Once again, in a most despicable way the Deputy Leader of the Opposition is trying to create a sense of panic amongst people who work at the Women's and Children's Hospital. That is what she is trying to do. That is the absolute essence of what she is trying to do. Let us not be under any illusions about it: she wants to panic women who are working at the Women's and Children's Hospital. Let me give the house—

Ms Chapman interjecting:

The Hon. J.D. HILL: Just button up your lips for a moment, Ms Chapman.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: Sir, let me advise the house the following. Last Thursday, as the member said, she did raise an allegation, and I quote: 'That a very high incidence of breast cancer exists amongst the workforce at the Women's and Children's Hospital.' In doing so, the member for Bragg chose to link the allegation to the high profile case of a cancer cluster at the ABC headquarters in Brisbane and to the general condition of the buildings at the Women's and Children's Hospital. She was trying to make a connection by saying what she said to suggest that the women at the Women's and Children's Hospital are in danger, and she drew the parallel with the ABC headquarters case in Brisbane—a despicable and disgraceful act in my opinion.

It is reasonable to raise concerns about the incidence of cancer in the community, but it is best to do this in a way that is not recklessly irresponsible and does not create panic amongst people. For example, the member for Flinders wrote to me with concerns of a high rate of cancer in parts of her electorate. She wrote to me. That allowed the Department of Health to properly investigate the concerns and to be able to provide a comprehensive response to her.

The Hon. P.F. Conlon: That's the way some people do it.

The Hon. J.D. HILL: That is the way some people do it. I am pleased to report that an analysis of the facts has shown that there is no statistically significant difference between the Eyre Peninsula cancer profile, in either males or females, and that for the whole of the state. However, there were some individual cancers that were found to have a higher rate of incidence, for example skin and lip cancers, which you would expect to see in a predominantly rural area, while others such as lung and kidney cancers were lower. I have written to the member for Flinders to give her that information. But once the allegation was made, once the request was made, the Department of Health properly investigated, as you would expect it to do.

In relation to the member for Bragg's allegation regarding the Women's and Children's Hospital, I am advised that there has been one report by a member of staff regarding breast cancer amongst staff working in the Queen Victoria Building, which was the building the member for Bragg referred to. This report was made anonymously. Importantly, and members should note, the Queen Victoria Building, which is the one the member referred to on Thursday, was constructed in the 1990s, unlike the older Gilbert and Good Friday Buildings, which were the subject of—

Ms Chapman interjecting:

The Hon. J.D. HILL: Listen, member for Bragg.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: I will repeat that, Mr Speaker; it is important to understand this. The member in her question last week tried to draw a connection between a report into the conditions in a particular set of buildings at the hospital and the alleged incidence of breast cancer. The point is that the Queen Victoria Building was constructed in the 1990s, unlike the older Gilbert and Good Friday buildings, which were the subject of the report that the member for Bragg erroneously referred to in her question. I am advised that it is difficult to accurately determine—

Ms Chapman interjecting:

The SPEAKER: Order, Deputy Leader of the Opposition!

The Hon. J.D. HILL: I am advised that it is difficult to accurately determine how many cases of breast cancer have occurred at the site over the past five years. Something like 350 women work there at any one time and, of course, over a period of five years people come and go. Cancer rate numbers are not routinely kept by employers, because of the strictly confidential nature of a person's health. That would be true of this place as of any other place; we do not know who has what illnesses at any given time.

However, of course, I am concerned to ensure that there is no ongoing unease amongst the workforce of that hospital—I must say, an unease that has been increased by the irresponsible way in which the member asked the questions. Therefore, an independent review will be

undertaken to determine the breast cancer rate of female staff at the Queen Victoria Building at the Women's and Children's Hospital.

Given the sensitive and confidential nature of this review, ethics approval will be required on the approach and methodology used. The review may take some time, given the complex and sensitive nature of the task. I want to emphasise that the review is being undertaken out of an abundance of caution and to remove any doubt that may now exist amongst the medical, nursing and administrative staff at that hospital.

WOMEN'S AND CHILDREN'S HOSPITAL, BREAST CANCER

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (15:21): Sir, I have a supplementary question. Given the minister's indication that he will conduct the inquiry, will it be of the whole of the premises at the Women's and Children's Hospital, not just the Queen Victoria Building, which he has indicated he will investigate?

The Hon. J.D. HILL (Kaurua—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (15:21): The health department, through the epidemiological people and cancer advisers, will make a determination about the appropriate scale, or scope, of the need as required. The point is that the member raised this matter in a particular way. We will look at the issue, but I just make the point that, other than the member's raising it in here in a public way as to create concern amongst people who work in that hospital, only one person has raised the issue with their employer—that is, the Women's and Children's Hospital—and they raised it anonymously.

MOUNT BARKER HOSPITAL

Mr GOLDSWORTHY (Kavel) (15:22): My question is also to the Minister for Health. Why will it take up to six weeks to carry out an investigation into the safety of the operating theatre procedures at Mount Barker Hospital, and what guarantee can the minister give that patients will not be put at risk during this investigation period?

The minister was advised on 29 October 2007 of several serious issues that have occurred at the hospital, including the failure to have two doctors in attendance for emergency caesarean sections; gaps in theatre staff on the on-call roster, causing theatre closures; and concern over neonatal resuscitation staff provisions. All these issues have come about because of lack of funding to the hospital.

The SPEAKER: Order! That is not an explanation.

The Hon. J.D. HILL (Kaurua—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (15:23): The member asked: 'Why will it take six weeks?' How much time does the member honestly think a proper review of a set of arrangements in a hospital should take—six minutes, six days, six hours? Tell me, member for Kavel, what do you think is appropriate? By the very nature of his question, he is implying that the time we are suggesting it will take is wrong. On what basis does the member for Kavel establish what is the correct time frame within which this should be conducted? He has no idea at all. Let me answer the question in this way.

Members interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: I beg your pardon, Mitch?

Mr Williams interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: I intend to answer the question. However, there is a premise in the question that suggests there is something wrong with respect to the time that it will take. I am asking the member for Kavel on what basis does he draw the conclusion that six weeks is wrong? That is what I am asking.

An honourable member interjecting:

The Hon. J.D. HILL: There was something implicit in his question. I received a letter on 30 October this year from a GP anaesthetist, Dr Paul Lehmann, regarding the operation of the Mount Barker operating theatre (interestingly, in the local paper he said that he wished to remain anonymous but, in the television story the night after, he was anything but anonymous). I then

referred the matter to Country Health and the Department of Health for immediate action. An independent expert will review nursing operation standards (that is the ACORN system, I am advised), and that process should be concluded by 23 November 2007. Dr Jeffrey Robinson, an eminent obstetrician and Chair of the Maternal and Neonatal Clinical Network, will consider questions regarding neonatal care at the hospital. Any quality and safety issues will be dealt with as a matter of urgency.

I point out to the member that, of course, this is a hospital that is run by its own independent board. It is not run by the Department of Health of South Australia: it is run by a board. The board is funded to provide services and it makes decisions about how those services are delivered. That is the key point, and it is a system that you defend. It is extraordinary to me that members come in here time and again raising issues about the management of country health yet, when I try to change the system so that I am directly responsible and so I can be brought to account if anything goes wrong, they do not want it to happen. It is amazing hypocrisy by members on the other side.

I also received a subsequent letter from Dr Lehmann on 12 November, and I have written back to him telling him that, in the interim, in relation to caesarean sections (which was the basis of his concern), extra support will be provided while the review is being carried out.

ROYAL ADELAIDE HOSPITAL

The Hon. J.D. HILL (Kaurna—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (15:26): I seek leave to make a ministerial statement.

Leave granted.

The Hon. J.D. HILL: Last Thursday in question time the member for Bragg asked a question of me about an alleged case of fraud at the Royal Adelaide Hospital. You may recall, Mr Speaker, there was some discussion about what I should and should not say. I said I would look at the question and seek advice and let the house know subsequently what I could say.

I can advise the house that, following legal advice, action has been taken by management of the Royal Adelaide Hospital regarding an allegation of fraud. The person at the centre of that allegation is no longer employed by the hospital. The matter has been referred to the police and I am reluctant to comment further, given possible criminal charges that may be laid. I can confirm that the hospital has taken steps to tighten internal controls.

Ms Chapman interjecting:

The SPEAKER: Order!

The Hon. J.D. HILL: I wish the member for Bragg would take similar steps to tighten her own internal controls.

GRIEVANCE DEBATE

GLENSIDE HOSPITAL REDEVELOPMENT

Mr PISONI (Unley) (15:27): I would like to continue my remarks on the lack of consultation and the sale of open space at the Glenside Hospital site. Most people would recognise what the state government seems unwilling to concede, and that is that the redevelopment of mental health facilities and the privatisation of open space at Glenside are two separate issues. While most people would welcome an upgrade of facilities, they oppose the loss of their open space to pay for it. I would like to express the dismay that local residents in and around Glenside have about this project.

The same dismay was reflected when I asked some questions in the Public Works Committee last week about the funding of the \$153 million extension to the Flinders Medical Centre. I asked my question of Brendan Hewitt, the Acting Director of Asset Services, about the funding of the project. I asked whether any part of Flinders open space was being sold off to fund the extension. A very surprised Mr Hewitt said, 'No.' He was very surprised that I would ask the question. Why would it be relevant? Why would it be a condition? I then went on to ask whether any areas of Flinders open space had been identified for urban consolidation. Again, there was a look of surprise from Mr Hewitt.

I go back to a comment minister Gago made to the Legislative Council, that one of the justifications for selling off the land was that the housing development is about helping contain the

growth of our urban sprawl. So, we have the minister justifying the sale of public open space in Glenside to contain urban sprawl, yet at Bedford Park at the Flinders Medical Centre there is no such thought, or even consideration. The public servants at the Burnside briefings were telling us that without the sell-off of the land we cannot afford the upgrade of mental health facilities at Glenside. When I asked the question about the Flinders upgrade of a similar value, the answer came back, 'What sort of a question is that? Of course, we are not selling off land to fund it.'

The people at Glenside are being asked to accept that this is a reasonable solution or a reasonable way of funding this project. The fact is that the people of Glenside and the surrounding suburbs of Eastwood and Frewville have a small amount of public open space, which is used frequently. It is now obvious that the sale of a large part of Glenside will proceed without meaningful consultation, and questions now arise as to the process by which the different elements will be sold and to whom.

There is already considerable disquiet among neighbouring shopping centre operators that the owners of Frewville Shopping Centre will be given a free run to acquire precinct 4 for an option price, based on valuation. How does one determine that valuation when there has not been an expression of interest? One does not know who the potential buyers are or the motivation for purchasing that land by competitors of Frewville Shopping Centre. Where does that valuation come from? I challenge the minister, when the deal is done, to tell us the sale price immediately so that we can scrutinise it and see that taxpayers did get the best price possible. A first option, based on valuation, is an unusual process in selling land.

Premier Rann's and minister Gago's media release of 20 September declared that 'the owners of the existing Frewville Shopping Centre will be given the first opportunity to buy this land.' We do not need additional shopping centres in Unley, Glenside, Parkside, Frewville or Eastwood. People come from all over the state to shop at the strip shopping at Unley, yet we are seeing a favourable decision outside the market being given to one particular operator.

Time expired.

KLEMZIG PRIMARY SCHOOL

Mrs GERAGHTY (Torrens) (15:32): Last week I had the pleasure of attending Klemzig Primary School where the Premier presented gold medallions to students who had achieved the required reading through the Premier's Reading Challenge program. Over 73 per cent of the students participated in the Premier's Reading Challenge, with 12 receiving gold medallions, 34 receiving silver medallions, 45 receiving bronze medallions and 51 receiving a first-year certificate.

The Premier was also entertained by the schools Auslan (Australian Sign Language) Signing Choir. The Premier was quite moved by the choir's presentation. The Klemzig Signing Choir signs Auslan to popular and modern music to support the school's Auslan program. It provides a fun way in which to practise and perform Auslan. Students who are new to the school have their confidence lifted by learning through repetition, and they find that they can sign whole songs readily. The deaf students have exposure to the latest songs to which their hearing peers listen, and it deepens their understanding of hearing culture.

The choir is very popular with the school students, with over half of them participating in it each week and auditioning for performances. Klemzig Primary School has many requests for public performances, and these include (as for many schools) the Festival of Music each year, shopping centres, launches, Rundle Mall and events around Hearing Awareness Week.

The Premier was also able to hear from the school's principal, Tony Zed, and its coordinator for the hearing impaired, Sue Nickson, about the school's Centre for Hearing Impaired and the programs it undertakes. Some members may think that sign language is no longer required, given the marvellous scientific developments of cochlear implants and the like, but I assure members that there is an ongoing need for many deaf people and others to use Auslan as their primary means of communication. Their medical condition may not be able to be treated with a cochlear implant or they may have had a tracheotomy, or there may be another reason.

Klemzig Primary School continues to experience growth, with a 20 per cent increase in enrolment this year and with a prediction for this to continue next year. Currently, Klemzig has 227 students of whom 17 are deaf or hearing impaired. At the school, they teach deaf and hearing students through a bilingual, bicultural approach. The teacher of the deaf, who is highly skilled in Auslan, works with mainstream teachers and ancillary staff to deliver the curriculum in both English

and Auslan to deaf and hearing students, allowing them to access the curriculum in their preferred language.

Auslan is the language of the deaf community in Australia and it is a recognised language in its own right, with its own structure and grammar. It is not a code for English. Auslan is taught across Klemzig Primary School as the language other than English. Unlike other LOTE subjects, students at Klemzig use Auslan in a classroom setting with deaf adults and students. The visual nature of Auslan means the entire student's learning is enhanced through meaningful visual clues.

It is interesting to note that research shows that 55 per cent of our understanding comes from visual cues when communicating. The school also undertakes an Auslan early learning program for preschool deaf children and children from deaf families. This program provides children with a strong foundation through Auslan and English before starting school, as well as social interaction with other students with whom they can communicate readily.

The school's bilingual, bicultural program follows similar philosophies to those of Sweden where children are expected to be children first and to live a rich and full life by being fully exposed to the same curriculum as hearing students. Children are encouraged to be children and parents to be parents, rather than teachers. Klemzig Primary School received international recognition when the Queen of Sweden, Queen Silvia, asked to visit the school in 2005 after hearing about the school's excellent bilingual, bicultural Auslan program. The school has asked me to thank the Premier for taking time out of his really busy schedule to visit Klemzig Primary School to see and hear the school's wonderful bilingual, bicultural Auslan program.

I commend the programs run at that school. I have a brother-in-law who has been deaf from birth and, sadly, a cochlear implant would be of no benefit to him. Although he is not a great user of sign language, it is extremely important because people who are deaf and who cannot use aids need to be able to communicate effectively.

Time expired.

TOURISM

Mr PENGILLY (Finniss) (15:38): I will spend my brief time today talking about the tourism industry in South Australia and, more particularly, I will refer to the South Australian tourism plan 2003-08. First, it is important for us to return briefly to the Victoria Park grandstand proposal and the issue which, quite clearly, is dividing government members, the Premier, the Deputy Premier and the Minister for Tourism over the lack of direction, the lack of push and the lack of guts, I would suggest, in getting on and building this thing.

Unfortunately, my impression is that the Minister for Tourism just does not like the Clipsal 500 and does not want to have a bar of it and, more importantly, does not want to see anyone enjoy themselves in a half decent grandstand. That is a major cause for concern, and I do not think that sort of leadership of the state tourism industry is impressing anyone, whether they be in the car racing industry, the accommodation industry, the horse racing industry, the restaurant business, or anything else. I think it is a disgrace and I think it is about time that it is fixed up.

I refer to the industry challenges put out by the government for 2003-08, the first of which is awareness—improving the market's knowledge of South Australia and appreciation of what it has to offer. The first thing we have seen is consistent and regular marketing cuts to the tourism budget since the Rann government came into power, which is not helping the job at all. That is being picked up by operators.

Appeal—improving the appeal of South Australian destinations by value-adding to our inherent strengths and attributes. I ask the government: what has it done? If it were not for the industry sector's input, nothing would appear to have been done.

Air links—improving the frequency, capacity and cost of flights to Adelaide and within regional South Australia. Quite frankly, what has happened is the government has cocked up the airline industry. Singapore Airlines has announced extra flights, and that is terrific. Tiger Airways came in and said that it would run flights in and out of Adelaide. We actually lost the opportunity for that company to be based in Adelaide, and that is a great disappointment. There seems to be a fair bit of conflict, to my way of thinking, between the government and the airline industry. Indeed, I am led to believe that Qantas is not at all impressed.

Policy—creating a positive policy environment and management strategies to ensure sustainable tourism. What is being done? Nothing.

Dispersal of benefits—encouraging visitors to the regions by increasing the destination appeal of regions based on their inherent strengths. I turn straight to the River Murray and the lakes because, apart from fluffy, buffy statements in the house, it has been suggested that they concentrate and try to encourage people to visit the river, such as from the border down to Goolwa, but nothing has been done. We are targeting the individual regions separately, instead of these people getting support from the government in this time of great crisis in a concentrated campaign.

Accommodation—improving the quality and capacity of accommodation that is part of and reflects the local experience. How much of this has happened? There has been a fair bit of talk, but I have not seen a lot of action.

Investment—improving tourism as an attractive investment option, especially 'green' investment. The only thing I can really think of is the Southern Ocean Lodge on Kangaroo Island. Thankfully, the minister in the other place and a few others pushed this development, thereby hastening its completion. I am very pleased that has happened, but I do not think much more has been done there.

Infrastructure—ensuring the support facilities optimise the visitor's experience and convenience (things like airports, roads, signs, lookouts, walkways, environmental management, toilets, etc). Well, they are all falling into a state of disrepair. If you leave North Adelaide or the coffee shops in Norwood and go out and about the traps, you will see that nothing has been done. Indeed, only a couple of weeks ago the Public Works Committee was talking about the repairs to infrastructure in parks in the Hills that was caused by flooding a few years ago still not having been done.

Technology—being innovative and taking advantage of opportunities that technology provides without losing the personal touch. What has happened there? It is a cause of great concern to me, Madam Deputy Speaker, and I can assure you that it is a cause of concern to the tourism industry in South Australia, that little or nothing seems to be on the priority list. Marketing cuts in the state budget are not helping at all. Operators are feeling frustrated and very much on their own, and they are wondering what is going on. It is all very well for the Premier and the minister to stand up and make major statements about good news. However, there is bad news as well.

Time expired.

MOBILE PHONES

Ms PORTOLESI (Hartley) (15:43): Today I want to draw to the attention of the house the issue of mobile phone text message scams (or SMS scams). We all appreciate and understand the importance of mobile phones in our work and family life, but this technology is now being used to scam hardworking South Australians out of their money.

I am sure that many of us, from time to time, have browsed through the latest news headlines or even our email on our phones (I haven't, actually; I barely know how to use my mobile phone). This is what is known as a premium service, and it costs more to use than other services, such as text messaging or phone calls. However, these services are being used to lure people with the offer of significant prizes if they enter into competitions, where all they have to do is simply send a text message in response. When they do that, suddenly people find themselves unknowingly subscribing to a service that can cost anywhere from \$2 to \$4 per text message, and that is what happened in the case of my constituent.

There are a variety of scams out there, such as ones offering free ring tones or prizes, such as MP3 players or bikes. It has been reported that some people have even received text messages that look as though they are from an old acquaintance. In each case, mobile phone users can be dragged into paying subscriptions that end up costing them dearly.

My constituent contacted my electorate office after receiving a nasty surprise in her monthly phone bill. Instead of her regular monthly invoice, she noticed a substantial hike in her bill after she had responded to a trivia question via a text message. After the first message was sent, she continued to receive more texts from the premium service provider, each message costing her \$4.50, and they eventually amounted to \$32. After receiving many more messages, she finally twigged and contacted the phone number that was sending these messages and requested more information. What she discovered was that, by responding to the trivia question, she had automatically signed up for this service, whose terms and conditions, I would argue, were far from transparent or displayed clearly. Obviously, she then requested that the service cease.

After terminating the service and contacting my office, I was able to direct her to the Australian Telecommunications Industry Ombudsman, who informed my constituent that, basically, she had no rights in this area and that the scam she had been drawn into was, essentially, legitimate. Nonetheless and undeterred, representations were made to Optus, which then decided to refund the amount for the so-called premium service. They did not have to do that; it was simply an act of goodwill, and good on them for doing that.

While in this instance my constituent was lucky, there are many out there who are not so lucky and are forced to pay for expensive services and scams that they are unwittingly lured into. Of concern to me is the fact that these services we see advertised on television are targeted at the younger people in our community, students and those in part-time work. For them, and others on fixed incomes, it can become easy to get stuck in a cycle of debt.

At present, mobile premium services are self regulated by the telecommunications industry under the guise of the Mobile Premium Services Scheme and the Telecommunications Service Provider Determination. The Australian Communications and Media Authority also monitors the telecommunications industry, as does the Australian Competition and Consumer Commission. The Australian Telecommunications Industry Ombudsman handles complaints relating to premium services; obviously, as it did in this case.

Greater regulation and scrutiny of this sector is needed. I urge the federal government, in what little time it has left—and it certainly will not do it now—to investigate this industry, and I urge mobile users to exercise great caution and care.

MURRAY RIVER

Mr VENNING (Schubert) (15:47): I rise once again in his house to speak on a serious matter relating to the ailing River Murray and the subsequent impact that dropping water levels are having on transport infrastructure used to cross the river. Most members would have heard the news that, as soon as next week, one of the ferries at Mannum that transports people, goods and livestock across the River Murray will be forced to close, and this is just the beginning. Weight restrictions are also forecast to be imposed at four other ferries along the stretch of river downstream of Lock 1. Mannum, of course, is in my electorate.

The Department for Transport, Energy and Infrastructure has said that the ferry at Mannum will be suspended for the safety of all users. Water has receded from the river's edge, making it impossible to dock safely without the ferry sinking into the riverbed. This government's complete and utter inaction regarding all matters relating to the River Murray and water is now clearly apparent to all South Australians.

I want to know why this government can continue to spend money on ridiculous events—like the tramline opening party, complete with a transvestite performers—but can find no money to invest in upgrading our River Murray infrastructure, namely ferries, a vital and necessary part of the transport system for residents and visitors who cross the river. It is time for this government to give some genuine attention to the River Murray and to the people whose livelihoods depend on it. There is still water in the river, and holidays and water activities can still be enjoyed—and I plan to do that myself at Christmas.

If the infrastructure is failing to cope, what does the government think is going to happen? There are already delays in crossing the river at Mannum during the peak season with two ferries in operation. What will it be like with only one ferry? I will tell members what will happen: people will avoid holidaying in Mannum—such a beautiful spot on our river—or travelling through the town, because they will not want to wait for hours for the ferry to cross the river. Holidaymakers will simply jump on the freeway and return home via Murray Bridge—even if the route is much longer—to avoid lengthy delays.

However, there is a more serious aspect to the closure of this ferry and the imposition of weight restrictions on others, that is, the delays that emergency services vehicles, particularly CFS trucks, will now face when attempting to get to certain areas along the river. If ferries are unable to hold CFS trucks, it will add a lot of distance and time to their journey, and fires do not wait. This is going to cause safety fears among the local river communities, particularly as we are about to enter the bushfire season.

The transport department has said that it has 'the ability to be flexible in the event of an emergency' and that it will work with emergency services through that period. The government needs to realise that its lack of action will seriously affect the safety and lives of many people. The

transport department's ability for flexibility in an emergency and willingness to work with emergency services to overcome this issue is not the point; the ability to cross the river is the issue.

The state government needs to invest now before any more ferries are put out of action, either by upgrading the current ferry system or constructing and implementing new infrastructure across the river. As for bridges (either temporary or permanent), Mannum should have had a bridge long before this. It is a long way to the closest bridges which are in Murray Bridge and Blanchetown. Don't use the excuse that it would cost too much, Premier, because South Australians cannot afford to give up on the river, which is the main lifeline of our state. However, it seems that the government already has. It is disgusting the way this part of the river is being sacrificed. I cannot fathom why this government continues to do nothing.

This drought is not a one in one hundred years anomaly; this is something we could be facing every decade or even more often. It is quite clear that our transport infrastructure is not up to scratch. Something needs to be done. Predictions are that the drought will not break any time soon, so this issue must be addressed by the government immediately. Surely, it would not be too difficult to make extensions to the ferry ramps that we currently have.

If the government does not do that, what is its position? Does the government expect people to drive all the way from Mannum to Murray Bridge or Blanchetown just to cross the river? It is a long way, and it is totally unacceptable. The government must know it is happening, and I would like to know whether the government can extend the ramps so that we can operate two ferries at Mannum. If we cannot, what are the alternative plans? It is a very serious situation. People's livelihoods and safety are at stake.

FEDERAL ELECTION

Ms BREUER (Giles) (15:52): I think many of us are looking forward to the election at the weekend, just wishing the weekend would get here a bit quicker. I am very hopeful that we will have a change of government—however, we will see—because I really want to change some of the inequities that exist in our society and I believe that, with a federal Labor government, we will have an opportunity to do that.

People say there is no difference between the parties and the policies, but I argue very strongly about that; they are wrong. There are fundamental differences between our parties, and one of the reasons I am very proud to be a member of the Labor Party is because of our social justice basis and the way that we deal with issues in that area. A good example of that is in my area as it relates to refugees and what has happened over the past few years.

I am looking forward to a federal Labor government because I believe that we will be able to work far more closely with some of those federal ministers if they are Labor ministers. Areas of particular concern to me in country regions are education and health. I think that we have been ignored for too long and I believe that, with a federal Labor government, we would be able to work much more closely with them and resolve some of those inequities in our country.

I raced home from parliament the other night to watch *All Saints*, which is one of my favourite programs on television. My nephew was watching television and I asked him, 'Aren't you watching *All Saints*?' He said that he was watching something else. So, I said I would watch it. He called out to me and said, 'What are you watching *All Saints* for? It's nothing like real life.' I said that it is like real life. He said, 'No, it's not. None of the doctors are black and they can all speak English.'

I am not sure how that sounds, but it is a truth in our country regions. We are having so much trouble attracting health professionals, whether they be doctors, nurses or other health practitioners, to our country regions. It is very difficult to attract them and, consequently, most of our doctors—in fact, in my region, virtually all of our doctors—are overseas trained. I certainly do not question their qualifications or experience and the work that they do, but it is interesting that in a country of this size we are not able to attract our own doctors into those areas.

The other area that I have major concerns about, of course, is the area of education, and I am very pleased to say that currently I believe my schools in Whyalla are not facing the situation that they faced for many, many years in attracting teachers. One of the reasons for this is because of the country teaching scholarships that have been offered over the last couple of years by this state government. Apparently it has worked extremely well, and there is a young woman that I know very well who is looking for a job in Whyalla, and for the first time ever there do not seem to be terribly many vacancies there in the teaching field, which is very, very interesting, and it is the country scholarships that have done this.

However, I will get back to my favourite point that I have made over the years, for many, many years, and, again, I am hopeful that with a federal Labor government we might be able to resolve some of this: we need to introduce teaching into the campus of the University of South Australia at Whyalla, so that country parents can be confident that their children can get a teaching degree and teach out in our country regions. This is vital. It is becoming more and more difficult for country parents to be able to afford to send their children to university in Adelaide. With the sorts of means testing on Austudy, most parents do not qualify for that, because I think it cuts out at \$28,000. If you earn more than \$28,000 you are not eligible for Austudy. Parents just cannot afford to send their children to Adelaide, and the only place that you can do teaching is in Adelaide.

This is very wrong. We have a campus at Whyalla, with excellent resources. We have resources in the community, the mentors, etc., and we could be offering teaching at a Whyalla campus. I have struggled for this for a long time, and I am hopeful that with a federal Labor government we may be able to do something about this. I think there are some things in process at the moment, but it seems to be taking an inordinate amount of time.

I am told money accounts for some of the issues, but the university was able to spend a considerable amount of money on upgrading the facilities there at the Whyalla campus. I would far rather have seen that money go into teaching and setting up teaching. They do not have to set up a whole new school there. Nowadays with modern technology it can be run from Adelaide but operate in our country centres. We would not only be accessing local people; we would be accessing people from all over regional South Australia and the remote parts of South Australia. They could come there, because it is much cheaper to live in Whyalla than it is to live in metropolitan Adelaide.

AUDITOR-GENERAL'S REPORT

In committee.

(Continued from 14 November 2007. Page 1585.)

The CHAIR: We will deal first with the Minister for Health, Minister for the Southern Suburbs and Minister Assisting the Premier in the Arts.

Ms CHAPMAN: Minister, I refer to Volume II, page 561—Remuneration of Employees. Three employees were paid remuneration packages of between \$380,000 and \$610,000. These employees, in the explanatory material, had left the department, and it included their long service leave and other entitlements. My question is: who were these three employees, how much were they each paid, and were their contracts terminated or expired, or had they resigned?

The Hon. J.D. HILL: I am not going to mention the names; I am assuming that the member is not asking for their names. I am advised that, in relation to the three officers, two retired—if I give their positions, of course, I would virtually give you their names—and the third officer went on to a job outside the agency, I think in the national health call centre, from memory. The superannuation, of course, was paid out, and that is what produced the outcome that is noted in the Auditor-General's Report. However, I would point out that, in 2006-07, 65 people were paid over \$100,000, and in 2005-06 there were 61. If you take out the three positions that I have just described, you roughly have the same number of people. If you take into account that there would be a number of people, I guess, whose salary would have pushed them into that \$100,000 pay packet for the first time, it is a fairly good set of figures. I know that, since he has been there, the new CE of the department has reduced the number of staff in our head office.

Ms CHAPMAN: I refer to Volume II, page 564; funding to non-government organisations. Funding to SHine SA increased from \$3.9 million to \$8 million in 2006 and to \$6.459 million in 2007. It is noted that this organisation has sold its property at Kensington (in my electorate) and purchased a property at Woodville to relocate its headquarters. As this is now the Woodville GP Plus Centre, how much of this funding was allocated for the provision of health and allied health services that is not provided by SHine SA employees, and how much funding has been allocated to SHine SA for the 2007-08 year?

The Hon. J.D. HILL: I am happy to take this on notice, but I point out to the member that, if she asks questions like this, I will not be able to answer them, because these are really budget questions; they are not questions which are the subject of the audit. As the member said, SHine SA has sold its property and moved. The government invested in it to build a GP Plus health care centre at Woodville, and SHine is running its operations from there. I have been there a few times, and I know that it is operating very successfully. The after-hours GP services are running from the

premises as well, and they are going very well. They are being well supported by the local community.

As to the details of how much, and so on, I am advised of the following. Total funding provided in 2006-07 to SHine SA (as the member referred to it) was \$6.431 million. That consisted of base recurrent state funding of \$2.186 million, commonwealth-related funding of \$1.745 million and other one-off funding programs—and that was state-funded capital allocation, \$2.5 million, which I assume is for the building works. That produces \$6.431 million. Ongoing for 2007-08 and 2008-09, funding to be allocated in the 2007-08 year will be about \$4.553 million. That consists of base recurrent state funding of \$2.273 (so, just a slight increase, I guess, in line with inflation there). Commonwealth-related funding will be \$1.78 million (once again, slightly more, based on inflation, or CPI), and there will be a state-funded capital allocation of \$0.5 million, I think, for continuing with building works (I am not sure about that: if it is not, I will certainly provide more information.)

I am not sure whether the member wanted to know which services are run through there, but there is a whole range of clinical, counselling and other services, such as community capacity building, library and resource services, professional education, health promotion, leadership, and so on.

Ms CHAPMAN: I am aware of the extensive nature of the services that SHine provides because, as I said, it is an operation that has been in my electorate for a number of years. With respect to the money that is going to SHine SA, as a non-government organisation recipient—that is, the \$4.553 million for this forthcoming year, for example—is any of that to provide GP Plus services, or is it all to provide for SHine? My understanding was that this facility was to be purpose-built to accommodate SHine SA, but also that there would be clinical services—and, indeed, a five to nine, I think, after-hours GP service is available at this facility. Does it have a separate budget to provide the other GP Plus services that SHine SA, as I understand it, expects it to provide? If a separate funding amount is allocated for the GP Plus services, how much is it?

The Hon. J.D. HILL: I can perhaps obtain more detail of precisely how much money, and so on. However, the general point is that the amount that I just described is for the allocation to SHine to run SHine-type services. The other services, particularly the after-hours GP services, are run through other budget lines, and I believe that is through the Central Northern Health Service budget. The arrangement in place is that the contract is signed with the provider of the locum services—I think it is GP Solutions in the case of Woodville. We have a contract with that organisation, and it provides the service. Those people then bill Medicare for the clients who come to see them.

So, it is a relatively inexpensive service, from a state point of view. We need to provide the space, and there might be some other costs that we provide, such as ongoing infrastructure costs. However, essentially, Medicare is providing those services—and, of course, it is the responsibility of the commonwealth government to provide GP services to the community. We have really set up a system that allows that to happen in a sensible way for the community. The services operate on weekends and after hours, which means that a whole range of people who normally find it difficult can get to see doctors. Of course, it then takes pressure off the emergency departments, particularly with respect to those category 4 and category 5 type patients who, most properly, should be seeing a doctor.

Ms CHAPMAN: At page 564, of the other NGOs that received \$14.924 million in 2007, who received these grants and how much was paid to each?

The Hon. J.D. HILL: Once again, I am not trying to be unhelpful here, but how much money is given to each non-government organisation is properly a budget question. It is certainly not a secret, but I just do not have those figures here. That is a budget matter. The audit goes through issues it has with the way we manage those kinds of services; and audit did have an issue about funding to non-government organisations and, in fact, has recommended some tightening up of the arrangements. The health department has certainly taken that on board and will, in fact, do that.

As to which organisations are provided which sums of money, I can tell the house in general terms. In 2006-07 the Department of Health allocated around \$93.8 million in grant funding to a range of non-government organisations for the provision of community health services. In addition, approximately \$17.5 million in grant funding was allocated to a range of non-government organisations through regional health services.

The information provided on grant expenditure administered by the Department of Health in 2006-07 of \$93.8 million reflects actual expenditure up to 30 June this year, in contrast to the amounts published in the 2007-08 portfolio statements, which for the 2006-07 estimated result reflects the revised budget for 2006-07.

For example, we give money to Red Cross, we give money to the RDNS and, of course, the Royal Flying Doctor Service. There is a range of services like that which are non-government services which have typically provided services to the state. As to the exact figures, I do not have them with me, but I am happy to get a breakdown for the member.

Ms CHAPMAN: It is the last item on the list of non-government organisations. It is just described as 'Other'. I note in the NGO list, again at page 564, that funding to the Nganampa Health Council was reduced from \$1.652 million in 2006 to \$1.289 million in 2007. Given the chronic issues of child abuse which, of course, your government is investigating in an expansion of matters to be considered under the Mullighan inquiry on the APY lands, why has this funding been reduced?

The Hon. J.D. HILL: Once again, this is a budget matter. I appreciate those figures are in the report, but it really is a budget issue rather than an audit issue. There is no audit problem with those figures. They are properly audited. There could be a range of reasons why the figure was greater last year than this year. There might have been a one-off funding for some particular enterprise. I am not sure. I am happy to get the advice. I do not think we have the advice here.

While I have the opportunity, having visited Nganampa Health in each of the last couple of years, I have to say that it does an outstanding job in the APY lands. The doctors and nurses, and others who work for that service, are outstanding servants of the public, providing services through a non-government, Aboriginal-run organisation which is managed by Paul Torzillo, who is based in North Sydney. It sounds like a complicated set of arrangements but I believe it works very well.

Certainly, the services they provide to that community are outstanding. For example, 100 per cent of the children born in the lands are vaccinated, and I think that is a statistic that no other community in Australia can replicate. The birth weights of children have steadily gone up over the period that Nganampa has been working in that area. I think it is one of the great institutions we have, and it is well supported by the state and federal governments.

Ms CHAPMAN: I thank the minister for his extra information on that, because I also visited the APY lands, and I wonder whether he can indicate whether the Ernabella health centre, which burnt to the ground a few years ago and has been rebuilt, was relying on state funding.

The Hon. J.D. HILL: The advice I have in relation to the Ernabella centre, which I also inspected this year, is that there has been agreement reached finally between Nganampa, the state insurance corporation and the Department of Health to rebuild it, and the matter has gone out to tender.

Ms CHAPMAN: At page 885, Volume III, relating to the SA Ambulance Call Direct service, the revenue received from Call Direct was \$2.033 million in 2007, an increase on \$1.939 million in 2006. What is the cost of providing the service as at 30 June 2007, and what is the budget and income expenditure for the 2007-08 year if this service is to survive?

The Hon. J.D. HILL: I think I have already provided information to the house. I will certainly get it checked. From memory, the service is costing more—I think it is either \$2 million more or \$1 million more—to run than it actually collects. As I think I have mentioned to the house previously, it was a good idea a number of years ago to set it up as a way of trying to bring some revenue into the ambulance service. It was an idea to create income for the service to defray other costs but, unfortunately, it has not been successful as a commercial enterprise.

I guess you have to ask whether it is appropriate for a government agency to be trying to profit out of elderly and frail people. Our job is to provide a service. The ambulance service is a very good service and, as I have indicated previously, the board of the ambulance service is looking at this particular issue and trying to work out how to manage it appropriately. But, clearly, it is not sustainable to run it at a loss.

Ms CHAPMAN: I will take the minister as being on notice as to the actual amount, because we have the amount of the income.

The Hon. J.D. HILL: Yes, I will take it on notice.

Ms CHAPMAN: I refer to Volume II, page 566, the Australian Immunisation Agreement. Of the \$20.946 million unexpended as at 30 June 2007, \$8.526 million was for commitments pursuant to the Australian Immunisation Agreement. Has that money been spent since 30 June? If not, why not?

The Hon. J.D. HILL: My advice is that the bulk of this money has been spent; not all of it, but the bulk of it has been spent. I am not saying it is particularly related to this issue, but one of the issues that affects our books at a state level is that often the commonwealth government puts funds out the door in the last week or two of its budget year to make its books look good and then we end up with a whole lot of money sitting in our books which we have not been able to spend and which we have to spend over the next year.

I am not sure whether that is the case in relation to this, but I suspect there is an element of that in it. It is an inevitable part of transfers between various levels of government, and presumably local councils may say some things about us. If we do not get the money on 1 July it is hard to run a full year's program, even if you get a full year's amount.

Ms CHAPMAN: I refer to Volume II, page 556. Of the \$3.508 million unexpended for other programs, which of these organisational programs is entitled to receive the same; and how much for each of them?

The Hon. J.D. HILL: Are you asking specifically about the \$3.5 million out of the \$20 million amount? My advice is that there is a series of very small amounts. The issue of materiality comes into play, but I will get some advice and give you some further information in relation to those as soon as I can.

Ms CHAPMAN: I refer to Volume III, page 894, which is a tax obligation of SA Ambulance Service. The Auditor-General's Report tells us that last year a \$273,000 grant was received from the Australian Taxation Office to fund the additional fringe benefit tax impact on the ambulance service as a result of a loss of public benevolent institution status. Is this an ongoing expense that will have to be met every year? How does it sit with the plan of the government to provide emergency services exclusively to SA Ambulance Service as a provider under the public benevolent qualification? If it is an ongoing obligation, who will be paying it?

The Hon. J.D. HILL: My advice is that support for the benefit runs out on 30 March 2008. There are a number of institutions which used to get that public benefit status and which no longer get it. Transition arrangements have been put in place for the past four years, and that runs out in March next year.

The CHAIR: The time having expired, I congratulate the minister on there being no audit issues.

The Hon. J.D. HILL: Madam Chair, I draw your attention to the state of the committee.

A quorum having been formed:

The CHAIR: I call the Minister for Transport, Minister for Infrastructure and Minister for Energy.

Dr McFETRIDGE: I refer to the Auditor-General's Report, Volume V, page 1395. What measures will the department introduce to ensure that commonwealth grants are recognised correctly as revenue received in advance, rather than reporting the amount as deferred income and ensuring that financial statement lines are not misstated in future budgets?

The Hon. P.F. CONLON: The money that we are talking about is \$100 million and, I think, another \$12 million, from memory. It is a matter of an accounting argument, but let me tell the committee what the relevance of that accounting argument is. What happened was that, at the end of the financial year before last, some 48 hours before the end of the financial year before the last, the commonwealth sent me a note saying, 'Here is \$100 million we would like to send you for the Sturt Highway. Please respond within 24 hours.' Pretty obviously the commonwealth was seeking to get money off its books before the end of the financial year and send it to us.

We took advice from Treasury on how that money should be accounted. It is accounted in the way in which it is accounted here. We talked about this last year. They recognised at the time that there would be some risk that the Auditor-General would not agree with accounting standards. However, were we to ignore the advice of Treasury and account for it in the way the member for Morphett would like us to, we would have been unable to accept the money, because it would have

then appeared as income in one year but been counted as expenditure in the next. That would have exposed us to a \$100 million hole in the budget.

It might seem very bizarre to an ordinary person in the street that we cannot take money two days before the end of the financial year and spend it in the next financial year on the matter for which the commonwealth sent it to us, but that is the Auditor-General's view of the accounting standard that should apply. However, make no mistake, if we were to apply the accounting standard for which the honourable member is arguing, then we would not have been able to accept that money. The net result of the honourable member's argument would have been that we would not have been able to spend \$100 million on roads in predominantly the member for Schubert's electorate.

My view at the time—and it remains—was that, given the advice of Treasury on the accounting standards and given that we could add \$100 million of road infrastructure in South Australia, I was prepared to take the risk of the Auditor-General thinking that it should be accounted differently. I am still of that view because, if I had taken the view that the honourable member appears to take, I would have played it safe and South Australia would have had \$100 million less spent on its roads.

If my punishment every time we get more money from the commonwealth for roads is to have a qualification from the Auditor-General, I will take the qualification and the \$100 million every time—and I will take the \$12 million, which is in the same category. Just so members understand, the accounting treatment and the matters that govern that accounting treatment would be bewildering to an ordinary person. It is possible—and Treasury advice confirms it—that that money might have been treated in the way Treasury believes it should have been treated—and there are a number of things about it such as conditions about where it will go and those sorts of things.

For the ordinary South Australian interested in spending money in South Australia, he or she would be astonished if we were to knock back an offer of \$100 million on the basis that someone wanted one accounting standard against another. That is the long and short of the \$100 million and the \$12 million. We accept Treasury advice as it should be accounted. If we did not, we would not be able to take the money. I hope that the commonwealth rings up a few hours before the end of the next financial year and asks me whether I would like \$100 million because I think I would probably make the same mistake again, if I could get away with it.

Dr McFETRIDGE: I am just an ordinary person and I tell the minister that I would take the money as well. I have never claimed to understand the ins and outs of some of these budgets and accounting, but I do take advice from the Auditor-General. I refer to Volume V, page 1396. When will the department address the strengthening of the internal control environment as recommended by the Auditor-General?

The Hon. P.F. CONLON: The matters raised are the matters raised the year before, and all those matters have been addressed. I am told that the only area with further work ongoing is the expensing of exclusions, but those matters that have been identified in previous years' Auditor-General's reports have been addressed by the department. It is important to note that I, along with representatives of the department, met with the Auditor-General some 12 months ago to ensure that we understood what the Auditor-General wants and he understood what we were able to do. My understanding is that that relationship has been a good strong one. In my view, this is exactly why an Auditor-General exists; that is, to put to departments how the Auditor-General thinks they should be doing things better, and the healthiest possible relationship is one of a conversation between the department and the Auditor-General.

On most occasions, the Auditor-General's advice is taken and changes and processes are made. On other occasions, because of a healthy conversation, sometimes the Auditor-General discovers (or his or her office discovers) matters that are relevant to that judgment and the judgment is changed. I am quite happy that there is a very healthy conversation between the department and the Auditor-General and the Auditor-General's concerns from the previous audit were addressed.

Dr McFETRIDGE: The next question relates to the same reference at page 1396. When will the department adopt audit recommendations to review accounting policies, procedures and systems for recording capital works expenditure to ensure the department complies with Australian accounting standards?

The Hon. P.F. CONLON: The answer to your question is just below the paragraph to which you referred. As I understand it, the answers are being provided within a month of being received by financial operations, which, as I understand it, is what the Auditor-General required.

Dr McFETRIDGE: I refer to page 1397. Does the minister continue to expect significant delays in the preparation and independent review of key reconciliations, including bank reconciliations?

The Hon. P.F. CONLON: Again, the answer is in the next paragraph, which states:

The Department has put in place certain accountability processes including performance monitoring and reporting to senior management. These processes have resulted in key reconciliations being performed and independently reviewed in a timely manner for each month throughout the 2006-07 year.

I am reliably advised that we are continuing that process this year. Again, it is an example of a very healthy conversational relationship with the Auditor-General.

Dr McFETRIDGE: I refer to page 1397. When will bona fide certificates and leave return reports be reviewed in a timely manner and has fortnightly, instead of monthly, return processes been introduced, as advised by the department?

The Hon. P.F. CONLON: I am advised that, on receipt of the Auditor-General's recommendation, that is now being done on a fortnightly basis.

Dr McFETRIDGE: I refer to page 1398, the mobile phone review. Can the minister provide the committee with an update of the policies and procedures for the control and management of mobile telephones within the department?

The Hon. P.F. CONLON: The member will note that this year's audit has identified that the department has made progress in addressing the issues raised previously by audit. DTEI policy requires all departmental mobile phones to be approved by the employee's manager. The process for allocating and approving mobile phones requires a business case providing justification and outlining the business need for the mobile handset/service/accessory. It must be approved by the section manager or nominated delegate prior to the acquisition of services from the service provider.

DTEI has a process that requires all users of departmental mobile phones to identify that the calls recorded on the individual mobile phone reports are valid and to identify any personal calls. The employee is required to reimburse the department for private use of the phone.

Dr McFETRIDGE: I refer to the Auditor-General Report, Part A: Audit Overview, page 14, Transport Regulation User Management Processing System (TRUMPS). Given that there are still ongoing software problems occurring with TRUMPS, how much has been expended on the system to date? The last figure was \$14.7 million as at June 2007.

The Hon. P.F. CONLON: As I understand it, the \$14.7 million remains the full figure. In his question, the member suggested that TRUMPS continues to have software problems. It is necessary to put that into perspective. There were issues in the early stages of TRUMPS, and some of them were not software problems. From the advice I have received, we do not have any ongoing software problems. There have been issues with data being inputted incorrectly, which is not a software problem but the result of ordinary human error.

As I understand it, there have also been issues with slowness with some of the Telstra lines, and some of those lines have since been upgraded to a greater capacity by Telstra. So, before we go too far in talking about that, it is important to place on the record that it has not been caused by software problems. There were some issues originally; it is a very complex new system. It is a very good system and, ultimately, it will provide a far better electronic service that people have ever had before.

Of course, there will be ongoing maintenance to the system, as one would expect. However, while we would have preferred there not to be any early issues with the system, I remain very confident that not only will it provide a better service than we have been able to provide in the past electronically but we believe that some other states may well want to look at what has been done here. Contrary to the things that have been said, we understand that some people will be quite interested.

People have to put in context the complexity of introducing software systems. Looking at *The Advertiser* today, I note that Sydney Water is actually engaged in legal action following a \$61 million failed customer information billing system. There is always a risk with new systems. Also reported in *The Australian* today, I note that the rail operator in New South Wales has had issues with actually getting its ICT agenda up. In fact, I think it has been reported that it has run

\$13 million short on its technical revamp, the simple reason being that these are complex and difficult things.

South Australia is no orphan in having complexities in replacing old legacy systems with new systems and providing better services. If we do not do what we are doing now, we will not be able to provide what I have indicated to the house previously will be a much better service for those who wish to use the electronic services of Transport SA. There is always a risk with the new system. One does not get any reward without risk in this world. I am very confident that it will be a very good system for people.

Dr McFETRIDGE: I refer to the Auditor-General's Report, Volume V, Part B, page 1364. What changes will occur to the five-year contract and joint venture agreement between TransAdelaide and Australian Transit Enterprises Pty Ltd to provide passenger transport services, given the minister's recent announcements?

The Hon. P.F. CONLON: As indicated in my ministerial statement on the day, there are no changes to the bus services at present, and that contract runs until April 2010. We do not have any intention of disturbing an existing contract. I think that would be bad form.

Dr McFETRIDGE: I refer to the same volume, page 1383. How will profit distributions and annual management fees from the joint-venture entity be affected? Not at all?

The Hon. P.F. CONLON: No. I am surprised by the question, because we have been very careful not to interfere with—or attempt to change—any contractual relations. I am reliably advised that the status quo will prevail. That would be the obvious course, given that the contract was entered into. I repeat: I do not think that we will do anything to disturb the discharge of our obligations to each other. I think that it would be very unwise to do that.

Dr McFETRIDGE: I think you are quite right, minister. It is probably an unnecessary question. I refer to page 1366 of the same volume. What measures will be implemented to ensure that up-to-date documented policies and procedures are kept in the area of payroll, fixed assets and expenditure?

The Hon. P.F. CONLON: First, I indicate that the corporate governance policy statement is presently being updated. It will be put before the TransAdelaide board in December. In terms of payroll, a full review of payroll processes was carried out, and a plan is being developed for the progressive implementation of internal controls. Immediate controls have been put in place to address those risks that would be deemed to be the most serious ones. In terms of fixed assets, my advice is that the matter addressed by the Auditor-General was implemented and, as a result, carried out, and it resulted in a write-off of \$75,614, which was treated as an adjustment to the depreciation expense in 2006-07. I would be the first to say that I have no idea why we do things like that.

Dr McFETRIDGE: I again refer to Volume V, page 1366. What has been done to address the lack of independent checking of new and terminated employees on the payroll system which has resulted in the risk that invalid employees may be put on to the payroll system and paid?

The Hon. P.F. CONLON: Again, I stress that those matters identified were risks, but they were risks that were never realised. There has never been a case of an invalid employee—no ghosts. The risks that were identified have been addressed according to priority: the most important ones first. As I understand it, other processes are being implemented there and, while risks were identified, no risks were realised, which I think is a good thing.

Mr HAMILTON-SMITH: I would like to ask a question on infrastructure, particularly on the ICT contracts and aspects of them. I refer to Part A: Audit Overview, page 14 and the TRUMPS system. The Auditor-General notes that an additional \$3.3 million was injected into the TRUMPS program and that the system is now back on track. The Auditor-General notes:

...the complexity of the business analysis work relating to the development had been underestimated in the original business case.

He notes that financial transaction components are now on track. Could the minister tell us which parts of the TRUMPS program are on track and which parts of the program are still issues we are dealing with or are still a problem? In particular, how much more money will be needed to sort out the program to finality?

The Hon. P.F. CONLON: It would help the Leader of the Opposition if he would listen to the answers provided to his shadow. I will explain it again for his benefit. The TRUMPS system is operational; no part remains unoperational. It has been the subject of some early teething

problems, and I will refer to some other things in a moment about that. It is a big, new, complex system that offers a much better electronic service than people have ever had in the past. It had one or two set-up issues. It has also had issues related to data which had been entered incorrectly, which caused a few small problems, and we have had some problems with speed associated with a Telstra line. That Telstra line has since been upgraded but, of course, those issues were lumped at the feet of the system.

We will obviously have ongoing maintenance as a further cost, but the only cost increases to the system were to add capacity to do certain things, in particular, the graduated licensing scheme which was a far more complicated licensing scheme than we had previously, and the system had to be adjusted to deal with that. There was also a suggestion that when major changes to the program occurred, while they had been ticked off, cabinet had not been advised as often as the Auditor-General would have liked. I indicate that cabinet is now pretty fed up with its quarterly updates on the TRUMPS system and, to a degree, I think we have probably over-responded to the Auditor-General. It is up and running; no part of it is not up and running.

Again, I refer to the answer I gave to your colleague: the big, complex, new systems are difficult and the difficulties are not limited to here. I note an article in *The Australian* today reporting that Sydney Water is launching legal action against its service provider (or non-provider, although I do not want to buy into their argument) following the \$61 million failure of a customer information billing system. I think we have done considerably better than that, no disrespect to my friends in New South Wales.

On a more relevant issue, I note that New South Wales' rail operator, RailCorp, has had trouble spending its \$13 million for technology investment targets because of, as I have said before, the complexity of legacy assets and updating systems. So, while there has been a bit of criticism of our TRUMPS system, I am reliably advised that it offers a much better service than we have been able to offer before and it will be a very good system. It may well attract the interests of some interstate people in terms of adopting the system. Certainly, as I have alluded to what has happened in New South Wales, I can also indicate the introduction of our TRUMPS system is superior to that which occurred in Western Australia at the start of the new system which I think crashed in its entirety for several weeks.

I think it is necessary to be fair when you look at these systems. The truth is that, while there have been one or two start-up issues and issues for which people have sought to blame us which have not been the fault of the system—and, in particular I refer to the need for Telstra to improve some of its bandwidth, as I understand it, to speed up the service—by and large, it has been much more successful an introduction than we can refer to in at least two places. I believe it will be a very good system for us. I believe that South Australians will have the best electronic system in the land very soon.

The bottom line is that the way to avoid problems with a new system is not to have a new system but to keep the old one. This was a difficult and complex project and one which a lot of people worked on. I want to put in a word for those public servants who worked on this project for a very long time. It was a very difficult job—they worked under a lot of stress. I went over to the Walkerville building at the end of it to talk to those people, and I think that time will show that they have a very good achievement in this system. Time will show that they have, in my view, the best introduction of this type of new software in Australia, and I think that time will show that we have done very well with this.

Mr HAMILTON-SMITH: I refer to Part A: Audit Overview, page 12, where the Auditor-General makes the point that in 2005-06 he wanted to see finalisation of a whole of government ICT strategy planning document and he makes the point again in this report for a second year that that has not been completed. It is still under consideration. He also makes the point that planning requirements of the ICT frameworks were not being met by all agencies. Does the minister have an idea of a deadline when a whole of government strategy will be completed? Is there a plan in place to make sure all agencies comply with the ICT frameworks?

The Hon. P.F. CONLON: There certainly has been. People understand the complexity of the ICT procurement. It is a very big ticket for government. Some successes have already been achieved through the adoption of a centralised strategy. Some budget savings have been achieved, and we have also achieved some remarkable reductions in unit costs in many, many services. Unfortunately, every time we reduce unit costs somebody wants to use more of them, but that is the nature of ICT. But we have had some very significant achievements. It is a matter that has seen a move to centralise control, a number of matters having been referred to cabinet for a

whole-of-government approach. It is a complex matter, and what I would say is that we are doing quite well at it.

The CHAIR: The time having expired, I call the Deputy Premier, Treasurer, Minister for Industry and Trade and Minister for Federal/State Relations.

Dr McFETRIDGE: The reference is Auditor-General's Report, Volume V, page 1340. What measures will be implemented by the Department of Trade and Economic Development to address the lack of consistency in use of requisitions and purchase orders to document purchasing transactions before entering commitments to purchase?

The Hon. K.O. FOLEY: DTED has implemented a new procedure with its shared service provider to return all invoices if they are not attached to a relevant purchase order. Where a purchase order not required due to the payment being of a grant or utilities nature then a purchase order exemption form is to be attached outlining why there is no purchase order. Regular training of DTED officers in procurement practices is continuing to occur. Directors have been advised of the outcome of the audits and to ensure continued monitoring of this issue. Procedures were amended during the year to ensure that low value transactions could be processed using credit cards, which has simplified internal processes but it also ensured that suppliers were paid in a more efficient manner. DTED will review its procurement practices with a view to further streamlining and simplifying practices, as part of the overall internal red tape reduction initiatives. This process is expected to be completed by the end of December '07, when new training will be provided to relevant staff.

Dr McFETRIDGE: The next reference is Volume V, page 1356. It refers to the net loss of \$121,000 from disposal of assets. What assets/plant and equipment was disposed of, and can the minister provide details?

The Hon. K.O. FOLEY: We will take that on notice and come back to the house.

Dr McFETRIDGE: The next page, 1357, same volume: what is the exact amount of funds specifically held in the Accrual Appropriation Excess Funds Account?

The Hon. K.O. FOLEY: We will come back to the house with that answer.

Dr McFETRIDGE: Page 1358, same volume: can the minister advise me what exact amount was spent on the minister's, ministerial and DTED staff travel for the year 2006-07? It says in the Auditor-General's Report that creditors and accrued expenses were \$2,739,000.

The Hon. K.O. FOLEY: You want how much I spent on my travel—

Dr McFETRIDGE: Can the minister advise me what exact amount was spent on the minister's and ministerial and DTED staff travel?

The Hon. K.O. FOLEY: The cost of overseas travel incurred by the department during 2006-07 relating to departmental staff was \$558,000. That amount is disclosed in the annual report. In addition, \$299,304 was incurred by the department in relation to costs for the minister—that being me—and his staff. Total costs incurred by the department for overseas travel was \$857,383.

Dr McFETRIDGE: I refer to Volume V, page 1360. Can the Treasurer provide me with a list of the remuneration of all board and committee members, including the Economic Development Board, the Defence Industry Advisory Board, the Manufacturing Consultative Council, the Small Business Development Council, the Regional Communities Consultative Council, and the South Australian Export Council?

The Hon. K.O. FOLEY: We will get details of those. I am sure they are all on the public record somewhere, but we will get someone to dig them up.

Mr HAMILTON-SMITH: I am referring to Part A: Audit Overview, page 2, which refers to 2007-08 budget savings over four years of \$202 million, additional to the \$695 million of saving over four years under the 2006-07 budget. Can the Treasurer explain what devices will be used to monitor and check to ensure that those savings are achieved?

The Hon. K.O. FOLEY: One of the things that struck me, when I came into office, was how little rigour, if any, there was in maintaining an overview of any savings initiatives—and I think under the last government there was very little, if any, savings initiatives—and very little monitoring of agency expenditure. I think, from memory, that the health department did not report at all to the Treasury until the end of the financial year, which I found a very odd thing to do. What I brought in was quarterly reporting of agencies' progress towards meeting the government's budget, in both

spending and savings initiatives. Quarterly monitoring continues, and will continue, where agencies report their expenditure to date and the meeting of their savings targets.

Mr HAMILTON-SMITH: Can the Treasurer go into a little more detail about how frequently agencies will report and what process will be used to ensure that savings targets and expenses are kept in check? Will it be a quarterly process, will Treasury officers be located in respective agencies and departments to monitor expenses on an ongoing basis, or will it be a six or 12 monthly review of expenses? How will the Treasurer physically manage that expenses control management?

The Hon. K.O. FOLEY: I am not sure whether the leader was listening: I just said that we do it on a quarterly basis. Agencies are mandated to report to Treasury on a quarterly basis about their performance with respect to expenditure and savings initiatives. On top of that, we have the normal bilateral process of the budget and, in addition, we have end of year one-on-ones with agencies. The first run of that was with all agencies, but we now do it with agencies that are giving us particular concerns.

As well as that, I have ad hoc meetings on a regular basis with ministers and agency heads. We also have repeated meetings between Treasury officers and departmental officers. For example, David Imber, the head of our finance branch, is currently assigned as Assistant CEO of the Department for Families and Communities, to help with its budget management, and we also have monthly reporting on expenditure and revenues into the Treasury. So, have a very robust reporting mechanism, and I am very happy with the way in which that is performing.

It is no secret that we are not successful with all the savings that we try to get out of a budget process (that is nothing new), and we have to be very vigilant in maintaining pressure on agencies. From time to time, we have reversed some savings options and have sought savings elsewhere. However, as has been identified in the outcome for the 2006-07 year, we had a net underspend of some \$80 million. Some of that will be carried into this year, but some of it has been the result of very good budget management and achieving savings initiatives.

Mr HAMILTON-SMITH: I want to pick up on the point just raised by the Treasurer about the underspend of \$80 million. I refer to page 1.4. The Treasurer mentioned an \$80 million underspend, but is that not taking the estimate provided in the 2007-08 budget? What I am saying is that, at the beginning of 2006-07, in the budget, estimated expenses were \$5.215 billion, the outcome being \$5.439 billion. You have gone beyond your expenses, based on what you anticipated them to be at the beginning of the financial year.

The Treasurer is suggesting that there is an \$80 million underspend in expenses, but that is based on an estimate made just a few months ago, in the 2007-08 budget. If one looks at the expenses target that you set yourself at the beginning of the financial year 2006-07, you have run over on expenses, as I see it, by a significant figure—I think it is about \$374 million—based on what you forecast at the beginning of the financial year compared with what was delivered.

The Hon. K.O. FOLEY: That is not a matter raised in the Auditor-General's Report. I have released today the final budget outcome, which is actuals. The leader is comparing budget forecast as against actual results. The actual result is that we have an \$80 million underspend in our budget, compared with what we forecast in our 2007-08 budget as being the position.

Mr HAMILTON-SMITH: I accept that. However, I am just making the point that, in the 2007-08 budget, you were looking back. What I am saying is that you set out to have your expenses at a certain point, and it has gone well beyond that, according to the document that was tabled in parliament this afternoon. In other words, I am saying it is not quite right to say that you have had an \$80 million underspend on expenses. It is something like a \$374 million overspend on expenses, when one looks at the expenses budget that you set yourself at the beginning of that financial year. Anyway, I accept the point: it is not part of the Auditor-General's Report, so we can move on.

The Hon. K.O. FOLEY: My advice is that the figures to which the leader referred are parameter variations that relate to flow through expenditure from increases in commonwealth specific purpose payments; grants for non-government schools; a big chunk of money we received with respect to AusLink in that financial year (I think we received a big one-off payment); accounting variations, such as reclassification of expenditure between operating and investing expenditure; changes to estimates of interest expenses and nominal superannuation interest expenses; and carryovers of expenditure.

Mr HAMILTON-SMITH: I now refer to Part C, State Finances and Related Matters (page 7), which talks about public-private partnerships. The private sector capital expenditure for projects is estimated to be nearly \$700 million, well beyond recent PPP projects. Can the Treasurer tell us whether he has decided how he will account for that private expenditure? Will it be on balance sheet/off balance sheet? Has the government made up its mind how it will reflect those very large figures in its accounts?

The Hon. K.O. FOLEY: I will be making a statement in the midyear budget review which will be brought down shortly, but my expectation will be, as I think I have mentioned to the house, that these will be almost certainly on budget, as the government will be retaining land ownership for the schools and the prisons.

On the issue of the hospital, we have not made a decision yet as to whether or not that will be a PPP. My expectation is that it will be, but that final decision has not been taken. Again, my guess would be that would be on budget transaction as well.

Mr HAMILTON-SMITH: If the Treasurer is able to explain at this point, noting that cabinet decisions have not been made, how will he reflect the full picture of that PPP? For example, if it is \$700 million of private investment in terms of capital spend, looking at the full term of the PPP, the total capitalised cost over, say, 30 years would be significantly more than the \$700 million. How does the Treasurer envisage that liability being shown in the accounts?

The Hon. K.O. FOLEY: We will be giving further precise clarification of this, but I am advised that we will be presenting on our balance sheet in our midyear budget review the net present value of the lease payments over the term of the projects. In terms of our operating account, when we start to make our payments once we take possession of these assets, we will be reflecting in our net operating account the actual lease payment itself. I might add that we are putting in an approximate account of what our net present value will be, because we have not gone to tender yet and we do not have the specific payments. We are putting in an estimation for our balance sheet.

I have just asked the reason why we are putting this on our balance sheet at the midyear review as against perhaps at the budget or the time we actually sign off on the leases. We put out the forward estimates, so it will be in the forward estimates for the year in which we take possession of these assets.

Mr HAMILTON-SMITH: I thank the Treasurer for his reply. I move to Volume V, page 1465, which talks halfway down about the department's advising audit that in some instances funds transfer requirements were not being met by agencies and the department will act to ensure this is not repeated in 2007-08. I seek an explanation of what action is being taken. We had the infamous stashed cash affair. Is this to do with breaches of Treasurer's Instructions and the movement of cash from one department to the other or, indeed, within one department backwards and forwards in financial years?

The Hon. K.O. FOLEY: I am advised that the departure from established procedures did not result in any shortfall in payment to the accrual appropriation excess funds account or any breach of Treasurer's Instructions. I can say that in 2005-06 a procedure was established for the deposit of funds into that account. Amongst other things, this procedure provided that DTF pay accrual appropriation directly into the account rather than payments by individual agencies, as was the previous practice. Audit commented that on a few occasions this process was not followed and that a small number of agencies deposited directly into this account. DTF acknowledged that the established procedures were not followed in this instance. However, this was largely due to operational complications arising from the later-than-usual state budget in that year.

Agency chief finance officers were sent two separate minutes that clearly set out the requirements for 2006-07 as part of DTF requests for appropriation drawn-down schedules for 2006-07. As I said, I am advised that these were small in nature and did not result in any breach, and we are comfortable that we are now on top of this.

Mr HAMILTON-SMITH: In the same budget paper, Volume V, page 1468, I note that there is an income provision under net gain from disposal of assets of \$1.252 million. Can the minister tell us what assets were disposed of?

The Hon. K.O. FOLEY: We will take that on notice.

Mr HAMILTON-SMITH: At page 1471, I note the report shows cash outflows on the purchase of property, plant and equipment of \$56,725,000. Could the Treasurer provide a breakdown of these purchases?

The Hon. K.O. FOLEY: I will get a breakdown. My advice is that the bulk of it is our fleet car purchases.

Mr HAMILTON-SMITH: Page 1469, Program 3, refers to shared services reform. Will the Treasurer tell us where the budget is at in relation to savings from shared services reform?

The Hon. K.O. FOLEY: These questions are better directed to minister Wright. I can say that already we have achieved savings of \$25 million a year from future ICT for 2007-08 going forward. Those savings have been captured. We are now looking at getting \$35 million a year from shared services from 2009-10 going forward. At this stage we are working very hard towards that and I am confident we will get there.

Mr HAMILTON-SMITH: I refer to page 1496, Volume V, dividends. I notice grants of \$4.593 million to non-government entities. Is the Treasurer in a position to provide a breakdown of these grants?

The Hon. K.O. FOLEY: We will take that question on notice.

Mr HAMILTON-SMITH: In the same column I notice that TransAdelaide returned a dividend of \$5.296 million. Will the Treasurer explain the source of that revenue? I assume some of it was from the Transit Plus contract.

The Hon. K.O. FOLEY: That is just a normal dividend payment from TransAdelaide. We provide a community service obligation in order to have the enterprise trade as best it can as a commercial entity. That is why the Liberals corporatised it when it was in government, and under our system we have to pay a CSO to have them operate as a commercial entity, but it is the normal dividend.

Mr HAMILTON-SMITH: I am intrigued to know how the dividend rate might be struck and the source of those dividends. I know there is some revenue from Transit Plus, the bus enterprise. Is it sourced from a particular business operation of TransAdelaide, or is it something it is required to pay as a flat rate, or does it vary from year to year?

The Hon. K.O. FOLEY: We have not gone through a full government overview of TransAdelaide (as we have done with SA Water) to put new governance arrangements in place. I will come back to the house with the answer. As a result of the Liberals establishing TransAdelaide as a corporation, Treasury makes an appropriation to TransAdelaide for its community service obligation. That part of its operations is its community service obligation; it then has its normal revenue stream. It acts and behaves like a public corporation and provides a dividend to its shareholder. I understand that structure was put in place by the former Liberal government.

Mr HAMILTON-SMITH: I move to page 1502, Volume V. I notice that the agreement between the government and the netball association has guaranteed the repayment of a loan of \$1.8 million. Is that loan secured? Is there any indication we may have to pay all or part of that sum, or is it all in order?

The Hon. K.O. FOLEY: I do not know the answer to the question, but I will come back to the house with an answer. I understand that arrangement was entered into by either treasurer Lucas or treasurer Baker under a former Liberal government, and for my sins I carry on the guarantee. We will check it out. The netball association facility was built was under a former Liberal government.

Mr HAMILTON-SMITH: We inherited a few liabilities when we came into government in 1993.

The ACTING CHAIR (Mr Koutsantonis): If the leader wants to reminisce about days gone by, we will give him Dean Brown's phone number.

Mr HAMILTON-SMITH: Thank you, Mr Chair. As always, I accept your discipline without question. I refer to page 1465, Volume V, and a disbursement error. Has the Treasurer ensured that officers are now complying with standard policies and procedures in relation to the appropriation of funds, and what action has been taken to ensure that this type of mistake does not occur again?

The Hon. K.O. FOLEY: On 18 June 2007 an electronic funds transfer (EFT) of appropriation for \$16.44 million was sent to the DTED's Westpac bank account in error. The EFT was approved appropriation payable to the Department of Transport, Energy and Infrastructure. The error was discovered when officers from DTEI contacted the Department of Treasury and Finance on the morning of 19 June 2007 to advise they had not received the appropriation. DTED was contacted immediately the error was discovered. The matter was rectified within 24 hours of its being detected. An error had been made by DTF in selecting the bank account for crediting when processing the EFT.

Only the accounts of government departments and entities are available for selection in the Westpac EFT model. No external bank accounts appear on the menu of choices, consequently there was no risk of an erroneous transfer to an entity outside government. The processing of appropriation transferred by DTF required two authorised officers to approve the EFT electronically before sending it to Westpac before processing. This checking process failed in this instance. DTF procedures surrounding the transfer of appropriation have since been strengthened to include a third person (being a senior officer in DTF) to verify and sign off on bank account details before appropriation is transferred.

Mr HAMILTON-SMITH: Further, \$16.4 million transferred into the wrong account does raise some concerns. The Treasurer mentioned that external accounts do not appear on the screen, if you like, of options. Is there any branch of government where funds such as those could accidentally find themselves in a contractor's account or some private sector organisation with which government is dealing? Have we fail-safe devices in place to ensure that \$16 million cannot accidentally find its way into someone's pocket.

The Hon. K.O. FOLEY: Human error occurs. You can have the best check procedures in the world, but human error does occur. I will not whip DTF staff for an error. I am advised that all these appropriations are to government entities, and obviously, if a human error is made and an agency has not received appropriation that it is expecting, the red flag goes up very quickly and the error is identified. Two officers are required to approve it. An error happened. We have now put a third officer in the mix.

We have had electronic funds transferring occurring in government for many years, including under your regime. My guess is that you probably put it in place, and if we went back and had a look, we could well find errors. Electronic funds transfer errors happen, and I am sure from time to time some of us at least have had it happen to our own accounts. It happens. It should not, but it does. However, I am confident that, given that this is all within government, these errors will be quickly identified.

Mr HAMILTON-SMITH: I refer again to Part C, State Finances and Related Matters, page 3. I was interested in the Auditor-General's observations about expenses controlled generally within government. He makes the point that the estimated result was a surplus of \$38 million but the budgeted amount was \$91 million. The Treasurer has just updated some of that today. He says that solid growth in revenues that exceeded budget were, however, exceeded by increases in expenses.

The Treasurer answered a question a moment ago about how he monitors expenses quarterly etc. Will the Treasurer explain what discipline he applies over budget estimates during the bilaterals process from departments when they set out to estimate their expenses for the forthcoming year? How does Treasury dig into the accuracy of those estimates on expenses, because what seems to be happening from the Auditor-General's findings is that departments seem to be consistently estimating that they will spend a certain amount and then are finding that, at the end of the year, cost pressures have emerged or certain things have taken place which have caused them to run over their budget significantly, which means, of course, that you then have to find the money from somewhere to fix it.

I am sure the Treasurer is pulling his hair out on a daily basis. How does the Treasurer ensure that they get it right; that is, that they anticipate those cost pressures and try to get their estimate of expenses as accurate as possible? I know the Treasurer has mentioned how he monitors it on a quarterly basis once we are running through the year, but I am talking about looking forward?

The Hon. K.O. FOLEY: I will answer that in a number of ways. First, that is the challenge of every budget. The challenge of maintaining agencies to operate within the budgets that they are given was no different under your government as it is under our government. I am confident and pleased in many respects that we have improved the budget forecasting significantly, but a couple

of agencies have caused us problems. The key one is the health agency. What we tried to do in our first budget after the state election was to put a big quantum of money into the out years.

What we had been doing up until that budget was putting a standard growth amount into the health budget and then trying to keep the clamps on them—and we ended up having to put more money into them through the course of the year. What we tried to do in that first budget after the election was to put some serious growth money into the out years. We have had to do that in the last budget and, according to the mid-year review, we will still have to put some more in again.

We are managing a health system that is growing at anywhere between 9 and 11 per cent compounding per year. That is activity levels: people coming into emergency and people accessing the health system. Of course, the commonwealth is only giving us about 45 per cent when it used to give us 50 per cent. We are having to manage the vast bulk of that growth money and that, as often said, is due to the ageing of our community, as well as the technological advancement. That is one of the major reasons why we are reconfiguring our health system: to allow us a better system of managing these cost pressures.

Health is a significant issue for government and will continue to be well beyond the life of this government, given the ageing of our community. Families and Communities has been a problem for us. Much has been said about that. Again, it would appear that, because of the ageing of our community, we now have fewer foster carers available to the system. We are now taking many kids into care who otherwise may have been put out to foster parents but, because we have an ageing community, I am advised that fewer people are making themselves available as foster parents. They are the two main pressure points that we deal with throughout the course of the year.

However, on top of that, you have decisions taken by cabinet through the course of a budget year. They are deliberate decisions of government like the one we announced today to fund a significant resource upgrade for our bikie gang laws, which, I think, will see a \$4 million or \$5 million recurrent outlay.

So, government makes policy decisions through the course of the year, where it sees the capacity to do it. As you monitor the revenue flow in, you monitor your debt position and, if you have some further capacity to spend, you do so. Of course, the other issue is unexpected and unforeseen activities, whether it is a bushfire or whether we need to spend more money on water tankers. That will always occur.

Quite often, what that surge in revenue can be is money from the commonwealth, or expenses, such as Auslink. Two years ago we were told that the commonwealth was giving us an extra \$100 million, I think, of Auslink money. We had to take that—you cannot say no to that—but that comes up as an expense. They are the sort of issues.

However, overall, with our monthly monitoring by Treasury and our quarterly monitoring to ERBCC, we keep a pretty good check on government expenditure. I am relatively pleased that, overall, government agencies are living within their means, except for the pressure points of Families and, of more concern, Health. I am not gilding the lily here. It would not matter whether it was your government or whether it was this government. You have had problems with it in the past; we are having problems with it now; and it will be a problem for state government treasurers probably for ever to try to manage this incredible growth rate we have in health needs in our community.

Mr HAMILTON-SMITH: I thank the minister for his reply, but I note that, on page 6 of Part C of the Auditor-General's Report, the Auditor-General makes the following point:

Net operating balance surpluses were achieved after revenue windfalls (unbudgeted) allowed for funding of initiatives and expenditure pressures to be addressed.

So, the Auditor paints a picture of expenses rising and windfall income, if you like, enabling services to be delivered.

Turning to page 5, I note the graph of general government sector purchase of non-financial assets paints an interesting picture where, in 2005-06, capital payments were to trend down, and then, in the 2006-07 budget, that was revised to trend them up, particularly from 2007 to 2009, and then the capital payments now forecast. I hear what the Treasurer is saying about these processes that are in place, but the bottom line is that that is going up from one budget year to the next. There seems to be this growth in expenses that we are somehow not measuring accurately.

The Hon. K.O. FOLEY: No. What that is showing is that I receive updated revenue numbers from Treasury on a very regular basis—I meet with my Treasury office two or three a

week—and I keep a very close track on the revenue. When you have strong revenues coming in, you can do three things with it: you can spend it, or give a tax cut, or pay off state debt. This year, as we sit here today, we have no state budget debt, so there is no debt to pay off, and we do not want to accrue financial assets. We have already put in what we believe to be a very significant suite of tax cuts, and that allows us, through the course of the year, to make some appropriations and undertake some spending that we think the budget can live with.

In terms of the capital payment, the Leader of the Opposition has this somewhat absurd policy that he would fund his capital programs through the recurrent budget. Well, I do not know how you would ever do that. We did it for a while when we were spending \$500 million a year. However, we have critical infrastructure need. We have to build new prisons; we cannot run Yatala much more than we have to date—

Mr Pengilly interjecting:

The Hon. K.O. FOLEY: We have transport pressures; that is obvious. We need a women's prison; we cannot run the one we have any longer. Whether we rebuild the Royal Adelaide or whether we build a new hospital, it would involve very similar amounts of money. You cannot do that unless you borrow the money.

We have a very, very strong balance sheet. We can afford to increase borrowings and, provided that you can meet the borrowing repayments and appreciation out of your net operating account, that is an eminently sensible thing to do.

Standard & Poor's advice, in its 2007 rating report, stated that the state's balance sheet is expected to remain strong. South Australia's forecast of \$1.6 billion annual capital spending to fiscal 2011 remains consistent with the AAA credit rating and, while it is likely to see the state's net financial liabilities as a proportion of revenue rise, it is unlikely that this increase alone would result in a lower rating.

Moody's reaffirm the state's AAA credit rating in its October credit option, and it noted that, while debt is expected to rise over the medium term, given greater capital spending, the state's debt burden is expected to be moderate.

Government budget debt could be \$3 billion over the forecast period; we have not settled those numbers. As we look at our program going forward, our revenues are growing, our state budget is growing, and our state's asset base is growing significantly. So, provided you are borrowing that money for productive infrastructure, that is an eminently sensible thing to do.

As the shadow minister for finance would have known in his council, you do not pay for all of your capital out of your recurrent. When you were in government, you borrowed money for your capital program. In our first three or four budgets, we were able to fund our capital out of our existing budget. However, the capital needs in terms of the prisons and hospitals, etc., are so great that we have to spread those payments over many years. It is an eminently prudent thing to do, and it is reaffirmed by the credit agencies.

Mr HAMILTON-SMITH: Going back to the issue of capital works and PPPs, on page 7 of Part C of the budget report, can the Treasurer tell the committee which PPP projects are done and dusted? That is, of those PPP projects lined up at the moment, such as the super schools, the prison, and various other projects the government has mooted, how many have been signed off and agreed to?

The Hon. K.O. FOLEY: The new prison secure facilities PPP, that is, a new 760-bed men's prison, a new 150-bed women's prison, a 40-bed forensic mental health centre, a 90-bed youth detention centre, and a 80-bed pre-release centre, have all been approved. Within the next month, they will be going out to the EOI, as will six schools. Six super schools will be going out for EOI in November/December. We will want expressions of interest submissions from potential consortia back in government by January 2008. Do not hold us exactly to this, but these are the time frames we are working on, give or take a few weeks. We would like to be able to announce a shortlist for the schools and the prisons in March; that is our target date.

Requests for proposal submissions from the tenderers: we will be looking at the schools by July 2008 and prisons by September 2008; preferred bidders for the schools will be announced in October 2008 and the prisons in March 2009; the finalising of contracts for schools in December 2008 and the prisons in June 2009; and construction to start in January 2009 for the schools and July 2009 for the prisons. Having said that, as I have learned in this process, one needs to have a degree of flexibility if those dates slip, but that is our schedule at this point.

Mr HAMILTON-SMITH: I gather then that the dollar amount for each project and the financial arrangements the government expects to enter into have not yet been resolved; obviously, until it deals with the private sector interests involved in the consortia that might come together. So, do we have a dollar amount or a financial model and a signed off PPP for any of those that you have just mentioned?

The Hon. K.O. FOLEY: We do, in the sense that, if you recall when we announced these projects in the budget, we put indicative numbers into our press releases and into our budget speech, from memory. There have been some changes to those numbers. I think in the schools project the number has increased because we have added some increased scope to those projects—

Mr Griffiths interjecting:

The Hon. K.O. FOLEY: Well, let me finish the answer—based on increased student numbers in the school areas. What we are finding is that these new super schools will be very attractive to students, and we are having to reforecast the student numbers. I do not get quite so hung up on this issue of trying to estimate what these big capital projects will be and what you finally land projects at. I have not met a private sector organisation, a federal government or a state government that has been able to successfully pinpoint the exact number when they first make these announcements, particularly during a period of extreme construction activity and price escalation and inflation that is occurring in the construction industry. It is very difficult, but we will in our midyear review.

It is our target, our aim, to have a best guess as to what we think the net present value of these projects will be, but it will only be a best guess. It will not be something that we should be held totally accountable for—or not accountable for, but we would not want to say that they are going to be the exact numbers. They will be based upon the public sector comparator that we have; that is, a model and a formula for what it should cost the government in terms of a private sector build, which we use as a public sector comparator to make sure that the private sector is delivering these projects in line with what we would expect to pay for them were we doing them ourselves. Obviously, we want to get a better deal through the private sector, and we will make those best guesses at the time of the midyear review.

The ACTING CHAIR: The time for the examination has expired.

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

That the sitting of the house be extended beyond 6pm.

Motion carried.

The ACTING CHAIR: I call the Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts and Minister for Sustainability and Climate Change.

Mr HAMILTON-SMITH: I will start with something fairly elementary. I refer to page 789 of Volume III of Auditor-General's Report. Under the heading, 'Communications and Audit Matters', some issues are raised surrounding the review of staff leave reports. Will the Premier explain what those issues are?

The Hon. M.D. RANN: I thank the leader for the very pertinent question. The issue relates to the management review of staff leave reports. In Volume III, page 789 it says:

Communication of Audit Matters

Matters arising during the course of the audit were detailed in management letters to the Chief Executive.

The principal matters raised included the need to strengthen the controls over the:

management review of staff leave reports;

I can reply to the leader that the Department of the Premier and Cabinet will strengthen its leave for audit processes through a range of initiatives. All employees with direct reports will receive formal communication advising of leave audit requirements. All employees with direct reports will be provided with the required process for leave audit requirements which will include either manual recording of staff absenteeism or the recording of absenteeism using the online calendar functionality for reconciliation against human resource management system-generated absence reports.

So, the divisions of the DPC will be asked to confirm that leave audit reconciliation processes are in place. I want to repeat that: it will be done either through manual recording or by using the online calendar functionality for reconciliation against human resource management system-generated absence reports.

Mr HAMILTON-SMITH: I refer to page 804 of the same paper which deals with remuneration of employees.

Members interjecting:

The ACTING CHAIR (Mr Koutsantonis): Could the people sitting behind the leader, if they want to have a conversation, leave the chamber because we cannot hear the leader over your voices.

Mr HAMILTON-SMITH: I draw to the committee's attention that in 2006 the number of employees paid in excess of \$100,000 was 49, but now it is 116, which is an extraordinary increase. The reason that has been given in the house is that there have just been a few pay rises and people just happened to topple across the \$100,000 mark. We have been told that your average policeman, firefighter and nurse now gets \$100,000 or more. I am wondering whether you can explain why there has been this very substantial increase in the number.

The Hon. M.D. RANN: It is actually very easy to explain, and that is because my department has incorporated within it other agencies. You remember that DPC used to be the cabinet office, protocol and a few other areas, but because we wanted to reform the public sector, we brought in the Office of Recreation and Sport, SafeWork SA, State Records, the arts departments, industrial relations—

Mr Hamilton-Smith: That was there last year.

The Hon. M.D. RANN: No, some of these are quite new. We have been increasing the size of the department. You saw that large chunks of the department for administrative services were incorporated in my department. Aboriginal Affairs has been there for some years now. Essentially, I can explain the financial statements, including all employees who received remuneration of \$100,000 or more during the year paid by the Department of the Premier and Cabinet. When employees have transferred to the department during the year as a result of an amalgamation or administrative structure, remuneration has been calculated as though the employees were employed by the department for the entire year due to a determination by the Auditor-General. Remuneration of employees reflects all costs of employment, including salaries, superannuation contributions, fringe benefits tax, and any other salary sacrifice benefits.

The number of employees earning over \$100,000 in 2006-07 was 116. There are two primary reasons for the increase over the previous year. First, 49 positions transferred to the department due to a government restructure, nine from the Office of Public Employment, and 40 from the Department for Administrative and Information Services. Secondly, 17 non-executive staff cost over \$100,000 for the first time due to either general inflationary rises in salary or the receipt of the pension superannuation scheme or being entitled to an allowance. So, some of it was done through bracket creep, in other words, with a number of people getting a rise in their salary, and that was the case for 17 people, and also 49 of those paid over \$100,000 transferred into the department from elsewhere.

Mr HAMILTON-SMITH: I want to move to page 790 of Volume III which deals with SafeWork SA—Health and Safety Workplace Partnership Program, which is one you inherited from the former minister for administrative services. I note in the second paragraph that the audit highlights the point that it seems that, at the time this \$3 million worth of grants was made to the union movement, SafeWork SA had not run the idea past the SafeWork SA Advisory Committee and, in fact, somehow SafeWork SA recommended in January 2007 (which is well after the grants were approved) that the advisory committee of their very own organisation should be advised of the program.

The committee was subsequently advised. The obvious question is why wasn't the SafeWork SA Advisory Committee brought into this process from the outset? Why was it done retrospectively once SafeWork SA and audit had begun some communication? Wouldn't it have been proper to make sure that this fund was managed carefully and properly by bringing them in early?

The Hon. M.D. RANN: I think this area still reports to the Minister for Industrial Relations, so I will do the best I can. As I understand it—and this is certainly my advice—the cabinet decision

was made prior to that. It is a government policy decision made by cabinet. We do not resile from that. Perhaps I should just explain that SafeWork SA is responsible for administering industrial relations and occupational health, safety and welfare laws in our state and its primary role is to promote and encourage safe, fair and productive working lives in South Australia by working with employers, employees, unions and industry representatives.

As the Auditor-General's Report accurately describes, the funding, establishment and administrations of the health and safety workplace partnerships program are stipulated in the report. The government has allocated \$1 million per year over three years to improve the level of training, resources and information available to workers through employee associations. This is specifically designed to better equip those employees who work in industries identified as having high levels of workplace injuries and compensation, with relevant skills and to increase participation to achieve safer workplaces.

The funding available has been divided evenly, I am advised, across four industry sectors: namely, community services; manufacturing; wholesale and retail; and construction, transport and storage. The independent panel, established to review applications received against the funding criteria, recommended funding for 12 projects covering all four industry streams, with the level of funding ranging from \$20,000 to \$150,000 per annum. SafeWork SA is responsible for administering the allocation of this funding in order to ensure that all accountability and reporting requirements and conditions are fully complied with.

To date, funding deeds with all 11 unions receiving grants in 2007-08 have been formally executed. First-year grants, totalling \$1 million (that is plus GST) have been disbursed to the unions receiving the grants; the remaining union will receive funding in 2008-09 and 2009-10, and the funding deed will be finalised prior to June 2008. Obviously, this \$3 million was designed to boost workplace safety. The initiative will help achieve a key target in the South Australian Strategic Plan to reduce workplace injuries by 40 per cent by the year 2012.

The program has been aimed at specific industries because they represent in excess of 80 per cent of the state's workers compensation schemes. The scheme is aimed at improving health and safety in South Australian workplaces and there is information to suggest that the number of compensation claims and overall costs are higher in those industries. Obviously, this work being done through the unions will also complement the excellent work being carried out by SafeWork SA inspectors (as well as unions) to improve health and safety standards in the workplace.

I find it interesting that no-one ever seems to complain when we provide grants to industry. We provide lots of grants to industry in many areas. That is apparently okay: it is okay to provide grants to employers but apparently not to employee organisations.

Mr HAMILTON-SMITH: Given that last time I checked, every single one of these unions (I hope I am not wrong; there might be one or two that did not) donated significant sums of money to you and your party prior to the last state election, you, as Premier, would have been very keen to make sure that the probity of this particular matter was first class. I am, therefore, intrigued because you have just confirmed that cabinet made a decision to approve these grants in December, yet the processes to make sure the money was managed appropriately—particularly the referral of the grants to the SafeWork SA Advisory Committee, and each of the processes the auditors pointed to, to make sure the money was properly, honestly and accountably managed—seems to have been put in place after cabinet made the decision.

Does every single decision on the granting of funds in such cases go through cabinet with a special submission? Why was this treated as special and, in particular, why was the SafeWork SA Advisory Committee, which I understand has a say in all other payments and programs to support workers, left out of the loop in this one? It raises unfortunate questions. I would have thought this would be handled particularly carefully.

The Hon. M.D. RANN: It is interesting that you say that the process should have been established by cabinet. Cabinet makes policy decisions and you would expect the appropriate probity and accountability arrangements to be then put in place. This is exactly what has happened. The issues of concern that you have raised have not been raised by the Auditor-General. Can you point out where he has criticised the disbursement? You also made claims that one of the unions was the Independent Education Union (IEU)—\$180,000.

There is a press release of 30 June 2007 in which the state government announced the successful applicants under the Health and Safety Workplace Partnership Program. The headline

is '\$3 million to boost workplace safety' and it is by Michael Wright. I can refer any other questions to him, but there are no questions (that I can see) that have been raised by the Auditor-General that would point to the concerns that the Leader of the Opposition is seeking to infer.

Mr HAMILTON-SMITH: The program came to light in about December, when we raised it. We noticed that the government had put out a media release and just forgot to post it on its website or distribute it. A copy was given to us and it was all done very secretly and, when we blew the whistle on it, suddenly things started to move. I just make that point.

The then auditor-general, Ken MacPherson, made the point himself that an auditor-general does not have the resources or the powers to properly investigate these things. Any government would want to protect itself from any suggestion that a deal might have been done, 'If you give us this money before the election, we will give you that money after the election.' I am not suggesting that happened in this case. However, an independent commission against corruption might be able to investigate such matters. I just make the point.

The Hon. M.D. RANN: I am happy to respond to that. I am aware of a series of industry grants given by the government that you were a minister in to a range of companies which gave donations to the Liberal Party. If I was to stand up—and I could name one of the big industry leaders—

Mr Hamilton-Smith: Who?

The Hon. M.D. RANN: I will tell the leader afterwards, straight away. If I was to get up and say the fact that those grants were made to assist employment by those companies was in exchange for the giant funding given to the Liberal Party by this industry leader, the Leader of the Opposition would scream foul. No-one is suggesting that, and that is the difference.

Mr HAMILTON-SMITH: Whatever standard the Premier applied in opposition when he was the leader, it might be a very good idea for him to apply it to himself as Premier. But I am happy to move on.

The Hon. M.D. Rann: I am happy to give the leader details of the company.

Mr HAMILTON-SMITH: I will look forward to receiving them. I think in some cases some of those unions, arguably, had a return on their investment of 300 or 400 per cent. It is a pretty good arrangement. I refer to page 799, note 2.3, which deals with the department's financial statements. It lists a number of agencies that have been transferred to the department because of the decision to dissolve the department of administrative services. Is the Premier able to advise of the total savings that have been made? The government made the point that it was trying to be more efficient and was trying to save money. What has been achieved?

The Hon. M.D. RANN: I will have to obtain a report on that one.

Mr HAMILTON-SMITH: I refer to page 798 of the same volume. Can the Premier advise, with the establishment of a central policy area within his department, how many employees are in the unit, what is the total salary cost and how many of these positions are new positions to the public sector and not transferred from other agencies? What does this central policy area do?

The Hon. M.D. RANN: This follows from recommendations of the Government Reform Commission, which was headed by the former premier of Queensland, Wayne Goss and which also, I think, included Warren McCann, the head of the Department of the Premier and Cabinet. It also included Sue Vardon, the head of the Department for Families and Communities, and Nick Rowley, a former senior adviser to the Right Honourable Tony Blair, former prime minister of the United Kingdom.

Essentially, the Government Reform Commission was charged with the task of coming up with a variety of recommendations to improve the quality of the South Australian public sector, to improve its customer focus and also to come up with ideas designed to reinvigorate the public sector and to recognise excellence in terms of innovation and service by the public sector. Indeed, I was very pleased to see the Leader of the Opposition last night at the South Australian Museum for the public sector awards (I appreciate his presence there), which recognised outstanding achievement by individual public servants and also by groups of public servants. We saw, for instance, Jos Mazel's unit in the Department of the Premier and Cabinet, which has been doing fantastic work in the APY lands, which has led to a 60 per cent drop in one year in petrol sniffing in the APY lands, plus a range of other outstanding innovations.

One of the recommendations was to improve the quality of advice through the cabinet office. This does not reflect in any way on people who occupied those positions before but, essentially, it was about ensuring that people were brought in from various areas of the public sector—not for life or for 10 years, but for a couple of years, from different areas—and a re-energised cabinet office that would give policy advice to the government at the highest level and also, of course, a policy input into the cabinet process through the cabinet submissions that come in from other ministers and departments. That is currently being settled down. I think there is a total of about 60 positions. It is supposed to be no net increase, and I think nearly all the positions are a result of transfer from other departments or from seconding.

Mr PEDERICK: I refer to Volume III, page 803, Program 3, Sustainability and Climate Change. According to this program, it implements the government's commitments on climate change and sustainability within South Australia, which includes international and national leadership in areas such as the development of renewable energy policy and initiatives and the reduction of greenhouse gas emissions. What saving in energy has the government achieved through its development of renewable energy?

The Hon. M.D. RANN: I am delighted to get this question. We have been in government for nearly five years and nine months. When we were sworn in on 5 March, I think, 2002, there were no wind turbines in South Australia. We now have a massive investment in wind farms in this state, to the point where we have almost 50 per cent of the nation's wind farms—

Mr Hamilton-Smith interjecting:

The Hon. M.D. RANN: —thank you—almost 50 per cent of the nation's wind power, we have almost 50 per cent of the nation's grid connected solar power and we have also just recently announced, through legislation, that we want 20 per cent of our power to come from renewable means by 2014. When I announced that, some people from industry said that was probably not achievable, and I am delighted to report to the house that we expect to reach the target of 20 per cent of South Australia's power coming from renewable energy not by 2014 but ahead of time, by the end of 2009, which would put us in an international leadership position.

Also, as a result of work done by the group referred to, we have now passed the first climate change legislation in Australia, which includes setting those targets of 20 per cent of energy consumed in South Australia coming from renewables by 2014, 20 per cent of energy generated in South Australia coming from renewables and also other targets, and provision for sector agreements.

In addition to that, we have announced an initiative that again has come from that area of government, and that is that 20 per cent of the power being used by, for instance, schools, hospitals, government departments, police stations, fire stations, and so on, will come from renewable energy by the end of this year. Again, we were the first to announce that and, of course, there are feed-in laws currently before this parliament. So, the principal thrust of this division of government is to ensure that South Australia remains a national and, indeed, international leader in the area of renewable energy.

Mr PEDERICK: Is each government department required to report annually on its own performance in energy use and, if any are not, when will they be required to?

The Hon. M.D. RANN: The South Australian State Strategic Plan target is to reduce energy consumption by government across the board by 25 per cent by 2014. I should point out to the honourable member that, if he wants to see how individual departments are doing, that is in their annual reports every year.

Mr HAMILTON-SMITH: Before moving on to the next topic, I commend the Premier for his work on wind farms. It has been great. I have made the point that we all know that most of the money has come from MRET, but it is a credit to the government that it has done the work and put the money to work. I acknowledge that freely; it is a good thing.

I move on to the Adelaide Airport solar initiative at page 805 of Volume III. I note there is a figure of \$950,000 listed against that project. Has the project been completed, and what stage has the project reached?

The Hon. M.D. RANN: I will get a report on this at the next available opportunity, but I have to say that I have been significantly frustrated by the negotiations. We put solar panels on the roof of the parliament (although I must say there was a bit of resistance, I am told, from the former Speaker). We put solar panels on the roof of the South Australian Museum, and that was very

strongly supported by Tim Flannery. We put solar panels on the roof of the State Library and the roof of the Art Gallery. We are rolling out solar panels onto the roofs of, eventually, 250 schools.

Never has it been so hard to give away money as it has been giving it to Adelaide Airport, but I am hopeful that things are now being resolved to everyone's satisfaction so that we can have the first airport that I know of that will have substantial solar powering. I understand there have been problems over design matters in terms of different issues that have been considered, but I want to see the money spent and I want to see a solar-powered airport.

Mr HAMILTON-SMITH: As a supplementary question to that, I take it from the Auditor-General's findings that the money has actually been spent, \$950,000. So, given that the project is not completed and is not underway, what have we spent the \$950,000 on?

The Hon. M.D. RANN: The money has been transferred, as I understand, and will be spent on solar panels. That is the understanding. We just want to see them put up.

Mr HAMILTON-SMITH: So we have given the money to the Adelaide Airport corporation? It has the money but it has not done it yet?

The Hon. M.D. RANN: It has not occurred as yet, but we are hopeful that it will occur very soon. I understand there are a couple of designs. One of them is extremely novel—maybe too novel—but all I want to see is a solar-powered—

Mr Hamilton-Smith interjecting:

The Hon. M.D. RANN: No, a partly solar-powered airport terminal.

I have an answer to a couple of other matters that were asked about. I should say this, by the way. The member was being very complimentary, but people keep saying to me the fact is that our solar and wind power comes from the use of the federal government's MRET scheme. That same scheme is available to New South Wales, Victoria, Queensland, Western Australia, Tasmania, the Northern Territory and the ACT. We have about the same amount of solar and wind power as all those much higher populated areas (that is, New South Wales, Victoria and Queensland) put together, and I think that is because it has come down to local initiative.

The member asked questions in relation to DPC savings from the transfer of business units from the former department of administrative services. It was \$1.192 million in 2007-08 (index CPI, ongoing). So it made a saving of \$1.192 million.

The CHAIR: The time for the examination of the Premier, Minister for Economic Development, Minister for Social Inclusion, Minister for the Arts, and Minister for Sustainability and Climate Change has expired.

Progress reported; committee to sit again.

NATIONAL ELECTRICITY (SOUTH AUSTRALIA) (NATIONAL ELECTRICITY LAW— MISCELLANEOUS AMENDMENTS) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

AUSTRALIAN ENERGY MARKET COMMISSION ESTABLISHMENT (CONSUMER ADVOCACY PANEL) AMENDMENT BILL

The Legislative Council agreed to the bill without any amendment.

TOBACCO PRODUCTS REGULATION (MISCELLANEOUS) AMENDMENT BILL

Received from the Legislative Council and read a first time.

MARINE PARKS BILL

Adjourned debate on second reading (resumed on motion).

(Continued from page 1706.)

Mrs PENFOLD (Flinders) (18:16): I will continue with a quote from an ABC transcript, as follows:

The Department for Environment and Heritage says that the state's 19 new marine parks will be located where they will inconvenience the least number of people. Marine Parks Program Manager Chris Thomas says that is part of the reason why most of the 19 proposed parks will be located in the waters off Eyre Peninsula. None is proposed for the seas near Adelaide.

I think the restoration of the waters off Adelaide and other coastal cities is of vital importance, and it is for this reason that I had an amendment drafted specifically asking that the minister investigate whether a marine park should be established as a restoration area in Gulf St Vincent, adjacent to metropolitan Adelaide. However, I believe this can be done within the existing legislation, as could areas adjacent to our other coastal cities, and I have decided not to proceed with the amendment.

However, marine environments in areas adjacent to our cities are even more important, with desalination plants being proposed on Gulf St Vincent off Adelaide and Spencer Gulf off Whyalla. This is particularly so if, as I have been reliably informed from several sources, the government marine scientists (who have the greatest knowledge of these areas) have been gagged from voicing their concerns about the proposed desalination plant at Whyalla.

The approach of the Department for Environment and Heritage to the introduction of this bill is in direct conflict with the government's regional impact assessment statement (RIAS) policy. This supposedly mandatory policy requires government agencies to conduct a RIAS before any government decision that significantly impacts on communities is implemented. However, to date no economic or social impact study has been conducted to evaluate the implications and consequences of the introduction of marine protected areas on regional communities and industry stakeholders. It is not acceptable to be told that they will occur 'in due course'. Before proceeding any further with this bill, a regional economic and social impact study should be undertaken.

Communities are concerned about the lack of detail and explanation by the state government about how the existing and potential commercial and recreational fishing and aquaculture activities will operate once the marine parks are implemented, so many are unaware of the possible long-term implications for their businesses—another reason why RIAS is critical. There is further worry in that there are no safeguards for cost shifting and cost recovery.

This bill has a smell about it, similar to the Natural Resources Management Act which has created an art form in cost shifting. If the general populace wants the warm, cuddly notion of protecting the marine environment, then the entire state should pay for it. However, in line with NRM funding I am concerned that it will be the people in the areas of the marine parks who will end up paying, not their city counterparts whose coastal waters, I am told, are already so degraded that they are not being considered for the location of a marine park.

Labor's lack of understanding of business and how communities work is supported by the bland dismissal of the impact that the implementation of this bill may have on supporting industries, such as tackle and bait shops, fuel suppliers, marine mechanics, the tourism industry, caravan parks, accommodation, and so on. That is in direct contrast with the experience of the Great Barrier Reef Marine Park, when a number of people, including members of parliament, took about two years to come to an arrangement to help fishers and businesses, all of whom were impacted upon by the legislation.

We are being asked to vote on a bill that gives a minister unprecedented power; a bill that impacts on individuals, communities and businesses associated with commercial and recreational fishing, without knowing what the compensation will be. How will fishers be compensated without having to go to court? Is this another River Murray net fishing debacle, where net fishers had to take compensation through the courts and, I believe, received less than their costs in compensation despite winning the class action? The proposals for compensation are still too vague.

We also have to vote on whether or not the bill will protect species or prevent a species from becoming extinct, precisely where the parks will be, what will be allowed, and how much a bureaucratic enforcement regime will cost and who will pay for it. An August 2007 article in *Ausmarine* states:

Australia's marine protected areas now comprise about one-third of the global total and with planned additions this is set to soon become close to half the world's MPAs. Yet not a single marine species in Australia has been lost or is in danger of loss. A much more empirical, rational, evidence-based approach to management is sorely needed.

Professionals in the various branches of fisheries in South Australia are concerned that since all six fisheries in the state are fully exploited, what arrangement will the government undertake to buy out 15 per cent or more if the Encounter Bay model is the norm?

Some 11 of the proposed 19 parks will be located along the coast of Eyre Peninsula. The Great Australian Bight Marine Park already takes in a large area west of Ceduna. The region's economy is dependent on fishing, aquaculture, farming and tourism industries. As stated, Eyre

Peninsula produces approximately 65 per cent of the state's \$500 million plus retail seafood industry. Therefore, sustainable industries, as well as sustainable fisheries, are extremely important, particularly with the drought on the land impacting so severely. The commercial fishing sector is a major employer in the region and the activities of the industry generate significant economic and social flow-on benefits to the region, the state and, indeed, the nation.

The aquaculture industry on Eyre Peninsula is also acknowledged as a key driver of the region's future economic growth. In recent years, the industry has grown dramatically, with an increasing range of species being commercially produced. South Australia has developed a strong international reputation for sustainably producing a consistently high quality, premium seafood product for overseas markets. Oyster farming, for example, is labour intensive, providing hundreds of jobs in isolated rural communities.

Tourism is the third largest industry on Eyre Peninsula. In summer, there is a significant influx of visitors in all the coastal towns and many visitors return to the same local area and stay from one week to several months.

The seafood and recreational fishing industries have a history of contributing towards long-term sustainability for the marine environment, with existing rules and regulations in place to ensure that specific and cumulative harvest rates and practices are sustainable. So why is the government ignoring these effective decision-making partnerships and adding yet another layer of bureaucracy, requiring compliance, surveillance, enforcement and possibly 'user pays' funding?

Regional stakeholders are very concerned, particularly about exactly where the boundaries and no-take areas of the marine parks will be. Marine parks should be about sustainability of the environment and the industry. It is important that the criteria and decisions about the boundaries are not just based on technical and scientific information from bureaucrats and scientists who have no local and historical practical knowledge but include those in the industry who have good practical and historical understanding of the areas. Boundaries should include landmarks, not just be designated GPS points, as many small recreational boats do not have the necessary equipment to detect exactly where they are.

That was an issue in Queensland where, until on-the-spot fines were imposed, accidental transgressions have left some people with a criminal record. The issues of compliance, management and ongoing monitoring do not appear to have been given serious consideration by the government. The evidence in other states has shown that the lack of resources is linked directly to large numbers of fishing violations.

Any concept of marine protected areas is worthless unless funding is provided for comprehensive compliance. Due to the size of the areas, the cost implications for enforcement will be substantial. There is good evidence that government officers in the regions are severely under-resourced, particularly when looking at a region the size of Eyre Peninsula. The under-resourcing of our land-based parks are proof of this. It would be physically impossible for the existing staff to take on this additional responsibility, that is, four staff covering an area from Venus Bay to the Western Australian border. Is the government expecting regional communities to undertake monitoring in some sort of voluntary capacity, as they have for our land environment? A detailed and cost compliance plan should be prepared for all existing and proposed marine protected areas prior to any further action being taken.

The South Australian Strategic Plan is the government's strategic vision for the state. The established targets apply to all South Australians and the regions have an important role in the South Australian Strategic Plan. Regional industries are expected to drive economic growth, build sustainable communities, treble the value of exports, reduce regional unemployment rates and increase productivity. I believe the Marine Parks Bill and the MPAs are in direct conflict with these targets, as the underlying philosophy of this entire concept is essentially about reducing the areas available for aquaculture and fishing effort. Therefore, it is difficult to see how the fishing and aquaculture industries will be able to achieve these targets when they will have a less productive area to work with than ever before. Consequently, Eyre Peninsula's contribution will also be impeded as these industries, the tourism industries and local communities struggle with fewer businesses and operators.

Ninety per cent of the state's population lives in half a dozen cities and they do not really have much contact with the realities of food production within our environment. It is more a romantic notion of the Outback and an unspoiled marine environment that is driving this bill. Eyre Peninsula's industries are vulnerable as the viable commercial areas are relatively small and any closure through the introduction of marine protected areas could potentially mean the displacement

of many fishers from regional communities. This will be devastating for coastal communities on Eyre Peninsula and for South Australia.

No-one denies that a balanced approach to the protection of the marine environment must be taken. There is no commitment to or mention in this bill of restoring the marine environment. Chris Thomas, the Acting Manager of Coast and Marine Conservation, said:

This is not the policy; the idea is to save what we have in a Noah's Ark type scenario that will then flow over into the rest of the environment.

Marine life does not move freely from protected areas to non-protected or degraded areas. I refer again to the Aquamarine article which states:

The primary beneficiaries of the establishment of the park are acknowledged by the Marine Parks Authority to be those who manage and promote the park. This group constitutes the marine parks authority.

In other words, another government bureaucracy.

Finally, I draw the attention of the house to the emergence of new opportunities that are sometimes stymied by red tape and bureaucracy, and laws made before such opportunities are recognised. One such is seafloor massive sulphide (SMS) deposits with high concentrations of valuable minerals that may well be better and more environmentally sound sources of minerals than the mostly land-based ones currently being mined. One such example is in Tonga. I refer to Nautilus Minerals Chief Executive Officer, David Heydon, who said:

The exploration licences granted in Tonga cover a strike of over 900 km of highly prospective geology known to contain seafloor massive sulphide ('SMS') occurrences. The prospectivity of the granted exploration licences has been demonstrated by initial survey work undertaken by marine scientific research ('MSR') groups, including groups from the USA, Japan, Korea and Germany. These MSR groups have identified at least 10 prospects where SMS accumulations have been observed. Surface sampling by these MSR groups over just five prospects returned average results of 22.7 per cent zinc, 4.7 per cent copper, 2.0 g/t gold and 77 g/t silver from 231 samples. These results are similar to our experience in PNG [Papua New Guinea] where MSR groups initially discovered a number of systems, with further work by Nautilus confirming the tenor of mineralisation in these systems and rapidly discovering others.

Will these marine parks be able to accommodate similar opportunities off our coast, I wonder, or will the mining companies be entangled in endless red tape and go elsewhere?

The Hon. G.M. GUNN (Stuart) (18:30): I do not think it would be a surprise to anyone that I am not too struck on this legislation. It is one of Sir Humphrey Appleby's finest efforts—and I speak from some experience. I well recall the great battles the oyster growers had at Smoky Bay and elsewhere when they originally set out to establish oyster leases. People within the department thought they knew better and determined that it would be a terrible thing to have oyster leases; they might employ people and they might produce something.

There was one character from the department who tried to make them establish the oyster leases at Smoky Bay in the wrong spot! It was very fortunate that I managed to convince the then premier, Dean Brown, to pay a visit to the area. That was the end of the opposition, and the fellow in question was given his marching orders out of the place and told not to come back.

So, I have grave reservations. If we are going to allow for large coastal areas to be set aside, we have to be very careful that we protect the important industries that rely on access to these areas. It is all well and good to set aside and conserve large areas of land and sea but, at the end of the day, we also have to have things for our people to do and we have to have jobs. If governments want to have resources to spend and to play Father Christmas with, someone has to earn the money and pay the taxes—and, if you lock them all up, they cannot do that.

I recall all the nonsense we had when people wanted to explore out of Ceduna. From what went on, you would have thought we were going to shift the pyramids. Yet, I put it to members that very few members of the public have had the opportunity to examine this very large piece of legislation, certainly not in detail, and they will become aware of some of this only when it becomes law and they unintentionally contravene some of these provisions.

Some of the provisions in this bill are appalling. I draw to the minister's attention clause 35, which talks about hindering, etc., a person engaged in the administration of this act, that is, one of these junior Sir Humphreys they put a uniform on. Suddenly, they becomes all important. Some of these people think they are going to save the world, racing around like Pinocchio, bobbing their head and coming up where they are not required.

An honourable member interjecting:

The Hon. G.M. GUNN: That's true with these characters; it's a breed. I don't know whether we breed them, but we seem to have acquired them. Just look at the provisions. Clause 35 provides:

- (a) without reasonable excuse hinders or obstructs an authorised officer or other person engaged in the administration of this act; or
- (b) fails to answer a question put by an authorised officer to the best of his or her knowledge, information...

It goes on to refer to failing to produce a document or failing without reasonable excuse to comply with a requirement, or using abusive or threatening language. You would really have to be absolutely the most tolerant person in the world if your hackles did not rise when confronted by some of these characters.

I thought that one of the hallmarks of a democracy is that you are able to question people, or you are allowed to object and complain, and that you are able to question some of these characters. Only last week, I had a most interesting experience in my constituency with a law enforcement officer who went overboard. He is currently answering a lot of questions—and we are nowhere near finished with him yet; we have just opened the door, depending on the responses I receive.

The bill provides for protection against self-incrimination, but what about having a 35A provision relating to an inspector who unreasonably questions a person or uses aggressive or threatening language? I put it to you, minister, that the average person is at a grave disadvantage when they are confronted by a government agency or inspector. Most people do not know their rights, and they are intimidated, so they should be protected. So, unless the minister can give me a good reason, it is my intention to have an amendment to this bill drawn up to say that inspectors have to behave themselves.

I have been fortunate to have an amendment of that nature inserted in a number of pieces of legislation to protect people, because it is true that the people in question are over-bearing, unreasonable and unwise. The only protection a person has is to go to their member of parliament, and I will give members an example. I know of a fellow who recently issued an order to people and, when they objected, he said, 'Well, so what?' and he made them go almost from the New South Wales border down to Adelaide because they had a cracked mirror.

We live in a democracy, and I have grave reservations about this bill. We should be looking at some of the powers that will be given to these authorised officers. Whoever is responsible really takes the cake here. Clause 34 provides that an authorised officer has the power to:

- (a) enter any place; or
- (b) inspect any place, works, plant or equipment; or
- (c) enter and inspect any vessel or vehicle, and for that purpose require a vessel or vehicle to stop, or to be presented for inspection at a place and time specified by the authorised officer; or
- (d) give directions with respect to the stopping or movement of a vessel, vehicle, plant, equipment...

How do we know whether giving a direction about the stopping of a vehicle or vessel or telling a person they have to bring a vehicle or vessel for inspection is a reasonable or wise request? What if it is unreasonable? What right does the person have in relation to these types of orders?

It is all well and good to bring in legislation, but we are entitled to answers to these questions. I want to know who determines what is fair and reasonable. If a person objects, what rights do they have? If someone says, 'It is unreasonable to take a vehicle where you requested me to; I'm not going to do it,' what rights does that person have? We are entitled to know and we are entitled to have that explained to us because, once it leaves this place, it is then in the hands of people who are the architects of it, and it could be open season.

There is a huge number of requirements in relation to these particular provisions. I hope that honourable members have read this document and understand it. The Hon. Caroline Schaefer in another place did an excellent job.

Mr Venning interjecting:

The Hon. G.M. GUNN: Well, you've put me off. It takes a lot to get me on my feet and now I have lost my train of thought. I am a bit nervous about the whole process; nevertheless, I will give it my best shot. I might have to start again, and I will have to wind myself up, because when I make a speech I have to think about it all night.

Mr Venning: A lot of preparation.

The Hon. G.M. GUNN: A lot of preparation; that's right. I have read through this legislation very carefully, because it is no good for us to sit here, taking it easy and rubber stamping these things. The parliament assembles to debate these issues, and it is the proper role of members of parliament to question the executive. We are entitled to do so and, as annoyed as ministers and their officers get about the questions at times, so be it. That is what we are here for. We are not here to apologise.

I note that some Labor members are easily pacified. The member for Giles has been easily pacified about what they are going to do to employment in country areas. I was quite surprised at her comments the other day. Just after she spoke on the radio, I was told that a number of people would lose their jobs in my constituency, but we will talk about that on another occasion. Let's just go through more of these enlightened processes in this legislation.

The minister can delegate and the minister can issue permits—that is another interesting one. In this rather interesting document, the minister can grant a permit to a person engaged in an activity within a marine park. The regulation may limit the activity. What is the purpose of a marine park if we let people carry out certain activities? Why go to all the hassle and annoyance; why not just have good fisheries management in place and not go through this sort of nonsense, which will just inconvenience people? We know that eventually people will be stopped from operating. If I were involved in having a wager on various things, I would say that there will gradually be a tightening of the ratchet and people will eventually be excluded from these areas altogether.

It is no good giving people permits to fish if there are no fish. It is like excluding people from doing exploration in the mining industry. It is no good doing exploration if there is nothing there. One hears some of the bureaucrats, and others, saying they want to set aside these areas and not have any activity within them: you can set aside as big an area as you like, but if there are no fish there, no-one will use them.

I wonder how many members of this house have read the objects of the legislation, and there are a lot of them; there is over a page. It states:

- (i) the maintenance of ecological process in the marine environment; and
- (ii) the adaption to the impacts of climate change in the marine environment; and
- (iii) protecting and conserving features of natural and cultural heritage significance; and
- (iv) allowing ecologically sustainable development and use of marine environments; and
- (v) providing opportunities for public appreciation, education, understanding and enjoyment of marine environments.

These things go on at great length. I wonder how many members have read through them and taken the trouble to understand their impact because, if they had, they would not be sitting idly by, nodding their head and hoping that this particular proposal will be dealt with and forgotten about, and moving on to the next process, which the government is seeking to do by way of press release.

I do not have any great thrill for this legislation. I have seen misused other legislation—which people have supported with the best will in the world—and people's rights impeded, with bureaucrats running wild. I must say to the minister that I am far from enthusiastic. I grew up and lived pretty close to the sea. I grew up with the people in the fishing industry.

Mr Venning: A greenie. He's a bluey.

The Hon. G.M. GUNN: I do not actually want to be insulted.

Mr Goldsworthy: He's a conservative environmentalist.

The Hon. G.M. GUNN: I've been called all sorts of things in my time here.

Mr Venning: We're going to be late for dinner. It's quarter to seven.

The Hon. G.M. GUNN: Well, that's your problem; you're the whip. You get paid a lot more to be whip, so you should organise things. However, we now have before us this complicated piece of legislation which people are getting particularly excited about. We heard from the member for Fisher, who is enthusiastic about certain things. His speech today reminded me of his action of voting for a proposition in the last parliament when the government did not even want him to vote for it. By one vote, we were not only going to remove that fellow they had as chairman of the EPA

but also remove him from his role as chief executive. Most of the members were saying that it was a good idea. It was moved by the member for Mitchell.

Mr Goldsworthy: He's gone now.

The Hon. G.M. GUNN: That is a good thing. Anyway, Bob was ingratiating himself to the government and he was so keen that he nearly fell over to get across and vote against us. The government did not even want him to vote for it. On this occasion, he went on and talked about the environment. He did not seem to show a great deal of concern or interest about the effect of the fishing industry. I know what happened with the fishers of the River Murray. They were small groups that did not have a great deal of resources, and they were badly treated. People who have been fishing for generations were treated in a deplorable fashion.

The fishers of the River Murray had their nets taken away from them. They had a clear expectation that that right would continue and, even though there were only a few of them, that is no reason why a powerful organisation like the government should tread over the top of them. They were operating legally, and I do not believe they were properly compensated, and they were certainly treated in a shabby fashion. I, for one, am pleased—

Ms Breuer: Come on. Let's have some tea.

The Hon. G.M. GUNN: The member for Giles has just woken up. She has been studying the computer and we are looking forward to her making a contribution to this because I listen to her make—

Mr Griffiths: She already has made a contribution.

The Hon. G.M. GUNN: I am pleased; she might make another one—the second one for the session. We do not often hear from her.

The Hon. J.D. Hill interjecting:

The Hon. G.M. GUNN: I have provoked John. However, I know members are keen for me to continue. I intend to move an amendment in relation to those dreadful inspectors because I want to see people's lives protected. I am not enthusiastic about the measure.

Ms CHAPMAN (Bragg—Deputy Leader of the Opposition) (18:47): I rise to speak to this bill. Many of the previous speakers in this debate have canvassed issues of concern. I wish to address two matters: how much this will cost to implement and enforce and who will pay for it. The simple answer to that is, whatever the cost, it will be to the taxpayers of South Australia. If the purpose and objective is sufficiently meritorious, the argument as to the extent of the cost diminishes as we progress with ensuring the meritorious aspects of the legislation.

I am concerned about the introduction of this measure, which has the admirable objectives of providing for a system of marine parks in South Australia and, as outlined in the objectives of this legislation, of assisting in the maintenance of ecological processes in the marine environment and a number of other important objectives that we do not overlook. The fact is that, when it comes to a system or a regime which is under the surveillance of an army of inspectors, it costs serious money.

I think these are the sorts of things that need to be addressed and should be answered by the government in dealing with this matter because I think that there are a number of current legislative restrictions which are imposed on South Australians to ensure the effective and continued life of marine animals and the environment within it to ensure that the sustenance of the ecological processes within that environment are adequate.

It may be that there are other initiatives that need to be introduced to protect the marine environment. I am not certain that the cost that will be incurred for a marine park is the answer. Let me give an example of that. When I inquired as to the proposed marine park in the southern region, which covers parts of the Fleurieu Peninsula and Kangaroo Island, it was indicated to me at a public meeting that it was expected there would be 11 officers appointed for the surveillance and supervision of this legislation. They all need to be paid appropriately and have the equipment to undertake that surveillance, whether it is in transport of motor boats, aircraft or something similar.

It is an expensive exercise and I think that it is incumbent on the government when it introduces this legislation to fully disclose the budgets that it proposes to allocate to these measures so that the parliament has the material before it to make that assessment. I think that the government has been quite negligent at best and mischievous at worst—although I will not allege that but it could be to that level—in not disclosing that sort of information to the parliament.

The second thing I want to raise is that there is a regime of penalties to be imposed on certain conduct of persons who breach the objectives of the act. The introduction in clause 37 of the general duty of care, which has been identified in other legislation of obligations that the public generally have in their duty of care, is quite a new initiative. I use the example of this clause, which is to introduce a new part 5 to the Marine Parks Bill, and I use it as an example of where there is inadequate information and, I think, a quantum leap into the area of penalties. For example, if we are driving a motor vehicle on the road we have a general duty of care to other road users, whether they be pedestrians, bicycle riders, other motor vehicle drivers and the like.

We have a general duty of care that we will comply with the road traffic law, and we are also obliged to extend it to those other users. The import of that is to ensure that that is abided by. If there is a breach of that duty of care and there is a consequence, or damage, or injury sustained as a result of that breach, the person offended or damaged or injured has an opportunity to make a claim, as a matter of the law of negligence, to seek some compensation—assuming, of course, that the perpetrator of the breach of the duty of care has some financial means and/or is insured to make that contribution.

This bill proposes a regime of legislation that extends the duty of care to a new level. Under this bill, it is proposed that, not only does a person have a general duty of care but, if they breach it, they are guilty of an offence. So, a general duty of care is proposed in this legislation that requires that a person must take all reasonable measures to prevent or minimise harm to a marine park through his or her actions or activities. Certain factors are to be taken into account regarding the measures required to be taken with respect to the nature of the harm, the sensitivity of the environment, and so on, and a person will be taken not to have contravened subclause (1) if they are acting in circumstances prescribed by the regulations. However, as usual, we have not been given any indication, or even a clue, as to what is to be in the regulations.

The clause goes on to state that, having contravened the duty of care, the person is guilty of an offence, and they are then subject to being the recipient of a protection order under part 6, or a reparation order or reparation authorisation. So, we are in the dark as to what defence, I suppose, will be allowed. Is the definition of 'his or her actions or activities' to include a proactive piece of conduct—and let me put this example. If a person has thrown a fishing line overboard from their fishing dingy, that may be interpreted as being an act in breach of this general duty of care, because it could cause harm to fish, and so on, and that would be unacceptable.

However, what if someone were a passenger in the boat or sitting on the shore, observing this act of throwing the fishing line over the boat, which could potentially cause harm to marine life? Are they under an obligation, by failing to report that person, with respect to a breach of their duty of care? These are the sorts of things that perhaps inadvertently will be captured by this legislation and, once introduced, it could cause much more unintended harm to people and to the whole purpose of this legislation. I just raise that as one example.

We are using a much heightened level; a large increase in the barrier of obligation. There are severe penalties. It is unclear as to how it will apply. It is even unclear as to what defences will be available under the regulations, and yet we are expected to pass this in good faith that it will precipitate a new era of protection to marine life. I think the government needs to come clean on a number of these issues. Perhaps it has not done the homework yet. If it has not, it should do so.

The Hon. J.D. HILL (Kaurua—Minister for Health, Minister for the Southern Suburbs, Minister Assisting the Premier in the Arts) (18:56): I note that it is nearly 7, and I will speak quickly on the points that need to be raised. I want to get this through tonight, so I will not deal at length with the arguments raised by the other side. I will just make a number of general points, and I hope that the record from the other place covers all the issues that have been raised here tonight.

I thank members of the opposition for their support of this legislation. After listening to most of the speeches, one wonders about the sincerity of that support, but I thank them for their support. This bill has been amended in the other place and picks up a lot of the issues that other parties have raised. This is also a set of arrangements that were originally proposed by the now opposition and the then government in 2001-02 and, during my term as environment minister and that of my colleague, the Hon. Gail Gago, this has been brought forward.

These are the consequences of the policy positions that were articulated by Rob Kerin and Iain Evans six or seven years ago. They may not like that, but that is exactly the case. We have honestly and fairly gone through the process. It has taken a lot longer than Iain Evans would have wanted—in fact, he used to chastise me about the fact it has taken so long. However, we took that

time because we went through a genuine process of consultation and discussion in trying to achieve consensus.

There are a whole lot of issues about that, and I will not go through them now, but I gave an undertaking to my good friend and colleague the member for Stuart in relation to his proposed amendment. I said to him that I would put on the record the fact that it is the government's intention that the officers who would be empowered to act under this legislation would also be empowered under the Fisheries Act, and any other relevant legislation: they would have multiple briefs, if you like. So, everyone who was a fisheries officer would know this. The example I cite is the Adelaide Dolphin Sanctuary Bill. The officers empowered under that bill are also empowered under the Fisheries Act—and I am getting a nod of agreement. So, although I would oppose the proposition that the member wishes to put, in fact, it is already covered, because the officers will be empowered under the Fisheries Act.

The Hon. G.M. Gunn interjecting:

The Hon. J.D. HILL: He was successful; I acknowledge that. I think that, in fact, if not all, the vast majority would be covered by that same legislation. So, I give the member that undertaking. I believe that this is really important legislation. It has been before us for a long time, but I think that, as a result of the long process of discussion, we have been able to get a bill that everyone can live with. I recognise that the majority of people in the water community (if one could look at it that way) have supported the general ideas. I know there are some concerns but I think that, largely, they have been addressed in the process of thinking about this legislation. So, I commend it to the house. I would particularly to thank Phil Conniff from the environment department, who has assisted me today, and Alice Graham, parliamentary counsel.

Bill read a second time and taken through its remaining stages.

At 19:00 the house adjourned until Wednesday 21 November 2007 at 11:00.